



## MINUTES OF THE BUDGET, FISCAL & LEGISLATIVE STANDING COMMITTEE MEETING

Tuesday, January 26, 2021

### ROLL CALL

The video/teleconferenced meeting convened at 4:00 pm.

Present: Mayor Elizabeth Pabon-Alvarado and Councilmember Patricia Ponce

Also present: City Manager Matt Rodriguez, Interim Assistant City Manager Charles Ching, Administrative Services Director Kelly Sessions, Accounting Manager June Du, City Treasurer Viviana Toledo, and Deputy City Clerk Lehny Corbin.

### NOTICE TO PUBLIC

There were no public speakers.

### ITEMS FOR COMMITTEE DIRECTION AND/OR ACTION:

**1. Update on Comprehensive Annual Financial Report for Fiscal Year ending June 30, 2020**

*City Manager Rodriguez introduced the item and Administrative Services Director Sessions gave a PowerPoint presentation of the overview of the Comprehensive Annual Financial Report (CAFR) ending June 30, 2020. The presentation included the legal requirements for financial reporting.*

*Mr. Sessions also referred to the 24 years of receiving 24 consecutive awards of Certificates of Achievement for Excellence in Financial Reporting. City Manager highlighted the importance of excellence reporting in getting good bond rates.*

*Pabon-Alvarado moved, seconded by Ponce to recommend formal consideration at the February 1, 2021 City Council meeting. Mr. Sessions acknowledged Accounting Manager June Du for her work on the CAFR.*

**2. Update on Second Quarter Budget Report (Q2-21) for Fiscal Year 2020/21**

*City Manager Rodriguez introduced the item and Administrative Services Director Sessions gave a PowerPoint presentation on the 2<sup>nd</sup> Quarter Budget Report for FY 2020/21. The presentation gave an overview of FY2020/21 Adopted Budget \$45.6M, the revenue loss due to COVID-19, the \$5M from Catastrophic Fund, Revenue Assumptions which included a conservative approach due to COVID-19 fiscal impacts; Expenditure Assumptions – city took a conservative approach due to COVID-19 fiscal impacts; 2<sup>nd</sup> quarter actuals, budget gaps; 2<sup>nd</sup> quarter revenues which included decrease in casino revenues; increase in utility user tax; decrease in sales taxes; decrease in property tax; decrease in use of property & money (rental facility incomes; decrease in business licenses and permits; total revenues down by 15%. Also presented were the increases in departmental expenditures (Expense by Type); increase expenditures Q2-21; and conclusions.*

*Ponce moved, seconded by Pabon-Alvarado to recommend formal consideration at the February 1, 2021 City Council meeting.*

**3. Update on General Fund Designated Reserves for Fiscal Year 2020/21**

*City Manager Rodriguez introduced the item explained the purpose of the General Fund Designated Reserves. Administrative Services Director Sessions gave a PowerPoint presentation of the FY 20/21 General Fund Designated Reserves (GFDR). Mayor Pabon-Alvarado asked about funding from COVID-19 relief. Matt replied that if Phase 5 COVID-19 relief is released, the City is expecting relief and those funds would go to the GFDR. Mr. Sessions reported that if revenues fall short in FY 2020/21, the city could potentially use Budget Stabilization Reserves to close the gap; and additional from anticipated sale of real estate.*

*Pabon-Alvarado moved, seconded by Ponce, to recommend formal consideration at the February 1, 2021 City Council Meeting*

**ADJOURNMENT**

*The meeting adjourned at 5:12 pm.*

By: Lehny M. Corbin, Deputy City Clerk