



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

Wednesday, April 14, 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 and overview of the Comprehensive Annual Financial Report (CAFR) ending June 30, 2020, which included the legal requirements for financial reporting. He also presented the contents of the CAFR – introductory, financial section and statistical section. Also included in the presentation was the Unmodified Opinion rendered by the auditor. Mr. Sessions mentioned that the City has received 24 consecutive awards of Certificates of Achievement for Excellence in Financial Reporting.*

*City Manager Rodriguez highlighted the importance of excellent reporting in getting good bond rates.*

*A motion was made by Mayor Pabon-Alvarado and seconded by Councilmember Ponce to recommend formal consideration at the February 1, 2021 City Council meeting.*

*Mr. Sessions also acknowledged Accounting Manager June Du.*

#### **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. Included in the presentation was an overview of the Fiscal Year FY2020/21 Adopted Budget of \$45.6 million, as well as loss of revenue due to COVID-19, the \$5 million from the Catastrophic Fund, the Revenue Assumptions, the 2<sup>nd</sup> quarter actuals and budget gaps; the 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 in facility rental incomes; decrease in business licenses and permits; total revenues down by 15%. Also presented were the increase in departmental expenditures (Expense by Type); increase of expenditures Q2-21; and conclusions.*

*A motion was made by Councilmember Ponce and seconded by Mayor 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 and explained the purpose of the General Fund Designated Reserves (GFDR). Administrative Services Director Sessions gave a PowerPoint presentation of the Fiscal Year 20/21 \$3.22 million GFDR as well as the proposed FY 2020/21 Revised Operating Contingencies and Future CIP Projects and Professional Services Reserves. City Manager Rodriguez explained that if Phase 5 COVID-19 relief is released, which the City is expecting, those funds would go to the GFDR. Mr. Sessions also mentioned that if revenues fall short in FY 2020/21, the city could potentially use the Budget Stabilization Reserves to close the gap; and additional from anticipated sale of real estate.*

*A motion was made by Mayor Pabon-Alvarado and seconded by Councilmember Ponce to recommend formal consideration at the February 1, 2021 City Council meeting.*

**ADJOURNMENT**

*The meeting adjourned at 5:12 pm.*