

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION SPECIAL MEETING MINUTES
6:30 P.M., COMMISSION CHAMBERS
July 29, 2019**

**RICHARD BOSS, MAYOR
AL HERNANDEZ, COMMISSIONER
NADIA SIKES, COMMISSIONER
JOSH RARDIN, COMMISSIONER
SUSAN PAYNE, COMMISSIONER**

**JASON BALDWIN, MAYOR PRO-TEM
DUSTY WRIGHT, COMMISSIONER
BRIAN CESAR, INTERIM CITY MANAGER
PETRIA BENGOCHEA, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER / ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

Mayor Boss called the meeting to order at 6:30 p.m. Roll Call was taken by the City Clerk. Mayor Pro-Tem Baldwin and Commissioner Hernandez were absent. City Clerk Hughs announced there was a quorum present. Invocation was given by Commissioner Payne and the Pledge of Allegiance was led by Commissioner Sikes.

APPROVAL OF AGENDA

Commissioner Rardin moved to approve the agenda.
Commissioner Wright seconded the motion. Motion carried with a vote of 5-0-0.

PUBLIC COMMENT

None.

NEW BUSINESS

1. Consider, and act upon, the approval of Resolution No. 2019-32 amending the Preliminary FY 2019 2020 Budget with carryover fund balances, and adopting the Final Budget for 2019-2020. (Evelyn Huff, Budget Analyst) (Roll Call Vote required)

Budget Analyst Huff explained the revisions in the preliminary budget to the final budget. Interim City Manager Cesar pointed out there is going to be a cash balance of only \$158,140 for this fiscal year in Fund 11. He said Finance set aside \$250,000 where they keep the GRIP money. He said that is in anticipation of having to pay the Hospital approximately \$1 million next fiscal year. He said they are still going to have to set aside monies for the Hospital and they also have the next round of increases for minimum wage. He said if this continues like this, it is very likely that staff will be coming to Commission this next budgetary process and ask to enact another 1/8 of the Hold Harmless. He said if they expend the entire budget, they are looking at \$315,516 at the end of this fiscal year in fund 81. He said staff will be coming to Commission in November to talk water and sewer rates and possible increases.

Budget Analyst Huff said in that fund 11, you will notice the local reserve requirements unavailable for budgeting. She said they have a strict reserve policy. She said the 1/12th reserve is about \$1.2 million is required by DFA (Department of Finance and Administration). She said the City has another 1/12th reserve policy and they also have a fund reserve policy that has to do with the subsidies that are given to the other funds and that is another \$487,000. She said there is \$1.7 million that is tied up in reserves that are mandated per policy. She said that might be something for the Commission to look at is this strict reserve policy above the State's required reserve policy.

Mayor Boss asked Budget Analyst Huff what other communities do regarding that 1/12th. She said she does not know but it is something they can research. Commissioner Rardin stated the City has always been more conservative than Las Cruces. Mayor Boss said he is curious to see if that was typical of other communities in New Mexico. Commissioner Rardin said they have \$1.2 million in reserves, but in

this day and age that does not go very far. Commissioner Payne said she thought they looked into that at one time and thought that Alamogordo is one of the more conservative cities. Interim City Manager Cesar said he thinks it was discussed when it was first enacted. He said the reserve was relaxed for at least a year. Commissioner Wright said it was part of the previous year because the fund reserve, the 487, was left out. Budget Analyst Huff said that is true, when this revision was brought to Commission last year part of the reserve requirements was left off of the recap. When they brought it back in November, they had the full reserve requirements on there. Mayor Boss said they did talk about the other 1/12th, but he does not recall talking about what other communities are doing.

Commissioner Rardin moved to approve.
Commissioner Wright seconded the motion.
Roll call vote was taken.
Motion carried with a vote of 5-0-0.

2. Consider, and act upon, Resolution No 2019-33 approving the DFA Quarterly Report for the period ending June 30, 2019 (*Stephanie Hernandez, Finance Director*) (Roll Call Vote Required)

Budget Analyst Huff explained this is the fourth quarterly report to DFA, it is the summary that Finance uses to verify all of the numbers. She stated these are actuals, none of these are budget figures.

Commissioner Rardin moved to approve.
Commissioner Sikes seconded the motion.
Roll call vote was taken.
Motion carried with a vote of 5-0-0.

3. Approve the Investment Report for the quarter ending June 30, 2019, in accordance with the City of Alamogordo Investment Ordinance. (*Stephanie Hernandez, Finance Director*)

Budget Analyst Huff said this report is usually on the consent agenda at the end of the quarter. She said they included on this agenda because they do have to submit an Investment report to DFA. It shows the City's Investment Portfolio as of June 30, 2019. She said it is a collection of all the different funds that are holding investments in the various investment pools.

Commissioner Payne moved to approve.
Commissioner Wright seconded the motion.
Motion carried with a vote of 5-0-0.

ADJOURNMENT

Commissioner Rardin moved to adjourn at 6:46 p.m.
Commissioner Payne seconded the motion.
Motion carried with a vote of 5-0-0.


Mayor Richard Boss