

**Finance Committee Meeting
May 8, 2012, 6PM
City Hall Council Chambers**

Chairman Valdez called the meeting to order at 6:00pm.

The following Committee Meeting members were in attendance:

Chairman: Pedro Valdez
Mayor Pro-Tem: Dennis Tim Salazar
Councilor: Cory Lewis

Approval of Agenda

Motion by Mayor Pro-Tem Salazar to approve the agenda; seconded by Councilor Lewis.

Motion carried 3-0.

Public Comments

There were no members of the public in attendance wishing to comment.

Committee Members Comments

Councilor Lewis thanked Councilor Valdez for inviting the newspaper to the meeting in the interest of transparency.

April Finance Report

ASD Sandoval called attention to page 1 of 6 and stated that overall year-to-date revenues over expenditures equaled \$394,258. She pointed out that the timing of the payroll was such that the last day of the pay period is when the general ledger registers instead of when it is actually paid.

ASD Sandoval stated that the Water Department was \$117,252 positive and Wastewater was \$23,305 positive.

She cited general fund revenues on page 2 of 6 and stated that they are slightly lower than the prior year; however, in the Wastewater Department funds were greater. ASD Sandoval explained that the cause of this was an increase in rates for water and decreased usage in wastewater.

ASD Sandoval continued with a description of Page 3 of 6. She stated that expenditures were significantly lower than what was budgeted as the vacancies had not been filled and

that she found that while GRT was higher, other revenues were quite a bit lower. ASD Sandoval added that, overall, our budget was not manifesting itself in the revenues.

Mayor Pro-Tem Salazar asked ASD Sandoval if she could be more specific regarding vacancies. She cited examples of vacancies as the Deputy City Clerk, a Parks Service Worker and members of the Police Department.

Audit Report

ASD Sandoval stated that in response to the withdrawal of the 2010 Auditors, the State Auditor recommended an expedited RFP. She reported that the bids had arrived and would be opened and evaluated the following day.

Councilor Lewis asked who was on the committee. ASD Sandoval replied that the committee would consist of Mayor Lucero, Councilor Valdez, Interim City Manager Joe Duran, City Clerk Mascareñas and herself. Councilor Lewis asked if the Finance Department would be vetting the bidders through the State Auditor's office. ASD Sandoval replied in the affirmative.

Mayor Pro-Tem Salazar expressed his disappointment in the way the previously contracted auditors left the engagement. He asked whether the State Auditor had been receptive to providing support. ASD Sandoval replied that he had helped with what he could. ASD Sandoval reported that Heinfeld & Meech had remitted the previous progress payment.

Change Order

Public Works Director Marvin Martinez stated that he had requested a change order in the amount of \$21,542.73 for the remodel project of Municipal Court. He reviewed the list of changes and noted that this order would extend the contract by fourteen (14) days. ASD Sandoval commented that if the fire alarm system was not completed, a certificate of occupancy would not be issued.

Councilor Valdez asked if this issue required Council approval. Public Works Director Martinez stated that there was enough funding in the contingency budget, but there would be a second change order regarding electrical. He explained that the information was not made available by MC Electric to be added to this change order. Councilor Valdez clarified that the electrical boxes originally planned needed to be larger. Public Works Director Martinez added that the current boxes did not meet with code.

Mr. John Padilla, Project Manager, complimented the foresight of the finance department and Governing Body for having a contingency budget. Councilor Lewis asked why they would be approving two (2) change orders instead of one (1). Public Works Director Martinez answered that MC Electric had not yet submitted their proposal.

Mayor Pro-Tem Salazar asked whether the time frame would be affected. Mr. Padilla stated that it had originally been for a period of 120 days commencing on February 12, 2012 and completed by June 12, 2012; however, with the approval of the change order, the project would be completed on June 26, 2012.

Judge Stephen Salazar stated that the change orders were necessary and issues with voice and data communication needed to be added. He specified that the court had funding that would reimburse the expenditures by the city. Judge Salazar explained that a quote had been obtained and a purchase order made in the amount of \$11,600 for this purpose. He also stated that he received a quote in the amount of \$12,800 for card readers. He would be receiving funding to reimburse these expenditures as well.

Councilor Valdez asked if these costs would go into the next fiscal year. Judge Salazar stated that they hoped to have this completed during FY12. Councilor Valdez requested that the additional changes be brought before the Governing Body during the work session. Court Administrator Jolene Miera specified that the change order would not increase the contract as it would utilize the contingency.

Judge Salazar invited the members of the Finance Committee to visit the job site.

Councilor Lewis asked if this item would require approval or have to be sent as an action item to the full council agenda. Councilor Valdez stated that they could approve this measure, although approval was not necessary because the funds would be taken from the contingency budget.

Motion by Councilor Lewis to approve the Municipal Court Remodel Change Order; seconded by Mayor Pro-Tem Salazar.

Motion carried 3-0.

NNMRAC Contract Renewal

Community Services Director Cata stated that this contract would also be discussed by the Community Services Committee and was the identical contract from the previous year. He stated that their current contract would expire June 30, 2012 and this had been done as a sole source contract. Community Services Director Cata stated that NNMRAC would be going into their third year of operation.

Motion by Mayor Pro-Tem Salazar to approve the NNMRAC Contract Renewal and send it to the Community Services Committee; seconded by Councilor Lewis.

Motion carried 3-0.

Announcements

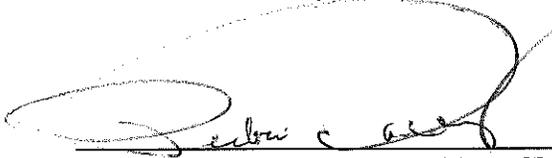
Councilor Pedro Valdez stated that work on the budget would be ongoing for the next couple of months. ASD Sandoval specified that a preliminary budget was due to the Department of Finance and Administration by June 1, 2012. The final figures would be due on July 31, 2012 which give her the opportunity to rollover figures for special funds.

*Motion by Mayor Pro-Tem Salazar to adjourn; seconded by Councilor Lewis.
Motion carried 3-0.*

The Finance Committee Meeting was adjourned at 6:55pm.

Minutes taken and transcribed by Tessa Jo Mascareñas, City Clerk.

APPROVED AND ADOPTED THIS 20th DAY OF November, 2012.
2012.



Pedro Valdez, Chairman




Tessa Jo Mascareñas, City Clerk