

**MINUTES OF THE CITY OF CARLSBAD
SPECIAL BUDGET
COMMITTEE MEETING HELD ON
FRIDAY, JULY 13TH, 2018 AT 3:30 PM
IN THE CITY COUNCIL CHAMBERS AT THE MUNICIPAL BUILDING,
101 N. HALAGUENO, CARLSBAD, NM**

Voting Members Present: Edward Rodriguez Chairman/City Councilor
Jason Shirley City Councilor (*via telephone*)
Wes Carter City Councilor
Lisa Anaya-Flores City Councilor

Also Present: Mike Hernandez City Administrator
Wendy Hammett Finance Director
Sandy Gonzalez Accountant
Dianne Joop NCKRI Education Director

Absent: John Lowe Deputy City Administrator

00:00:00 1. CALL TO ORDER

Budget Committee Chairman Edward Rodriguez called the meeting to order.

00:00:03 2. ROLL CALL OF VOTING MEMBERS AND DETERMINATION OF QUORUM

City Administrator, Mike Hernandez called roll and it was determined by Chairman Edward Rodriguez that there was a Quorum of the Voting Members.

Present: Chairman Edward Rodriguez, Councilor Jason Shirley (*via telephone*), Councilor Lisa Anaya-Flores, and Councilor Wes Carter

Absent: None

00:00:28 3. APPROVAL OF AGENDA

The motion was made by Councilor Carter and seconded by Councilor Anaya-Flores to approve the July 13, 2018 Budget Committee Special Meeting Agenda.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores, and Carter

No: None; Absent: None

00:00:53 4. CONSIDER APPROVAL OF MINUTES OF BUDGET COMMITTEE SPECIAL MEETING HELD ON JUNE 15, 2018

The motion was made by Councilor Anaya-Flores and seconded by Councilor Carter to approve the June 15, 2018 Budget Committee Special Meeting Minutes.

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores, and Carter

No: None; Absent: None

00:01:38 5. CONSIDER APPROVAL OF MINUTES OF BUDGET COMMITTEE MEETING HELD ON JUNE 22, 2018

The motion was made by Councilor Carter and seconded by Councilor Anaya-Flores to approve the June 22, 2018 Budget committee Meeting Minutes.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores, and Carter

No: None; Absent: None

00:02:12 6. CONSIDER APPROVAL OF PROMOTIONAL LODGERS TAX FUNDING FROM COMMUNITY DEVELOPMENT DEPARTMENT-SIGNAGE AT JOHN HEATON BUILDING AT CASCADES

City Administrator, Mike Hernandez presented the request for Promotional Lodgers Tax Funding from the Community Development Department in the amount of \$ 60,000. \$15,000 of the funds will be used to obtain high resolution photographs of the caves, with the remaining \$45,000 being used for the materials and construction. Two panels will serve as a barrier to the exhibit outside of operating hours and a third sign will be used to promote visitation.

The motion was made by Councilor Carter and seconded by Councilor Anaya-Flores to approve the promotional Lodgers Tax funding request for Community Development signage at John Heaton building.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores, and Carter

No: None; Absent: None

00:04:13 7. CONSIDER APPROVAL OF NON-PROMOTIONAL LODGERS TAX FUNDING FROM COMMUNITY DEVELOPMENT DEPARTMENT-PECOS RIVER VILLAGE REHABILITATION

City Administrator, Mike Hernandez presented the request for Non-Promotional Lodgers Tax Funding from the Community Development Department in the amount of \$15,000. Funds will be used to support exterior rehabilitation of the Pecos River Village including replacement of windows, doors, stucco repair, kitchen improvements, and back porch replacement.

The motion was made by Councilor Anaya-Flores and seconded by Chairman Rodriguez to approve the non-promotional Lodgers Tax funding request for Community Development Pecos River Village rehabilitation.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores, and Carter

No: None; Absent: None

00:06:42 8. CONSIDER APPROVAL OF NON-PROMOTIONAL LODGERS TAX FUNDING FROM COMMUNITY DEVELOPMENT DEPARTMENT-NCKRI COURTYARD DROP ZONE EXHIBIT

City Administrator, Mike Hernandez presented the request for Non-Promotional Lodgers Tax Funding from the Community Development Department in the amount of \$31,000. Funds will be used for development of the infrastructure consisting of the climbing wall and supporting educational exhibits. Dianne Joop, Education Director of NCKRI presented to the board with visuals of the Drop Zone exhibit and what it will have to offer.

The motion was made by Councilor Shirley and seconded by Councilor Carter to approve the non-promotional Lodgers Tax funding request for Community Development NCKRI courtyard drop zone exhibit.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores and Carter

No: None; Absent: None

00:10:21 9. PRESENTATION AND CONSIDERATION OF APPROVAL OF THE FY18-19 BUDGET

Finance Director, Wendy Hammett presented the FY 2018-19 final budget. It is expected for the City to have an ending cash balance of \$55M. Total revenues are estimated to be \$90M with gross receipt tax making up more than 50% at \$49.2M. The average gross receipt tax per month is estimated at \$4.1M, but analysis of the previous 6 months shows significantly larger returns. Budgeted revenue for the General Fund is \$50M, \$3.7M for Lodger's Tax, \$12.3M for the Water & Sewer fund, and \$6.9M for the Landfill & Solid Waste Disposal fund. Ms. Hammett informed the board that Labor was budgeted on the high end with a 10% increase from FY 2017-18 actuals, totaling \$47.2M. The Operating budget for FY 2018-19 is \$32M, being almost a \$6.7M increase from FY 2017-18. Ms. Hammett stated that the \$6.7M increase was due to 3% inflation, 13% contingency, the Brine Well, and the Debt Service for the Water and Sewer treatment plant. Increasing by \$21M from FY 2017-18, Capital Expenditures are budgeted at \$35M. New Capital Requests total \$13M with \$21M in capital carry over and \$2M held in a Capital Reserve. The motion was made by Councilor Carter and seconded by Councilor Anaya-Flores to approve the FY 2018-19 final budget.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores and Carter

No: None; Absent: None

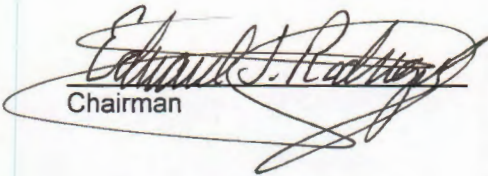
00:52:18 10. ADJOURN

The motion was made by Councilor Carter and seconded by Councilor Anaya-Flores to Adjourn.

The Vote was as follows:

Yes: Rodriguez, Shirley (*via telephone*), Anaya-Flores and Carter

No: None; Absent: None


Chairman