

## Finance Committee Minutes

June 2, 2020

Members Present: Joe Rodriguez, Russell Humphrey, and Dee Howard Mullins

Staff Present: Aron Kulhavy, Steve Ritter, Brent Sherrod, and Tammy Gann

The agenda items discussed were:

- Approved the minutes from the June 2, 2020 meeting.
- Discussed the Budget amendment for the purchase of the land in the MLK area. Aron indicated that we are close to having a "clean title" to the property, 4 out of the 5 have signed the paperwork. Mr. Rodriguez indicated that he wanted to be sure that we would have a clean title before approving the budget amendment with the full counsel.
- Aron discussed the debt for Proposition #2 and the possible issue of Certificates of Obligation (CO) and possible use of Unallocated Reserves for General Fund and potential Capital Improvement Projects (CIP) related to each Certificate of Obligation and use of UAR. Aron passed out an updated handout of Prop 2 funding and the options that the Finance committee had agreed on Option # 4. Option 4 will be the option presented to the full City Council at the workshop today at 4:30 pm. Aron reminded the committee members that basically the funding is set up to be 23% General Fund and 77% from the Utility Fund. \$2 million would be cash/unallocated reserve monies to pay for the furniture/fixtures and equipment (FFE). Aron indicated that the \$2M planned for MLK was for the construction only. Aron also reminded the committee that the debt tax rate would remain the same with Option #4