

MINUTES
Investment Committee Special Meeting
January 28, 2015 – Wednesday – 10:00 a.m.
New City Hall 3rd Floor Conference Room

Roll Call:

Members Present: Pat Henry
Brian Henry

Others Present: Brooks G. Mitchell, Finance Director
Krystal Urbanski, Accountant
Kathy Sheppard, Internal Auditor
Susan N. Schlecht, Recording Secretary

Absent: Councilman Doug Wells
Julie Magness, Financial Services Supervisor
Jim Russell, Assistant City Manager

Mitchell called the meeting to order at 10:05 a.m. and stated that the meeting has been properly posted and we have a quorum. Notice of special meeting and agenda were posted on the City Hall notice board as required by law.

CONSIDER APPROVAL OF MINUTES FOR OCTOBER 29, 2014 MEETING.

MOTIONED by, Pat Henry **SECOND by, Brian Henry** to approve the minutes of October 29, 2014 with requested correction of one sentence. AYE: Pat Henry and Brian Henry. NAY: None. MOTION CARRIED.

OLD BUSINESS:
None Discussed

NEW BUSINESS:

REVIEW 2nd QUARTER INVESTMENT INFORMATION (October 2014 – December 2014)

Urbanski highlighted totals of the investment accounts and displayed these amounts in several different breakdowns including security type, broker/dealer totals, custodian/safe keeping, security sector, maturity range.

Mitchell asked if there are any questions. Brian Henry asked if there are more payoffs planned and Mitchell said the City has a couple of OWRB notes that we would like to pay off early but, we need OWRB's permission to do so. It is approximately 11 million for the two of them. Those are the only two contemplated at this time.

Pat Henry asked if the City paid down some debt by going to bonds. Mitchell explained that the 33 million dollar BRAC note interest was being paid by the State. However, the last payment was in December 2014 so we paid the note off early since we had the money and because of the higher interest rate.

MOVED by Brian Henry, SECOND by Pat Henry, to accept the 2nd Quarter Investment Report for (October 2014 – December 2014) AYE: Pat Henry and Brian Henry. NAY: None. MOTION CARRIED.

DISCUSS 2nd QUARTER Financial Report (July 2014 – December 2014)

Mitchell discussed the financial report. December revenue trend in most categories is basically up. We have made a little headway on the sales tax collections compared to budget. Franchise tax is up or ahead of budget for the year. We are going to do some investigations on the Police Fines. Comparing FY13 and FY14, there are actually more citations being written however, we are not seeing the revenue. Historically it looks like month to month amounts fluctuate quite a bit. If citations are up then revenues should follow. We are going to look into this to discover why this is not happening. Use tax is behind budget right now. Mitchell went over the General Fund and Enterprise Fund totals. The General Fund is below budget at this time and the Enterprise Fund is also below budget for the year. The Enterprise Fund for the year is almost 1.1 million dollars under budget. We are still in stage 3 water restrictions and not far from going into stage 4. Expenditures year-to-date are below budget. I expect them to remain below budget for the remainder of the year although it won't be as far below as certain departments gear up for their spring activities. We will make budget adjustments as necessary depending on revenue.

Pat Henry asked if the City came up with any decisions relating to water.

Mitchell said that it was discussed at the council meeting to come up with a plan to drill some test wells. There are some water wells within the City that are already drilled. They want to test the water quality and the capacity of the wells.

Pat Henry and Mitchell discussed the stage 4 and potential stage 5 restrictions and increased water rates. Pat Henry asked if the City was looking into cloud seeding. Mitchell said the City is looking into having several of the surrounding communities to share the costs of seeding since they will also benefit from the increased rain. Brian Henry mentioned that Wichita Falls early results of cloud seeding were positive.

MOVED by Pat Henry, SECOND by Brian Henry, to accept the 2nd Quarter Financial Report for (July 2014 – December 2014) AYE: Pat Henry, Brian Henry. NAY: None. MOTION CARRIED.

OTHER DISCUSSION:

None discussed.

ADJOURNMENT:

There being no other business to discuss the meeting adjourned.

MOVED by Pat Henry, SECOND by, Brian Henry to adjourn. AYE: Brian Henry, Pat Henry. Meeting adjourned at 10:29 a.m.