

**MINUTES OF THE FOWLER CITY COUNCIL
AND FOWLER PUBLIC FINANCING AUTHORITY
SPECIAL JOINT MEETING
JUNE 20, 2017**

Mayor Cardenas called the meeting to order at 6:08 p. m. Roll call was taken.

Councilmembers/Directors Present: Cardenas, Parra, Hammer, Kazarian, Rodriquez

City/Authority Staff Present: Interim City Manager/Executive Director Davis, Public Works Director Weisser, City Attorney Wolfe, Fire Chief Lopez, Finance Director/Treasurer McDonald

PUBLIC PRESENTATIONS

There were no public presentations.

2017-2018 FISCAL YEAR BUDGET WORKSHOP

Interim City Manager/Executive Director Davis highlighted some items that had been included in the proposed Fiscal Year 2017-18 budget: funding for the new fire station, costs for the Groundwater Sustainability Agency (GSA) formation, and funding for staffing needs to facilitate the Concrete Replacement Program.

Finance Director McDonald provided an overview of the budget. He noted that a one time adjustment to the General Fund (GF) was made to eliminate interfund debt that took place over the past 20 years. This resulted in an increase to the GF's fund balance, which was \$403,534 as of June 30, 2016. The proposed 2017-2018 budget projects a \$17,000 GF surplus at June 30, 2018. A three percent COLA is included in the budget.

He recommended that the Water Fund be watched closely, as water conservation efforts have caused a drop in revenue. He explained that a portion of the annual risk management liability and workers compensation insurance premiums has been correctly allocated to the Water Department, rather than placing it all within a general government category, as in prior budget years.

Mr. McDonald explained that funds from the Utility Users Tax (UUT) will be contributed to the fire station project. Options for funding a new fire truck was factored into the budget, estimated at a cost of about \$440,000. He said that \$140,000 from the UUT could be used, along with AB1600 fire funds, which would eliminate the need to take out a loan. A low interest loan is also an option. It is planned to wait until the fire station is complete before moving forward in purchasing the fire truck, in the event there are unforeseen additional costs for the fire station.

Finance Director McDonald explained the capital improvement budget for street projects, which includes funding for a reconstruction project on Adams Avenue. Questions were asked about the status of the CDBG revolving business loans. He explained that some of the loan payments were behind. An update will be provided at an upcoming meeting.

It was asked if the groundwater fund designated for CID recharge could be used for the GSA formation costs. City Attorney Wolfe will review the CID agreement to determine if it is a possibility.

Funding for implementation of the Concrete program was discussed. Finance Director McDonald and Public Works Director Weisser explained that \$25,000 for part-time labor was included in the budget for the program, but no costs for materials. It was asked that the program be done in-house as much as possible. Public Works Director Weisser stated that the plan is to implement the program as a 50/50 program where the City supplies the labor and the resident pays for materials.

ADJOURNMENT

Mayor/Chairman Cardenas stated that further budget discussion could take place at the regular Council meeting, if needed. Councilmember/Director Hammer made a motion to adjourn the special joint meeting, seconded by Councilmember/Director Rodriguez. The motion carried and the meeting was adjourned at 6:57 p. m.