

**City of Menifee Finance Committee
Meeting Minutes
February 22, 2010**

1. Call to order and roll call

Present were: Chairman Scott Mann, Committee member Wallace Edgerton, City Manager George Wentz, City Attorney Elizabeth Martyn, Administrative Services Director Gary Thompson, City Clerk Kathy Bennett, Senior Accountant Wendy Welch and one member of the public, Darcy Kuenzi

2. Public Comments

None.

3. Approval of Minutes of January 26, 2010 Finance Committee

The minutes of the meeting of January 29, 2010 were approved.

4. Purchases/Contracts over \$10,000

City Manager Wentz reported that although there are no contracts for consideration over the \$10,000 threshold, the current agreement with RJM may be modified to provide support on the Proposition 84 submittal. If the amount of the agreement crosses the City Manager's authority on Agreements, he will refer the matter to the City Council.

5. Review City Attorney Billing Statement

(Taken out of order to hear Item 6 before the review of the billing statements). City Attorney Martyn explained the billing process, the account numbering to break up the bills to follow a particular litigation account, or general work for the City, etc. She noted that the invoices are reviewed first by her and then send for processing. She also stated that if the Councilmembers find errors or have questions, she can process that information and verify the billings. She also noted the various billing rates of the attorneys, associates and paralegals. She clarified that this first full year of budgeting, the billing was estimated at approximately \$27,000 monthly and has been running closer to \$33,000 per month, partly due to litigation, etc.

After review of the process Committee Chair Mann asked if a draft Warrant Register could be run and then the checks could be processed after the Council meeting. The committee and staff agreed this process would give the flexibility needed to allow review by the Finance Committee before Council approval. Following the update the committee

approved the current City Attorney's billings for submission on the upcoming Warrant Register.

Public Comments:

Darcy Kuenzi asked if the bills could be reviewed for accuracy for such things as the 5 hours spent for an associate to go to Brown Act training. The Attorney agreed to audit the bill and deal with the training as necessary.

6. Senior Accountant Review of the Warrant Register Process

Senior Accountant Wendy Welch provided an outline of the policy for processing an invoice including the receipt and processing, Finance Committee review and Warrant Register process, also noting the process followed for checks which must be manually issued due to timing of payment. The committee members indicated they were unaware of the fact that checks were issued between warrant registers and thereby ratified at the next register. Staff indicated this was common practice and the warrant register was being processed consistent with our policies and code. The invoices of Winzler and Kelly for approximately \$140,000 were held by a department head for approval and therefore not included for payment to date when last reviewed by the Committee. The City Manager was not aware they were awaiting payment and therefore did not report them as outstanding to the committee when that contract was reviewed at a previous meeting.

7. Performance Review Update from Staff

Director Thompson gave an overview of the performance review including the Fiscal Year 2009-2010 Mid Year Budget Review together. He showed the breakdown of projected revenues and expenses numbers relating to mid year and projected at year end. He also reviewed the major contracts, the average burn rate and the projections for year end (all written charts and information included in the City Records for this meeting).

8. Fiscal Year 2009-2010 Mid Year Budget Review

See above. Director Thompson noted that the review would be on the upcoming Council agenda. It was determined by the Committee that a workshop format was preferred and the meeting for that workshop would be March 16, 2010.

9. Committee Members Comments

Chairman Mann asked Director Thompson to include an update to City Council at the workshop the following items: DIF balances in each category, library funds, CSA balances and Planning Center expenditures.

10. City Manager Comments

Director Thompson stated he is speaking to Lobbyist Jim Lites regarding the updated VLF funds and will notify Finance Committee when he has the information.

11. Adjournment

Chairman Mann adjourned the meeting at 6:31 p.m.



Kathy Bennett, City Clerk