CITY COMMISSION
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
Thursday, May 15, 2008

SPECIAL MEETING

Budget Hearing Minutes
Tape 1 & 2

TIME & PLACE: The Mayor and the City Commission of the City of Truth or Consequences in the County of Sierra and State of New Mexico, met in Special Session in full conformity with the law and ordinances of said Commission in the Commission Chambers of said City, on Thursday, May 15, 2008 at 9:00 A.M. to conduct a Budget Workshop to consider the following:

Discussion/Approval – Review Preliminary Budget for FY 08/09.

PRESIDING OFFICER: The meeting was called to order by Mayor Montgomery who presided and Mary B. Penner, City Clerk acted as Secretary of the meeting.

ATTENDANCE: Upon calling the roll the following Commissioners were reported present:

Hon. Lori S. Montgomery, Mayor
Hon. Jerry D. Stagner, Mayor Pro-tem
Hon Steve Green, Commissioner
Hon. Evelyn B. Renfro, Commissioner
Hon. Freddie J. Torres, Commissioner

Also present:

Jaime R. Aguilera, City Manager
Helen Belis, Finance Officer
Mary B. Penner, City Clerk

QUORUM: There being a quorum present the Commission proceeded with the business at hand.

Jaime Aguilera, City Manager began by explaining the city needs and challenges for 2008 and that each city department did budget requests.

Helen Belis, Finance Officer reviewed projections and discovered that the City is over budget by $600,000; therefore, it was necessary to cut each department’s budget.

She stated she made her projections without the GRT from Wal-Mart because there has not been a confirmed opening date for the store.

Discussion ensued on the current years GRT.

Mayor Montgomery asked if they would be able to discuss some of the unmet needs, not just looking at what was unfunded in the departments, but looking at increases in the GRT for projects in the community that we know that is needed, such as roads.

Mr. Aguilera stated that this year we probably have an overall increase in GRT of about $400,000 and most of that is rolled over into this year’s budget and that is part of Helen’s projections.
Ms. Belis stated Commissioner Renfro had asked her to look into the street GRT and why it was in the General Fund. She stated she went back to May of 2002 and that’s when it was changed to go into the General Fund.

Mr. Aguilera stated that there was a specific tax for roads and it was used that way up until May 2002 and then for some reason it was changed, but it seems to have been a Commission action.

Commissioner Renfro stated she doesn’t know because this was by ordinance, the ¼ percent was dedicated by ordinance and she does not ever remember Commission action as far as that, she is thinking it was probably internal.

Further discussion ensued.

Mr. Aguilera stated that on the Lodger’s Tax side the projection was increased from $66,000 to $77,000 for this year so there was more Lodgers’ Tax money to spend, but there were $78,000 worth of requests.

He stated the problem is there are some late comers in the requests for Lodger’s Tax and that’s something that will be dealt with later on.

Mr. Aguilera presented a power point of each city department and the cuts that were made in these departments.

Explanation and discussion ensued.

Helen Belis reviewed the overall on the revenue portion of the General Fund.

Page 6 – Governing Body – Same as last year with the exception of travel that was raised.

The grants to sub-recipients are at $85,500.

Helen Belis stated that the grants to sub-recipients, they received a total of requested amount of $92,250.

Mayor Montgomery stated the sub-recipient requests would have to be cut.

City Manager Aguilera stated that with the $600,000 cuts the budget is now balanced, and any increases that are done today or tomorrow would mean that there would have to be cuts done somewhere else, unless they were put on the long-term future revenue.

Page 7 – Office of City Clerk – Total budget less than last year mostly because of the Field Supplies (Election) being reduced because there will be no election this budget year.

Page 9 – City Manager – Salaries will go down a bit because Angie Amin retired and the person replacing her will come in at a lower pay range.

Commissioner Renfro asked what percentage increase they were looking at for the employees.
Mr. Aguilera stated they set aside about six percent as a salary increase. Out of that what he thinks is going to happen is that all the employees will get a three percent cost of living increase except the two or three employees that are frozen according to the new salary study. Those employees will no increase at all.

He stated the other three percent would go to those employees that are getting increases to bring them up to parity where they have traditionally been under paid.

He stated that the good news is according to the salary study there’s very few people actually that are under paid that are having to be brought up to a minimal level.

Page 8 – Municipal Court – Mr. Aguilera stated the City pays for the operation of the Court House, the employees and so forth, however the State pays for improvements and some of their computer software and so forth.

He stated there is an increase in the equipment, which is reimbursable to the City from the State.

Explanation and discussion ensued.

Bobbi Sanders stated that on Other Capital Purchases on line item 10-02-840 is going to be very necessary because they are hoping to implement some security in the court, security equipment as well as go ahead a pay for some electrical work that it’s going to require.

Ms. Sanders asked the Commission to please not cut back on Normans' budget on the upgrades that they have requested for the court and in the way of implementing a better floor plan.

She stated they are having a stream that is getting stronger and stronger as they go where they are getting people in the court that are very volatile and they’ve had to have an arrest this week out of the courtroom. She stated that during this her greatest concern was that when the police came in to get him there was too many people in the front office.

Ms. Sanders stated he wants to compel this Commission to realize that what she is asking for on the improvement of the Court is very necessary. She stated she wants to go on the record again in asking this Commission to do this because she foresees nothing but a potential for lawsuits if someone gets injured in that court and the public is always in there, in and out. The building needs to be at least at the minimal that she is putting in for the improvements.

Further discussion ensued.

Page 10 – Administrative Services – Mr. Aguilera stated this is Personnel, and Finance combined with no major changes from last year.

Page 11 – Volunteer Fire Department – Mr. Aguilera stated this is just an in and out budget; whatever comes in from the State is what goes out.

Page 13 – Police Department – No major changes from last year.

Page 14 – Animal Control – No major changes from last year.
Page 15 – Parks & Recreation Department – Mr. Aguilera stated this budget includes changing the authorized part-time position to a full-time position.

Discussion ensued on the drip system at the family park and preparing a quarterly plan to care for the city parks and a replacement schedule for the playground equipment at the parks.

Page 16 – Building Inspector/Code Compliance – No changes from last year.

Mayor Montgomery stated she knows there is no money in the budget, but if there is any possible way, and she knows, it is hard to find them, if we can look at a three-way inspector where people can get city permits for heating, cooling and plumbing at the minimum.

Discussion ensued.

The City Manager was asked to explore the prospect and cost of hiring a three-way inspector.

Page 17 – Street Department – Mr. Aguilera stated the Street Department will be getting an increase in their budget for road construction, and equipment purchases. He stated that every year we get about sixty thousand dollars from the State that is used for road construction which is on Page 50 which is Special Revenue Fund – Municipal Street Fund.

Mayor Montgomery stated they had talked before about biting the bullet and getting a loan and redoing all of the roads, and getting them done once and for all and paying the loan back with gross receipts tax that has been earmarked for roadways. She asked if there were any estimates of what it would cost to do this work.

Mr. Aguilera stated we were probably talking about somewhere between six to ten million dollars.

Mr. Stagner stated then the Street Department could go on the maintenance program.

Discussion ensued.

Page 18 – Fleet Maintenance – No major changes from last year except for gas and oil purchase.

Page 20 – Facility Maintenance – Norman stated we have a lot of old buildings and it takes a lot to keep old buildings up. He stated we really need to start looking at some new buildings, we’re outgrowing everything here.

Discussion ensued.

Commission broke for Lunch to return at 1:15 P.M.

Page 42 – Solid Waste Revenues – No major changes from last year.

Page 43 – Solid Waste Expenditures – No major changes from last year.

Discussion ensued.
Mr. Aguilera stated that he had scheduled all the non-profit organizations for tomorrow but Ms. Chavez from Domestic Abuse is going to be out of town so she was hoping to make her presentation today and it will be the same with the Boys and Girls Club, they also will not be available tomorrow.

He stated that Ms. Chavez is asking for ten thousand dollars and Bobbi Sanders from Municipal Court told him that Domestic Abuse was getting some new money from the Court. He stated that now there is a new law that they are enforcing in which they are sending people to pay their fines over to Domestic Abuse.

Ms. Chavez stated that when there is a speeding ticket issued they have to make a donation to DAIC, or do community service, be put on probation.

Discussion ensued.

Boys & Girls Club – Rebecca Dow gave a little background on the process of applying for the Charter to bring the Boys and Girls Club to Sierra County.

Ms. Dow introduced Robin who is the President Elect for the New Mexico Boys and Girls Club and she gave an overview on their programs and activities.

Commissioner Green asked if the forty thousand dollars requested was for administrative fees, salaries, supplies or all the above.

Ms. Dow stated the forty thousand dollars is basically the City giving them a jumpstart to go ahead and hire an Executive Director. She stated that it was her understanding that if their Charter was approved this week it could be October or November before money starts to flow in. She stated they would like to get started on some state grants, start-running programs using volunteers.

Discussion ensued.

Page 23 – Hospital Gross Receipt Payments – No major change from last year.

Page 25 – Pledge State Tax – No major change from last year.

Page 38 – Electric Division Revenues – No major changes from last year.

Page 39 – Electric Division Expenditures – No major changes from last year.

It was the consensus of the Commission to hold the next meeting on Friday, May 16, 2008 starting at 9:00 A.M. and continuing until they are finished with the remaining pages of the budget.

ADJOURNMENT: There being no further business to come before the Commission the meeting was adjourned.
APPROVAL: PASSED AND APPROVED this 24th day of August 2008, on motion duly made by Commissioner , seconded by Commissioner , and carried.

LORI S. MONTGOMERY, MAYOR

ATTEST:

MARY B. PENNER, CITY CLERK