

CITY COMMISSION  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
July 23, 2015

Action Minutes

The Truth or Consequences City Commission of the City of Truth or Consequences in the County of Sierra, and State of New Mexico met for a Work Shop, in full conformity with the law and ordinances of said Commission in the Commission Chambers of said City, July 23, 2015; 1:00 P.M., in the Commission Chambers, 405 W. 3rd, Truth or Consequences, New Mexico.

Mayor Sandra Whitehead noted the Work Shop would be regarding the following item for final review now:

Discussion/Action: Final FYE 2016 Budget for the City of Truth or Consequences.

Upon calling the roll, the following Commissioners were reported present.

Hon. Sandra Whitehead  
Hon. Steve Green  
Hon. Jeff Richter  
Hon. Kathy Clark  
Hon. Russ Peterson

Mayor Sandra Whitehead stated that she has a letter submitted by Commissioner Kathy Clark.

Dear Mayor,

Please be notified as well as my fellow commissioners that I will not be calling in today. As you all know, I have been out of town for several days, and have not been able to personally pick up the revised budget that was in my box last Friday. I asked an employee of mine to overnight it to me so I could be prepared, and as of yet have not received it; this was two days ago. Be certain that I will have digested the budget by next Tuesday's meeting. Please Mayor, make it known that I am disappointed that the revised budget was not made available via the Internet, and therefore not accessible to me at an appropriate time. I look forward to seeing you all next Tuesday.

Sincerely,

Kathy Clark, Commissioner

Mayor Sandra Whitehead called for the pledge of Allegiance.

Mayor Sandra Whitehead turned the meeting over to City Manager Juan Fuentes.

Juan Fuentes, City Manager noted that just for the record the budget is on the city website. I believe the clerk's office posted it online Thursday. I just wanted to make that known because I know we had some members from the public who requested it.

City manager Fuentes noted, I just want to go over some year to date activity of FYE 2015. In your packet you have the July 1, 2014 through June 30, 2015 last quarterly report.

The majority of the department heads are here and I do have some that are out in the field and some of them may be coming in a bit late.

So with that we will go ahead and get started on the quarterly report and this is the report that you all have seen from the past couple of quarters. City Manager Fuentes noted that the General Account was budgeted at revenues of \$3.5 million, but actually received \$3.9 million, which why it is \$342,000 more. As he recalled from their last quarterly report, they were fortunate to receive a higher than expected "small cities assistance" of about \$300,000 more which represents about 109% of the budget. On the expenditures we budgeted about \$4.9 million and only spent 4.6 which is about \$346,000 that was not spent. There were some vacancies in some departments that provided some of that additional funding that was not spent. Overall the difference between the general funds expenditures in the revenue was only \$737,000.

City Manager Fuentes stated that for the electric Department they budgeted \$6.4 million and were only off by about \$25,000 from their goal, and they only spent about 90% of the budgeted expenses, which left about \$2.2 million net for the Electric Division.

Water was the same \$942,000 in the budgeted revenue and the actually conducted \$958,000, \$50,000 more, which is good expenditure wise.

Wastewater had a net loss of \$35,000 which hopefully will be the last, and we should see it start paying for itself.

Solid Waste we budgeted \$1.2 million and received close to 1.2, 99.30% and on the expenditure side they've only spent \$963,000 from their \$1.1 million budget. They ended up with an ending cash balance of \$278,000. Some of that did get transferred out to pay the loan debt for the construction of the Collection Center.

Golf, Cemetery, and Airport don't necessarily generate a lot of their own revenues, so there's always a transfer that is needed to help aid for the operation of those funds.

Internal Service Fund that is Joe McDonald's fund is not a whole lot, he manages very well, and he only had a loss of \$2,541. He highlighted on a few more departments and accounts touching on the projects they have ongoing and how they plan to spend their money.

City Manager Fuentes then stated that their revenues have gone up and expenses have gone down. One stated that all them all the funds are in a good financial standing. Juan continued to go over his budget presentation giving a brief summary of it. Juan stated that most of the department budgets have stayed the same even after salary increases. One of the big differences in the budget is the addition of a youth soccer field at the Louis Armijo sports complex. There is also some general maintenance that needs done at some of the facilities and in the parks.

Paul Tooley, Fire Chief, stated that they started with quite a bit of money because they received a \$100,000 Grant from State Fire and they matched it with their Capital Outlays. He stated that after their new fire truck and other expenses they will be left with about \$50,000.

Mayor Pro-Tem Steve Green thanked Paul and his volunteers for their service.

Paul Tooley stated that they are trying to be self-sufficient and have all the latest tools and are applying for all the grants they can get.

Mayor Sandra Whitehead thanked Paul for his comments and City Manager Fuentes moved on with his presentation.

City Manager Fuentes discussed some of the changes in each fund and the reasoning for these changes. A lot of activity occurs in capital projects because of the wastewater treatment plant project and other projects the city has going on.

Jesus Salayandia stated that they might be breaking ground in January and the projects looking pretty good. He stated that he told them to hurry it up because some of the equipment is breaking down. The project is estimated to be completed by May.

City Manager Fuentes stated that this is one of the biggest projects they have going on. They received a \$100,000 grant to build a new Veteran's Memorial wall, which will also be another big project. The City also received another grant for the animal shelter project.

Chief Lee Alirez stated that the animal shelter project is a top priority for the Police Department. They have started a group to help with this project of people that are very passionate about animals. His goal is to get away from the contract they have with the vet in which they spend \$10,000 a month or sometimes more. He stated that they have a bunch of new equipment and are going to utilize all the social media they can to help find homes for animals. He also wants to partner with another agency so that way they do not get overcrowded.

Mayor Pro-Tem Steve Green asked if the advisory board he created has reached out to the county and Williamsburg to see if they are interested in partnering with us in coming up with some money.

Chief Lee Alirez stated that he has not because his main focus is getting off the contract first. He stated that it is something that has been discussed and that animal control is a big cost.

Mayor Pro-Tem Steve Green stated that he thinks they should all pay their way and there's no free rides. He stated that it's not fair that since most the population is in the city that they think we all should carry the burden.

Commissioner Russ Peterson commented that there was a survey done about providing services for Elephant Butte and since its 7 miles outside of the city limits, it wasn't as creative of an idea as Williamsburg since it is attached to T or C.

Mayor pro tem Steve Green stated that as he understands it the city contributes \$7,000 and the rest of the \$10,000 is contributed by Williamsburg and the city of elephant Butte. He also commented that he understands that John would love to break that contract as soon as possible because they feel they have better ways to utilize that building and generate more revenue. He just wants to know if the other communities are on board with this if we're going to take the lead.

Chief Lee Alirez stated that he is going to bring all of that information to the City Manager and Assistant City Manager, which will then be brought to the commission. He stated that currently animal control is providing services countywide, and there has been changes in the policy to mitigate some of the costs. He used an example of a dog running loose in the County in the middle of the night and if it's necessary to call animal control out to get the dog if they are not vicious. He has been on many calls before with the officers where they pick up dogs that are not vicious.

City Manager Fuentes continued with his presentation. He stated that they do have the money for the street sweeper in the bank, they just need to purchase one.

Don Armijo commented that the street sweeper is in the process of being built and he was recently contacted about where they should drop it off. He's hoping within a month to have it.

Mayor Pro-Tem Steve Green asked what the plan was for the old street sweeper.

Don Armijo stated that he doesn't think he could get enough out of it to sell it, but they could possibly scrap it.

Joe McDonald suggested putting in the auction just to get rid of it.

City Manager Fuentes continued with his presentation and stated that with one of the funds he was talking about, he wants to set aside money for maintenance of city machinery and other equipment. He then continued with his presentation and talked about the airport fund.

Bill Slettom, Assistant City Manager talked about the major projects that are going on at the airport. He stated one of them was the crack seal and resurfacing of runway 1331. He stated that it's an FAA loan and the bids came in under what they were expecting. He also stated they hope to get the project for the fuel farm underway soon. He mentioned that the access road project is currently on hold until the state gets into their next funding cycle.

Mayor Pro-Tem Steve Green asked if runway 1331 is not operable until that project is complete.

Bill Slettom stated that the paved runway will be closed until the project is complete. He stated that the dirt runway will be open and the airport will stay open as well. He commented that it may affect fuel sales but they still have the option to use taxiway A for fuel.

Mayor Pro-Tem Steve Green asked how long he expects the project to take.

Bill Slettom stated that in the bid it was a 60 day contract but that does not mean the runway will be closed for 60 days. After the crack seal and resurfacing is done it has to set for 27 days before they can do this striping, which is included in the 60 days. He stated that once they meet with the contractor they will pinpoint dates and times for the closure and as of right now it is postponed until spring.

City Manager Fuentes continued with his presentation and started talking about the water conservation plan and projects and progress. He stated that they are applying for some MainStreet money and other grants for the Healing Waters Plaza. He also talked about how Joe McDonald has been saving up in his fund to get the service center reroofed. In the unfunded projects portion of his presentation, one talked about one of the biggest ones which is the wastewater treatment plant phase 2B which they are looking for funding from Colonias and USDA. Juan brought up the swimming pool resurfacing project and stated that it's \$100,000 for this project.

Don Armijo commented that the environmental department has told them many times that they need to resurface the pool because it is starting to fall in. The project would basically entail the entire inside being stripped and resurfaced which would cost about \$100,000.

Mayor Pro-Tem Steve Green commented that he has heard a couple of citizens concerned that the pool be closed until they get the resurfacing done.

Don Armijo confirmed by saying that the lady from the environmental department said if by their next inspection if it's not done then they will be shut down.

Mayor Pro-Tem Steve Green commented to Juan that it's basically either find the money for this or close the pool, and we've also spent a small fortune to make this an indoor pool and now they can't use it.

Don Armijo stated that since the pool was only used a few months out of the year before and now it's being used constantly, this should help with the maintenance of the pool and preserve items at the pool.

City Manager Fuentes stated that it is important that we do this so we don't have to come up with a huge chunk of money in the long run. He continued with his presentation. He brought up the need for automated electric and water meter readings. It could be something done through the electric and water department funds. He wants the commission to consider this because it could help us be more efficient and not have the citizen's bills fluctuating like they have been. He continued talking about other smaller projects that the city needs to look at. One stated that one of their goals is to fund projects that they can on their own for this year and search for funding for bigger projects for next year.

Mayor Pro-Tem Steve Green asked Bill Slettom if the lease payment on the fuel truck for the airport was \$1700 a month.

Bill Slettom stated this was true.

Mayor Pro-Tem Steve Green asked why we don't then buy a fuel truck instead of lease one since the payments are \$1700 a month and we could own one in about four years.

Bill Slettom stated that they entered into this contract quite a few years ago when they were having problems with their own fuel truck in the quick fix then was to just lease one. He mentioned that it is something they have thought about.

City Manager Fuentes stated that these are little projects that they know they need to address before they all become a big problem and that's why they are working on trying to fit them into the near future. City Manager Fuentes' recommendation is to manage the general fund a little better and make some small changes to make everybody's job a little bit easier and more efficient.

City Manager Fuentes asked for any questions or comments from the commission.

Commissioner Russ Peterson commented that Juan has answered all the questions he could possibly have had.

Mayor Pro-Tem Steve Green asked Andy Alvarez how many more poly carts they are buying and what time frame they should be distributed by.

Andy Alvarez stated that they are working on purchasing a poly cart truck and once they receive that they will order 1,000 poly carts. They then need to write out the route to

deliver all the poly carts, pull all the dumpsters and clean up any remaining debris. If things go to plan hopefully by the end of this year.

Mayor Sandra Whitehead opened the floor for public comment.

Klaus Wittern approach the podium and stated that he doesn't have a lot of comments but he would like to say that the electric issue is headed to the city and he wished that they would've gotten a heads up at this meeting. He asked that they have staff prepare a memo about how many millions of dollars have been transferred from the electric fund since the funds started to be transferred. He stated that those are funds that are needed to update the electrical system and the citizens have already paid for them. He stated that they need to advise the city manager to stop transferring the money for the Electric Department to the general fund because if the money is not already there then they shouldn't be using it from other funds.

Ariel Daugherty approach the podium and asked if Capital Assets are supposed to be accounted for in the budget somewhere.

City Manager Fuentes stated that not in this budget but in their financial statements they do.

Ariel Daugherty stated that she would like to see something written about each piece of equipment that the City has with their value and a list of what the City's ongoing needs are. She stated that this is something as a citizen she would like to see because she thinks there is a large number of add-ons. She stated that it's worrisome to her because the budget keeps going up and up and thinks the City needs to hold back on some expenditures and things that are not necessary.

**A complete copy of the Financial Report handout is available at the City Clerk's Office. Video of Meeting can be viewed by going to [torcnm.org](http://torcnm.org) website.**

Mayor Sandra Whitehead thanked the Public and Staff and closed the meeting.

PASSED and APPROVED this 10<sup>th</sup> day of Nov., 2015; on motion made by Commissioner Peterson and second by Commissioner Green.



ATTEST:

  
Angela A. Torres, Interim City Clerk

  
Sandra Whitehead, Mayor