

**CITY COUNCIL MEETING**  
**MAY 26<sup>TH</sup> 2015, 7:20PM**  
**DISCUSSION & REVIEW PART II.**  
**OF PRELIMINARY FY 2016 BUDGET**  
**CITY HALL COUNCIL CHAMBERS**  
**405 N. PASEO DE OÑATE ESPAÑOLA, NM**

**CALL TO ORDER**

The 5-26-15 City Council meeting reconvened at 8:06pm by Mayor Alice A. Lucero to discuss item number eleven (11).

**ROLL CALL/DETERMINATION OF QUORUM**

The following in attendance:

Mayor	Alice A. Lucero
Mayor Pro-Tem	Pedro Valdez
Councilors:	Michelle R. Martinez
	Peggy Sue Martinez
	John Hernandez
	Cory Lewis
	Tania Sanchez

Absent:	Adrianna Ortiz
	Dennis Tim Salazar

City Manager Kelly Duran- *residing*  
City Clerk Anna Squires – *residing*  
Deputy City Clerk Jeanne Bustos – *residing*

**J. ITEMS PROPOSED FOR COUNCIL CONSIDERATION/DISCUSSION ITEMS (ACTION ITEMS)**

**11. Discussion & Review of Preliminary FY 2016 Budget (*Continuation*) - ASD Joyce Sandoval - Finance Analyst Jessica Ortiz**

ASD Sandoval explained that the preliminary budget was a planning and working tool which the Governing Body must submit to the New Mexico Department of Finance and Administration as a financially responsible forecast for the upcoming year by July 1st. ASD Sandoval further explained that the preliminary budget could be referred to as an estimated budget, much like a rough draft. She stated that during the May 12<sup>th</sup> 2015 Discussion & Review of Preliminary FY 2016 Budget it was asked by Councilor Michelle R. Martinez that three (3) options be provided of the budget for Council Consideration

Councilor Michelle R. Martinez questioned her understanding of option one (1). She asked if it would affect the personnel at the senior center as reduction of hours for center employees from forty-two 42 hours would result in thirty –two 32 hour work week.

City Manager Kelly Duran stated that he thought the best budget was the proposal that eliminated funding for the senior center. He further stated that the City was one (1) catastrophic event away from being bankrupt. He further reflected on the amount of reserves the City currently had.

Councilor Michelle R. Martinez questioned the feasibility of transferring of a position amount of \$18,432.00 dollars from the Senior Center and be placed at Parks and Recreation Department. She stated that the Recreation Department with the proposed amended option would be a much smaller increase of a total amount of \$76,859. She further requested that the Public Safety Department be increased by \$102,082.00 dollars and allow for an additional Police Officer and female Transport Officer. She further concluded that all the options included a two percent (2%) increase in water and wastewater funds. She stated that all of the options recommended that the fire department position vacant after an internal promotion remain frozen for all of fiscal year 2016.

City Manager Kelly Duran stated that he believed there were companies which have more reserves than the City. He further commented that the City of Española could not afford to continue to operate at the current level and pretend nothing was going to give.

ASD Sandoval explained that in accordance to state law the City must set aside enough money to run operations for one (1) month of its reserve fund, which would come to about \$800,000 or 8%.

Mayor Pro- Tem Pedro Valdez stated that he would be in favor of option one (1) but was not in favor of eliminating any positions at the Senior Center. Mayor Pro- Tem Pedro Valdez stated that he spent time with Administrative Services Director Joyce Sandoval discussing the options. He further expressed that he didn't want to waste time negotiating several small changes but rather spend time discussing thousands of dollars such as \$30,000.00 dollars or \$50,000.00 dollars. Mayor Pro- Tem Pedro Valdez stated that whatever was needed to balance the budget would be big figures.

City Manager Kelly Duran proposed a possible hybrid between proposal number one (1) and number two (2).

After much discussion Councilor Michelle R. Martinez and Councilor John Hernandez opted for option one (1). The option called for seven furlough days throughout the year for all employees with exception to police and fire department(s).

***Mayor Pro-Tem Pedro Valdez out at 9:35pm***

City Manager Kelly Duran stated that he strongly believed that the City could collaborate with Rio Arriba County to provide resources for the City Senior Center. He further stated that Rio Arriba County operates a Senior Center on Hunter Street less than a mile from Beatrice Martinez Senior Center.

City Manager Kelly Duran stated that he was committed to the seniors of the area and he recognized that his recommendation would not be popular. He stated that he felt it was necessary to ensure the city's financial health. He further commented that his decisions were in the best interest of the city.

City Manager Kelly Duran stated option two (2) would also cut attorneys expenses by \$16,000.00 dollars.

Mayor Lucero suggested that within the month of July 2015 a Budget Work Session date be determined to help finalize the proposed Preliminary FY 2016 Budget with the recommended changes. She stated that if a determination was reached at the Budget Work Session, it could then go directly to full council for approval. She asked that Council consider July 7<sup>th</sup> 2015 as a possibility for a Budget Work Session. Council replied in the affirmative.

*Motion made by Councilor Peggy Sue Martinez to discuss the proposed Preliminary FY 2016 Budget at the next Budget Work Session July 7<sup>th</sup> 2015; 2nd by Councilor Cory Lewis.*

*Motion carried 6-0.*

**K. EXECUTIVE SESSION**

Pursuant to New Mexico Open Meetings Act Section 10-15-1 (H) Subsection (2) limited personnel matters; (5) discussion of bargaining strategy preliminary to collective bargaining negotiations; (7) attorney-client privilege pertaining to threatening or pending litigation in which the public is or may become a participant; (8) discussion of the purchase, acquisition or disposal of real property or water rights by the public body.

*Mayor Lucero stated that there was no need to go into Executive Session.*

**L. ADJOURNMENT**

The Governing Body may revise the order of the agenda items considered at this Open Meeting. If you are an individual with a disability who is in need of an amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 747-6019 at least three days prior to the meeting.

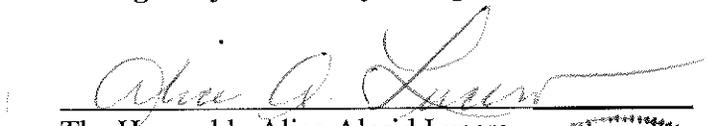
--End--

*Motion to adjourn made by Councilor Cory Lewis; 2<sup>nd</sup> Councilor Michelle R. Martinez.*

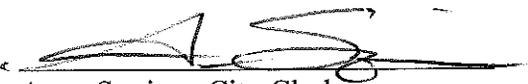
*Motion Carried 6-0*

*Meeting adjourned at 9:50 pm*

**ADOPTED AND APPROVED** by the Governing Body of the City of Española this 11<sup>th</sup> day of August 2015.

  
 \_\_\_\_\_  
 The Honorable Alice Alarid Lucero  
 Mayor, City of Española

ATTEST:

  
 \_\_\_\_\_  
 Anna Squires, City Clerk

