

CITY COUNCIL WORKSHOP/  
FINANCE BOARD MEETING  
Monday March 21, 2011 5:30pm  
Council Chambers at City Hall  
405 Paseo de Oñate, Española, NM

**CALL TO ORDER**

Meeting was called to order at 5:41pm with the following in attendance:

Mayor: Alice A. Lucero

Mayor Pro Tem: Cecilia Lujan (entered at 5:58pm)

Councilors: Rosario "Chayo" Garcia  
Cory Lewis  
Greg Ortega  
Helen Kain-Salazar (ABSENT)  
Dennis Tim Salazar  
Robert Seeds (entered at 5:52pm)  
Pedro Valdez (ABSENT)

City Manager: James V. Lujan

Staff: Ron Archuleta, Finance Department; Joyce Sandoval, Finance Department; Leo Montoya, Police Department; Bryan Martinez, Police Department; Ron Padilla, Fire Department; Christian Lopez, Police Department; Vitoria Gallegos, Detention-Police Department; Len Cata, Community Services; Teddie Riehl, Library; Andrew Herrera, Plaza; Josephine Velasquez, Senior Center; Russell Naranjo, Planning and Zoning; Joaquin Maestas, IT; Judge Stephen Salazar, Municipal Court; Jessica Martinez, City Clerk's Office

**APPROVAL OF AGENDA**

Mayor Lucero presented the agenda for approval.

- A. CALL TO ORDER
- B. APPROVAL OF AGENDA
- C. PUBLIC COMMENTS
- D. BOARD MEMBER COMMENTS
- E. DISCUSSION/ACTION ITEMS
- 1. RESOLUTION 2011-03 NEW MEXICO DEPARTMENT OF TRANSPORTATION MUNICIPAL ARTERIAL PROGRAM COOPERATIVE AGREEMENT
- 2. RESOLUTION 2011-04 RESOLUTION FOR THE ADOPTION AND RATIFICATION OF ESPAÑOLA HISTORIC ECONOMIC DEVELOPMENT PLAN
- A. Budget Hearings for the following City Departments-Divisions:
  - 3. Public Safety
    - a. Police Department
    - b. Fire Department
    - c. Detention Center
  - 4. Municipal Court
  - 5. Community Services
    - d. Library
    - e. Recreation
    - f. Plaza
    - g. Parks
    - h. Senior Center
  - 6. Planning and Zoning Department

- 7. City Attorney
- F. MATTERS OF THE CHAIR
- G. EXECUTIVE SESSION  
Pursuant to New Mexico Open Meetings Act Section 10-15-1 (H) Subsection (8) discussion of the purchase, acquisition or disposal of real property or water rights by the public body.
- H. ANNOUNCEMENTS
- I. ADJOURNMENT

**Councilor Garcia made motion to approve the agenda as presented, seconded by Councilor Ortega.  
Motion carried by Finance Board 5/0**

**PUBLIC COMMENTS**

There were no comments from the public.

**BOARD MEMBER COMMENTS**

There were no comments from the Board.

**DISCUSSION/ACTION ITEMS**

**1. RESOLUTION 2011-03 NEW MEXICO DEPARTMENT OF  
TRANSPORTATION MUNICIPAL ARTERIAL PROGRAM COOPERATIVE AGREEMENT**

Mayor Lucero stated that this was time sensitive. She stated that the Resolution requested funding for Lowdermilk, Salazar and Hunter Streets. She stated that Paseo de Oñate was just done. She stated that Lowdermilk needed work to accommodate CVS Pharmacy. James stated that \$163,000 was awarded in prior years and the match came out of the Streets fund. James stated that these were on a list of identified streets that needed work and could be changed by the Governing Body at a later date if they wanted to.

Councilor Ortega asked if we would have the money to match. He also asked how long the funding was good for if we didn't. James stated it would last for one year but he could not say if we could come up with the money. He stated that we could file for an extension but New Mexico Department of Transportation (NMDOT) frowned on that. He stated that we would have to pick a project and focus on getting it done. Councilor Ortega agreed with Lowdermilk stating that it could bring in other businesses. Councilor Ortega stated Governing Body spoke less than a year ago about a list of priorities and asked if these were on there. James stated that Hawk did pick these streets off that list.

Councilor Garcia stated that the sidewalks on Salazar were really bad. She stated that she was concerned that when there were funerals people may trip.

**Councilor Ortega made motion to approve, seconded by Councilor Salazar.  
Motion carried by Finance Board 5/0**

**2. RESOLUTION 2011-04 RESOLUTION FOR THE ADOPTION AND RATIFICATION OF  
ESPAÑOLA HISTORIC ECONOMIC DEVELOPMENT PLAN**

James stated this was a resolution to accept the Economical Development Plan as staff could not find record that this was ever approved by council. He stated that the City was trying to recover money from 2009. He stated that this was simply a plan and Russell could shed more light on it. Councilor Garcia stated she thought this was approved. Russell stated that there was not a resolution on file for this plan. Mayor Lucero stated that it may have been brought before council but they did not pass a Resolution.

**Councilor Ortega made motion to approve, seconded by Councilor Lewis.  
Motion carried by Finance Board 5/0**

**A. Budget Hearings for the following City Departments-Divisions:**

**3. Public Safety**

James stated that this was a bird's eye view of the budget. He stated that he had asked departments to stay flat but there were some necessary increases. He stated that it was pretty much a flat budget. James stated that Chief Montoya has some requests but they may be able to be worked out with the positions that were frozen.

Mayor Lucero stated that the City ended up with some liabilities as the plan was to take over Fairview but we didn't. She stated that there was \$600,000 from waterlines that were installed. She stated that we were expecting Water Trust Board (WTB) to reimburse us but they haven't yet. James stated that some there was some surveying and location of the line and NMDOT had not closed out the project yet. Councilor Ortega asked if we would get reimbursed from that. James stated that we should get reimbursed from WTB to pay NMDOT.

Councilor Seeds entered the meeting at 5:52pm.

Mayor Lucero stated that the Fire Fund was another issue. She stated that the money was in previously in the General Fund. She stated that \$162,000 came out of there that the Fire Fund did not have. She stated that the anticipated savings would cover that money but if not James would have to recommend cuts. Councilor Ortega asked when it was spent. Mayor Lucero stated it was not this year. Ron Archuleta stated it was prior year expenditures. He stated that it came up several months ago but he struggled to figure out how we would come up with it. Councilor Ortega asked if this was the same money that we have been talking about for awhile. Ron answered yes. He stated that we needed to account for liabilities and expenditures. Councilor Seeds stated there were guidelines for what the Fire Fund could be used for. Ron stated that was correct. Councilor Seeds stated that every Councilor should have a copy of that. Councilor Seeds stated that he would like to see a list of what was spent.

James stated there were prior encumbrances for Molzen-Corbin that had not been paid. He stated that the Police Department and Senior Center renovations were included. He stated that there was a balance of about \$210,000 that he was looking to see if they were paid from another fund or not. Ron stated there was also an issue of double billing. James stated that there was but Molzen-Corbin did pay that back. Councilor Ortega asked if they sent invoices. Ron stated that somewhere down the line the invoices were ignored. James stated that staff has gone through their files and ours to try and find that information. Councilor Seeds asked if staff could go through our projects to see if they were paid.

James stated that there were add-ons that were not fully executed and contractor did do the work. Councilor Seeds stated that he assumed additional work needed to be approved. Ron stated that the Finance Department did approve them in the past. Mayor Lucero stated that was the reason we kept getting audited. Ron stated that there was some faulty designs but the City could not bring them up years later. Councilor Garcia stated this was why Molzen-Corbin were no longer our engineers because the Governing Body realized what was going on. Councilor Seeds asked how the Governing Body let them beat them up for three years before letting them go.

Councilor Garcia asked that revenues be added to the agenda. James and Mayor Lucero stated can do that now as was a budget hearing.

Councilor Garcia asked about Gross Receipts Taxes (GRT's); would they be going lower. Joyce stated that they were kept the same as last year. She stated that three accounts would be zeroed out as nothing

would be coming in. Joyce stated that she was tracking them and they were pretty close to last year. She stated that if we kept the budget flat, we should balance out with a 2% growth. Joyce stated that she would do a worksheet at the end of our fiscal year but the new numbers wouldn't come in from the State till around June.

Joyce stated that there was no more cigarette tax. She stated that what had come in was from years past and we would no longer be getting that.

Councilor Garcia stated that budget was \$54,000 for building permits but Year-To-Date was only \$15,000. Joyce stated that she didn't have a feel for activity but she would work with Joe Duran and Russell Naranjo to see if it should be lowered. Councilor Garcia stated that it needed to be brought down to about \$20,000. Councilor Garcia asked what "charge for services" was; what services did we charge for. James asked if it was for Open Records Requests. Joyce stated that there was a photo copy line item for Open Records Requests. Joyce stated that she was unsure what services that line item referred to. Councilor Garcia stated that it should just be zeroed out as there was no significant revenue coming in. Ron and Joyce agreed. Councilor Garcia stated that we could zero out rental of the Chamber of Commerce as well. She asked what was miscellaneous. Joyce stated that that was monies that were unidentified. She stated that unanticipated revenues would need to be taken out as well. She stated that that item was the amount for rental of facility for when there was a fire. She stated that it was currently at \$3200 and that's where it should stay. Joyce stated that the City did get miscellaneous monies. Ron Padilla stated that the money came in from when the Fire Department went to California. He stated that there was some misuse and people were being paid out of the Fire Fund. He stated that that money came from revenue for the Wildland Crew.

Mayor Pro Tem Lujan entered the meeting at 5:58pm.

Councilor Garcia asked about League fees. Len stated that there was no longer volleyball or basketball leagues as we could not pay officials.

Councilor Garcia asked about small city assistance. Joyce stated that it would come in around April-May. Mayor Lucero asked if this was for Cities with less than 10,000 people. She stated that the 2010 Census stated we were above 10,000. Councilor Garcia asked that those issues be zeroed out.

Mayor Lucero stated she knew we did not get Housing revenues anymore but didn't we get E911 fees in. Joyce stated that we did and they came in as a transfer. She stated that it showed on the budget as a transfer similar to solid waste, etc. Joyce stated that GRT's came in as a transfer. Ron stated that those could be changed out. Joyce stated that if something was ever accounted for, it showed up on the budget worksheets.

#### **a. Police Department**

Chief Montoya gave the Governing Body a hand out. He stated that he had to go backwards on this. He stated that the jail was at a deficit of about \$90,000. He stated that in order to make that work, he had to make cuts to the Police Department. He stated that it was either make cuts or let some of the jail staff go. He stated that he took \$65,000, \$500 in mileage reimbursement, and \$5,000 from Professional Services. Ron stated that Chief came in with cuts that were not reflected on the budget.

Councilor Ortega asked for the bottom line. Chief stated that this was what he had for now. Ron stated he and Chief would have to sit down further and work on numbers. He stated that the City needed to address the \$90,000 shortfall plus the care of prisoners for next year. Ron stated that this was a process that they were still going through. Mayor Lucero asked to skip Public Safety until they got the right numbers.

Councilor Seeds stated that we needed to raise overtime because we were short. Councilor Seeds asked what staff was like five years ago. He stated that a lot of officers work too much overtime. He stated that if couldn't afford to fill positions then we couldn't afford overtime. Chief stated that staff went to training today with the understanding they would not get overtime and they were still willing to attend. Ron stated Councilor Seeds was absolutely right we needed more officers but the audit shows we have been going over budget and we have to get a handle on it.

Councilor Garcia asked Chief how many officer we have right now. Chief stated 22. Mayor Lucero stated that there were three vacancies.

Mayor Lucero stated she noticed there were also some increase requests and asked that the Police Department be looked at again on Wednesday.

#### **b. Fire Department**

Chief Ron Padilla gave the the Governing Body a handout. Ron Archuleta stated that staff would consolidate those requests into the budget that was handed out.

Joyce stated that the operating fund primarily covered salaries because the State Fire Fund did not cover those.

Chief Padilla stated that he had broken down salaries. He stated that his was requesting an increase. He stated that one guy was getting certified and another would be getting out of EMT school. He stated that per collective bargaining, they would be receiving a change in salary. He stated that he had four Fire Fighters getting their Fire Fighter II. He stated that a 3% increase would be across the board.

Mayor Lucero stated when an increase was across the board it needed to be for all employees not just Fire. She stated that this was not working. James asked Ron and Joyce where did the new number come up from. Joyce stated that the increases were due to liabilities from right now. Councilor Lewis asked if all departments would be this way. Ron stated that there were adjustments that needed to be made. Mayor Lucero stated that this information needed to be in their packets. Ron stated that he did not have these numbers. Mayor Lucero stated that that was the point of the meeting. Mayor Lucero stated that James and the Finance Director needed to sit down with all department heads. James stated that that was what the point of these meetings. Ron stated that that did happen. Mayor Lucero stated that we were wasting time if everything wasn't together.

Councilor Seeds asked if in collective bargaining it was 10% across the board. Ron stated no just those that go to school. Councilor Seeds stated that needed to be incorporated. Mayor Lucero agreed all needed to be included. She stated that this process needed to start over as this was very frustrating.

Councilor Seeds stated that Police Department union contract was in process and it needed to be incorporate as well. James stated that there was a conflict between union members. Chief Montoya stated that the union needed to solve their own problems before they could negotiate. Detective Bryan Martinez, Local Police Union President, stated that there were no increases in new contract only \$100 for clothing allowance.

James stated that requests didn't get added into budget. Mayor Lucero stated that it should be done all together. Mayor Pro Tem Lujan stated it was easier to look at one document.

James asked that Councilor Garcia extend the hearing for two weeks. The Governing Body agreed to revisit Public Safety at a later meeting.

#### **c. Detention Center**

#### 4. Municipal Court

Judge Salazar stated that was very important that the Governing Body do their best to listen to requests. He stated that he would like to request the Court Appointed Attorney be placed under the City Manager. He stated that he would like to request raises for his department. Judge Salazar stated that he thought he could work with the care of prisoners line item but money was so tight. He stated that next year the Court would be using more electronic monitoring/ house arrests to help with numbers. Judge Salazar stated that his budget was flat. James stated it was flat to date. Judge Salazar stated that he wasn't sure when the Court would be moving. James stated that the Professional Services Court Appointed Attorney for \$15,000 would go under the City Managers budget.

Councilor Ortega asked about maintance contracts; what were they and why they hadn't used much. Judge Salazar stated that was for the copier. Judge Salazar stated that should be saving us money as all City copiers were under the same lease. Joaquin stated that the previous administration went into contract to elliviate printing in separate offices. He stated that the contract was for at least another 3 years. He stated that he has been working on coming up with ideas for overage costs. He stated that overall it was a lot less than how it was done before. He stated that staff tried to keep on top so that late costs were not added.

Judge Salazar stated that there were some revenue projections that he needed to get to Joyce. He stated that revenues were \$520,000 a month. He stated that he had Jolene email a revenue report to each Governing Body member. He stated that the Court had been busy lately.

Councilor Garcia asked about bonding. Judge Salazar stated that people bonding out was never a big issue. He stated that the Governing Body would be getting a presentation about electronic monitoring soon. He stated that he was planning on doing this soon.

Councilor Seeds stated that he understood the Court didn't currently do bail bonding. Judge Salazar stated that no he didn't allow bail bonding. He stated that Magistrate did not either. Councilor Seeds stated that if bail bonding would be less expensive. Judge Salazar stated that the Governing Body did not know the day-to-day operations of the Court, Police Department or Detention Center. He stated that if people had an issue bonding out then they could be a danger to the community. Councilor Seeds asked if those people qualified for house arrest. Judges stated that has been here eight years and has conformed to the budget and done his best to cut spending.

#### 5. Community Services

#### 6. Planning and Zoning

#### 7. City Attorney

Ron stated that numbers were not the same. Mayor Lucero stated that Department heads needed to be involved.

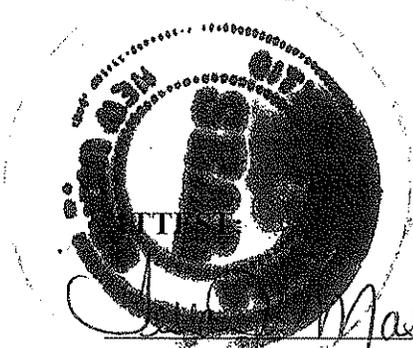
Councilor Ortega stated that a whole night was wasted.

Councilor Seeds stated that the Governing Body needed to know that everyone knew what was needed for the next meeting. James stated that he didn't think he could get everything together by Thursday. Councilor Seeds stated that Finance Board could meet a few days next week. James stated that he could work on Wednesday's items by then but would have to reschedule tonight's meeting. He stated that he would figure the dates out and let everyone know. He apologized to the Board.

**Councilor Ortega made motion to adjourn, seconded by Councilor Garcia.  
Motion carried by Finance Board 7/0**

Being no further business, the meeting was adjourned at 7:11pm.

APPROVED AND ADOPTED THIS 24<sup>th</sup> DAY OF May, 2011.



*Tessa Jo Mascareñas*

Tessa Jo Mascareñas, City Clerk

*Alice A. Lucero*  
Alice A. Lucero, Mayor