

Summary minutes of:

Finance Board Meeting
Monday May 10, 5:30pm
Public Safety Meeting Room
1316 Calle Adelante, Española, NM

Call to Order

The meeting was called to order at 5:43pm by Councilor Garcia with the following in attendance:

Mayor: Alice A. Lucero (*arrived at 5:56pm*)

Mayor Pro Tem: Cecilia Lujan

Councilors: Rosario "Chayo" Garcia
Greg Ortega
Dennis Tim Salazar (*arrived at 5:48pm, left at 7:47pm*)
Robert Seeds
Pedro Valdez

Deputy City Clerk: Sally Baxter

Staff: Joyce Sandoval, Finance Department; Police Chief Joe Martinez;
Police Lieutenant Christian Lopez; Melissa Griego, Executive
Assistant Police Department; Fire Chief John Kitchen; Fire
Lieutenant Ron Padilla; Ted Garcia, Detention Director; Ron
Archuleta, Finance Director; Stephanie Martinez, HR;

Absent: Councilor Cory Lewis
Councilor Helen Kain-Salazar

Approval of Agenda

Agenda as presented:

---Begin---

Call to Order

Approval of Agenda

Public Comments

Board Member Comments

Discussion/Action Items

1. Budget Hearings for the following city departments or divisions:
 - a. Public Safety – Police Department
 - b. Public Safety – Fire Department
 - c. Public Safety – Detention Center
 - d. Finance Department, IT, HR

Matters of the Chair

Announcements

Adjournment

At any time during the Open Meeting, the Board members, by a majority vote, may close the meeting to the public to discuss matters not subject to the New Mexico Open Meetings Act. The Board members, by a majority vote, 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's Office at 747-6019 at least three days prior to the meeting.

---End---

Councilor Ortega made a motion to approve the agenda; Councilor Seeds seconded the motion. The motion carried 5/0.

Public Comments

There were no public comments.

Board Member Comments

Councilor Garcia said there was a quorum. She said the Mayor and Councilor Salazar would be late.

Mayor Pro Tem Lujan said Councilor Kain-Salazar wouldn't be at the meeting; Councilor Garcia said Councilor Lewis wouldn't be at the meeting.

Councilor Garcia said she wanted the budget hearings kept simple and to the point; she said she wanted to know "who, what, why and how come".

Ron Archuleta said he had told people that.

Councilor Garcia said they would be asking the departments to cut 3% of their budget.

Councilor Garcia asked the department heads present to give the heads up to the other department heads not present.

Councilor Garcia said eventually the Councilors wanted to meet again then finalize the budget later.

Discussion/Action Items

Item #1 a, Budget Hearing for:
Public Safety – Police Department

Police Chief Joe Martinez said in front of the Board members was a sheet that showed expenditures and what he was requesting. He said he was requesting \$12,000 more because the Police Department had three new sergeants making more per hour. He said overtime wages would be less for the fiestas. Melissa Griego, Police Department Executive Assistant, said she had gotten expenditures from the budget. Councilor Ortega said so these were not actuals; Ms. Griego said yes.

Councilor Valdez asked if expenditures would be more. Councilor Ortega said on page 32 actuals spent was \$93,300 so far. Councilor Garcia said they were at 66%.

Councilor Garcia asked if the Chief was sure about the Electric Parade; the Chief said yes.

Councilor Garcia asked if they were working with sheriffs and the state; Lieutenant Christian Lopez said from 3:00pm Fri to 10pm Sunday would be overtime for the fiestas. The Lieutenant said Sunday would be a full day, they started 9:00am to 10:00 or 11:00pm at night, it was the same for the Light Parade, and Officers went in two hours before [the events started].

Lieutenant Lopez said Santa Fe County had given 7 officers the previous year, and might not have as many available this year so the Department needed more overtime. He said state police were cut down drastically, and the sheriffs and 2 tribal agencies could only send one or two at a time so the Española Police Department needed to work this out with their officers and still have people in the field.

Councilor Garcia said the fiestas had security; Lieutenant Lopez said that was for parking. He said the Española police worked the fiestas, and when they arrested someone they had to take them off the grounds and call detention so as to not take officers off the grounds. He said they were lacking Weed and Seed grants, did warrant roundups throughout the year, and tried to do warrant roundups before the fiestas to try to pick up people.

Councilor Garcia asked if any there were grants to look for; Lieutenant Lopez said they were trying but it was late in the fiscal year. He said they had applied for but

were shot down for one. He said for narcotics they were Region 3 there wasn't anyone in Region 3. He said they were trying to get credit they needed.

Mayor Pro Tem Lujan said extra activity was fiestas and the light parade; she asked if there were any others; the Chief said roundups throughout the year, he wanted to have other agencies come in and help, and he needed overtime for the roundups.

Lieutenant Lopez said when they were short-handed they needed to bring an officer in.

The Chief said special assignments like Cinco de Mayo were reimbursed but the funds didn't go into their budget.

Councilor Garcia said \$5,000 was the actual expenditure for maintenance. Ms. Griego said that was the 124 fund.

Councilor Garcia asked what professional services were; Ms. Griego said they had a separate phone system at the Police Department because they needed extra lines.

The Chief said the amount for vehicles had changed; he said they needed 48 vehicles.

Lieutenant Lopez said the majority of the fleet came from grants and needed equipment such as camera systems and radars. He said this was four units for any new hires; he said the existing units were up to standard but the mileage was getting high.

Councilor Ortega said the PSAs (Public Safety Aides) had brand new units; Lieutenant Lopez said that was a grant and those were earmarked for the PSAs. He said they couldn't give them older cars. Councilor Valdez asked if it was a possibility they could look at the franchise tax to purchase all vehicles. He said if it was isolated and put aside the Finance Board would know for example there was \$400,000 every year for a certain number of vehicles. He said if the city had a fund that they knew was for vehicles they could have this instead of each budget including the vehicles.

Councilor Seeds asked where the franchise tax went; Councilor Ortega said the general fund.

Mayor Lucero asked which franchise tax; Councilor Valdez said telecom. He said they would have to look at it to see where it was in the budget.

Mayor Lucero asked if there was one in particular; Councilor Valdez said no, they could make a program for example every 5 years replacing vehicles, especially the Police Department and departments that used a lot of mileage.

Councilor Valdez said they could look at it for the future to know how many vehicles the city could purchase.

Councilor Seeds said regarding funding sources, they had talked about a grant writer on percentage, negotiate fee not salary. Lieutenant Lopez said they were using their records manager in the meantime to start looking for grants and he did his records business then looked for grants. The Lieutenant said there were other grants out there.

The Chief said they had discussed a professional grant writer who took a percentage; Councilor Seeds said it would behoove the whole city.

Councilor Seeds said the whole city should look at this. Mayor Lucero said they had been getting vehicles with grants and should continue that, \$140,000 was a lot and she couldn't see putting that in the budget at this time.

Councilor Garcia said she wanted to go through all of the budgets then meet as the Governing Body.

Mayor Lucero said they could request money from the legislature for vehicles.

Councilor Garcia said she wanted to know where they could cut 3%; the Chief said with this budget he didn't want to cut positions and needed overtime and standby pay.

Councilor Seeds asked how many positions needed to be filled; the Chief said there were 6 left.

Lieutenant Lopez said that was where the vehicles came in and they didn't have old vehicles to use.

Councilor Garcia asked if they could put rookies in the old cars; the Chief said with three new cars coming in they would hand down the old cars but needed three at the least.

Ms. Griego said there were six positions and the Deputy Chief (DC); Mayor Lucero said she wasn't sure they could afford a DC at this point, and maybe there could be 2 vehicles instead of a DC. Councilor Ortega asked if the DC salary was in the budget. Mayor Lucero said yes and a car. The Lieutenant said he got the car the DC was using striped and it was ready to use.

Councilor Seeds asked about used vehicles; he said there were auctions in the state with tons of good clean vehicles; the Chief said the city had tried that once. Lieutenant Lopez said they had gotten the pick of the litter and it cost a lot to fix. Councilor Seeds said there were used vehicles a year or two old from the dealership.

The Chief said the problem was that Police vehicles ran at higher speeds, and had more robust suspension systems and cooling systems.

Councilor Seeds asked about pursuits; Lieutenant Lopez said regarding pursuits they had to meet state statute regarding weather, traffic, etc. The Chief said the severity of the crime was considered.

Councilor Garcia asked what this had to do with the budget; Councilor Seeds said they were not pursuing so he wanted to know if they needed a pursuit package. The lieutenant said they had to consider the liability. He said if an officer was hurt the insurance would say why wasn't a police vehicle used with the beefed up suspension, etc., it handles better. He said if they used regular car chances were they would lose that car.

Councilor Garcia asked where they could cut 3%.

Councilor Ortega asked if the Chief was anticipating per diem going up. He said it was showing a \$2,000 increase. The Chief said there were different places for training.

Ms. Griego said there was a variance from the actual; she said there was a difference of \$2,968 they had overspent this year. The Chief said they had to cut down on training. The Lieutenant said they had officers who went to class on their own time. He said they had a rifle training planned and couldn't do it and had officers who needed to go through it. He said a lot of officers went to Rio Rancho and came back each night so there was no per diem.

Mayor Pro Tem Lujan asked what the savings was without the DC; Mayor Lucero asked Mr. Archuleta for DC + salary savings benefits. John Kitchen said \$86,214. Mayor Lucero asked if they could save equipment from old vehicles; the Chief said yes.

Councilor Seeds asked if there was anything else they really needed or could cut; Ms. Griego said they could probably take down contractual services. She said contracts had totaled out to \$15,000 but every new hire needed to go to a psychologist and have physicals.

Councilor Garcia asked if they noticed they had a contract with Ginos; Ms. Griego said that would be taken off.

Councilor Ortega asked why they used the Ortiz brothers when they had in house IT; the Chief said that had been discussed and Joaquin Maestas (city IT) could not handle everything they had. The Lieutenant said it included equipment on street lights, and Ortiz knew it in and out, and had set up firewalls so they couldn't be hacked. He said when they had gotten away from Municipal Court, Ortiz had set it up and knew the ins and out, security, and laptops. He said Ortiz were available within minutes to an hour, and they had had issues with Mr. Maestas in the past and it took days for him to respond.

Ms. Griego said they had spent about \$7,000.

Mayor Pro Tem Lujan asked why advertising was so high; Ms. Griego said they didn't have all the positions filled. Mayor Lucero said did they need the money for subscriptions; Ms. Griego said this was for criminal law manuals that were updated every year. Lieutenant Lopez said there were new laws enacted every year.

Mayor Lucero asked if they had gone up that much; Joyce Sandoval, Finance, said yes.

Ms. Griego said there were vouchers that hadn't been paid; Mayor Pro Tem Lujan said they hadn't used it all. Ms. Griego said there was a \$1,000 bill which hadn't been paid yet.

Lieutenant Lopez said with this, the officers had the statutes. Councilor Seeds asked what they did with the outdated manuals. Lieutenant Lopez said they asked the officers to turn them in and recycle them.

Councilor Seeds said he felt they needed to get some type of person, on a contract, to look for funding sources. He said the city needed to get really aggressive. The Chief said that would be great. Councilor Ortega said grants weren't easy to apply for, and they needed someone with experience.

Councilor Garcia thanked them for their presentation.

Councilor Garcia said to cut vehicles, and the DC. Councilor Ortega said that would be under \$36,000. Councilor Seeds asked if not filling positions was added. Councilor Garcia said with the fiestas they could ask the state to help.

Councilor Seeds asked the Chief to clarify why under full time the department head request was only up \$12,000 so was there money not used and if so why more was requested. Councilor Ortega said \$12,000 was for the sergeant increase. Councilor Seeds said the department was 7 positions shy; Mayor Lucero said it was included and there were vacancy savings. Councilor Seeds asked if under line item 1 it showed everything; Ms. Griego said she had gone by the budget from this year. Councilor Valdez said it had \$1.6 million. Ms. Griego said increases of ten and five percent were something they needed to look at because of union negotiations.

Ms. Griego said new positions were there but not salaries, and vacant positions were in there. Mayor Lucero said last year's budget included those and this year's was higher. Ms. Griego said some were frozen; Mayor Lucero said two but they were still in the budget and it had been increased from \$1.296 to \$1.408 million.

Councilor Ortega said those numbers wouldn't be accurate until they went through negotiations so he wanted to know why was it higher. Ms. Griego said \$1.3 million was approved the previous year. Mayor Lucero said it was \$1.296, not \$1.396 million as shown. The Mayor said there was the \$200,000 they were asking for and a \$100,000 error.

Councilor Ortega said in 2009-2010 \$1.396 million had been approved then it was modified to \$1.296, and they should be using the modified amount.

Mayor Lucero said the budget couldn't go up because revenues were going down. She said the money for the DC would be taken off the \$1.297 million. Mayor Pro Tem Lujan said she hated to see it cut; Mayor Lucero said they could revisit it next year.

Ms. Griego said she would reprint the information with the correct number. Mayor Lucero said she could make those adjustments with Mr. Archuleta.

Councilor Garcia said the Police Department cut out vehicles for \$140,000, the Deputy Chief position for \$86,200, contractual \$4,000 and would use as the starting annual budget \$1.296 million.

Item #1 b, Budget Hearing for:
Public Safety – Fire Department

Fire Chief John Kitchen said when he ran the spreadsheet from the last year, by hiring 3 additional firefighters on a staggered timeframe there were savings. He said his budget was based on what was approved last year included an error of \$27,000 on salaries. He said what had not been considered the previous year was that the city had a requirement for FLSA (Fair Labor Standards Act) regarding federal overtime. He said it was \$67,000 for the people he had, he had been given an overtime budget of \$69,000 for the previous year, and when he had brought this to the attention of the people he was dealing with, they said it would be fixed later and it wasn't.

Chief Kitchen said the union contract stated four on shift or overtime. He said the only things the city paid for were \$75,000 overtime to cover the FLSA requirement, fill-ins, and covering sick leave absences. He said he had to keep positions filled, had to man the station, and the contract said to fill with four firefighters.

Councilor Seeds asked if fire funds were for equipment only; Chief Kitchen said equipment and operating only. He said he would spend next year's funds on a new engine. Councilor Ortega said regarding the difference in FICA (Federal Insurance Contributions Act), it was \$40,000 lower than last year; he asked if it was a typo. Chief Kitchen said he would check the printout. Ms. Sandoval said Medicare and FICA should have been adding \$9,232, and the detail on the personnel services schedule had social security broken out so they had to add it. Chief Kitchen said it was \$48,706, and was still lower than projected because last year's budget had been wrong. He said he hadn't recomputed all of the figures and regarding the difference that on page, all would have gone down. He said the PERA figures were based on the three additional positions staggered.

Mayor Lucero asked why uniforms were so much higher; Fire Chief Kitchen said it was per the union contract, there were 15 employees, and initial uniforms for new hires were out of state funds. Councilor Seeds asked if the Chief could use fire funds for uniforms; Fire Chief Kitchen said \$1,200 wouldn't get spent. Ms. Sandoval said the budget worksheets were run as of February.

Fire Chief Kitchen said he had spent \$22,000 today. Councilor Seeds asked why it was spent today and what was needed. The Fire Chief said he was told it had been forgotten and the firefighters were entitled to it. Councilor Seeds said a month ago the Finance Committee had said they wanted to slow spending down. Fire Lieutenant Ron Padilla said this was from the union contract fiscal year to fiscal year, they had found out the end of the year cutoff was today, the crew didn't want to lose it, and it was in the contract.

Councilor Seeds said if something came up that wasn't in the contract for an emergency purchase, just because they had it in the budget why spend it if it wasn't needed.

Mr. Archuleta said the guys had found out they had today as the cutoff, and if someone had come forward and said had they had \$22,000, they would have talked about it. Chief Kitchen said it was in the union contract.

Mayor Lucero asked how much of the \$15,000 could come out of the fire fund; Chief Kitchen said he had a line item for the fire fund and used it for high ticket gear like the bunker gear, and he used it for new hires uniforms.

Mayor Lucero asked how much of the uniform expense could come out of the fire fund; Chief Kitchen said he would look at the state fire fund allocation; he said there was a \$70,000 carryover with a \$50,000 down payment for new engine. Councilor Seeds asked if it was needed; Councilor Ortega said it was a done deal.

Chief Kitchen said other funds went into safety equipment, and he didn't want to have carryover. He said he spent it for equipment, a lot of money for the La Joya station had come out of this, and right now the state allocation was \$207,613 but this amount from the state was figured two years ago and next year would probably be \$207,000. He said if he didn't use the safety money there might be a carryover. He said maybe he could put some in there but also they needed to determine who was responsible for annual physicals. He said the city paid for the initial physical, and in the past grants had paid \$8,000 for 15 people. He said he was trying to balance it. He said the policies said if new hires needed a physical the city paid but it didn't say who paid for the annual physicals.

Fire Chief Kitchen said he could maybe put \$10,000 in the general fund.

Mayor Lucero said the previous year there was \$17,000 for safety equipment, he spent \$5,000, so why was he asking for \$50,000 this year; Chief Kitchen said it was for truck equipment and equipment for new hires. He said he needed a new defibrillator and the problem with fire equipment was that costs went up every year. He said this would be zeroed out between now and the end of the fiscal year.

Councilor Ortega asked if the safety difference of \$33,000 was for the new truck; Chief Kitchen said jaws (of life). He said the spreader needed now was \$32,000, other accessories \$5,000 and up, there could be additional medical equipment, and swift water rescue equipment such as wetsuits and rescue gear. Councilor Seeds said the only problem he had was that it was too broad assuming how much would be needed without breaking it down. He said it wasn't listed here, just the figure of \$50,000 was listed.

Chief Kitchen said this was mandated by the state, and delegated by him. Chief Kitchen said the city only had the general fund. Mayor Lucero asked if he could use the fire fund for uniforms, the Chief said yes, \$10,000.

Fire Chief Kitchen said the city could have it all if he could have his three new firefighters; Councilor Valdez asked if he would have to hire the three firefighters. Chief Kitchen said the national standard was 1 Firefighter per 1,000 residents, and the city now had 1 firefighter per 2,000. He said ideally La Joya would have more than 2 and the city needed 15 ideally to meet the national standard on shift.

Councilor Valdez said there were other town doing away with policemen and firemen because of revenues not coming in. Chief Kitchen said those towns didn't have state fire funds. He said the previous year the city had gotten more than \$200,000 just to run the department and the city was lucky as get state fire funds. Councilor Valdez said he was concerned as new employees were ongoing expenses. Councilor Garcia asked if the Chief hired three he would be cutting overtime; Chief Kitchen said yes and how much depended on whether they were certified or not. He said he probably would use \$8,000 total if he hired three additional firefighters and it could go up if the three were not hired. He said he needed more people for employees on vacation or at the academy.

Mayor Pro Tem Lujan asked if they could take out \$67,000; Chief Kitchen said that was what was required right now. Chief Kitchen said above and beyond FLSA would be \$8,000. Mayor Pro Tem Lujan asked how much. Mayor Lucero said if they considered new positions, it could be decreased by \$10,000. Fire Chief Kitchen said there was the FLSA requirement.

Mayor Lucero said that was if they were automatically going over, and asked if they were; Fire Chief Kitchen said yes due to the shifts. Fire Chief Kitchen said every pay day the city paid 32 hours at time and a half.

Fire Chief Kitchen said he didn't have FLSA information for the new hires. He said there were three new hires, but he would run the numbers and give the information to Mr. Archuleta. He said the only way around this would be three shifts of five working eight hours a day.

Councilor Seeds asked if they had twenty-four hour shifts; Fire Chief Kitchen said yes.

Councilor Garcia asked for the three extra what the Chief would do; Chief Kitchen said they could be hired on a staggered schedule. Councilor Seeds said next year this would be a recurring expense.

Chief Kitchen said his goal was to go to three and three; he said two at La Joya would get them on the scene but they needed more. Councilor Garcia asked how much for three employees; Councilor Ortega said \$90,000.

Mayor Pro Tem Lujan asked if there was a ventilation system at La Joya; Chief Kitchen said they didn't have a ventilation system at La Joya for exhaust. He said the main station had a man trap and two roof vents. He said which OSHA (Occupational Safety and Health Administration) could say they had to get an exhaust system. Councilor Seeds asked if fire fund money could be used for a building; Chief Kitchen said it could be under contractual, and could be used to modify the structure which had been done at La Joya.

Mayor Lucero asked if the Valley Estates fire suppression caused the ISO (a company that rates insurance risk) to go up; Chief Kitchen said Valley Estates was a five. He said he had been told it was a 9 but they were a 5; he said the lower the rating, the better.

Chief Kitchen said they had hydrants, said he told Valley Estates residents to contact insurance and tell them that they were ISO 5 for their insurance. He said the ISO rating didn't affect fire funding which was based on how many manned stations, how many staff, how many vehicles, etc

Mayor Lucero asked if adding La Joya would mean more fire funds; Fire Chief Kitchen said no, it had always been on the books.

Councilor Garcia said for the budget they were cutting uniforms and overtime.

Item #1 c, Budget Hearing for:
Public Safety – Detention Center

Detention Director Ted Garcia said he was instructed to submit a flat budget and that was what he had done. He said what had been given last year was approximately \$5,000 in error. He said he had an officer taking FMLA (Family and Medical Leave Act) later this year and he was requesting a temporary hire if possible. He said he wanted to promote a shift supervisor for each shift, as he was the only supervisor, ran the jail, and stayed long hours.

Mayor Pro Tem Lujan asked if he wanted to increase by \$4,000; Mr. Garcia said that was correct. Mayor Pro Tem Lujan said he wanted \$309,000.

Mr. Garcia said he wanted to promote a shift supervisor for each shift and also was sending officers to become certified in detention. He said he would like to compensate an officer who was certified last year. Councilor Seeds asked who; Mr. Garcia said Shaun Madrid.

Mr. Garcia said when Mr. Madrid was certified, at that time Mr. Garcia couldn't give him a raise so it was in the new budget. Mr. Garcia said it was in the budget to compensate the shift supervisors.

Mayor Lucero said the front page of the sheet included raises to supervisors; Mr. Garcia said he would like to promote supervisors and certified personnel. Mayor Lucero asked if it was for everyone in the department; Mr. Garcia said no and it was about \$1 for certified personnel.

Councilor Valdez asked Mr. Garcia to discuss overtime; Mr. Garcia they had used what they had and he had told the officers overtime would be given as comp time. He said the only person getting overtime was the standby officer. Mr. Garcia said whoever was on standby got overtime.

Councilor Garcia said food supplies were at over 116%; Mr. Garcia said had negotiated with Little Cesar's and they negotiated a lower amount. Mayor Lucero asked if had ever negotiated with anyone else; Mr. Garcia said this was the first time. He said there had been problems with people being paid on time in the past. Councilor Garcia said if it was consistent it should be the same amount; Mr. Garcia said it depended on how many arrests were made. Councilor Seeds asked if payment was current now; Mr. Garcia said as far as he knew it was.

Councilor Seeds asked Mr. Archuleta if it was current; Mr. Archuleta said he had sent emails the previous week for department heads to send them bills.

Councilor Valdez asked if there was some way to work with Mr. Archuleta to get things paid; Mr. Archuleta said the best thing with big ones like Cooks was that he needed to go and introduce himself and ask them.

Mr. Garcia said for the uniform company and shackles supplier there had been issues with them getting paid. Mayor Pro Tem Lujan asked if they were getting paid in a timely manner; Mr. Garcia said it was showing a negative now. He said at the beginning of the fiscal year he had created a Purchase Order and were not drawing down money from the Purchase Order but from the actual line item. Mayor Lucero said so it showed as an encumbrance; Ms. Sandoval said it was paid as direct pay and wasn't attributed to the Purchase Order.

Councilor Ortega said the safety equipment funds hadn't been spent but Mr. Garcia was asking for an increase; Mr. Garcia said they had purchased safety vests.

Councilor Salazar left at 7:12pm and returned at 7:17pm.

Councilor Ortega asked if the increase would be for first aid kits and fire extinguishers; Mr. Garcia said yes. He said first aid kits were used quite often.

Mayor Lucero asked why the contractual services fund was increased to \$11,000; Mr. Garcia said he had used the wrong line item. Mayor Lucero asked what fire suppression maintenance was; Mr. Garcia said fire suppression had to be inspected on a monthly basis and had had to be installed for them to move in.

Mr. Garcia said he had met with the Santa Fe jail administrator the previous week to see if they would work with them and had been told they would get the same dollar amount but couldn't reduce the booking fee. He said he had been told it might be possible to get a contract cheaper than the county and had found out today the company's price wouldn't go up so it had stayed the same in the budget.

Item #1 d, Budget Hearing for:

Finance Department/ IT/ HR

HR Department

Mr. Archuleta said for HR (Human Resources) the only anticipated change that was a real drastic change was salary because they had to incorporate Stephanie Martinez who had been Weed and Seed. Mr. Archuleta said that was the only proposed change.

Mayor Pro Tem Lujan said it increased to \$103,000; Mr. Archuleta said it already existed but Stephanie had been paid from Weed and Seed. Councilor Seeds asked when that had ended; Mr. Archuleta said September.

Mr. Archuleta said they had advertising they could cut; Ms. Sandoval said when they had positions they had to advertise them. She said the city hadn't been filling positions so they had spent less but if they anticipated filling some vacant positions they had to anticipate costs going up. Mayor Lucero asked to trim it to \$1,000.

Councilor Valdez asked what contractual services was for; Ms. Sandoval said drug testing.

Stephanie Martinez said it was for post accident, pre employment and suspicion.

Mayor Lucero asked what the equipment and machines amount of \$2,000 was for; Ms. Sandoval said Jeanie Brito had equipment she wanted to purchase. Mr. Archuleta said it was completed.

Ms. Martinez said Ms. Brito had purchased a new computer and monitor for [Ms. Brito] and supplies, and had thought of getting a fax machine but they had one from a grant so they wouldn't need to purchase one.

Mayor Pro Tem Lujan asked what per diem was for; Ms. Martinez said Caselle training and she was going to try to get more training.

Mr. Archuleta said he was trying to do in-house training or in-state so they could trim per diem. Mr. Archuleta said he was exploring Caselle training, web based training, and he needed advanced Caselle training.

Mr. Archuleta said they could cut out per diem and transportation expenses. Ms. Martinez said that was gas, mileage, and they used a city card.

Councilor Valdez said the Council would be looking at this in January also.

Mr. Archuleta asked what printing and publishing was for; Ms. Sandoval said there was an HR requirement for flyers and handouts. Ms. Martinez said it was EEOC and there were small fees.

Mayor Pro Tem Lujan said to trim advertising by \$1,000.

IT Department

Ms. Sandoval said IT was on the last two pages of the report.

Mr. Archuleta said there was \$17,000 for the Ortiz brothers. He said he had a meeting with them and they had billed \$15,000 year-to-date. Mayor Lucero asked if this was aside from the Police Department; Mr. Archuleta said yes. He said the Police Department felt more comfortable working with Ortiz Brothers instead of Joaquin Maestas (city IT).

Mayor Lucero said this didn't include the Police Department; she asked what the \$17,000 was for. Ms. Sandoval said they used Ortiz for example when they had had the Mayor's name put on the checks. She said she had no idea if Mr. Maestas could have done it. Mayor Lucero said Mr. Maestas was sick. Ms. Sandoval said a couple of other times Ortiz was brought in. Ms. Sandoval said she had left it the same because a flat budget was a flat budget and she didn't know the historical use.

Councilor Ortega asked if Mr. Maestas could do what Ortiz was doing; Ms. Sandoval said she thought he could but had all those departments and he was only one person. She said he was only one person to handle as many departments [as he did] and their needs.

Mr. Archuleta said he had asked Mr. Maestas why the department heads didn't have read only access to Caselle and Mr. Maestas had told him he would have to run fiber optics to the departments. Mr. Archuleta said he had brought in the Ortiz Brothers and they had said the city had the capability.

Mr. Archuleta said his computer wasn't set up correctly and he had had to call the Ortiz Brothers. Mayor Pro Tem Lujan said she agreed the department heads should have read only access to Caselle.

Mr. Archuleta said there was no separation of duties and the city manager had a password. Mr. Archuleta said Mr. Maestas had a password. Ms. Sandoval asked if they were not cutting anything; Mayor Pro Tem Lujan said they needed more detail from Mr. Archuleta or Ms. Sandoval. Ms. Sandoval said the \$17,000 was an error and they had spent \$1230.91, not \$17,000. Mr. Archuleta said he had asked them and they said they had billed the city \$15,000; Mayor Lucero said it could be the Police Department.

Mayor Pro Tem Lujan said it was a big diff and if it included the Police Department to bring it down to \$10,000.

Councilor Ortega asked what communications was for; Ms. Sandoval said Mr. Maestas worked with the telephones and she didn't know if it came out of his budget. Mayor Lucero said cut to it \$7,600.

Finance Department

Mr. Archuleta said the Mayor had asked him to access the finance department and he assessed it two ways and one way was experience. He said Laura Romero had eight months in the job and Margie Vigil was new to the job and had only done accounts payable. He said Bernadine Martinez handled procurement. He said he assessed on what kind of well rounded experience; he said the city had an accountant with a CPA and one with a Masters. He said he went with the industry standards and when they advertised for a director and Ms. Sandoval's position, he went with the median of what a person in that capacity would make.

Mr. Archuleta said the city needed to hire these folks for continuity so he had budgeted a Finance Director at \$80,000, a Financial Analyst at \$75,000 and another position at \$52,000. Mayor Lucero asked if this included benefits; Mr. Archuleta said no.

Ms. Sandoval said in comparison to the previous year's budget, benefits increased because of the proposed positions and related benefits. Ms. Sandoval said they had each type of benefit. Mr. Archuleta said that was labor standards. Councilor Seeds asked if Mr. Archuleta felt they needed a purchasing agent in place. Mayor Lucero said they did have one, Bernadine Martinez. Councilor Seeds said Mr. Archuleta had said he was comfortable with her.

Mr. Archuleta said he understood the Governing Body wanted them to cut, however, in his view if they didn't have a good consistent team, it would be important.

Mayor Lucero asked regarding the salary survey and industry standards what they had compared it to; Ms. Sandoval said for the director they went with general and financial manager. Mayor Lucero asked if it was national; Ms. Sandoval said yes but for the state it was the same number. Councilor Ortega asked if these were consistent with the state personnel office; Ms. Sandoval said on the New Mexico page it gave the national average.

Mr. Archuleta said he was also going to call Los Alamos, Las Vegas and Bernalillo. Ms. Sandoval said she had called them but they hadn't returned her calls.

Councilor Garcia said if the city wanted a CPA or Masters they would have to pay that. Ms. Sandoval said at this level, they didn't have anyone else in the whole general ledger or accounting who had the big picture. She said if others were stronger the city might not have to go that route. She said the other employees were good at what they did but they didn't have an understanding of how to relate to the general ledger, and the city only had expenditures but didn't have anyone tracking revenues, assets and liabilities. She said no one at the city had any concept with that.

Councilor Ortega said he thought this additional expense should have happened previously. He said if they did what was right and created a new Finance Department this was something they absolutely needed to do.

Ms. Sandoval said without paring anything down they were still only 25% above what was budgeted previous year. She said professional services for the previous years was \$40,000 and she had left it at \$10,000 for Caselle support.

Councilor Garcia asked if they could hire only one person instead on three; Ms. Sandoval said the city would have to hire a high ticketed person whether one, two or three to get the knowledge of the overall accounting department and processes. Councilor Garcia asked if they could hire one; Ms. Sandoval said if they hired her, no, she would not do it. She said one person was not enough for the department. She said they needed people to separate the pieces so they could look at them. She said if others were brought up in training, maybe, but otherwise they had to consider turnover.

Mayor Pro Tem Lujan said they were trying to build a team that could meet the requirements, get the job done, and they needed to get over that and move on. Mr. Archuleta said his concern was that they maintained the general ledger balance, and he could work with these people and they could work with him. Mayor Pro Tem Lujan said it took time to build a team.

Mayor Pro Tem Lujan said number one was that the public needed to know what the finances were and they needed to convey that to them. Councilor Ortega said they were putting expectations out there.

Mayor Lucero said right now they had a Finance Director and Ms. Sandoval as a temp but needed that as regular. She said she was fully in support but the city couldn't afford salaries as high as they were. Mayor Lucero said if they went to \$65,000 for the Financial Analyst it would be more workable.

Councilor Seeds said they needed to get finances back in order. He said they had a need and he was concerned that they didn't inherit anyone who didn't belong there. He said everyone needed job descriptions and to be as capable as anyone else.

Mr. Archuleta said he had two employees who had asked why they had to do certain assignments. He said in the personnel descriptions it said "other duties as required" and part of the problem was that the auditors had come in and needed vouchers and they weren't found. Councilor Seeds said everybody needed to carry their own weight.

Mr. Archuleta said he was dealing with more personal matters than he wanted to and hopefully a city manager could deal with these when he or she was on board. He said he needed to audit Lodgers Tax.

Mayor Lucero said Jeanie Brito should be handling this.

Mayor Pro Tem Lujan said they could compromise on salaries. Mayor Lucero said the city couldn't afford to pay what Los Alamos did and the city's benefit package was better than most.

Mr. Archuleta said he was a civil service retiree and if he paid Social Security he wouldn't see a benefit so he was willing to stay as a contractor.

Councilor Seeds said they should use the Mayor's figures for next time. Mr. Archuleta said when a city manager came in that person could handle a lot of that.

Councilor Valdez said they needed a finance meeting to get this corrected. He said they needed to look at how they could afford it. He said the city needed a good Finance Department. Mayor Pro Tem Lujan said they needed a good team.

Ms. Sandoval said didn't change the audit contract and it was up for renewal in 2010. Councilor Garcia said she thought this was the last year.

Ms. Sandoval said she didn't know if the \$40,000 was accurate for the audit. She said she didn't know what was negotiated for 2009. Councilor Seeds asked who would have the contract. Mayor Lucero said e911 paid for a portion of the audit.

Ms. Sandoval said she thought for the budget year they were looking at, they needed to go to a Request for Proposals.

Mayor Lucero asked for equipment and machinery, if they hired an additional person if it would be enough; Ms. Sandoval said it was for an additional unit. She said they had been using HPs which were \$1,500 or \$1,700.

Ms. Sandoval said she had the network set up to where she could send to a printer and it was minimal for a good printer. Ms. Sandoval said she didn't need to upgrade and do other things.

Ms. Sandoval said she wasn't sure who used \$450 for professional development but that was one place that was negotiable; she said if the city were to cover a CPA, continuing education would need that. Ms. Sandoval said in terms of what she would do, she would be willing to personally cover that out of her own pocket. She said it was one place they could work on. She said they needed to figure out what the audit for next year would be.

She said the city no longer had the portion the Housing Authority covered, audits were not cheap, and the risk was too high right now for the city because it didn't have a good reputation. Councilor Garcia said housing had been the thorn and they hadn't wanted to do it. Ms. Sandoval said if the company in year three they could bid, but not if they were in their sixth year; Councilor Garcia said it wasn't their sixth year.

Mayor Lucero asked if they could cut down employee professional development; Ms. Sandoval said they could cut it in half. Mayor Lucero said cut \$1,000.

Mayor Lucero asked for non-capital equipment if they needed another workstation. Mr. Archuleta said his office and Ms. Sandoval's were available and they only needed one space.

Mr. Archuleta said for the salary, his professional services would go away and balance itself out. Mayor Lucero said if they cut \$20,000 on the salaries benefits would come down.

Ms. Sandoval said printing and publishing she doubled it because they went through a lot of paper. She said she didn't know where it got purchased out of but that was their copy expense. Mr. Archuleta said maybe paper expenditure expenses could be reduced if they had Caselle for everyone. Ms. Sandoval said she cautioned that most of their purchase orders were from other departments; she said online requisitioning and approval would help with other departments but not them.

Mayor Lucero and Councilor Garcia said the spreadsheets were hard to read online. Ms. Sandoval said everyone requested their budgets each month; Mayor Lucero said to send it to them electronically.

Matters of the Chair

Mayor Lucero said she would not be at the meeting the next day and asked her apology be relayed to DFA (NM Department of Finance and Administration).

Announcements

There were no announcements.

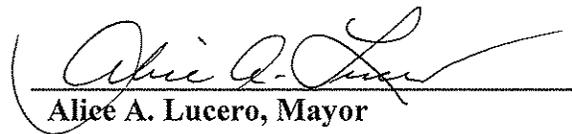
Adjournment

Mayor Pro Tem Lujan made a motion to adjourn, seconded by Councilor Valdez.

Being there was no further business, the meeting adjourned at 8:31pm.

*Minutes taken and transcribed by Sally Baxter
Deputy City Clerk/ Public Information Officer*

APPROVED AND ADOPTED THIS 29TH DAY OF JUNE, 2010



Alice A. Lucero, Mayor

ATTEST:



Heather Velasquez, City Clerk

