

City of Tucumcari
Budget Workshop Notes
May 24, 2010

The City Commission of the City of Tucumcari held a Budget Work Session on May 24, 2010 beginning at 9:00 am. Commissioners present were: Amiel Curnutt, Jimmy Sandoval, and Jim Witcher.

Staff members present were: Bobbye Rose, Mike Cherry, Christine Dougherty, Marty Garcia, Clara Rey, Dennis Dysart, and Vicki Strand.

Ms. Rose began by detailing ways in which the City has worked to save money. Some of the efforts have been:

- Parks and Recreation have been combined eliminating one department head
- Uniforms eliminated in Street Department
- Phone system for City Hall will save money each month
- Elimination of some street lights
- Hiring three people on part-time status to save benefits
- Mandated safety programs to decrease insurance costs
- Cross training employees
- Internal auditor hired to investigate how to save money
- Only filling essential positions as they are vacated
- Operating budget has been cut
- Instated a maintenance program for vehicles

Since the last budget workshop, Ms. Rose stated a few things have changed. They are:

- The airport grant in the amount of \$69,350 has been approved
- An employee in Dispatch has asked for health insurance
- An employee in Water has asked for health insurance
- The Community DWI program has awarded a grant to the Police Department
- The cigarette tax has been taken away from the municipalities for a total impact of \$22,775
- The YCC grant has been awarded in the amount of \$33,261.92

At this time the budget was reviewed page by page and changes were discussed and implemented as needed.

Page 6-Revenues: Ms. Rose stated that the cigarette tax has been eliminated. She explained that no funds will come out of the general fund and \$8275 will be transferred to recreation to cover the loss.

Page 8-Legislative Department: The transfer columns at the bottom have been adjusted. The Recreation Department increased by \$8275 for a total of \$221,172.

Page 9-Legislative Contractual Services: Mr. Witcher asked how the Commission voted on paying the EPCOG dues. Ms. Rose responded that the issue was tabled. Ms. Rose added that

the District Attorney's office is investigating EPCOG. Mr. Lumpkin stated that EPCOG is going through some difficult times. They received funds to build a pipeline from Ute Lake to Clovis. Mr. Lumpkin stated that he would like to be involved in EPCOG so that we will know what they are doing. Mr. Witcher stated that EPCOG lost 75% of their budget due to late audits and that they have done nothing for us lately. Ms. Rose added that EPCOG lost all HUD funding. Mr. Witcher stated that the City must pay dues in order to be a member of EPCOG. Ms. Rose suggested that the dues be left in the budget and then pay them should we feel the need to be involved with EPCOG again. Mr. Witcher agreed that the funds should be left in the general fund. Mr. Garcia stated that the line item the funds are currently in is used for insurance deductibles and it historically goes over budget. Mr. Garcia suggested leaving the funds where they are.

Page 10-Personal Services: Ms. Rose indicated that changes here are due to Mr. Lafferty going off the commission and Mr. Curnutt being elected. There is a slight increase to bring Mr. Curnutt in line with the pay to the other Commissioners.

Page 12- Executive Personal Services: Ms. Rose explained that this line item has decreased by \$6000 due to an adjustment in insurance.

Page 14-Finance: Ms. Rose explained that Ramona Baca will be retiring and her position will be absorbed by other staff. Additionally, an internal auditor has been added resulting in an overall increase of \$8000.

Page 16-Dispatch: The insurance line item was increased by \$5687. Andre DeBord needs to be removed as he is no longer employed.

Page 18-Judicial: Overall budget is \$59,108 as the Commission voted to increase the Judge's salary. Mr. Witcher asked if Paula Chavez, Municipal Court Clerk could fill in as a part-time secretary for the Police Chief. Ms. Rose responded that this might be a legal conflict.

Page 19-Animal Control: Ms. Rose stated that the overall budget has decreased \$57,720 partially due to a reduction in overtime. Ms. Rose stated that the part-time employee in Animal Control is seeking certification in animal euthanasia and she wondered if a 5% pay increase should be awarded.

Page 21-Police Department: Ms. Rey explained that this budget increased overall by \$11,000 as four officers have been added and a part-time School Resource Officer. Ms. Rose explained that the previous chief's salary was \$57,000 and the new Chief makes \$48,000. The new Chief would like to add a Deputy Chief and two corporals at \$15.50 per hour. Ms. Rose asked if this is acceptable to the Commission and they responded in the positive.

Page 25-Golf Course: Ms. Rose explained that the only change here is the across-the-board change where unemployment insurance has been increased from \$100 per employee to \$200.

Page 27-Parks: Ms. Rose explained that she combined the Parks and Cemetery Department with Recreation. She added the Department Head duties for Parks and Cemetery to Scott Simpson's duties with a pay increase. Ms. Rose stated that Mr. Simpson will be on a six month probation. Ms. Rose explained that employees will be shared between the departments. Ms. Rose stated that \$20 per hour was budgeted for the Department Head of the combined departments. Ms. Rose offered Mr. Simpson \$18 per hour and will increase that to \$19 per hour after the six month probationary period.

Page 29-Cemetery: All remains the same in this department.

Page 32-Library: Ms. Rey stated that the Director's salary decreased in this department with the hiring of a new director.

Page 34-Community Development: Yvette Fazekas discontinued health insurance decreasing the overall budget. Misty Vick's pay increased by \$1.25 per hour. Valerie Montano is being trained in flood plain and planning and zoning.

Page 36-Museum: The overall budget in this department decreased due to employment of only part-time staff as opposed to full-time.

Ms. Rose detailed how much departments that draw from the general fund actually cost the City each year.

Dispatch	\$175,000
Court	\$25,000
Animal Control	\$90,000
Police Department	\$1,232,000
Golf	\$93,917
Parks	\$260,758
Cemetery	\$70,498
Streets	\$235,551
Library	\$239,432
Museum	\$60,752
Recreation	\$212,897
Gas Tax	\$18,276

Page 38-Lodgers' Tax: Mr. Garcia explained that this department has decreased by \$15,000.

Page 39-Special Revenues Fire/Emergency Management: Ms. Rey explained that this department has increased overall as Scot Simpson is a full time employee. However, revenue from other entities has increased and there is no overall cost to the City.

Page 41-EMS: Mr. Cherry explained that this department has decreased in insurance costs. The concern is that the service runs into the County area, particularly San Jon. Mr. Cherry stated that the villages of Logan and San Jon have trouble manning their units in the daytime and Tucumcari taxpayers subsidize this service. Mr. Witcher commented that the service has to be provided.

Page 44-Corrections: This budget remains the same. Ms. Rose stated that the City is working to reduce prisoner costs.

Page 45-Special Revenues-Fire: Mr. Cherry stated that this budget was decreased by \$200,000 as the base amount received is based on excise tax for fire insurance. Mr. Cherry stated he is not sure why, but the tax decreased. Mr. Cherry stated that there is no subsidy from the general fund for this department except for the stipends paid to volunteers.

Page 46-Recreation: Due to the elimination of the cigarette tax, funds need to be transferred from the general fund to this department. Ms. Rose explained that there is now a Program Manager in this department that was internally transferred with a salary increase to \$12 per hour.

Page 49-Gas Tax and Streets: Mr. Garcia explained that this department costs the City around \$18,000 in projects. Also, Ms. Rose stated that some street lighting expenses are paid from this budget.

Page 50-Gas Tax and Streets: Two employees have added health insurance. Ms. Rose stated that street lighting costs must be reduced by \$15,123 and added to the general fund.

Page 51-Law Enforcement Grant: Mr. Garcia explained that the cash balance carryover was approved by DFA, which made up the difference between revenues and expenses.

Page 52-911 Special Revenue Fund: Ms. Rose explained that this is an in and out department where all expenses are paid by the DFA directly.

Page 53-Traffic Safety: Mr. Garcia stated that this is a small fund. One dollar per traffic ticket is collected and not all of each dollar comes to the City. What is collected is spent on traffic safety equipment.

Page 54-Convention Center: Ms. Rose stated that the funding for this department comes from the Lodgers' Tax fund. Ms. Rey explained that Eddy Griggs is taking on health insurance which will decrease the amount the Lodgers' Tax Board can allocate.

Page 57-1/8% Economic Development/Infrastructure Tax: Ms. Rose stated that this tax generates about \$128,000 annually, administrative fees are charged which amount to about \$3500 per year and are paid to the state. Ms. Rose added that the Main Street and Economic Development Corporation contracts are funded through this department.

Page 58-Capital Projects: Mr. Garcia said that this department is where CDBG funds go for general infrastructure.

Page 59-CDBG: Mr. Garcia said that these funds are for the Third Street project and to complete the Second Street project.

Page 60-Bond Funds: No changes.

Page 61-Convention Center Capital Projects: Mr. Garcia stated that the City is required to transfer for capital improvements at Convention Center. Funds may be utilized for other improvement projects at the Convention Center.

Page 62-Golf Course Capital Projects: Mr. Garcia explained that shed owners pay land use fees. The funds are being used to pay back the sprinkler system loan.

Page 63-Main Street Capital Improvements: Mr. Garcia stated that these funds are being used for the Rail Road and Main Street projects.

Page 64-Capital Projects State Appropriations: Mr. Garcia said this is used if the City is allocated any legislative appropriations. This is unlikely this year.

Page 65-Airport Capital Improvements: No changes.

Page 69-Joint Utility Fund: Ms. Rose stated that this is in flux as the sewer rate increase has not been approved. Ms. Rey detailed some salary changes in this department.

Page 71- Joint Utility Administration-No changes.

Page 73- Water Administration: Ms. Rey explained that Ronnie Garcia retired from the department and Charlie Sandoval would like to employ two foremen. Mr. Sandoval would like to promote Gary Cooper to an exempt position at \$12.99 per hour. Ms. Rey explained that this will cut the overtime in the department in half. Additionally, the health insurance will be reduced from family coverage to single. Mr. Sandoval would like to promote Michael Martinez to foreman in an exempt position at \$13.54 per hour. Mr. Sandoval would also like to increase Mark Martinez to \$9.72 per hour as Water Operator. Ms. Rey explained that a meter reader was hired at \$8.56 per hour and elected employee only insurance.

Page 79-Wastewater Salaries: Ms. Rey explained that this budget increased \$1356.80. She went on to explain that Ricardo Sanchez was non-exempt and getting overtime. The position is now exempt and the vacant position has been filled.

Page 81-Laboratory: No changes.

Page 82-Outstanding Debt: Mr. Garcia explained that this budget is used to repay all loans.

Page 84-Joint Utility Capital Improvement Fund: Mr. Garcia explained that this fund is used for grant and loan funds.

Page 85-Sanitation: No changes.

Page 88-Sanitation Salaries: Ms. Rey explained that Ricardo Martinez will be retiring July 1. Mr. Sandoval intends to promote Donald Rodgers increasing his pay to \$14 per hour. Jose Maestas took medical retirement and was replaced by Corey Tyer at \$8.56 per hour. Donald Rodgers will be replaced with an entry level person at \$8.56 per hour.

Page 90-Internal Service Funds: Mr. Garcia explained that this budget funds departments that service other City departments. For example: Human Resources, Mechanics, Warehouse, Carpenter, etc.

Page 91-Human Resources: Ms. Rose explained that when Clara Rey returned from retirement, she was not required to pay her share of PERA. The legislation changed and Ms. Rey's increase in pay covers the difference in what salary she will be out after having to pay into PERA again.

Page 93-Mechanics: Ms. Rey explained that a heavy equipment mechanic has been hired and a salary increase has been proposed for him. Michael Martin will be adding insurance in this department.

Page 95-Warehouse: No changes

Page 97-Carpenters: No changes

Page 99-Janitors: No changes

Page 101-Information Technology: Ms. Rey explained that a part-time technician position is currently vacant.

Page 113-Senior Citizens: Ms. Rey explained that the Tucumcari Site Manager position has been decreased to 35 hours per week and pay decreased to \$10 per hour. Lisa Cooper has been decreased to 35 hours per week at \$9 per hour. There will be two cooks employed for 32 hours per week at \$8 per hour. At the Logan site, Jennifer Miller's pay will increase to \$10.50 per hour and she is employed 40 hours per week. Virginia William's pay will increase to \$7.88 per hour and she will work 30 hours per week. The House Center budget will remain the same.

Ms. Rose brought up the idea of a new Senior Citizens building in Tucumcari. Mr. Witcher stated that Senator Bingaman has \$16 million in funds for buildings. Mr. Witcher stated that with baby boomers reaching retirement age, he would like to request \$1.6 million for a new building to be built behind the VFW building. Ms. Rose stated that she does not believe this request will come in the form of 100% grant. Mr. Witcher suggested that the existing Senior Center could be used to rent out to the public for functions and the office space could be utilized by other City staff.