

CITY COMMISSION
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
March 17, 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, March 17, 2015, 2015; 6:00 P.M., in the Commission Chambers, 400 W. Fourth, Truth or Consequences, New Mexico.

Mayor Sandra Whitehead called for the pledge of Allegiance.

Mayor Sandra Whitehead noted the Work Shop would be regarding three items;
Discussion: the Current State of the Budget and ongoing projects.
Discussion: Employee Compensation
Discussion: Strategic Budget Plan for FYE 2016

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

Juan Fuentes, City Manager noted that what we would be covering today would be highlighting the changes. City Manager Fuentes noted some of the things that happened over the year, also some of projects which needed to be included in the final budget. He noted they would go through the changes and on Tuesday we should already have an idea of the actual numbers and we can finalize the budget for adoption. He explained that there were members of staff in the audience, and added that the public may have questions.

City Manager Fuentes noted the Commission had a summary sheet to review and started with the General fund, noting he was reporting that we are ending the fiscal year with 847,000 dollars and some change; as of June 30th. He noted a two percent increase, and decrease from last year, so we projected on that activity, but ending it was a little bit higher so we adjusted. City Manager Fuentes commended staff for the savings. He noted that Property Tax we decreased it by 11%, because of the actual activity at the end of June. There is no way of predicting the next year; we can hope we are higher. Intergovernmental grants were done this year; he spoke of the Police Department using portions of the grant. Noting that we have used this, but have not submitted it. (Chief Priscilla Mullins concurred) City Manager Fuentes spoke about reimbursements made, such as MainStreet. A big portion of the change is the intergovernmental grants. He noted that we are about 100,000 less than the previous one. He noted going into this fiscal year, we have the Wal-Mart project going on, so there will be a change in revenue for utilities this year, as well as our own system going on line. On the expense side, he noted not that much had changed; he noted showing only small changes nothing major. For example, City Manager Fuentes noted that in the revenue and expense sides. City Manager Fuentes went through the

PowerPoint presentation and noted we were about a thousand dollar. There is obviously a significant change in the numbers. He noted small line item changes but nothing major. He noted the sub-recipient numbers were raised as requested by the Commission. He spoke of departments not hiring when the lost personnel and the savings that had made. City Manager Juan Fuentes noted changes to the Golf Improvement fund and noted the pump project for that increase. Manager Fuentes noted the Golf Advisory Board had approved using some of their funds to help with the project. He spoke also of the Pool budget, the Airport and Streets and Capital Improvements. City Manager Fuentes noted the DFA requirement is \$414,000; so we need to meet the DFA requirement so we have the 98,000. We have the necessary reserve requirements, and monitoring the number throughout the year, noting challenges for a good budget. City Manager Fuentes noted one of the things that helped us this year is the small cities assistance fund; noting there is no way to estimate what we are going to receive, we don't have any way of knowing if we will receive the assistance. City Manager Fuentes asked for questions regarding the General Fund.

Mayor Sandra Whitehead noted to go ahead with the presentation.

City Manager Juan Fuentes noted fire protection money; noting that the Chief can hold money out for items.

Fire Chief Paul Tooley approached and noted the grant for new equipment. He noted rolling over money and noted right now they were sitting real well right now.

City Manager Fuentes noted the Chief can request money carry it over, you have to get permission to do this. He noted that Law Enforcement was the same, noting some of the separate funds. The Chief, in fund #24, has set aside money for the Animal Shelter. Discussion of the \$10,000 per month payment to the Vet.

Fire Chief Paul Tooley noted that with the rating going up, they were hoping for more funds.

City Manager Juan Fuentes continued with the presentation, noting Lodgers Tax. He also noted the Municipal Pool will always need funds transferred in. He spoke of the Municipal growth fund and stated there is not that much difference than the last numbers we spoke about. He asked Jesus Salayandia to approach and update the Commission on the water, \$25,000.

Jesus Salayandia approached and explained the \$25,000; is for well 7 on Veater and Hyde, he explains some of the cost for the pumps.

City Manager Juan Fuentes explained that some of the Golf Course money would come from Waste Water, for work on the pumps. He explained that the Golf Course Advisory Board would use some of their money for an enclosed patio, noting that was included in the budget, planning for that, in the Golf Course Improvement fund. As for the Airport we increase revenue by 3 percent, due to fuel, we also increased the expenses side to buy

the fuel. He explained that covered the enterprise funds; he noted there were not a lot of changes. Manager Fuentes noted money set aside and dedicated to the landfill closure project. He also noted some of the Grants going into this fiscal year.

City Manager Juan Fuentes noted some of the other changes to the Capital Projects; because we have to plan for all the Grants we have outstanding. City Manager Fuentes explained that going into this fiscal year, some of the activity we're going to see in regards to the Water, and water effluent, noting the increase, so we increased the revue side. He discussed the CDBG Project

Noting the project needed to be officially closed out with the State, and once it's closed the State will send us the \$48,000; he explained the contractor was already paid. City Manager Juan Fuentes noted the Senior Grants, noting we are the fiscal agent for some of these, some include equipment, vehicles and improvements to the building itself, and we own that building. Under Capital Improvement for Utilities, we increased the revenue – due to the Solid Waste Fund proceeds. As we move forward we need to decide what we need to do, and rely on our own funds. He noted Public Arts, an additional truck for Solid Waste, Golf Course, noted that covered all the Capital funds. City Manager Fuentes explained some of the investment funds for the Pledge State. City Manager Fuentes explained money set aside by Code and pledge funds set aside. He also noted that the Commission could invest funds with the State to get money in revenues.

A complete copy of the Financial Report handout attached hereto and made part hereof. Video of Meeting can be viewed by going to torcnm.org website.

Mayor Sandra Whitehead thanked the Public and Staff, she then asked for a motion to adjourn.

“Mayor Pro-Tem Steve Green made a motion for adjournment. “

Seconded by Commissioner Kathy Clark.

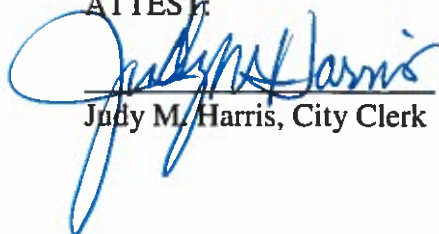
Motion Carried Unanimously.

PASSED and APPROVED this 28 day of April, 2015; on motion made by Commissioner Green and second by Commissioner Whitehead



Sandra Whitehead, Mayor

ATTEST:



Judy M. Harris, City Clerk