

1 **BOARD OF TRUSTEES**
2 **TOWN OF MESILLA**
3 **WORK SESSION**
4 **WEDNESDAY, MAY 4, 2011**
5 **4:30 P.M.**
6
7

- 8 **TRUSTEES:** Nora L. Barraza, Mayor
9 Jesus Caro, Mayor Pro Tem (tardy)
10 Carlos Arzabal, Trustee
11 Sam Bernal, Trustee (absent)
12 Linda L. Flores, Trustee
13
14 **STAFF:** Nick Eckert, Town Clerk/Treasurer
15 Kevin Hoban, Fire Chief
16 Debbie Lujan, Public Works Director
17 Gloria Maya, Recorder
18
19 **PUBLIC:** Susan Krueger
20
21
22

23 **WORK SESSION:**

24 *I. Preliminary budget review for FY 2011-12.*
25

26 Mayor Barraza gave an overview of the budget process that was followed. There was a small
27 increase in Gross Receipt Tax, Small City Assistance and fines.
28

29 Mr. Nick Eckert responded there was a 10% increase in Gross Receipt Taxes.
30

31 Mayor Barraza indicated there have been many unexpected emergency expenditures; i.e. sewer
32 repairs, vehicle repairs. Unfortunately the person who was working on the fleet before did not do
33 a good job and we are now paying the price. Many of the problems have been address in getting
34 the vehicles where they should be. The \$15,000 was not budgeted this year for Vector Control.
35 We also have to budget for the election that will be held in March. We will be operating at the
36 same level as this year. Employees will be at 40 hours with the exception of Ms. Echavarria who
37 will be at 35 hours. The operating expenses will be left at the same level which is very difficult
38 to run and meet the needs of the community effective with \$416,000. Each department is at bare
39 minimum. We are going to pick up the 5 hours for the marshal's department since we will no
40 longer have the Edwards Burn Grant. Some employees will receive the 5% increase due to the 5
41 years of service.
42

43 Mr. Eckert reviewed the proposed budget available upon request. The focus is on the General
44 Fund since some of the other funds are out of our control. All funds will be reviewed at the next
45 board meeting.
46

47 Mayor Barraza stated the budget reflects the mayor and the trustees at the reduced rate.
48

49 Trustee Flores asked if the Self-Insurers is reoccurring revenue.
50

51 Mr. Eckert responded that is annual.

1 Mr. Eckert indicated they are negotiating with the City of Las Cruces regarding the wastewater.
2
3 Trustee Flores asked when the negotiations will be completed.
4
5 Mr. Eckert responded he hopes within the next month. The logistics are being worked out.
6
7 Mayor Barraza indicated the City of Las Cruces is very supportive. We are trying to play it safe
8 and we are waiting for Dr. Garcia to give the okay or to see where we go from there.
9
10 Mr. Eckert continued with report. The changes have put us in the black.
11
12 Mayor Barraza stated she feels bad that employees will not receive a cost of living increase for
13 the 4th year. The revenues that came in higher than expected have helped us with some of the
14 unexpected expenses and we have some revenue in case other emergencies arise. We need to
15 keep our fingers crossed that the Gross Receipt Taxes continuing coming in as they have been.
16 We are being very conservative at projecting a 5% increase in revenue and still be able to provide
17 service at the level that we are at.
18
19 Mr. Eckert continued with budget review.
20
21 Trustee Arzabal indicated he feels good that employees are not being RIF. Commended the
22 mayor and staff for working out the budget which is not easy to do.
23
24 Mayor Barraza responded we are squeaking by and still able to provide service to our residents.
25 Everyone understands the budget process. At the beginning the numbers were not working but
26 after working together it worked out. We are going to do a better job of detailing every single
27 fund, there will be a paper trail and there will be accountability. There was question if
28 departments would need to be eliminated.
29
30 Trustee Flores asked if the employees understand our financial situation.
31
32 Fire Chief Hoban responded department heads are always keeping the employees informed. They
33 become less demanding when they see the whole picture. There are a lot of cut backs around the
34 country. We are only slowing the bleeding we are not addressing the problem. The leadership
35 will come from the board. This is the most involved the department heads have been with the
36 budget, there is open discussion. Applying for grants have not stopped it is that the money is just
37 not there. Fire Chief Hoban reviewed his budget. Until we develop a capital replacement
38 program for these large pieces of equipment, water system, wells, and hydrants we will continue
39 to have these problems
40
41 Ms. Ashley Echavarria reviewed her department's budget.
42
43 Mayor Barraza stated Ms. Echavarria will need to eliminate \$1,000 from her department's
44 budget.
45
46 Ms. Echavarria responded it may need to come from the Fiesta Fund; believes she has already
47 done that.
48
49 Mayor Barraza stated we are looking at what recreation entails; after school dance, summer
50 program, Pilates.

1 Ms. Debbie Lujan reviewed her department's budget. Stressed we need to build up the reserves;
2 this year there were a lot of unexpected costs. The utilities budget at the Community Center is
3 \$22,000; that's a lot of money. The town ends of paying for all the events that are waived and
4 we cannot afford to do that. Staff and supplies needs to be looked at when a waiver application
5 comes in. Things are happening that are out of our control. This year so far the unexpected
6 expenses have totaled \$68,000.

7
8 Trustee Flores stated she was under the belief that we were going to look at the fees for the
9 Community Center.

10
11 Mayor Barraza responded the increase was address but when we continue to waive a fee
12 ultimately we are footing the bill for the event.

13
14 Trustee Flores asked what is being charged and waived.

15
16 Ms. Echavarria responded it was her understanding that non-profit was a 50% discount but non-
17 profits are requesting a waiver of all fees.

18
19 Trustee Flores recommends letting the applicant know what it will cost the town to waive the
20 fees.

21
22 Mayor Pro Tem Caro stated he feels all non-profit organization should be paying something.
23 They are more demanding and don't appreciate what they are getting. We cannot afford to give
24 anything free anymore.

25
26 Mayor Barraza stated we need to think it out carefully before waiving any fees. The board needs
27 to stick to their guns and inform the applicant that they are already receiving a 50% discount.

28
29 Trustee Flores recommends the applicant give a presentation for the 50% discounted rate since
30 the discount is not guaranteed. She asked if the 50% covers our cost.

31
32 Ms. Echavarria responded that is something we need to look at. The Border Book Festival was a
33 3 day event and would have been \$1000 at the 50% discount that would have helped with the
34 utilities.

35
36 Mayor pro Tem Caro stated we need to be fair across the board. They may not like it but will
37 have to work with it.

38
39 Trustee Arzabal asked if the fireworks vendors will be helping with the purchase of the books
40 during the 4th of July sale period.

41
42 Fire Chief Hoban stated he feels we may put ourselves in a position that we are accepting money
43 from a private company that is doing business in the area. He did not want to be accused of
44 pocketing money in order to allow them to do business especially when there are other vendors
45 that want to come into the town. He felt it would be in the town's best interest to continue
46 providing the books.

47
48 Mayor Pro Tem Caro stated as long as there is documentation that we are not pocketing the
49 money he does not see a problem.

50

1 Fire Chief Hoban responded that should be address by the town's attorney. Pointed out the
2 Town of Mesilla is a non-profit organization.

3
4 Ms. Lujan indicated we do have some projects that will be occurring this coming year; Water
5 Trust Board for \$633,000, Calle de Sur for \$53,000, lift station for \$180,000, Calle de Guadalupe
6 \$304,000 and Calle de Jardin for \$30,000. The Beck funding and in-kind services can be used for
7 any match amounts.

8
9 Mayor Barraza stated Mesilla was eligible for \$1.9 million for the Water Trust Board but we did
10 not have the money for the match so we had to refuse the money. We need money from the
11 design to the finish project. Community Center Phase 4 will also require a match. We are
12 looking for grants to hire someone to help with the Comprehensive Plan. SCCOG is helping
13 looking for funding. The Gazebo, Public Safety Building and Calle de Parian would cost \$2.5
14 million dollars and we cannot come up with a match amount if required.

15
16 Mayor Pro Tem Caro asked if we have asked the SCCOG to look for fund.

17
18 Mayor Barraza indicated we get complaints that they don't see staff out in the field; they are in
19 their office looking and applying for grants. Next week we will be meeting with the Las Cruces
20 Public Schools regarding the SRO funding but they are requesting that the officer be on site 100%
21 of the time. Staff has done a great job in seeking funding.

22
23 Fire Chief Hoban indicated they applied for stimulus money for the Public Safety Building.
24 There were 6,600 applications and 100 were awarded. The awards were given to fire stations that
25 could no longer be lived in and deserved the funding. This year the federal government has yet to
26 fund the AFG assistance for firefighters and the Safe Program that is used to hire firefighters for
27 the current fiscal year. There is more competition for less money and some of the money has
28 completely gone away.

29
30 Mayor Barraza stated we have been discussing on how the town can produce more revenue. We
31 cannot rely on the state; there is no money. We need to build up our reserve in order to address
32 town's infrastructure, vehicles, etc. The Public Safety Building is in danger of being condemned.
33 One item that has been discussed is raising property taxes; the amount that the town receives is
34 very minimal.

35
36 Mr. Eckert responded the Town of Mesilla receives approximately \$35,000 in property taxes.

37
38 Mayor Barraza stated there is not much we can do with \$35,000. The town has been fortunate
39 that it has received funds to do road repairs which are in dire need. She asked the trustees to look
40 at raising property taxes gradually the residents will not feel such an impact. The employees need
41 to get a Cost of Living increase. Bonds are also being looked into and if that is the way we are
42 going we need to be ready to do it during the March election. Mr. Mark Valenzuela has
43 volunteered to help us with the bonds; if it does not get passed they do not get paid.

44
45 Mr. Eckert responded the firm works with the community in helping them understand the bonds.

46
47 Trustee Flores asked what would be the charge if the bond is passed.

48
49 Mr. Eckert responded Mr. Valenzuela said for a \$2 million bond the flat fee would be \$16,000.

50

1 Mayor Barraza indicated the Town of Mesilla does have a \$2 million bond capacity according to
2 the Department of Finance. There was a 30 year loan made to finish the Visitor's Center,
3 vehicles loans, a Water Trust Board loan; consolidating is also being looked at to lower the
4 interest. The town receives a small portion of the property tax money which is not enough to
5 sustain the needs of Mesilla. We are open to ideas. The water tanks have not been cleaned out in
6 a very long time.

7
8 Ms. Lujan responded the fee to clean out the tanks vary from \$400 per hour to an extra \$400 per
9 hour depending on what needs to be done.

10
11 Trustee Flores asked how the bonds would be done.

12
13 Mayor Barraza responded the Public Safety Building and the Gazebo would be combined.

14
15 Trustee Flores stated she is afraid that if they are done together and the residents favor one but not
16 the other both could fail.

17
18 Mayor Barraza responded that is something that Mr. Valenzuela would look at.

19
20 Mr. Eckert indicated Mr. Valenzuela will provide guidance on what would be the most feasible
21 way to do that.

22
23 Mayor Barraza stated the money received from the bond would go to pay the loan. Bringing
24 more events in the plaza is being looked at. There are some merchants that complain because we
25 close the plaza but it is a safety issue. They believe the officers are around the plaza giving
26 tickets.

27
28 Mayor Pro Tem Caro stated he has received many calls stating that the officers are making
29 unnecessary stops and harassing the people. He understands the revenue needs to be increased
30 but does not believe that is the way. Last years citations were much less than this year's citations.

31
32 Mayor Barraza stated she remembers there were only 5 citations in one month. Each officer now
33 has a recorder and a video in there unit that can be shown if there are questions on why there was
34 a stop. Encouraged the trustees to meet with the marshal if they have concerns. Many are getting
35 a warning instead of a ticket. People are driving around without seatbelts, expired registration,
36 child restraints, etc. She does not see it as harassment; if they are breaking the law they are
37 breaking the law. The officers are more vigilant and are doing their job.

38
39 Fire Chief Hoban stated he has done more new business inspections than this year than the past
40 two years. There is more enforcement and patrolling rather than hanging around in coffee shops.
41 We are a pedestrian town and we need to protect them. He has also seen the videos and our
42 officers are being confronted for doing their jobs. A firefight department vehicle was ticketed for
43 speeding and he had previously been warned. Trustees are receiving a one sided view when
44 receiving a complaint. Marshal Jojola and Marshal Gray have worked very hard in getting the
45 officers out into the town. He feels a lot safer and supports the officers.

46
47 Mayor Barraza stated officers take pictures in terms of documentation which are provided to the
48 judge. She feels they are doing their jobs and is happy with the department.

49
50 Trustee Arzabal agrees with the mayor and the judge also works with people.

51

1 Ms. Lujan stated she was thankful when Deputy Salas stopped them when they were speeding.

2
3 Mr. Eckert stated the budget will be looked at closer at Monday's meetings.

4
5 Mayor Barraza stated the budget amount will increase due to all the other funds.

6
7 Mr. Eckert responded that is correct and all the other funds do operate on a dollar for dollar bases.
8 It will be a much more detailed presentation and any questions and concerns will be addressed.
9 The preliminary budget needs to be submitted by the last day of this month. The preliminary
10 budget needs to be voted on by the 2nd meeting in May.

11
12 Mayor Barraza stated that gives us 2 ½ weeks to continue working on the budget. Call Mr.
13 Eckert if you have any questions. We have tried to cover all our bases; this is a team effort.
14 Working together to create a balanced, realistic budget effort. Everyone has tried to be
15 conservative on this budget there is no room for luxury.

16
17 Trustee Flores indicated she prefers to separate the items for the bonding.

18
19 Mayor Barraza responded we are at the beginning stages. Those questions can be asked of Mr.
20 Valenzuela. After this month we will begin working on property tax and bonding. She asked the
21 department heads to share their feelings since they are the ones that are in the trenches and asks
22 the trustees to support them. If someone calls you get, both sides of the story before you begin
23 assuming.

24
25 **ADJOURNED AT 6:00 P.M.**

26
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28 **APPROVED THIS 23RD DAY OF MAY 2011.**

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33 _____
34 Nora L. Barraza
35 Mayor

36
37 **ATTEST:**

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41 _____
42 Nicholas Eckert
43 Town Clerk/Treasurer

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