



**NOTICE OF CITY OF ELEPHANT BUTTE
CITY COUNCIL BUDGET WORKSHOP
103 Water Avenue
Wednesday July 12, 2023 - 10:00am**

Minutes*

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Pro Tem Skinner called the meeting to order, Councilor Harmon led the pledge of allegiance.

2. ROLL CALL

Mayor Phillip Mortensen – Present via phone
Mayor Pro Tem Kim Skinner – Present
Councilor Travis Atwell – Present
Councilor Cathy Harmon – Present
Councilor Edna Trager – Present

City Clerk Cobleigh conducted a roll call and declared a quorum.

3. APPROVAL OF AGENDA – Council Declaration of Conflict of Interest

STATEMENT OF OPEN MEETINGS RESOLUTION & 3 MINUTE LIMIT PER SPEAKER ON ALL ISSUES

Councilor Trager made a motion to approve the agenda as submitted. Councilor Atwell seconded the motion. 4-0. Motion Carried.

4. PUBLIC COMMENT

Public comments can be made in person, by phone or given to the City Clerk email (cityclerk@cityofeb.com) before the meeting.

None at this time.

5. Preliminary Budget FY23-24

a. City Treasurer

Kristin Saavedra presented to the mayor and council a complete packet that was submitted to DFA previously. Saavedra mentioned that there will need to be the addition of several GL accounts in the upcoming fiscal year budget to allocate the funds from the sale of the golf course. Saavedra noted to the mayor and council that within the packet that was presented all changes are highlighted with notations to the side of what is needing to be changed within each line item for the upcoming budget.

b. City Manager

City Manager Mascaro mentioned that all current line items currently in the budget that were designated for the Sierra del Rio golf course will be removed as everything is now completely done and out of the City's name. Mascaro stated that with the addition of sanitation services the city will be adding GL accounts for sanitation to stay compliant. Mascaro stated that Land Use will be receiving additional lines to include training and a revenue line to show the permits that come in. Mascaro stated that at the July 19, 2023, meeting City Treasurer Saavedra will be presenting a BAR for the approval to move funds

between the GL funds. City Manager Mascaro stated for the record that all the BARs and everything that city staff is currently doing is a direct result of all of the findings. The City of Elephant Butte is working alongside their auditors, Beasley & Mitchell, as well as with the State Auditors. This is not staff making these decisions, this is staff working under the advisement of the auditors to bring the city into compliance. Mascaro stated that a CPA from Beasley & Mitchell will be in office next week to continue assisting and training City Treasurer Saavedra.

c. Department Heads

City Treasurer Saavedra made the recommendation to start with Public Works, Brian Burlage. Saavedra noted that the goal of the city is to make certain there is enough within all public works accounts for Burlage to properly take care of the city in all aspects.

Councilor Trager asked what numbers in the provided paperwork the council should be looking at. Saavedra explained that the review was currently under GL lines 1100 and they are reviewing the highlighted numbers. Saavedra explained that the maintenance code is 206.

Saavedra stated that PERA and medical will both have increases to the line items. Maintenance and repairs will be increased as well.

City Manager Mascaro stated that this was a lot of the discussion that they had had during the retreat in March to increase certain lines to allow for small infrastructure improvement projects.

Councilor Trager asked if they were going to be discussing salaries at this time. Mayor Pro Tem Skinner stated that this was a discussion with City Attorney Ben Young and would be on the next agenda.

Brian Burlage stated that City Treasurer Kristin Saavedra has done a great job on correcting errors within his budget, and he had nothing further to correct or add at this time.

Saavedra mentioned that Parks & Rec will have a 10% increase across the board to all line items. Saavedra stated that in the Streets Department will receive a 20% increase across the board to keep everything functioning properly. Saavedra stated the next fund to review is the water fund with the main increases in salaries and safety equipment. Wastewater already has \$400,000.00 set aside from the sale of the golf course for the improvements at the wastewater plant.

The Council agreed to utilize the allotted \$400,000.00 at the wastewater plant as best they can to make certain that it is functioning at the best capacity it can.

Mayor Pro Tem Skinner stressed that infrastructure needs are top priority.

Councilor Trager asked if the State of NM is covering any of the mandatory testing for the wastewater plant. City Manager Mascaro stated no, those costs are on the city to pay.

City Manager Mascaro stated that the city is planning on doing an in-house sewer line extension plan for commercial properties along Warm Springs Blvd. The plan is to have the lines placed while Warm Springs Phase 2 is in the works so there would be no damage to the newly done roadway.

Saavedra stated that was all for Brian Burlage's Department. Saavedra reminded Burlage these are not final numbers and to please review everything and let her know of any needed changes before next week.

Saavedra suggested they now just review the budget packet from the beginning and just work their way through the packet. Saavedra started by mentioning the revenue lines that need to be created; revenue for Land Use Permits would be a brand-new line item and a revenue line for general copies/IPRA copies.

Saavedra and Mascaro introduced that the City of Elephant Butte will now be separating the training budgets within the different departments, this includes the council and mayor having their own training budget annually. This budget would be separate from the general training budget.

Mayor Pro Tem Skinner suggested that Saavedra go back and look at elected official training budgets prior to 2020 to see what the council used to have in place for their training and reimbursements. Saavedra stated that the state has changed the reimbursement process and the allotment of how much is allowed to be reimbursed per training, i.e., meals, mileage, hotel.

Saavedra now moved the discussion into City Hall General Fund. It was noted that salaries would increase as there are two positions still needing to be filled, Code Enforcement and Land Use Assistant. City Manager Mascaro stated he would like to see giving most of the employees less salaried employees a small raise in pay after final budget.

Councilor Trager stated that hiring more Admin/Assistant staff seems like a lot of admin staff within the office.

Councilor Harmon made the comment that the City of Elephant Butte needs to become competitive and stay competitive to get and retain good quality employees.

Saavedra went over the professional services/attorney fees line items that there would be a line item increase due to the current attorney having an increase in their rates. City Manager Mascaro mentioned that most likely this service will go out for a rebid as the contract is nearly up. Council and staff agreed that the new contract under professional services needs restructured to be a flat fee and not include a separate fee for every phone call and email. Councilor Harmon mentioned that with the fees being paid out the city could almost hire their own attorney in-house. Saavedra stated that professional services and auditing services will both be increased. For the record Saavedra stated that it was recommended that Beasley & Mitchell become the internal fixer for the City of Elephant Butte.

Mayor Pro Tem Skinner stated that it was a benefit to the City of Elephant Butte to sell the golf course as the profit from the sale is helping offset costs throughout the city in varying departments. Saavedra added that all monies from the sale have been allocated to specific line items already.

Saavedra mentioned that office supplies will be increasing due to the increase in price for most office supplies. Saavedra mentioned that the costliest items they are currently purchasing is printer paper for the office. Saavedra mentioned that she and City Clerk Cobleigh had talked about potentially ordering a whole pallet of paper to cut costs. Mascaro added that he had thought about talking to both the county and TorC about combining bulk orders of office supplies to save all parties money.

City Manager Mascaro addressed the line item for a new City Hall vehicle. Mascaro mentioned that the city had been invited to the hardship sale, but he had declined as many of these vehicles are not road worthy or safe for employees. Mascaro wanted to purchase a brand-new SUV for city staff to use for training and daily driving that is safe and reliable.

City Clerk Cobleigh went over the Land Use and Zoning Department and budget. Cobleigh stated that the preliminary budget that had been reviewed at the workshop will need to be recreated as it was lost in a computer glitch. Cobleigh stated that the main things to add would be a training budget, an increase in fuel, and an increase in uniforms. Cobleigh stated that salaries did have an increase to not only accommodate her salary but also the potential of a second employee. Cobleigh stated the other new line item would be for postage for Land Use and Code.

City Manager Mascaro went over the projected state allotment from the State Fire Marshal. Mascaro stated that there have been some typical increases including in insurance. Mascaro stated the largest capital purchase from this past year in the fire department was out of the wildland fire fund to purchase the newest ambulance. Other than that purchase, the other capital purchases have been for basic

maintenance needs on the apparatus. Mascaro mentioned that one of the major decreases would be in medical supplies from \$20,000.00 down to approximately \$8,000.00.

Saavedra stated that at this time the projected revenue for Lodgers' Tax is staying the same, with the hopes for next year to be increased with additional businesses coming in. Mascaro mentioned that Clerk Cobleigh had contacted Air Bnb to start receiving lodgers' tax remittance from them and they are working on the contract now.

City Manager Mascaro went over the Wildland Fund and stated the only large purchase from this fund was for the new ambulance that was purchased. Mascaro stated that the city had just billed for the three fires they were apart of this year. Other than these purchases, there are no changes to the budget as these funds are like the state fire funds and under strict procurement procedures.

City Manager Mascaro stated that funds the city had set aside for loan match with colonias funding would rollover this year to keep it set aside for future projects.

Mayor Pro Tem Skinner confirmed that all financial resolutions would be on next week's agenda to finalize before the end of July. Saavedra confirmed that yest, the 4th quarter report, final budget for FY23-24 and the BAR would be on the July 19, 2023, agenda as planned.

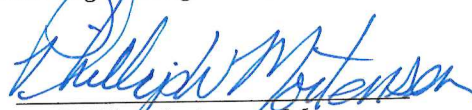
6. COUNCILOR COMMENTS

No Comments.

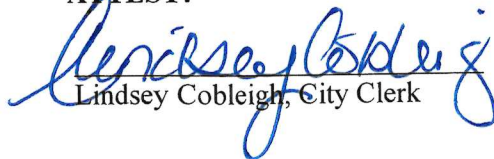
7. ADJOURNMENT

Mayor Pro Tem Skinner adjourned the meeting.

Minutes approved and adopted at the City Council meeting on August 16, 2023.


Phillip Mortensen, Mayor

ATTEST:


Lindsey Cobleigh, City Clerk

