Minutes of Budget Workshop held August 7, 2017

Budget Workshop with the following present: Mayor Mark Bowen; Alderpersons Jerry Stone, Ruble Farmer, Ruben Gonzalez, Jamie Dahler, Sam Cortez; City Secretary Josie Campa; Animal Control Director Betty Kroeger, Public Works Director James McGrath, Library Director Cassandra Cortez; Police Chief Richard Priest; Fire Marshall Matt Dear.

Visitors: Ernie Kroeger, Gabriel Romero.

Mayor Bowen opened the budget workshop at 6:30 p.m. Mayor Bowen told everyone the purpose for the workshop was for trying to get numbers for next year’s budget.

The Mayor told Council that they had asked the committee to review salaries for employees and discuss them with department heads. The Mayor said the committee had done this and had also reviewed job descriptions with department heads. The Mayor said this salary review will give Council a starting point for the future, as well as giving Council the opportunity to look at various departments. The Mayor told Council the department heads will have input in this survey since they have the knowledge about their workers and their jobs. The Mayor told Council the game plan is to better the city and give department heads an idea of what someone will be earning, if a new employee is hired. Mayor Bowen then turned over the meeting to the salary sub-committee members Jerry Stone and Ruben Gonzalez for their report to Council.

Alderman Gonzalez told Council they appreciated the department heads taking time to meet with their committee and said this report is a position review, not an employee review.

Alderman Gonzalez told Council that of the thirty (30) positions, twenty-seven (27) are needing adjusting. He said that fifteen (15) of these twenty-seven (27) positions needing adjusting; the adjustment is $1.50 per hour and lower. He said the total adjustment for all the positions needing adjustments would total $104,354.00 before benefits.

Alderman Gonzalez told Council that there are two groups-the $1.50 and below total $40,000.00 and the other group of twelve (12) employees total $37,500.00 for a total of $87,500.00.

Alderman Gonzalez told Council that they found that all department heads were not salaried and they made that adjustment. Mr. Gonzalez also told Council that some employees have multiple duties.

Alderman Dahler asked how these salary adjustments were determined.

Alderman Gonzalez told Council that he was working with HR people and they are based on cities with a population of 3000 and below.

Alderman Gonzalez told Council that some employees are doing more and need consideration. He presented Council with the committee’s recommendations for salaries for the thirty (30) city employees.
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Alderman Stone said the committee realizes that because of the amount of salary increases these increases would have to be phased in over a three (3) year period.

Police Chief Richard Priest told Council he can’t hire just anyone and this officers have to have certification.

Alderman Gonzalez told Council and Chief Priest that this survey maintains a separation and that in just a recommendation to separate, so Council can measure if looked at in three (3) years time.

Chief Priest explained to Council how raises were given over the past several years, and said step pay scales would be beneficial. He also said that the city doesn’t have a system in place for merit raises. The Chief asked if salary increases could be calculated for the straight $1,300.00 a year again, or a percentage raise of cost of living or 5% increase. Mayor Bowen told Council some adjustments will require certification.

Alderman Gonzalez told Council that the committee is recommending that department heads with cleaning workers establish contracts with these workers by this coming calendar year.

City Secretary Josie Campa gave Council members a handout showing what the salary recommendations would cost the city once benefits are added in. This total also included two (2) new employees, one for the Public Works department and one for her department. She explained once all the benefits and recommended salaries are added up, the total needed is $206,676.63.

The City Secretary then reviewed the current utility rates with Council and gave them a handout showing what an increase of $1.00 per month on minimums would generate for each utility. She said that if all of the four utilities were increased at this rate, it would total $44,388.00 for the year.

The City Secretary then gave Council paperwork on the tax rate for 2017. She said the 2017 effective tax rate was $0.3586 per $100.00 valuation, and the rollback rate is $0.3918 per $100.00 valuation. She then presented levy figures on both of these rates, as well as the current tax rate, and said if the Council would increase the tax rate to near the rollback rate, this would generate $47,793.51 more than the current budget’s ad valorem current taxes. The City Secretary told Council if they add the utility total to the max tax rate total together this would generate 44.6% of the total salaries needed to meet the recommendations from the salary committee.

Mayor Bowen told Council that they have to focus on the citizens first. He told Council that the city should look at the tax scenario or utilities, but not both in the same year. Mayor Bowen said that maybe the increase on utilities should come from increasing the price of the usage tiers and not the minimum. Council agreed that maybe this should be done instead.
After discussion, City Secretary Josie Campa told Council she could work up numbers for the employees that are recommended for increases of $1.50 per hour or less. She asked if those that have recommendations that are higher than $1.50 should also be included since Council is talking about phasing these increases in over a three (3) year period. The City Secretary said she would also come up with numbers for $1,300.00 a year for each full-time employee and $650.00 or more for part-time employees depending on hours. The City Secretary also said she would calculate cost of living raises at 3% and also 5%, as mentioned by the Chief.

Mayor Bowen told everyone that a lot of good info was obtained during this meeting to help the city with the new budget.

He adjourned the meeting at 8:01 p.m.