

MINUTES
VILLAGE OF LOS RANCHOS de ALBUQUERQUE
6718 RIO GRANDE BOULEVARD N.W.
BOARD OF TRUSTEES SPECIAL MEETING
April 21, 2009 -7:00 p.m.

Present:

Larry P. Abraham, Mayor
Donald T. Lopez, Trustee/Mayor Pro-Tem
Tim McDonough, Trustee
Pablo R. Rael, Trustee
Mary Homan, Trustee

Kelly S. Ward, Administrator
Nancy Haines, Treasurer
Greg Perez, Fire Chief
Annabelle Silvas, Clerk
Gil Saavedra, Accountant
Linda Seebach, P & Z Director

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

A. APPROVAL OF AGENDA

The Village of Los Ranchos' Governing Body held a Special Meeting on Tuesday, April 21, 2009 in the Warren J. Gray Hall. The Mayor called the meeting to order at 7:00 p.m.

MOTION: Trustee Lopez moved approval of the agenda. Trustee Rael seconded the motion.

VOTE: The motion carried unanimously, 4-0.

2. PUBLIC COMMENT PERIOD

There were no public comments.

3. FINANCIAL BUSINESS

A. DISCUSSION AND PRESENTATION OF PRELIMINARY BUDGET FOR FY 2009/2010

Administrator Ward said that the Gross Receipts Tax revenue reflects a 6.3% decline in current year revenue from the previous fiscal year. He said the projected decline in gross receipts revenue from 2009 to 2010 is 5.5%.

Mayor Abraham noted for the record that Trustee Homan had just arrived.

Administrator Ward said the next page was a general article about the decline in sales tax revenue nationally. He said the charts show that 2008 was probably the biggest year and we are now starting to see a bit of a decline.

Trustee Lopez noted that we are still almost 50% above 2003.

Administrator Ward said that is true but it is not in line with the spending trend that we are on due to the current economy.

Trustee McDonough asked where the construction on 4th Street fell during those fiscal years.

Mayor Abraham responded that maybe they need to add in all the construction. He said we know it was somewhere between 2005 and 2009; i.e., 4th and Osuna which was approximately \$5 million, the San Juan Chama which was \$10 million, the Area I & J Sewer Project which was \$9 million. He said there was about \$30 million of capital projects in that 3-year period that we had and will not see in 2010.

Accountant Saavedra noted that 4th Street was probably 2006 and 2007.

Mayor Abraham said if you look at 4th Street as \$5 million, that equates to approximately \$23,000 for every million which results in an increase of \$115,000 that the \$5 million created.

Administrator Ward then discussed the charts on “budget to actuals” to determine if we are following that basic cycle.

Trustee McDonough clarified that when they are talking about construction, it is not only the big capital projects, but also home construction, etc.

Administrator Ward said in order to receive \$437,000 of gross receipts tax in retail trade, we need \$18.5 million in gross sales.

Trustee Homan asked what is going on with the other services category where there was a dramatic drop from 2004 to 2009.

Accountant Saavedra responded that we don't really know what TRD throws in that category. He said they sometimes adjust it between items that are unclassified and classified and some of that affects it.

Administrator Ward said the next group of charts deals with construction trade because that is the biggest area where they think we will have issues. He said they are tracking building permits, construction values, subdivision applications, etc.

Administrator Ward said they are suggesting that there will be fairly significant hits to municipal gross receipts tax and State share gross receipts tax line items, each one at 17%. He said just in those two, they are projecting \$372,000 below what current year estimates are.

Mayor Abraham said they are showing a \$554,000 decrease in revenues.

Treasurer Haines said she has looked at this closely and she supports that we are decreasing revenues. She said we have to be conservative during this fiscal time and it clearly shows that construction is questionable. She said she believes these analyses are reasonable and fair on the revenue side.

Administrator Ward said they are projecting that we will have zero in investment income because we have to pay back some losses that were generally in the pool, not related to us, but because we are part of that pool we get to share in the pay back.

Accountant Saavedra said they are spreading the losses out over the various municipalities. He said our portion of the losses is somewhere around \$25,000.

Trustee McDonough asked how much of the 17% the Administrator feels is construction related.

Administrator Ward responded that they see a 5.5% decline in all other categories and the rest of it is construction. He said they took what was this year's total gross receipts reported (\$24 million) and they took \$10 million out of that. He said they are estimating that at the end of next fiscal year they will see \$14 million of gross revenue reported in the construction category and then the GRT based on the \$14 million.

Mayor Abraham said he does not think there will be \$14 million in construction in 2010. He said he doesn't think the \$14 million is conservative enough.

Administrator Ward asked everyone to turn to the summary on Page 11.

Mayor Abraham noted that if they want to talk about personnel in depth, they have the option of going into closed session.

Trustee Homan asked why, on Page 2, there was an 11% increase in wages.

Administrator Ward responded that it was for him and the Actuals Column A from 6-30-08 indicates the fact that he was only there for part of that fiscal year.

Administrator Ward said on Page 11 of 11, the big numbers are in General Administration, the Police and Fire. He said they could do a lot in the others and never come up with \$500,000. He said the \$25,000 in Planning & Zoning's budget reflects that in the current year budget we kept money in there for Terry's position. He said we eliminated that and still had an overage because of the difference in wages and for this fiscal year, they moved the position out of there and moved one back because it did not reflect the actual operation. He said one position was sitting in Planning & Zoning and did not report there and one in the General Administration that did not report to General Administration. He said he switched the two positions and the difference in the salaries reflects partly that \$25,000 and part of that is carry over from what was a bigger budget than we actually needed. He said under the General Category, there was \$100,000 for the Village Center, appraisals, etc. He said they are through with that. He said they also decreased the legal fees and engineering services.

Administrator Ward said the number for the police reflects approximately half the budget that we currently have allocated for the police contract. He said we are going to sign an agreement that is half the price.

Trustee Lopez said it sounds like we are going to have less than the almost zero police presence we have today. He said you don't see them like you used to and people are going to start wondering.

Mayor Abraham said you really do see them and what they talked to Sheriff White about was that he has assured the Village that there will not be a reduction in service. He said there will still be the four officers who serve the Village. He said they discussed the fact that Tijeras pays nothing to Bernalillo County for fire or police and the Village does not understand why we are paying so much. He said Sheriff White assured him that we would have the same officers, the same coverage, the same everything. He said the Village just has to sell the idea to Thaddeus.

Trustee Lopez said when someone from the Village makes a 911 call, how quickly does the Sheriff show up?

Administrator Ward said he thinks the answer is that it depends. He said it depends on the severity of the incident and the proximity of the officer.

Trustee McDonough said suffice it to say that it is the one area of service that gets the most complaints. He said he thinks there will be a problem in selling it to Thaddeus and the Commission. He asked what will happen if we can't sell that.

Mayor Abraham said if we can't sell that, then we adopt Tijeras as our sister city and we tell them that on both the fire and Sheriff side we are not going to do anything. He said Bill Fulginiti of the Municipal League will support us.

Administrator Ward said it is a tough one for the public body because you don't want to seem like you are turning your back on public safety, but the reality is that you will have the same number of officers in this community responding to calls as you do today. He said he does not see the benefit of the \$360,000 that is spent today.

Treasurer Haines said she was part of the negotiations for that contract that lowered it from \$600,000. She said the whole key was that what they are paying for is extra coverage. She said the fact that the residents pay property taxes should entitle them to coverage either way. She said she is not sure that the extra coverage we have been paying for has really been extra. She said she thinks the Village has been getting basic coverage and the County is fortunate that we have paid that much money plus providing vehicles, etc.

Administrator Ward said the other big piece of the budget is the Fire Department. He said they are making some changes, such as eliminating the Fire Marshal position, going to three paid individuals on a shift and trying to manage our way into the four-man crew through volunteers and temporary staff. He said what was on track to be a four-man paid staff per shift has been backed away from for purposes of this budget to accommodate the reduction in revenue. He said that is the big component of the \$150,000 reduction.

Mayor Abraham said along those lines, he sees the future as having the same talks with Bernalillo County regarding the Fire Department. He said there could be merging of some type or working together and sharing. He said Commissioner Armijo feels the same way that there is no reason to have two Fire Chiefs, two Fire Marshals, and eight trucks in this same area. He said we need to work together on a regional solution.

Trustee Lopez said when the discussion occurred before, there was going to be some collaboration with Bernalillo County.

Administrator Ward said we collaborated up until October or November of last year when the County said they needed to back away because they had to sort things out internally. He said Chief Perez has been talking to the County recently and trying to move forward. He also noted that the Chief is chairing a working group to try to consolidate the City of Albuquerque Fire Department and Bernalillo County Fire Department dispatch. He said this has been approached a couple times without success.

Trustee McDonough said he believes we have been living in the boom years and now we see that State government is going to be struggling for a long time. He said he agrees with being conservative.

Administrator Ward said regarding this budget, he believes the Village needs a glide path to a steady State budget year of about \$1.6 million. He said to get there, you need to put in place things like a merger of the Fire Department and shed yourself of the law enforcement budget. He said you need to have enough money at the end of each year to continue to build the reserve fund.

Mayor Abraham said he thinks they need to focus on trying to help the businesses on 4th Street get stronger and develop, as well as look at the annexation on El Pueblo coming in with a commercial project and the commercial project at Village Center. He said our Village is in much better shape than other municipalities.

Trustee McDonough said that was a pretty healthy cut to Fire. He said he recalls that a couple people were pulling double duty and it appears you are eliminating the Fire Marshal as a separate position.

Chief Perez said they lost a Lieutenant to a medical issue and rather than try to fill that position, he pulled the Fire Marshal out of his role and placed him inside the vacant Lieutenant position. He said they put a freeze on overtime and he as Chief is doing the shift coverage with the help of some of the volunteers/temps.

Trustee Homan asked if the Chief saw this as a sustainable program with him putting in all those hours.

Chief Perez responded that he did not. He said he is happy to do it while he can to keep them up and running but not permanently.

Trustee McDonough thought they should be talking to Albuquerque Ambulance if the issues are with responsiveness for transport and paramedic ALS services.

Chief Perez said unfortunately we would have to jump on the bandwagon with City of Albuquerque and Bernalillo County because everyone is working with Albuquerque Ambulance to improve their service. He said we need to be careful as we go down the merger path because today the Village's station runs the same amount of calls as Station 1 does. He said we have to go into it in a creative way and one of the ways to do that is possibly putting up our fire station as one of the key negotiating tools. He said the other piece is that we have to ensure that proper staffing is maintained. He said Los Ranchos could not cover Los Ranchos and District 1 as it stands today, nor could the County cover us and their own district.

Trustee McDonough said on Page 11 of 11, for next year we have \$100,000 budgeted for open space conservation easement. He asked what that is for.

Administrator Ward said that item was there to help support conservation transactions that would take place. He said they were in conversation with some residents who were approaching a decision to place property in a conservation easement. He said one of the requirements is that you have to pre-fund the maintenance of that easement. He said those individuals wanted to dedicate the easement to the Village of Los Ranchos so that they would have the biggest muscle behind them if there was ever a defense of that easement. He said the Village had tentatively agreed that they would help fund the maintenance of that. He said the Village's intention was to start to build a fund for open space purchases and specifically the 4 acre option at the Anderson's.

Trustee McDonough said he appreciates that we want to do that, but this may not be the year to set aside \$100,000. He said we have made a significant investment in open space and in doing so we have acquired a lot of open space that now needs to be maintained.

Trustee Homan left at 8:05 p.m.

Mayor Abraham said the way they were talking to them was it had the ability to donate about \$2.5 million to the Village for the \$100,000. He said they are still in touch with them.

Administrator Ward said he believes the big message out of this presentation is our bottom line number of \$1.9 million in reserves does not include capital expenditures except for the \$100,000. He said if you want to spend any money for capital expenditures, those are in addition to.

Trustee Lopez said what he wanted to point out on the last page is that we are going from beginning cash of \$2.283 million to \$2.47 million so we are gaining cash.

Administrator Ward said he likes to look at the General Fund number because that is the unrestricted money which shows we are going from a beginning cash balance of \$1.897 million to an ending cash balance of \$1.968 million.

Trustee Lopez asked if we have the 1/12th of expenditures in reserve that is required by the DFA.

Administrator Ward said our reserves are very good.

4. NEW BUSINESS

A. DISCUSSION AND APPROVAL TO ADOPT RESOLUTION NO. 2009-4-6 – A RESOLUTION PARTICIPATING IN A COOPERATIVE PROJECT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (PROJECT CONTROL NO. A300050) CONSTRUCTING BIKE LANES ON RIO GRANDE BLVD FROM MONTANO ROAD TO CHAVEZ ROAD WITHIN THE EXISTING RIGHT-OF-WAY AS PART OF THE REPAVING/RECONSTRUCTION PROJECT IN THE AMOUNT OF \$744,382 AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT

Trustee Lopez asked who the engineer is and whether the design was already done.

Administrator Ward responded that the design was already done by Boyle Engineering. He said we will need to contract with them to do the environmental work. He said we have the design, we have the bid in and as soon as we have clearance with the environmental things we can go ahead with Albuquerque Asphalt as the contractor. He said they want to have the work done prior to Lavender in the Village.

MOTION: Trustee Lopez moved approval of Resolution No. 2009-4-6. Trustee McDonough seconded the motion.

ROLL CALL VOTE: Trustee McDonough, yes; Trustee Lopez, yes; Trustee Rael, yes. The motion carried unanimously, 3-0.

5. TRUSTEES INFORMAL DISCUSSION

Trustee Lopez said the Taft field and track is looking awesome. He asked if we have talked to APS about a memorandum of agreement regarding who can use it, etc.

Administrator Ward said the final walkthrough is scheduled for mid-May and hopefully there will be acceptance from APS. He said at that time the Village can bill them for \$100,000+ that they agreed to pay us and they will take over maintenance and operations. He said there is a contract that was signed with them several years ago that spells out how it gets used and is basically joint use by APS and the community.

Trustee Lopez asked if there are going to be any groundbreaking ceremonies.

Administrator Ward said ground needs to be broken on Rio Grande Blvd., at Anderson Fields, at the Blanchard property and at Taft School. He said these are great projects and everyone should get some air time.

Mayor Abraham said they were discussing doing Rio Grande and Anderson Fields the first Saturday of the Lavender Festival at the Anderson Winery.

Trustee McDonough said he keeps looking in the merchandise cabinet for his visor.

Mayor Abraham said he thought they had been ordered but then again perhaps Zia Graphics was waiting for his decision about the lapel pins. He said he will check on it.

Trustee McDonough said Ortega Road is going very well. He said they were very careful not to extend the roadway. He said the problem is that the section between Guadalupe Trail and 4th Street was already very wide. He suggested striping it the same as Rio Grande.

Administrator Ward said they should be on Ortega the middle of next week doing the collar work and adjusting manholes.

6. ADJOURNMENT

The meeting was adjourned at 8:25 p.m.

APPROVED by the Board of Trustees of the Village of Los Ranchos de Albuquerque this ____ day of _____, 2009.

ATTEST:

Annabelle Silvas, Village Clerk