

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION
FY16-17 PROPOSED BUDGET PUBLIC HEARING
6:30 P.M., COMMISSION CHAMBERS
MAY 5, 2016**

**RICHARD BOSS, MAYOR
JASON BALDWIN, COMMISSIONER
NADIA SIKES, COMMISSIONER
JENNY TURNBULL, COMMISSIONER
SUSAN PAYNE, COMMISSIONER**

**AL HERNANDEZ, MAYOR PRO-TEM
ERICA MARTIN, COMMISSIONER
GEORGE STRAFACE, INTERIM CITY MANAGER
STEPHEN THIES, CITY ATTORNEY
NANCY JACOBS, CITY CLERK**

CALL TO ORDER / ROLL CALL

Mayor Boss called the meeting to order at 6:35 p.m. Roll Call was taken by the City Clerk. Commissioner Baldwin was absent. Clerk Jacobs announced there was a quorum present. The Pledge of Allegiance was led by Commissioner Martin.

PRESENTATIONS

1. Present the proposed FY 2016-2017 City of Alamogordo Budget.

Interim City Manager Straface said they would recap the 61 active funds they had, review the updated General Fund projected, and hold the required public meeting. He said they would bring an adoption of the Preliminary Budget at the May 24th Commission meeting, and adopt the final Budget at the last Commission meeting in July. He had handouts of the Preliminary FY17 Budget. (see agenda book for handout)

Budget Analyst Kathy Gilsdorf spoke on the budget overview for all funds. (see agenda book for Power Point)

Commissioner Martin asked where in the overview was the reorganization of Public Works. Finance Director Nichols said it had not been included in the budget at this time but it will be in the final budget.

Accounting Manager Hall spoke on the General Fund and Gross Receipts Tax timeline. (see agenda book for Power Point).

Interim City Manager Straface pointed out the largest category was salaries and benefits for FY17 because the City was a labor intensive organization. He said they would see an action item to approve Fund 49 at the May 10th Commission meeting. He mentioned they would not know the ending Fund Balance until June 30th when they close the books, and he anticipated an increase.

Commissioner Payne asked Interim City Manager Straface if he would anticipate an increase from the \$38,000; he said yes. LeeAnn said if they didn't spend the entire budget in FY16, any money left over would go into the Fund Balance. Commissioner Payne asked for clarification again. Finance Director Nichols explained using page nine of Accounting Manager Hall's Power Point. The net of \$1.3 million was what they were utilizing from Fund Balance.

Mayor Boss asked if they took into consideration the loss of revenues when the German Air Force left. Finance Director Nichols said they did not, but the GRTs were very conservative. Interim City Manager Straface said staff was directed on the revenues to project conservatively and on the expenditures to project liberally. Mayor Boss said they don't have a lot of control over the revenues like they do the expenditures. Finance Director Nichols said the departments were asked to budget what they needed to operate their departments, and the expenditures were a little higher so they wouldn't run into a gap. Interim City Manager Straface said he worked with staff to know what they would be spending.

Accounting Manager Hall spoke on the cross roads of impact for Hold Harmless. (see agenda book for Power Point) She mentioned even with the redirect of Fund 42 and 49, in FY19 they would begin to go into a negative balance. She explained the implementation of 1/8 percent, 1/4 percent, and 3/8 percent GRT. She suggested having another workshop in December to look at the timeline.

Interim City Manager Straface spoke on the tax increments and the options they had regarding GRT implementation. Accounting Manager Hall said they would have the preliminary budget for approval at the May 24th Commission meeting.

Julianne Hall spoke on the updated budget plan report for FY2015 thru FY2018. (see agenda book for Power Point)

PUBLIC COMMENT

Harv Hamilton commented on the following:

Mr. Hamilton stated the loss of the German's was not the only impact Holloman had. He said at the last commission meeting they talked about borrowing money from the state over a 30 year period and the only time he knew that happened was from Fund 118, which became a slush fund. He said there were eight projects and only three or four happened the way they said, the others were moved in and out. When he asked about the project during a meeting the former mayor told him they could change whatever they wanted. Mayor Boss interrupted to say to Mr. Hamilton that was not the situation with that fund.

Mr. Hamilton said he didn't know what the word natatorium was on the pie cart; he was told it was the swimming pool cover. He also asked what the foreman for Public Works was. Interim City Manager Straface said it was a plan to revise the organizational structure of Public Works to have closer supervision of the employees in the field by having foremen added.

Finance Director Nichols clarified on the comment made about Fund 118; the city did not borrow money from the state, it borrowed money from itself to do road projects.

ADJOURNMENT

Mayor Pro-Tem Hernandez moved to adjourn at 7:16 p.m. Commissioner Sikes seconded the motion. Motion carried with a vote of 6-0-0.


ATTEST:

City Clerk Nancy E. Jacobs


Mayor Richard Boss

(Prepared by Rachel Hughs, Deputy City Clerk)
Approved at the Regular Meeting held on May 24, 2016.