

Minutes of the Special Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at Gallup City Hall, 110 West Aztec Avenue, at 5:00 p.m. on Tuesday, May 15, 2018.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor:	Jackie McKinney
Councilors:	Linda Garcia Allan Landavazo Yogash Kumar
Arrived late:	Fran Palochak, Councilor
Also present:	Maryann Ustick, City Manager Curtis Hayes, City Attorney

Presented to the Mayor and Councilors was the following Discussion/Action Topic:

1. Resolution No. R2018-15; Fiscal Year 2019 Preliminary Budget Adoption – Maryann Ustick, City Manager and Patty Holland, Chief Financial Officer

Ms. Ustick and Ms. Holland presented a power point presentation on the proposed budget for FY 2019. A copy of the power point presentation is attached hereto, marked as **Exhibit A** and made a part of these official Minutes. Ms. Ustick and Ms. Holland answered questions posed by the Mayor and Councilors.

Discussion followed concerning the water projects included in Fund 202, the County's funding request for five new jail positions at the Adult Detention Center, the high costs to the City for its share of funding the Adult Detention Center, the use of Liquor Excise Tax funds in the proposed budget and the proposed Parks Master Plan.

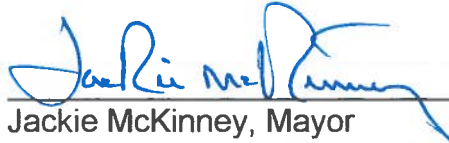
Councilor Landavazo made the motion to approve Resolution No. R2018-15, Fiscal Year 2019 Preliminary Budget Adoption, with the amendments stated in the power point presentation. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

Discussion followed concerning the adoption of the Fiscal Year 2019 Final Budget, which may take place at the June 26, 2018 Regular Meeting or at a special meeting to be held during the month of June 2018.

There being no further business, Councilor Palochak made the motion to adjourn into closed session for the purpose of discussing pending or threatened litigation with Paso Robles Tank – Brown-Minneapolis Tank, Inc. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia Landavazo and Mayor McKinney all voted yes.

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The Mayor and Councilors adjourned into closed session, pursuant to NMSA Section 10-15-1(H)(7).

  
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Jackie McKinney, Mayor

  
ATTEST.  
  
\_\_\_\_\_  
Alfred Abeita, II, City Clerk

Approved 6/12/2018



**CITY OF  
GALLUP**

PRELIMINARY FY 2019 BUDGET PRESENTATION

**Total City Budget (all funds)**  
**\$ 99,242,875**

## **FOCUS: GENERAL FUND**

» **Balanced FY19 General  
Fund Budget of \$ 27,744,112**  
(includes \$553,169 from fund  
balance)

**General Fund Estimated  
Cash Reserves: \$ 8,474,493**

# Key Revisions from Draft Budget: General Fund

1. Increased Municipal Court Budget by \$6,552 to fund salary increase for Judge per state law.
2. Increased Cemeteries Budget by \$15,000 for improvements.
3. Increased Recreation Budget by \$5,000 for Boxing Program.
4. Increased Parks Budget by \$5,500 for banners.
5. City Clerk's Office Budget:
  - Decreased budget by \$9,000 due to duplicate entry
  - Increased budget for Maintenance Contracts by \$1,400
  - Net decrease of \$7,600
6. Increased Animal Control Budget by \$5,000 for OT
7. Increased amount for Health Insurance by \$95,852 (10% to 19%)

## General Fund Changes Continued:

8. \$367,307 is retained in Fund 1025 as a “contingency” for Health Insurance costs pending final determination of increase for premiums.
9. Increased Fire Dept. Budget by \$40,000 from Fund Balance to fund match for Brush Truck (inadvertently left out of CIP budget). Increasing the total CIP for General Fund from \$513,169 to \$553,169.

# Key Revisions from Draft Budget: Other Funds

1. Lodger's Tax Funds:
  - Added \$36,000 to Red Rock Park Budget for Building Maintenance (based on prior year actuals)
  - Added \$6,000 to Red Rock Park Budget for Maintenance of Grounds/Roadways
  - Added \$2,000 for Rent of Equipment
2. Environmental Funds (202):
  - Moved 1,518,883 in Wastewater Capital Projects to Fund 202 to increase Wastewater Fund Balance
  - Added \$50,000 in 202 funds for Landscape/Drainage projects which was inadvertently omitted from CIP.
  - Added \$6,000 in 202 funds for Hwy491 Median improvements
  - Added \$1164 in 202 REVENUES to reflect Salt Cedar Grant

# Corrections/Additions to Budget

1. Environmental Funds (202):
  - Added \$1,534,750 for CIP Water projects left out of the draft budget.
2. Water Enterprise Funds (506):
  - Added \$375,00 for CIP Water projects left out of the draft budget.
3. Increased Funding for Jail Budget:
  - \$500,000 for Prisoner Care included in Proposed Preliminary Budget
  - County has requested additional funding of \$1,110,251 (30 % city share) to fund 5 new Jail positions. Total funding requested for Prisoner Care is: \$610,251.
4. Increased Funding for NMML:
  - Preliminary Budget includes \$40,000 but Board may approve increased city membership to \$45,875



## Summary of New Positions Added to FY 2019 Budget:

1. Funded HR Administrator position for six months (starting January 2019). Salary w/benefits--\$33,750.
2. Included \$51,000 for Library/Archivist position (from draft budget) in Preliminary Budget which is sufficient to fund salary and benefits for approx. 6 months. Library Director will seek outside grants for this position and will revisit in January 2019.

# OTHER BUDGET ISSUES

- ▶ \$150,000 estimated cost for Parks Master Plan is NOT included in draft Preliminary Budget but staff recommends that this plan be funded by General Fund Balance
  - One time cost
  - Will recommend parks improvements based on state of the art parks/facility standards
  - Will recommend levels of service based on populations served and national standards
  - Will recommend priorities for Park CLP projects
  - Will identify potential Grant/funding opportunities



Questions???

