

MINUTES
Budget Retreat
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
April 17, 2019 at 5:00 p.m.
April 18, 2019 at 8:00 a.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Budget Retreat meeting to order at approximately 5:09 p.m. on April 17, 2019.

Mayor, City Council, and some members of staff participated remotely due to COVID-19 social distancing.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Cruz
Council Member Mario Buchanan Jr.
Council Member Africa Luna-Carrasco
Council Member Jose Ponce
Council Member Matias Rosales
Council Member Gloria Torres

OTHERS PRESENT: Tadeo A. De La Hoya, City Manager
Sonia Cornelio, City Clerk
Kay Marion Macuil, City Attorney
Angel Ramirez, Fire Chief
Axel Chayra, IT Technician
Carlos Cortes, Assistant Director of Finance
Christine Velez, Management Analyst (Remotely)
Derek Dueñas, Information Technology Manager
Edgar Carbajal, Acting Director of Human Resources
Enrique Lopez, Assistant Fire Chief
Eulogio Vera, Acting Director of Public Works
Francia Alonso, Assistant to Council/PIO
Jose A. Guzman, Director of Planning & Zoning
Jose L. Cisneros, Executive Assistant
Maria Sabori, Risk Management Manager
Miguel Ramirez, Accountant
Monica Castro, Director of Finance
Nohemy Echavarria, Magistrate
Ralph Velez, City Consultant (Remotely)
Richard Jessup, Police Chief
Roula Encinas, Accountant

Mayor Gerardo Sanchez welcomed everyone to the Fiscal Year 2020-2021 Budget Retreat meeting. He mentioned that not only San Luis, Arizona, but the nation is facing hard times with this COVID-19 pandemic, the economy has been struck as border crossing has been lower since October 2019. He asked all present to be very cautious and make sure that expenses are done wisely and asked to make purchases until everything goes back to normal.

2. DISCUSSION ITEMS, NO ACTION WILL BE TAKEN:

2. A. Discussion on any and all matters regarding the proposed changes to the City of San Luis benefits plan for the Fiscal Year 2019-2020 presented by Ms. Susan Posada, City of San Luis Benefits Consultant. (April 17, 2020)

Ms. Susan Posada, Benefits Consultant, made a PowerPoint presentation, which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the City of San Luis Recommended Plan Changes for Fiscal Year 2020-2021, this presentation included the following: US Medical Plan Recommended Changes – from Win-Win to Esurgeries; US Medical Recommended Changes; US Dental, Mexico Medical Plan; Mexico Dental; Siarmed Agreement Renewal for 7/1/2020 to 7/01/2023; Wellness and Biometrics; Visions Plan; Employer & Employee Contribution Calculations – Renewal Plan Medical; Dental and Vision; and Current Premium Rates 7/01/2019 to 6/30/2020 – Contribution Changes Employee Benefits-Employer (ER), Employee (EE).

Discussion between Ms. Posada and City Council occurred.

2. B. Discussion and review on any and all matters regarding the proposed City of San Luis Fiscal Year 2019-2020 Budget. (April 17, 2020)

Finance Department

Ms. Monica Castro, Director of Finance, informed that staff held meetings to identify the needs and priorities of the city and community. She added that when all these meetings started the city did not know that there was going to be a worldwide pandemic, for this reason the departments' requests did not meet the current circumstances. She mentioned that to step forward, and some revisions were done to be aligned with the current situation. Ms. Castro stated COVID-19 has caused an economic and health crisis, the measures that are needed to take to stop the spread of the disease have triggered an economic downturn. She added that it would be difficult to know what will be the financial impact, as things are changing day by day, for this reason, the city needs to be prepared. She mentioned that one of the objectives of this budget meeting is to adopt an operating budget that is mindful of the situation the city is facing. She added that staff would like to leave some flexibility for the future and ensure that the budget is balanced for next year. Ms. Castro informed that the city's top priority is to provide continuance services to the residents. She made a PowerPoint presentation that included the following slides, Revenues Comparison; Revenue Scenarios FY 2021; FY 2021 Revenue Budget; Fund Revenue Share; General Fund Revenues; Expenditure Distribution-All Funds; Expenditures by Category; Expenditure Comparison;

Balancing the Budget; Where we are now?; Expense Comparison FY 20 vs. FY 21; HURF Variance by Category FY 20 vs. FY 21; HURF Projects FY 2021; Tentative Draft Budget FY 2021 and Closing Thoughts. A copy of this presentation is included in the complete agenda packet filed in the City Clerk's Office.

Mayor Gerardo Sanchez thanked Ms. Castro for her presentation. He mentioned that the reason for the city is in good shape is that every year departments make cuts to its proposed budget. He commented that there are programs that will be able to help municipalities with loans and/or grants. The cities will have to apply for those funds, but staff should not depend on those, he asked staff to continue with the recommendations from Ms. Castro. He asked Council members for any comments/questions.

Council Member Matias Rosales commented staff should follow Ms. Castro's recommendations on the essential positions. He asked to please look at job positions requested and staff only the most important/essential.

Council Member Africa Luna-Carrasco asked Ms. Castro how much it will cost to implement the salary adjustment.

Ms. Castro replied that currently, in the budget, there is approximately \$700,000.00 for salary adjustment. She added that this would be for the third phase; this will bring employees to at least 90%, and the salary market rate will be 100%. She commented that there are many priorities for next fiscal year and asked Council to review what will be the main priorities; not all of them can be done.

Council Member Gloria Torres commented that Ms. Castro has been cautious with expenses, and she is thankful for that. She mentioned that Ms. Castro mentioned that salary adjustments are one of the council's priorities, but with the current situation, one should be careful as to what gets funded. She mentioned that she believes that every employee needs a salary adjustment, but, in the current situation, employees should not expect an adjustment.

Ms. Castro mentioned that the city should be prepared for any scenario, and it is essential to have direction from council to see what will be funded and what will be reduced.

Vice Mayor Maria Cecilia Cruz thanked Ms. Castro and staff for the excellent presentation as it will be easier for council to make those reductions as recommended by Ms. Castro and be conservative.

Mayor Gerardo Sanchez stated that city council is ready to make those decisions.

PUBLIC WORKS

Mr. Eulogio Vera, Acting Director of Public Works, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation included the following: Highway Users Division, Solid Waste Division; Water Division; Wastewater Division; and Fleet Services Division.

Mayor Gerardo Sanchez commented that the city has been very aggressive in fixing the city's streets. He stated that streets had not been ignored, but they have been assessed. He mentioned that there are areas in the city where streets need to be replaced in their entirety as they were neglected. He commented that there are not enough funds to fix all those streets, even though this project should continue.

Council Member Gloria Torres asked if a recycling program can be added to the list of projects.

Mr. Vera replied that starting a recycling program in the entire city will not be feasible as the city currently delivers recycled items to the City of Somerton, as they have a recycling program but once they decide not to continue with this program, the city will have to either stop or continue with the program on its own, and it will be more expensive to recycle than to take all those items to the landfill.

Vice Mayor Maria Cecilia Cruz stated that from the list of projects that Mr. Vera presented in his PowerPoint is 10th Avenue and Cesar Chavez Boulevard intersection improvement because of all the complaints the city received. She added that the traffic signal would be very beneficial not only to the community but to all those that drive around that area.

Mayor Gerardo Sanchez thanked Mr. Vera and his staff for the hard work done.

MOTION: Council Member Gloria Torres/Council Member Jose Ponce to continue the Budget Retreat to April 18, 2020. This meeting recessed at approximately 7:04 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Cruz	Aye
Council Member Mario Buchanan Jr.	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

The budget retreat reconvened April 18, 2020, at approximately 8:07 a.m.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Cruz
Council Member Africa Luna-Carrasco
Council Member Jose Ponce
Council Member Matias Rosales
Council Member Gloria Torres

ABSENT: Council Member Mario Buchanan Jr.

OTHERS PRESENT: Tadeo A. De La Hoya, City Manager
Sonia Cornelio, City Clerk
Angel Ramirez, Fire Chief
Axel Chayra, IT Technician
Carlos Cortes, Assistant Director of Finance
Christine Velez, Management Analyst (Remotely)
Derek Dueñas, Information Technology Manager
Edgar Carbajal, Acting Director of Human Resources
Enrique Lopez, Assistant Fire Chief
Francia Alonso, Assistant to Council/PIO
Jose A. Guzman, Director of Planning & Zoning
Jose L. Cisneros, Executive Assistant
Lizandro Galaviz, Director of Parks & Recreation
Maria Sabori, Risk Management Manager
Miguel Ramirez, Accountant
Monica Castro, Director of Finance
Nohemy Echavarria, Magistrate
Ralph Velez, City Consultant (Remotely)
Richard Jessup, Police Chief
Roula Encinas, Accountant

Mayor Gerardo Sanchez asked each Council member to give a brief statement about this year's Budget Retreat. Each gave a brief statement, as requested by Mayor Sanchez.

2. C. Discussion and review on any and all matters regarding the proposed City of San Luis Fiscal Year 2019-2020 Budget. (April 18, 2020)

Information Technology

Mr. Derek Dueñas, Information Technology Manager, made a PowerPoint presentation, which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Phone System Replacement, Network Administrator, Computer and IT Equipment, Fiber Optic Cable, Voting System for Council Chambers, Parks & Recreation Surveillance System, Time Clock Machines Replacement, and Request for Positions

Discussion was held and comments were addressed by Mayor, City Council and staff.

City Clerk's Office

Mrs. Sonia Cornelio, City Clerk, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Accomplishments and Department's Requests for Fiscal Year 2020-2021.

Discussion was held and comments were addressed by Mayor, City Council and staff.

Fire Department

Mr. Angel Ramirez, Fire Chief, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Fire Administration, Fire Suppression, General Fund Budget, Capital Improvement Projects for Fiscal Year 2021, Ambulance Fund and Capital Improvement Projects Fiscal Year 2021.

Discussion was held and comments were addressed by Mr. Ramirez, the Mayor, City Council and staff.

Police Department

Mr. Richard Jessup, Chief of Police, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Accomplishment Goals, ALEAP Accreditation, Community Events/Presentations as documented in SLPD Calendar, SLPD Stats, What Stats are Up!, Call for Service, 2018 8th Safest City Named: San Luis, Demographic, Requested Budget Increase, and CIP Fiscal Year 2021.

Discussion was held and comments were addressed by Mr. Jessup, the Mayor, City Council and staff.

Risk Management

Ms. Maria Sabori, Risk Management Manager, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, ADOSH PEPP Program, OSHA Trainings, On-Site Trainings, Online Safety Trainings, and Written Safety Program Implemented.

Discussion was held and comments were address by Ms. Sabori, the Mayor and City Council.

Planning & Zoning Department

Mr. Jose L. Guzman, Director of Planning & Zoning Department, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Goal, Permits, Inspections, Revenue, New Vehicle Request, Let's Get Rolling!, Bicycle Lanes Retrofit Study, Existing, Marking & Signing, Restriping, Road Widening, Update of Aerial Imagery, 2017 Pictometry Image, Picture Taken 2020 and Personnel Request.

Discussion was held and comments were addressed by Mr. Guzman, the Mayor and City Council.

Municipal Court

Ms. Nohemy Echavarria, Magistrate, made a PowerPoint presentation which is include with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Special Budget Request, Necessity, Not a Luxury, Mandated, Not an Option, Court Security Grant, Risk Management 2018 Report, and News and Updates.

Discussion was held and comments were addressed by Ms. Echavarria, the Mayor and City Council.

Office of the City Attorney

Ms. Kay Marion Macuil, City Attorney, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, Goals, Department Requests for Fiscal Year 2021, and 2019-2020 Budget. Ms. Macuil also covered the City Prosecutor's Office budget, which included promotion of the current Legal Sercretary, Implementation of Restitution Program, and Personnel Request: Part-time Secretary.

Discussion was held and comments were addressed by Ms. Macuil, the Mayor and City Council.

A lunch break was taken at approximately 12:08 p.m. and the meeting recessed at approximately 1:08 p.m.

Economic Development

Ms. Jenny Torres, Economic Development Manager, made a PowerPoint presentation which is included with the complete agenda packet filed in the City Clerk's Office. This presentation covered the following topics, San Luis Demographic Statisticts, Transaction Privilege Taxes, Business Retail Growth, Monthly Border Crossing Statisticts, Annual Border Crossing Statisticts, Gross Domestic Product, Job Growth, Economic Stability, Industrial Investment, Commercial Investment, Infrastructure Investment, and Road to Recovery.

Discussion was held and comments were addressed by Ms. Torres, the Mayor and City Council.

After a brief break roll call was taken.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Cruz
Council Member Africa Luna-Carrasco
Council Member Jose Ponce
Council Member Matias Rosales
Council Member Gloria Torres

Parks & Recreation Department

Mr. Lizandro Galaviz, Director of Parks & Recreation, made a PowerPoint presentation which included the following divisions in the Parks & Recreation Department including Senior Services. This presentation included the following topics, Park/Retention Renovation Project, 2020-2021 Review of Projects, Senior Center (Expansion Project) CDBG Funds, Community Parks – 20 Acre, Chicano Art Walk – Arte en la Calle, New Special Events, Mayor’s Binational Bicycle Ride, Parks Division (67 Acres), Retention (Continued Growth), Recreation Division, Youth Center, Cultural Center, Municipal Pool, Facilities, Senior Center, Professional Development, Marketing, Parks & Recreation Team, and Special Events 2019-2020.

Discussion was held and comments were addressed by Mr. Galaviz, the Mayor and City Council.

A 15 minute break was taken.

Billing & Collections

Mr. Jorge Perez, Billing & Collections Manager, made a PowerPoint presentation which is included with the complete agenda packet filed with the City Clerk’s Office. This presentation included the following topics, Mission Statement, Organizational Chart, Fiscal Year 2019-2020 Accomplishments, Goals & Objectives for Fiscal Year 2020-2021, Account Funding Increases, Account Funding Decreases, Billing & Collections Stats for Fiscal Year 2019-2020, Business License Stats for Fiscal Year 2019-2020, Capital Improvement Project, Bringing Back a Last Year CIP Request, and Utility Rate Study Consideration?.

Discussion was held and comments were addressed by Mr. Perez, the Mayor and City Council.

Human Resources Department

Mr. Edgar Carbajal, Acting Director of Human Resources, made a PowerPoint presentation which is included with the complete agenda packed filed with the City Clerk’s Office. This presentation included the following topics, Human Resources Mission, Goals and Objectives, Human Resources Team, Goals & Objectives Accomplished, Benefit Package, Holidays and Other Paid Leave, and HR Budget Requests.

Discussion was held and comments were addressed by Mr. Cabajal, the Mayor and City Council and staff.

Closing remarks given by Mayor and City Council; they all thanked department heads and especially the Finance Department for their hard work done during the budget preparation.

MOTION: Council Member Mario Buchanan Jr. /Council Member Jose Ponce to adjourn the meeting at approximately 3:47 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Gerardo Sanchez	Aye
Vice Mayor Maria Cecilia Cruz	Aye
Council Member Africa Luna-Carrasco	Aye
Council Member Jose Ponce	Aye
Council Member Matias Rosales	Aye
Council Member Gloria Torres	Aye

APPROVED:

Gerardo Sanchez, Mayor

ATTEST:

Sonia Cornelio, City Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Budget Retreat for the City Council of the City of San Luis, Arizona, held on April 17-18, 2020. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk