

MINUTES
Budget Retreat
San Luis City Hall
Multi-Purpose Room
1090 E. Union Street
San Luis, AZ 85349
April 28-29, 2023
5:00 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Nieves Riedel called the Budget Retreat meeting to order at approximately 5:03 p.m.

PRESENT: Mayor Nieves Riedel
Council Member Tadeo Azael De La Hoya
Council Member Javier Vargas
Vice-Mayor Luis E. Cabrera
Council Member Matias Rosales
Council Member Maria Cecilia Cruz

ABSENT: Council Member Gloria Torres

OTHERS PRESENT: Ralph Velez, Interim City Manager
Jenny Torres, Assistant City Manager
Melissa Lopez, Deputy City Clerk
Kay Marion Macuil, City Attorney
Adela Cortez, Director of Human Resources
Alicia Zermeño, Magistrate
Angel Ramirez, Fire Chief
Derek Dueñas, Information Technology Manager
Edgar Esparza, Billing and Collections Manager
Enrique Lopez, Assistant Fire Chief
Eulogio Vera, Director of Public Works
Fernando Corona, Network and IT Security Administrator
Francia Alonso, Public Information Officer
Joaquin Campa, Building Official
Jose A. Guzman, Director of Planning & Zoning
Jose L. Cisneros, Acting Assistant Director of Parks & Recreation
Manuel Hernandez, Project Manager
Maria Sabori, Risk Manager
Miguel Alvarez, Interim Chief of Police
Monica Castro, Director of Finance
Olivia Jenkins, Government & Foreign Affairs Coordinator
Roula Encinas, Finance Operations Manager

2. DISCUSSION ITEMS, NO ACTION WILL BE TAKEN:

2. A. Discussion and review on any and all matters regarding the proposed changes to the city's health benefits plan by Ms. Susan Posada and the City of San Luis Budget for the Fiscal Year 2023-2024 by staff. (Susan Posada, Benefits Consultant and Department Heads - April 28, 2023)

Ms. Susan Posada, Benefits Consultant, made a PowerPoint Presentation that covered the benefits plan for Fiscal Year 2023-2024 and it included the following: Plan Renewal, Network Fees, Plan Changes, TPA, Healthiest You-Teledoc, and Vision Renewal Options. A copy of the presentation is included in the agenda packet filed in the City Clerk's Office.

She informed that there are no changes to the plan except for Mexico Medical to remove the Out-of-Pocket Maximum's In-Network from \$4,500/\$9,000 to \$0/\$0 and Mexico Dental will add the verbiage "Copay per Visit" to the dental services.

Finance Department

Ms. Monica Castro, Director of Finance, made a PowerPoint Presentation that gave a Finance Overview and included the following: Budget Retreat Objectives, Budget Timeline, FY 2024 Budget Priorities, Finance Historical Data, Revenue and Expenditures History, Revenues, General Fund, Expenses, Can the City sustain these increases?, Streets, 5-Year Capital Projects Funding Source, General Fund and HURF, Tentative Budget, Financial Policies, Expenditure Limitation, Revenue and Expense Distribution by Fund, Planning for the Future, Point for Consideration, and Looking Ahead of FY 2024. A copy of the presentation is included with the complete agenda packet filed in the City Clerk's Office. Ms. Castro stated that she would like to have some direction from the Mayor and City Council as to what will be the priorities will be. There are several needs, but unfortunately, not everything can be funded as there are limited revenues. The city currently has a shortfall of \$1.4 million. She presented with four (4) different options to reduce the shortfall: 1) general fund balancing strategy; 2) reduce \$1.4 million of operational expenses; 3) reduce Capital Improvement Projects (CIP) allocation strategy; or 4) reduce in operation expenses and CIP (50/50).

Mayor Nieves Riedel stated that the city needs to be more aggressive and find ways to increase the cost of services, people demand more services, but there is not a lot of revenue coming into the city.

Public Works

Mr. Eulogio Vera, Director of Public Works, and Mr. Manuel Hernandez, Project Manager made a PowerPoint Presentation that included the following: The Mission of Public Works Departments, Public Works Organizational Chart, Highway Users Division, Solid Waste Division, Fleet Services Division, Water Division, Wastewater Division, and Conclusion. A copy of the presentation is included in the agenda packet filed in the City Clerk's Office.

Mr. Hernandez also presented a Solid Waste Service Cost Comparison that included a recycling program. A copy of the comparison is included in the agenda packet filed in the City Clerk's Office.

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

MOTION: Council Member Tadeo Azael De La Hoya/Council Member Javier Vargas to recess the Budget Retreat at approximately 6:43 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Javier Vargas	Aye
Vice-Mayor Luis E. Cabrera	Aye
Council Member Matias Rosales	Aye
Council Member Maria Cecilia Cruz	Aye

The Budget Retreat reconvened on April 29, 2023, at approximately 8:03 a.m.

PRESENT: Mayor Nieves Riedel
Council Member Tadeo Azael De La Hoya
Council Member Javier Vargas
Vice-Mayor Luis E. Cabrera
Council Member Matias Rosales
Council Member Maria Cecilia Cruz

ABSENT: Council Member Gloria Torres

OTHERS PRESENT: Ralph Velez, Interim City Manager
Jenny Torres, Assistant City Manager
Melissa Lopez, Deputy City Clerk
Kay Marion Macuil, City Attorney
Adela Cortez, Director of Human Resources
Alicia Zermeño, Magistrate
Angel Ramirez, Fire Chief
Derek Dueñas, Information Technology Manager
Edgar Esparza, Billing and Collections Manager
Enrique Lopez, Assistant Fire Chief
Eulogio Vera, Director of Public Works
Fernando Corona, Network and IT Security Administrator
Francia Alonso, Public Information Officer
Joaquin Campa, Building Official
Jose A. Guzman, Director of Planning & Zoning
Jose L. Cisneros, Acting Assistant Director of Parks & Recreation
Manuel Hernandez, Project Manager
Maria Sabori, Risk Manager
Michelle Boucher, Administrative Assistant - Police
Miguel Alvarez, Police Chief

Monica Castro, Director of Finance
Olivia Jenkins, Government and Foreign Affairs Coordinator
Roula Encinas, Finance Operations Manager
Yolanda Dueñas, Facilities Manager

2. B. Discussion and review on any and all matters regarding the proposed City of San Luis Fiscal Year 2023-2024 Budget. (Department Heads - April 29, 2023)

Fire Department

Mr. Angel Ramirez, Fire Chief, made a PowerPoint Presentation that included the following: Agenda: Statistics, Engine Pumper, Stipends, Inspections, and Ambulance Purchase. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

Police Department

Mr. Miguel Alvarez, Interim Chief of Police, made a PowerPoint Presentation that included the following: Community Outreach Programs, Community Events, 2022-2023 Highlights, Officer Contact Calls, Comm Center Calls Received, Demographic, Grant Revenue Increases, Update and Goals, Requested Budget Increase, Previously Approved CIP Projects, and CIP FY 2024. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

Planning and Zoning Department

Mr. Jose A. Guzman, Director of Planning and Zoning, made a PowerPoint Presentation that included the following: The Team, Goal, Building Safety, Code Enforcement, Development Services, and GIS. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

Economic Development

Ms. Jenny Torres, Assistant City Manager, made a PowerPoint Presentation that included the following: Sustainable and Inclusive Growth Development, Transformative Outcomes, Economic Development Outcomes, Infrastructure, Merrill Avenue and County 22nd Street, Los Oros Street, Community Development Block Grant, Cesar Chavez Boulevard Right-Of-Way Cost, Downtown Park Carry Over Design, Downtown Parking Lot Construction, and Downtown Drainage Property Acquisition. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

San Luis Municipal Court

Ms. Alicia Zermeño, City Magistrate, made a PowerPoint Presentation that included the following: Organizational Chart, Significant Changes Fiscal Year 2022-2023, Court Personnel 10.5 Fulltime Equivalent Staff, Court Personnel 2023-2024 Fulltime Equivalent Staff-Current Recruiting Efforts, Technology, San Luis Municipal Court Earned Revenue, Revenue Allocation, San Luis Municipal Court New Cases, San Luis Municipal Court is a Limited Jurisdiction Court, Projected New Cases for Fiscal Year 2022-2023, and Municipal Courts in Yuma County Fiscal Year 2022. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

Parks and Recreation

Mr. Jose Luis Cisneros, Acting Assistant Director of Parks & Recreation, made a PowerPoint Presentation that included the following: Our Mission, Objectives, Recreation Events, Cultural Center Events, Youth Center Events, San Luis Municipal Pool Renovations and Improvements, San Luis Senior Center Events, Parks Grounds Projects, and Annual Special Events. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

Vice Mayor Luis E. Cabrera stepped out of the meeting at approximately 10:58 a.m.

Facilities Division

Ms. Yolanda Dueñas, Facilities Supervisor, made a PowerPoint Presentation that included the following: Who We Are, City of San Luis Facilities, and FY 2024 Projects Capital Improvement Projects. A copy of the presentation is included with the complete agenda packet filed in the City Clerk's Office.

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

City Attorney & Prosecutor

Ms. Kay Marion Macuil, City Attorney, made a PowerPoint Presentation that included the following: The City Attorney's Goal to Provide Quality Legal Support for the City, and City Attorney Requests for Fiscal Year 2023-2024. The presentation for the Office of the City Prosecutor included the following, Objectives, Police Advisor, and Prosecutor Requests for Fiscal Year 2023-2024. A copy of the presentation is included with the agenda packet filed in the City Clerk's Office.

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

Billing & Collections

Mr. Edgar Esparza, Billing and Collections Manager, made a PowerPoint Presentation that included the following: Purpose Statement, Organizational Chart, Department Accomplishments for Fiscal Year 2022-2023, Water Conversion, Gadsden Wastewater

Accounts, Goals & Objectives for Fiscal Year 2023-2024, Yearly Statistics, Utility Assistance Program, Collections, New Meter Installs, How are Payment Submitted?, New Utility Accounts, Business License Revenue, and Personnel Request – Meter Reader Technician. A copy of the presentation is included with the complete agenda packet filed in the City Clerk's Office.

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

A lunch break was taken at approximately 11:45 p.m. The meeting resumed at approximately 1:08 p.m.

Human Resources

Ms. Adela Cortez, Director of Human Resources, made a PowerPoint Presentation that included the following: Organizational Chart, Vision & Mission, Values, Accomplishments, Talent Acquisition, Talent Management, Benefits Administration, Events, and Goals & Objectives. A copy of the presentation is included with the complete agenda packet filed in the City Clerk's Office.

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

City Clerk's Office

Ms. Melissa Lopez, Deputy City Clerk, made a PowerPoint Presentation that included the following: Accomplishments and Budget Fiscal Year 2023-2024. A copy of the presentation is included in the complete agenda packet filed in the City Clerk's Office.

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

Information Technology

Mr. Derek Dueñas, IT Manager, made a PowerPoint Presentation that included the following: Organizational Chart, Accomplishments, Capital Projects, Objectives for Fiscal Year 2024, Increase High Availability of Services, and User Training for Enterprise Applications. A copy of the presentation is included with the complete agenda packet filed in the City Clerk's Office.

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

Risk Management

Ms. Monica Castro, Director of Finance, made a PowerPoint Presentation that included the following: Claims Review – Fiscal Year 2023, ADOSH PEPP Program, Safety/Risk Programs, Training, and Fiscal Year 2024 Budget Request. A copy of the presentation is included with the complete agenda packet filed in the City Clerk's Office.

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

Administration

Mr. Ralph Velez, Interim City Manager, stated that it is very important to review the Capital Improvement Projects for each department.

Ms. Castro stated that as mentioned during her presentation, staff would like to get direction from the city council on how to proceed with the reduction in the budget. She noted that it is the council's decision as to where they would like to reduce, will be from operation expense, capital improvement project, or a combination of both. She provided a copy of the capital improvement projects by department, a copy of this list is included with the complete agenda packet filed in the City Clerk's Office.

Mayor Riedel asked the City Council to review the listing and voice their opinion on what needs to be sacrificed, there is a total of \$1.4 million, and including the San Luis Port I funding needed it will be \$1.8 million.

Ms. Castro stated that staff will review the list and present Mayor and City Council with the recommendations.

3. Adjournment

MOTION: Council Member Tadeo Azael De La Hoya/Council Member Javier Vargas to adjourn the meeting at approximately 2:33 p.m. Motion passed unanimously.

The vote was as follows:

Mayor Nieves Riedel	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Javier Vargas	Aye
Council Member Matias Rosales	Aye
Council Member Maria Cecilia Cruz	Aye

APPROVED:

Nieves Riedel, 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 28-29, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk