

MINUTES
Work Session
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
February 26, 2025
5:00 p.m.

1. CALL TO ORDER/ROLL CALL

Mayor Nieves Riedel called the Work Session to order at approximately 5:00 p.m. An informal Work Session was held at the time of the Roll Call due to a lack of quorum and at 5:09 p.m. a formal Work Session began as there was a quorum.

PRESENT: Mayor Nieves Riedel
Council Member Tadeo A. De La Hoya-arrived at 5:11 p.m.
Council Member Lizeth Servin
Council Member Luis E. Cabrera-arrived at 5:09 p.m.
Council Member Esteban C. Rosales-arrived at 5:31 p.m.
Council Member Maria Cecilia Cruz

ABSENT: Council Member Javier Vargas

OTHERS PRESENT: Jenny Torres, Acting City Manager
Kay Marion Macuil, City Attorney
Melissa Lopez, Deputy City Clerk
Adela Cortez, Director of Human Resources
Alan Guevara, Police Lieutenant
Amanda Mahon, City Prosecutor
Angel Ramirez, Fire Chief
Angelica Cifuentes, Purchasing Coordinator
Angelica Fregoso, Ambulance Billing Coordinator
Angelica Roldan, Director of Parks & Recreation
Armando Esparza, Director of Economic Development
Danae T. Figueroa, Magistrate
Debora Luna, Accountant II
Edgar Esparza, Billing & Collections Manager
Eulogio Vera, Director of Public Works
Fernando Corona, Information Technology Manager
Francia Alonso, Public Information Officer
Javier Nuño, Police Department
Jeremy Humphrey, Fire Battalion Chief
Jorge Perez, Assistant Director of Public Works
Jose A. Guzman, Director of Development Services
Jose Antonio Maldonado, Multimedia Production & Operations Specialist
Jossue Cerda, Information Technology Support Supervisor
Juan Leal Rubio, Assistant Director of Development Services
Maria Sabori, Risk Management Manager

Mario Rodriguez, Finance Operations Manager
Manuel Hernandez, Assistant Director of Public Works
Miguel Ramirez, Finance Accounting Manager
Olivia Jenkins, Administrative Services Manager
Roula Encinas, Director of Finance
Tomas Sanchez, City Engineer
Victor de la Torres, Safety Officer
Christian Cueva, Simultaneous Translator
Cesar Neyoy, Reporter
Fabher Sanchez, Resident
Genaro Soto, Resident
Luis Marquez, Resident
Luisa Arreola, Resident
Lucy Lopez, Reporter
Maria Gonzalez, Resident
Maria Luz Hoya, Resident
Mark Concha, Resident
Nidia Mendenhall, Resident
Rosa Walshe, Resident

2. ITEMS FOR DISCUSSION ONLY:

2. A. Discussion and review of the proposed budget adjustments for Fiscal Year 2026, including salary adjustments, service reductions, capital project impacts and new personnel requests. Informational session, no action. (Roula Encinas, Director of Finance)

Ms. Roula Encinas, Director of Finance, made a PowerPoint presentation regarding the proposed budget adjustment for fiscal year 2026. This presentation is a continuation of the Work Session held on February 5, 2025, where the city reviewed the financial stability of the city over the next five (5) years. She informed that the City Manager, along with the Department Directors, worked on a budget that addresses the financial challenges the city is currently facing while balancing the needs of the employees, services, and capital projects. This presentation included the following slides, Financial Challenges, Introduction of the Budget for Fiscal Year 2026 Proposals, City Wide Department Requests and Proposed Continuation Budget Fiscal Year 2026, Capital Projects for Fiscal Year 2026, Special Services Reductions to the Community and City Employees, Salary Adjustments, New Personnel Requests and Reclassifications for Fiscal Year 2026.

Ms. Jenny Torres, Acting City Manager, stated that based on the last work session, the Mayor and City Council instructed the City Administration to come up with a proposed budget plan. She mentioned that the proposal is being presented during this meeting. She stated that if there are any questions, all department managers are present to answer questions pertaining to their department. Staff will need a solution for any changes to the items being proposed.

Mayor Nieves Riedel asked the City Council to take this opportunity to ask any questions and provide solutions, not ideas.

Council Member Maria Cecilia Cruz mentioned that the Department of Development Services requested a position and asked if it is on the list to be filled.

Ms. Torres replied that the Development Services Department requested a Code Enforcement Officer, an Assistant Planner, a GIS Technician and a Building Inspector. She informed that what staff did in terms of new hiring, all future positions will be frozen with the exception of Police, Fire, Water, and Wastewater. She added that the reclassification form lists which positions will be filled out and which ones will not.

The Mayor, City Council, and staff discussed and commented on positions, reclassifications, pay grades, special services, and capital projects.

Mayor Nieves Riedel stated that the Mayor and City Council directed the City Administration to present a plan. The Mayor and City Council should trust staff decisions, as they are doing the best for the city. The City Council is the city's legislators. She stated that for any additional questions, the City Council should go to Ms. Torres, as she can provide answers, as she is the supervisor for each Department Manager. She asked Ms. Torres if the Mayor and City Council were involved in the reduction of the budget.

Ms. Torres replied that the Mayor and City Council were not involved in the decisions made by the City Administration, as during the last meeting staff was given direction to put together a plan and propose it to the Mayor and City Council.

Mayor Nieves Riedel mentioned that she asked this question because some Council Members think she was involved in the decisions and the plan presented.

Council Member Luis E. Cabrera stated the need to cut special events, suggested having the 4th of July Celebration with just fireworks, and removing the Asado and Brew Festival so that the city can stick to one (1) major event and with the funds left, have other events throughout the year.

Ms. Angelica Roldan, Director of Parks and Recreation, replied that staff is proposing to cut overtime and costs to put events together. The reason the 4th of July and the Asado and Brew Festival were not removed is because of the importance of those events, as they are symbolic. She added that the cancellation of these events eliminates overtime and contract labor associated with the events and will result in savings for the general fund. Furthermore, she informed that cutting on these areas will maintain and improve the quality of other services from Parks and Recreation. She stated that eliminating the events was a hard decision.

Mayor Nieves Riedel stated that if the City Council had approved the proposal to cut the Council's salary to 50% and eliminate dental and vision insurance, the city would have saved \$87,239.00 and use this money to host other events throughout the year.

Council Member Luis E. Cabrera asked if the recommendation done by Mayor Nieves Riedel will affect next fiscal year's budget, which starts on July 2025.

Ms. Kay Marion Macuil, City Attorney, replied that the rate changes will take effect until January 2027, it has to take effect after the new City Council is elected and sworn.

Council Member Luis E. Cabrera mentioned that some cities schedule a day at the capital. He suggested doing the same in San Luis and scheduling a meeting to request their support to obtain funding for crucial projects.

Ms. Jenny Torres, Acting City Manager, mentioned that staff discussed this last year, but since there were no critical issues, staff decided not to do it. She commented that if City Council wants to schedule that visit, it will have to be in the next two weeks, and talk with the legislators about the different bills being presented, and that will affect the community.

Council Member Lizeth Servin agreed with Council Member Luis E. Cabrera and added that it is City Council's job to advocate for their community.

Ms. Torres stated that it is hard for the City Council and staff, but the city is being conservative this fiscal year because it does not know if the state and federal governments will cut funding. For this reason, staff wants to be ready if that is the case. She asked the Mayor and City Council if they feel that another work session is needed, one can be scheduled for March 5, 2025, or if preferred, meetings can be set individually.

3. Adjournment

Mayor Nieves Riedel adjourned the meeting at 5:50 p.m.

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 Work Session minutes for the City Council of the City of San Luis, Arizona, held on February 26, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk