

**APPROVED** by the City Council  
Meeting Date: 5/14/2025  
City Clerk's Office: [Signature]

**MINUTES**  
**Special Council Meeting**  
**San Luis City Council**  
**San Luis Council Chambers**  
**1090 E. Union Street**  
**San Luis, AZ 85349**  
**March 28, 2025**  
**6:00 p.m.**

**1. CALL TO ORDER/ROLL CALL**

Mayor Nieves Riedel called the Special City Council meeting to order at approximately 6:00 p.m.

**PRESENT:** Mayor Nieves Riedel  
Council Member Luis E. Cabrera  
Council Member Esteban C. Rosales  
Council Member Lizeth Servin

**ABSENT:** Vice Mayor Tadeo Azael De La Hoya  
Council Member Maria Cecilia Cruz  
Council Member Javier Vargas

**OTHERS PRESENT:** Jenny Torres, Acting City Manager  
Kay Macuil, City Attorney  
Melissa Lopez, Deputy City Clerk  
Adela Cortez, Director of Human Resources  
Alan Guevara, Police Lieutenant  
Alejandra Peru, Court Administrator  
Amanda Mahon, City Prosecutor  
Antonio Maldonado, Multimedia Production & Operations Specialist  
Armando Esparza, Director of Economic Development  
Carlos Berumen, Office Assistant  
Carlos Muela, Police Officer  
Carlos Pacheco, Police Officer  
Crystal Ochoa, Administrative Coordinator  
Damian Miller, Police Lieutenant  
Danae T. Figueroa, Magistrate  
Domingo Sosa, Graphics and Media Specialist  
Edgar Esparza, Billing & Collections Manager  
Enrique Lopez, Assistant Fire Chief  
Ernesto Prieto, Police Sergeant  
Eulogio Vera, Director of Public Works  
Fernando Corona, I.T. Manager  
Gabriela Guevara, Police Communications Supervisor  
Israel Lara, I.T. Technician

Jaime Valenzuela, Police Officer  
Javier Nuño, Police Officer  
Johnnie Morris, Fire Battalion Chief  
Jossue Cerda, I.T. Support Supervisor  
Juan Leal Rubio, Assistant Director of Development Services  
Maria Sabori, Risk Manager  
Miguel Ramirez, Finance Accounting Manager  
Nigel Reynoso, Chief of Police  
Olivia Jenkins, Administrative Services Manager  
Roula Encinas, Director of Finance  
Tomas Sanchez, City Engineer  
Victor De La Torre, Safety Officer  
Alberto Leon, Resident  
Fabher Sanchez, Resident  
Luisa Arreola, Resident  
Maria Gonzalez, Resident  
Maria Robles, Resident  
Mark Concha, Resident  
Matias Rosales, Resident

## **2. PLEDGE OF ALLEGIANCE**

Council Member Esteban C. Rosales led the Pledge of Allegiance.

Mayor Nieves Riedel apologized for not being present at the last Council meeting and for calling this meeting last minute, but this is an item that is very important to all of them concerning the city's employees; all city employees are important to the City Council. This is an item that they have been working on for the past three (3) long months.

## **3. DISCUSSION AND POSSIBLE ACTION ITEMS:**

### **3. A. Discussion and possible action on any and all matters regarding strategy for implementing salary adjustments. ITEM CONTINUED FROM THE REGULAR COUNCIL MEETING OF MARCH 26, 2025. (Adela Cortez, Director of Human Resources)**

Ms. Adela Cortez, Director of Human Resources, explained that in early 2024, Public Sector Personnel Consultants conducted a salary study to assess the city's salary competitiveness. The findings and implementation options were presented during the City Council meeting held on June 12, 2024. The study revealed that the city is not a competitive employer, with 83% of the positions studied paying more than 5% below the prevailing market rates. This shortfall affects 257 employees, whose current salary falls below the proposed minimum salary range for their positions.

The study proposed the following actions to address and improve salary competitiveness:

1. Adopt the proposed Salary Range (Pay Grade Structure) – approved during the June 12, 2024, meeting.
2. Establish a salary competitiveness policy aligned with prevailing market rates.
3. Adjust salaries for all employees currently earning below the minimum salary range to meet the new minimum on the plan's effective date.

A financial analysis conducted with the city's Finance Department determined that the city was unable to attract employees to 100% of the market, as recommended by the consultant. The option presented to the Administration and the City Council tonight, to promote staff stability and retention, is for the city to implement a salary structure of 97.5% of the market, which will place employees one pay grade below where they should be and adjust the salaries of contracted employees in alignment with the classified service adjustments. The total annual budget impact is estimated at \$1.5 million, which includes employer costs. Depending on budget availability, it is also proposed that for Fiscal Year 2025-2026, further adjustments be made to bring employees 100% of the market. In addition to that recommendation, staff recommends implementing a longevity pay plan. This would be to value employees' dedication and years of full-time service. Due to budget constraints, staff recommend that the first couple of years apply only to those employees who do not qualify for a market adjustment. Beginning in Fiscal Year 2026-2027, all city employees can be considered for longevity pay. If approved, this recommendation will be implemented in the pay period beginning on March 22. The budget impact was calculated for the remaining seven (7) pay periods of the fiscal year, equivalent to \$510,000.00, including employer costs.

Council Member Lizeth Servin asked how longevity pay works and how it was determined.

Ms. Cortez responded that it will be applied to total seniority with the agency, not per position. It will commence with five (5) years with a longevity pay of \$1,000.00. Then, after completion of ten (10) years, it goes up to \$1,500.00, for 15 years, it is \$2,000.00, and 20 years or more will be \$2,500.00; \$2,500.00 is the maximum. Staff researched this, and it is common with the agencies with an amount or a percentage of the employees' salary, which comes up to almost the same as it goes to a 2.5%. She added that the longevity pay plan has never been done in the City of San Luis.

Council Member Lizeth Servin commented that item no. 2 on the Budget Appropriation states, "Each year, the City Council has the discretion to increase, reduce, or eliminate the longevity appropriation based on the city's financial status". She added that she would like to see if staff would reconsider increasing it to begin at \$2,000.00, as it is low to her, but understands staff is doing it based on the current budget.

Ms. Roula Encinas, Director of Finance, stated that staff can analyze the fiscal impact of the amount she proposes.

Council Member Lizeth Servin also commented that at one of the Council meetings where this was introduced to the City Council, it was agreed that it would be retroactive pay to the first pay period in January 2025.

Ms. Encinas responded that staff analyzed the fiscal impact of implementing salary adjustments with an effective date of the first pay period of January 11, 2025, through the end of March and the estimated cost is approximately \$320,000.00. Due to current vacancies, staff has identified available funding within the general fund, specifically from salary lines. However, after utilizing the available funds, the city may face a shortfall that would affect the ability to complete the necessary budget transfer. If this is the case, staff may need to return to the City Council to request support in approving the transfer from the City Council Contingency account to ensure full funding. She clarified that there is budget availability for Fiscal Year 2025. Staff included Fiscal Year 2026 as well, but staff may need to review and analyze for Fiscal Year 2027, as the city is facing a shortfall in revenues, and she can say that the city will be available to fund Fiscal Year 2027.

Council Member Luis E. Cabrera inquired about the employees who are not at 97.5% but have been here for more than five (5) years. Will they receive the salary increase and the longevity pay.

Ms. Cortez responded that those employees will only receive a salary increase.

Council Member Lizeth Servin asked how many employees are at 100% market value.

Ms. Cortez responded that approximately 93 employees.

Mayor Nieves Riedel stated that she had asked and wished the longevity pay would start at \$2,500.00, but the reality is that the city does not have the money. It is better that the city can guarantee this for two (2) years without knowing what will happen in the third year.

Ms. Jenny Torres, Acting City Manager, clarified that the intent of this fiscal year is to have everyone at 97.5%. If an employee does not receive a market adjustment and qualifies for the longevity plan, then the employee will receive that. For the next fiscal year, employees will be at 100% of the minimum and follow the same scenario if the employee does not qualify for a market adjustment. For the third year, depending on funding availability, if the city continues to increase salaries, at that point, since everybody is going to be at 100%, the employee would be able to qualify for the salary adjustment plus the longevity pay. The salary adjustment will be effective for the first pay period in January 2025. In the next pay period, everybody will receive their retro pay and if the employee did not qualify for the salary adjustment, they will receive longevity pay if they qualify.

**MOTION:** Council Member Luis E. Cabrera/Mayor Nieves Riedel to approve implementing the salary competitiveness policy at 97.5% of the market, including a longevity pay plan, with payments for FY 2024-2025 effective the first pay period of January 2025, and approve staff to make the necessary budget transfers of \$1,200,000.00 as presented. The motion passed unanimously.


The vote was as follows:

Mayor Nieves Riedel	Aye
Council Member Luis E. Cabrera	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye

#### 4. ADJOURNMENT

Council Member Luis E. Cabrera/Mayor Nieves Riedel to adjourn the Special Council meeting at approximately 6:15 p.m.

**APPROVED:**

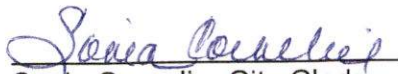
  
\_\_\_\_\_  
Nieves Riedel, Mayor

**ATTEST:**

  
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Sonia Cornelio, City Clerk

#### CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special City Council meeting of the City Council of the City of San Luis, Arizona, held on March 28, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

  
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Sonia Cornelio, City Clerk