

**CITY OF AZTEC  
COMMISSION WORKSHOP MEETING MINUTES  
Tuesday March 11 2025**

**CALL TO ORDER**

Mayor Michael A Padilla Sr called the workshop to order at 5:00 pm at Aztec City Hall 201 W Chaco, Aztec NM 87410

Members Present. Mayor Michael A Padilla Sr Mayor Pro-Tem Ken George  
Commissioner Colby King and Commissioner Jim Crowley  
Commissioner Austin Randall

Members Absent NONE

Others Present: City Manager Jeff Blackburn City Clerk Karla Saylor

**A Fiscal Year 2026 Budget Discussion**

Mayor Padilla opened the workshop and turned it over to City Manager Jeff Blackburn Jeff informed the commission that the key topics he wanted to address were salaries COLA increases and the cost of service He requested that the commission review two specific pages in the budget book to examine the capital plan and the comprehensive plan to identify any items they would like to prioritize

Jeff informed the commission that neighboring entities are planning to implement 4% and 5% COLA increases. He noted that city employee merit increases are currently based on two years of service and two standard performance evaluations but he would like to see this requirement change to annual merit increase

He presented the commission with a plan proposed by Public Works Director Ruben Salcido to separate the Water/Wastewater and Public Works departments into two distinct entities Mayor Pro-Tem George disagreed stating that the departments should remain combined for fiscal reasons and because this structure has always been in place Staff believe that hiring Level III/IV operators for the wastewater plant would be more beneficial than contracting the plants out to Jacobs They also mentioned that, if necessary the State Environment Department could assist in the interim while the city trains personnel

Jeff went on to present the commission with various options for COLA increases and the fiscal impact each would have on the budget He also provided worksheets outlining the effects of 2-5% increases The commission asked Finance Director Jennie Achee if these increases were affordable and she responded that she believes the city can manage them

Due to the reinvestment in the LGIP there is expected to be an increase in revenue although the exact amount remains uncertain currently Mayor Pro-Tem George said there has been spending from capital reserves aside from grant funds He expressed concern that there may be changes to the federal grants being distributed and emphasized the need to limit spending from reserves for projects unless they are essential

There was also discussion about the need to focus on current employees the morale of employees, employee recruitment and retention Chief Gonzales mentioned the importance of reevaluating the pay plan annually rather than every five or more years as delays can lead to the city falling behind other entities meaning employees are seeking opportunities elsewhere The commission would like to invest more in the current employees to help retain the existing workforce

Staff shared concerns about the city's morale, stating that money is not always the key to retaining employees They believe that internal benefits and showing general appreciation for staff can be just as effective

Mayor Pro Tem Goerge once again asked Jennie what could be afforded and she replied that she would need to review the numbers and get back to the commission Personnel Administrator Karla Saylor suggested implementing the merit system on an annual basis believing it would also help improve morale Mayor Pro Tem proposed a 4% increase to stay competitive with other entities Mayor Padilla agreed with the idea of annual merit increases but would like Jennie to assess the fiscal impact of both the 4% and 5% increases

Staff mentioned that the benefits offered to employees by the city are a major perk. When the commission changed the insurance benefits to a 70/30 split, it had a positive impact on morale as employees appreciated seeing the change reflected in their paychecks Additionally, staff noted that PERA has a significant impact on employees' paychecks other entities continue to absorb some of the changes, so this also leads employees to seek work elsewhere

Jeff proceeded to discuss the cost of service, he presented the commission with worksheets that show average utility rates among various types of users The Commission would like to revisit the projects list to re-evaluate the joint utilities projects and then reassess utility increases They would also like to see a breakdown of what the last increase did for reserves

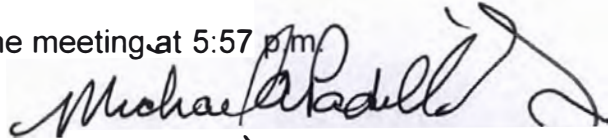
He also shared the capital projects summary of the CIP with a sheet for the commission to fill out with their priorities for the ICIP He presented the grants and appropriations summary showing where the money is going and the progress of current projects A sheet was also presented, showing the projects that have been completed as well as any that the commission may want to carry over Additionally the 2040 comprehensive plan was provided for the commission to review

Jeff reiterated the direction he believed the commission wanted him to pursue, including a 5% COLA increase, benefit rates wastewater personnel the impact of the Family Medical Leave Act debt from three city loans and utility rates

The commission would like to hold another workshop in two weeks, before the next commission meeting at 5:00pm on March 25 2025

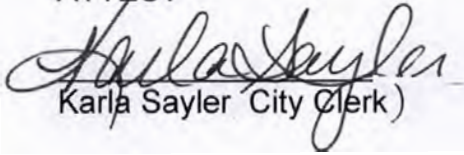
**ADJOURNMENT**

Moved by Mayor Padilla to adjourn the meeting at 5:57 p.m.



Michael A. Padilla Sr Mayor

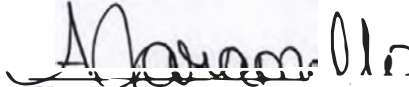
ATTEST



Karla Saylor City Clerk



MINUTES PREPARED BY



Alisha Jaramillo, Administrative Assistant