



MINUTES
VILLAGE OF BOSQUE FARMS
BUDGET WORKSHOP
MONDAY, JUNE 1st, 2026 AT 9:00 A.M.
COUNCIL CHAMBERS

1. **Call to Order**

Meeting called order at 9:00

2. **Roll Call/Determination of Quorum**

RW	✓	ED	✓	JB	✓	MZ	
Quorum present		Yes	No				

3. **Council to Review and Take Action on the Preliminary Budget Report for the Department Review**

The Council convened to conduct a line-by-line review of the preliminary budget for Fiscal Year 2026–2027. Clerk/Administrator Erica A. Martinez presented the working budget document, noting that the general fund reflected a deficit of approximately \$664,006.74 after incorporating all previously discussed adjustments, including a 17.5% pay increase for the Police Department and a 6% COLA plus 2% merit increase for all other employees. The Council's work throughout the session was directed at closing this deficit before the state's interim budget submission deadline of June 1, 2026.

General Fund Overview

Mayor Pro Tem De Smet noted that budget line items 206 (EMS Fund) and 207 (VREC Fund) were absent from the document. Clerk Martinez confirmed that the EMS fund balance of approximately \$6,600 had been reverted to the state, as those grant funds had been carried over for several years and were due back. The remaining balance of \$0.55 was noted as a clerical close-out item. The VREC fund was confirmed as zeroed out and not a concern for the current budget.

Police Department

The Police Department budget was reviewed in detail. Interim Chief Adams initially indicated he had been seeking a 20% pay increase but acknowledged, upon reviewing the updated salary schedules, that

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the 17.5% figure had already been incorporated and was acceptable. The Council and Chief Adams agreed to proceed with the 17.5% increase.

Discussion arose regarding the pay scale for incoming lateral Officer Hernandez, who is scheduled to begin June 9. Officer Webb and Interim Chief Adams clarified that Officer Hernandez should be brought on at the same pay rate as currently employed officers rather than at a base probationary wage, consistent with past practice. The Council agreed this was an appropriate personnel action to be handled via a personnel action form submitted by the Chief to the Clerk, and that a formal step-based pay scale would be addressed in upcoming union contract negotiations.

Regarding Animal Control Officer Otero, the Council confirmed by consensus that he would remain at the standard 8% increase for this budget year, with his potential reclassification or integration into the Police Department budget deferred to the next budget cycle. Officer Webb noted that a recent state hearing had affirmed that the animal control position falls within the Police Department, and suggested that future budgets should reflect that alignment.

To reduce the general fund deficit, the Council agreed to the following adjustments within the Police Department budget:

- Reduce the vehicle maintenance and repair budget from \$40,000 to \$20,000, given the fleet transition to new model-year vehicles.
- Reduce the overtime budget from \$200,000 to \$145,000, based on a three-year average of actual expenditures. Council noted that 24–25 was an anomalously high year due to officer turnover and that current trends show declining overtime.
- Reduce the telephone/internet budget by \$10,000 to approximately \$13,088, reflecting the expected savings from recent communications infrastructure changes.

Animal Control

The animal control overtime budget was reviewed. Clerk Martinez noted year-to-date actuals of approximately \$3,065 against a budgeted amount of \$12,000. The budget was adjusted downward to \$10,000, with the \$2,000 difference attributed to holiday overtime. The Council discussed the need for a part-time animal control assistant but agreed that this vacant position would need to be eliminated from the current budget in order to balance the general fund, with a commitment to revisit in six months.

Streets Department

The Council reviewed the streets department budget. The proposed part-time maintenance technician position was confirmed as removed. The \$25,000 equipment capital purchase was agreed to be eliminated, with the understanding that equipment needs would be sought through grant funding. An additional \$10,000 was removed from the maintenance grounds and streets line item, reducing it to approximately \$2,700 based on a three-year expenditure average. The \$100,000 streetlight repairs line item was reduced by \$70,000, retaining \$30,000 as a local match in the event grant funding is secured to underground streetlights along the loop.

The concept of restructuring the streets department into a broader public works department—combining streets, water, and sewer employees under one umbrella—was raised as a potential longer-

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term solution to budget constraints, as it could allow general fund salary costs to be partially offset by the enterprise funds. Clerk Martinez agreed to research whether state DFA regulations permit such a restructuring and indicated she had submitted the question to the Village's HR attorney, Jamie Dodds.

Planning & Zoning / Code Enforcement

The Council discussed the current arrangement of having the planning and zoning services provided via professional contract. The \$3,000 equipment line item under planning and zoning was removed, given no actual expenditures in the prior three fiscal years. The vacant part-time code enforcement position was agreed to be eliminated from the budget at this time, to be revisited in six months.

Mayor Pro Tempore De Smet raised the possibility of eventually combining planning and zoning, code enforcement, and animal control into a single full-time position to attract quality candidates and reduce total staffing costs. The Council expressed general support for this concept and directed staff to research comparable municipalities' pay scales for such combined positions. Officer Webb reiterated that any future animal control hire should be placed within the Police Department budget structure.

Recreation / Community Center

The Council reviewed the recreation budget. Given that no salary expenditures had been recorded under the recreation line in the prior three fiscal years, it was determined that the \$9,000 recreation salary budget should be returned to the general fund. All associated benefits line items were likewise removed, for a total savings of approximately \$23,971. Community center director had submitted a written justification for an assistant position, citing significantly increased workload and succession planning needs. The Council acknowledged the request but agreed the community center assistant position must also be eliminated from the current budget in the interest of balancing the general fund, with a commitment to revisit.

Sewer Utility Fund

Roberta Padilla of Prodigy presented an analysis of the sewer utility fund, which showed a deficit of approximately \$256,550. She identified grinder pump replacements as the primary driver of the deficit, noting that the Village can reasonably expect to replace approximately 120 pumps per year in perpetuity, at a cost of roughly \$2,300–\$3,000 each.

To address the structural deficit, the following actions were agreed upon:

Reduction in Capital Purchases: The grinder pump capital purchase budget lines were reduced from a combined \$650,000 to \$400,000 (\$360,000 and \$40,000), based on the assessed average replacement rate and the availability of the previously unlocked \$859,000 USDA/state grant for grinder pump purchases.

New Facility Rehab / Collection Fee: The Council agreed to introduce a new monthly fee of \$11.00 per sewer connection (approximately 1,500 connections), to be designated as a "Collection Rehab Fee" or "Facility Rehab Fee." At an estimated 10 months of collection in the fiscal year, this would generate approximately \$165,000 in new annual revenue.

Peralta IGA/MOU Billing Rate Increase: The Council agreed to budget an additional \$40,000 per year in revenue from Peralta, based on anticipated renegotiation of the sewer discharge billing rate. Roberta

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4 Padilla recommended that Peralta be billed per actual gallons discharged rather than under a fixed-rate
5 structure, given that Peralta contributes approximately 20% of total plant inflow (close to 2,000,000
6 gallons per month). The existing IGA/MOU, last updated in 2015, is to be placed on the June 17 Council
7 agenda for discussion and action.

8 On-Call Pay: On-call pay for sewer utility workers was restructured. Overtime was reduced from
9 approximately \$19,190 to \$9,000 based on a three-year average, and \$10,000 was added to salary/on-
10 call stipend, bringing the on-call stipend to a more competitive level. Roberta Padilla noted that
11 comparable municipalities pay \$45–\$50 per day simply for employee availability, and encouraged the
12 Village to move toward a flat daily stipend model.

13 With these combined adjustments, the sewer fund was projected to return to a balanced position.

14 **Water Utility Fund**

15 The water utility fund was reviewed and found to be in a positive position. The Council agreed to add a
16 new \$5.00 per month water facility fee per connection (approximately 1,640 connections), which would
17 generate approximately \$82,000 over 10 months. These funds are intended to support salary and
18 infrastructure costs on the water side. On-call pay was similarly adjusted, with \$9,000 added to the
19 salary/on-call stipend line and overtime retained at \$10,000 (with \$16,000 reflecting holiday overtime).

20 Roberta Padilla noted that the water system's primary upcoming capital needs are: (1) pulling and
21 rehabbing Well No. 2, to be funded through the \$400,000 arsenic remediation grant, and (2) minor
22 rebuilds of the booster pumps at Well No. 1, estimated at approximately \$65,000, also to be addressed
23 through grant funding. Both items were noted for inclusion in the coming fiscal year's work plan.

24 The broader discussion of water and wastewater staffing and the potential privatization or restructuring
25 of utility operations was raised at length. Mayor Pro Tem De Smet expressed the view that the Village's
26 revolving door of water and wastewater employees is unsustainable and advocated for revisiting
27 Prodigy's contract to explore a more comprehensive managed services arrangement, including
28 potentially absorbing current Village utility employees. Roberta Padilla confirmed that a formal RFP
29 would be legally required for a full privatization arrangement and offered to share Paco Community's
30 existing contract as a reference model. No formal action was taken; the topic was flagged for further
31 discussion.

32 **Fire Fund**

33 The fire fund was reviewed. Clerk Martinez initially noted a projected deficit based on a distribution
34 amount of \$122,421, which appeared to reflect only the main station allocation. Following a phone call
35 with Chief Brogdon, it was clarified that Chief Schneider had confirmed the application was submitted
36 and that the prior year's distribution of \$155,191 is the expected baseline. The revenue figure was
37 corrected to \$155,191, which brought the fire fund into balance. The vehicle capital purchase line, which
38 had reflected funds for apparatus already acquired, was zeroed out accordingly. Chief Brogdon
39 confirmed that the equipment capital budget of approximately \$23,000 remains necessary for PPE and
40 gear upgrades. He noted that potential legislative funding sources (Senators Sanchez and Diego) are
41 being pursued for uniform and equipment needs.

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Final General Fund Balancing

After the comprehensive review, the remaining general fund deficit was closed through the following final adjustments:

- Removal of the vacant animal control officer/code enforcement part-time position (~\$35,778)
- Removal of the vacant maintenance part-time position (~\$60,538, already reflected)
- Removal of the vacant code enforcement part-time position
- Removal of the community center assistant position (~\$15,963)
- Removal of the administrative assistant clerk position (~\$90,609), as the Village is transitioning to a contracted financial professional in the near term
- Reduction of the Fire Department general fund utility line (\$3,000 removed, reflecting \$0 in actual expenditures over three years)
- Removal of \$10,000 from PD capital equipment
- Removal of \$10,000 from PD telephone/internet
- Reduction of streets maintenance grounds from \$12,500 to approximately \$2,700
- Reduction of the streetlight repairs line from \$100,000 to \$30,000
- Additional targeted reductions from professional services (streets, ~\$3,000) and other contractual services (~\$4,000)
- Reduction of the Fire Department capital equipment by approximately \$5,338

The Council also discussed potential new revenue streams to be pursued in the coming year, including:

- Building Permit Fees: Currently set at a flat \$35, these should be revised to a percentage of construction value (approximately 3%), consistent with comparable municipalities. A proposed budget of \$120,000 was discussed based on anticipated new construction. Staff was directed to begin the ordinance amendment process immediately to allow adoption before the start of the new fiscal year.
- Subdivision Permit Fees: Currently set at \$350, these should be revised to a per-lot fee structure (approximately \$75 per lot for a preliminary plat plus \$25 per lot for a final plat). Staff was directed to pursue this change concurrently with the building permit ordinance.

Clerk Martinez confirmed that the budget was balanced and that the interim budget document would be submitted to the state by end of day.

Meeting Duration 5 hours and 15 minutes.

PASSED, APPROVED AND ADOPTED THIS 15TH DAY OF JULY 2026

Chris Gillespie, Mayor

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7 ATTEST:
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12 Erica A. Martinez, Clerk/Administrator

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DRAFT