MINUTES
VILLAGE OF BOSQUE FARMS
SPECIAL COUNCIL MEETING
THURSDAY, MAY 28st, 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. Approval of Fiscal Year 2027 Preliminary Budget

Clerk/Administrator Erica A. Martinez opened the discussion by noting that due to time constraints—including the need to run payroll and manage payables—the FY2027 budget could only be partially completed prior to the workshop. She advised the governing body that the water and wastewater fund budgets were not yet finalized and would be presented at a follow-up budget workshop scheduled for Monday, June 1, 2026, at 9:00 AM. The materials distributed at this meeting covered only the General Fund, including updated revenues and expenditures with salary schedules. It was clarified that water/wastewater, ARPA, and reserve funds are maintained as separate special revenue or enterprise funds and cannot be commingled with the General Fund.

Clerk Martinez noted that a 2% increase in Gross Receipts Tax (GRT) revenue was projected, yielding approximately $1,888,000 in GRT revenues. The overall proposed General Fund budget reflected a deficit of approximately $441,000 relative to projected revenues, driven primarily by proposed salary increases and other expenditure adjustments. The body agreed to work through the budget line by line.

Revenue Discussion

Councilor Bruhn raised the question of why cannabis GRT revenues appeared as zero. Mayor Pro Tem De Smet explained that while two cannabis dispensaries operate in Bosque Farms, much of their sales revenue avoids GRT taxation because dispensaries are routing customers toward medical cards, effectively eliminating the taxable recreational purchase. Revenue from cannabis GRT is held in a Special Revenue fund, not the General Fund, and has historically been negligible.

The governing body discussed the declining revenue from court fines. Municipal Judge Eldridge explained that since 2024, state law no longer permits the collection of court fees such as bench warrant fees, significantly reducing fine-based revenue. She further noted that citation volume from the police department has dropped substantially, from as many as 40–50 citations per day in earlier years to approximately 5–7 per week currently, directly reducing fine revenue. The Judge expressed her commitment to keeping detention costs down by working proactively with defendants to address outstanding warrants without arrest.

Councilor DeSmet inquired about the "charges for services – administrative services" line, which had dropped to near zero. Clerk Martinez explained that the Village had previously charged the Valencia Reginal Emergency Communication Center (VRECC) a $74,000 administrative service fee for acting as fiscal agent; that arrangement has now ended, representing a significant revenue loss in the upcoming fiscal year.

The governing body discussed whether the GRT rate could be increased. Mayor Gillespie and Councilor Bruhn confirmed the Village is already at the municipal cap on GRT rates, making further rate increases unavailable as a revenue tool. Members also discussed potential revenue from subdivision development fees, business permit fees, and lodger's-type taxes, noting that the current building permit fee of $35 is far below comparable jurisdictions. A fee schedule review was identified as a priority.

The "small cities assistance" distribution was discussed; the body noted this that is an automatic annual distribution based on the Village's rural classification and population, but that it could be affected if the Village's population grows past the applicable threshold due to incoming subdivisions.

Expenditure Discussion — General Administration & Executive

The governing body reviewed the General Fund expenditure budget beginning with the executive/administrative department. Clerk Martinez noted that she had increased the professional services line to $75,000, in part to accommodate a contract with an external municipal finance consultant from TRC, to be engaged on an hourly basis to assist with treasury and budget functions. The body was supportive of this expenditure given the significant workload demands on staff.

Regarding legal/attorney fees, a significant and concerned discussion arose. Mayor Pro Tem De Smet learned during the meeting that New Mexico Municipal League had ceased providing legal services coverage for the Village, reportedly due to the elevated risk and liability exposure of the Village. Clerk Martinez disclosed that she had executed a professional services contract directly with the Village's current attorney at a value of up to $60,000, covering the period from approximately April 10, 2026 through April 10, 2027, to bridge the gap until a legal services RFP could be completed and awarded. Mayor Pro Tem De Smet expressed concern that this contract had not come before the Council for review, and that an RFP for legal services had been requested since November. Clerk Martinez clarified that under state statute, contracts up to $60,000 may be executed without Council approval. Several members expressed alarm at recent legal billing, noting approximately $22,000 was charged in a single month (February), and that the $60,000 contract could be exhausted quickly given current utilization patterns across multiple departments. The body identified finalizing and issuing the legal services RFP as an urgent priority. Clerk Martinez indicated a draft RFP was nearly finalized. Councilor De Smet requested copies of all current professional services agreements, including those with Mark Jarmie and Randy Van Vleck.

The governing body also discussed the status of the interim police chief's compensation and Chief Owen's FMLA leave. It was confirmed that Chief Owen remains on FMLA leave due to a family medical situation, and his salary line remains active. The body discussed potential mechanisms to formally transition the chief's position so that Interim Chief Adams could receive appropriate compensation, including the possibility of placing Chief Owen on a terminal leave/retirement pathway. No formal action was taken at this time.

Salary Schedules — Administrative Staff

The body reviewed the administrative salary schedule. Clerk Martinez proposed a 4% cost-of-living adjustment (COLA) and a 2% merit increase for administrative staff. Councilor Bruhn and Mayor Pro Tem De Smet advocated for increasing the COLA to 6%, arguing that compensation must remain competitive to retain qualified staff. The body discussed the possibility of combining or restructuring administrative roles, noting concerns that some positions—particularly certain front desk and clerical functions—might be better served through part-time arrangements, which could free funds to increase compensation for critical positions such as the Clerk/Administrator and Treasurer. It was agreed that a formal organizational restructure, including updated job descriptions and a compensation study, is needed. Following discussion, the body indicated a preference for a 6% COLA and a 2% merit increase for administrative staff.

Police Department

Interim Chief Adams and Officer Webb presented the police department's budget and staffing concerns. Clerk Martinez noted that the budget, as distributed, incorporated a 15% salary increase for PD, which itself contributed significantly to the overall $441,000 General Fund deficit. The day prior to the meeting, PD had submitted a revised request for a 20% salary increase.

Officer Webb stated that Bosque Farms PD is the lowest-paid law enforcement agency in the state of New Mexico, with some officers earning only marginally more than a brand-new recruit at the Bernalillo County Sheriff's Office. Interim Chief Adams reported that officers are declining overtime shifts, some are unable to afford stable housing, and the department is actively losing officers.

The governing body discussed the interplay between citation volume, general fund revenue, and the ability to support salary increases. Members encouraged greater traffic enforcement, noting that Peralta generates approximately $6,000–$7,000 per month in citation revenue. Officer Webb cautioned that performance evaluations based on citation counts are prohibited by law, but affirmed that increased enforcement is a departmental goal.

After extensive discussion of the fiscal constraints, the body considered a phased approach to the salary increase. Councilor Bruhn proposed a 17.5% increase for the first six months of FY2027, with a review at mid-year to determine whether a 20% increase is sustainable for the second half. Mayor Pro Tem De Smet expressed strong support for reaching the 20% level as soon as fiscally possible, noting that the Village has had no difficulty funding substantial legal fees while officers struggle to afford housing.

The body also discussed the possibility of a public safety tax (half-cent or quarter-cent) to generate additional, sustainable revenue for public safety salaries, recognizing that grants alone are not a reliable long-term solution. No formal vote was taken at this workshop, but there was general consensus to budget at the 17.5% level with a mid-year review targeting 20%.

The dispatch agreement with VRECC was noted to have increased to $106,645, reflecting VRECC's rate increase, and was accepted as presented.

Municipal Court

Judge Eldridge reviewed the court budget with the governing body. She expressed comfort with the proposed figures, including a reduction in prisoner care costs to $8,000, reflecting her active efforts to release detainees promptly and resolve bench warrants proactively rather than through arrest. She explained the declining court fine revenue in the context of the state's elimination of court fees, and confirmed that full-court software renewals may require a modest budget adjustment during the year. The body expressed appreciation for the court's efficiency.

Building Maintenance

The building maintenance budget was reviewed. The body discussed the critical need to upgrade HVAC in the Council Chambers, noting that the existing swamp cooler system is wholly inadequate. Councilor Bruhn estimated HVAC installation at approximately $40,000 for the chambers, with an additional approximately $35,000 needed for an AV/livestreaming system upgrade. The body agreed to add $75,000 to the contractual services line for this purpose. Clerk Martinez noted that FirstNet is in the process of installing signal boosters throughout the facility, which will improve wireless connectivity. The governing body acknowledged that the building maintenance repair line, initially proposed at $75,000 (down from a prior year's budgeted $125,000), may need to be revisited once additional information on outstanding HVAC needs is obtained.

Police/Animal Control

The governing body reviewed the animal control budget. Discussion arose regarding the ambiguity of the animal control officer's role—specifically, the appropriateness of the position carrying a firearm and its relationship to the police department. Clerk Martinez noted that the officer is not a certified peace officer and does not have arrest authority, but carries a weapon under certifications administered through PD, justified by potential encounters with dangerous animals. The body indicated that a risk assessment through NMSIF regarding the officer's weapons authorization is warranted. The governing body agreed to keep the animal control budget as a separate line item for transparency, while acknowledging a longer-term restructuring discussion is needed.

Streets Department

The streets department budget was reviewed. The body noted that the salary amounts for the maintenance supervisor and the maintenance technician appeared nearly identical, which Clerk Martinez acknowledged may be a data entry error. She agreed to verify and correct the salary figures. The body also questioned whether a budgeted part-time maintenance position—approximately $60,000—is still necessary, given that the two current employees have reportedly indicated they do not want a third person. Clerk Martinez agreed to revisit this upon verification. The $100,000 budgeted for streetlight repairs was confirmed as appropriate given the potential need for underground electrical work along Highway 47.

Fire Department

Mayor Pro Tem De Smet reported that Fire Chief Schnieder had communicated informally that the department is generally satisfied with its budget and would support redirecting the Village's $20,000 annual contribution to fire if it would help fund police salaries or other higher-priority needs. The body agreed to confirm this with Chief Schnieder directly. The vehicle maintenance line was noted as potentially too low at $4,500 given that several fire apparatuses are in disrepair; the body requested that it be restored at minimum to the prior year's level of $16,500. The fire department's request to be included in future ICIP and capital outlay discussions was acknowledged and affirmed.

Planning & Zoning / Code Enforcement

The planning and zoning department budget was reviewed. The body noted that the P&Z position remains vacant, and that Robert Pierson continues on a contract professional services basis at $25,000 annually while the Village seeks a qualified candidate. Mayor Pro Tem De Smet requested that Pierson's professional services agreement be placed on the next council agenda for review. The code enforcement position is maintained at part-time to serve as mutual backup with animal control.

Library

The library budget was reviewed and found generally acceptable. The governing body expressed appreciation for the Library Director's programs, particularly summer youth programming. A staff vacancy (library aide) was noted and will need to be addressed. No significant budget changes were proposed.

Community Center

The community center budget was discussed. Clerk Martinez agreed to verify whether Don Ortega (the community center aide) is already a salaried Village employee or is funded through the Older Americans Program, and whether an additional assistant position is actually needed beyond his current role. The insurance claim for the damaged community center sign was confirmed to be in process through NMSIF; the body noted that the director prefers sign replacement and requested that any gap between insurance proceeds and the upgraded sign cost be factored into the budget.

Water & Wastewater

Clerk Martinez confirmed that the water and wastewater enterprise fund budgets are not included in the current General Fund documents and will be presented in full at the follow-up budget workshop on Monday, June 1, 2026. The body acknowledged that these funds are legally separate from the General Fund and cannot be commingled.

Overall Budget Status and Next Steps

Clerk Martinez summarized that, at the 17.5% PD salary increase and 6% administrative COLA levels as currently proposed, the General Fund faces a deficit of approximately $441,000 against projected revenues. Increasing PD salaries to 17.5% will widen this gap further. The body acknowledged that bridging this deficit will require identifying line-item reductions, pursuing additional revenue streams, and potentially placing a public safety tax measure before voters. Formal budget approval is required by the State of New Mexico Department of Finance and Administration (DFA), with the final budget deadline of July 31, 2026. A follow-up budget workshop was confirmed for Monday, June 1, 2026, at 9:00 AM to address the water/wastewater budget and finalize the General Fund figures.

Meeting Duration 4 hours and 29 minutes.

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

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Chris Gillespie, Mayor

(SEAL)

ATTEST:

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Erica A. Martinez, Clerk/Administrator