

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec, at 6:00 p.m. on Tuesday, May 22, 2012.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor:	Jackie McKinney
Councilors:	Mike Enfield Cecil Garcia Allan Landavazo E. Bryan Wall
Also present:	Dan Dible, City Manager George Kozeliski, City Attorney

Presented to the Mayor and Councilors were the Minutes of the Regular Meeting of May 8, 2012.

Councilor Enfield made the motion to approve the aforementioned Minutes. Seconded by Councilor Garcia. Roll call: Councilors Enfield, Garcia, Landavazo, Wall, and Mayor McKinney all voted aye.

Mayor McKinney recognized McKinley County Commissioner and candidate for State Senate, Genevieve Jackson.

Presented to the Mayor and Councilors were the following Presentation and Informational Items:

1. Walking School Bus – Ingrid Patten, Karl Lohmann, Tyrone Barlow and Mary Patten

Ingrid Patten, a student at Rehoboth Christian High School and a girl scout, provided an overview of the Walking School Bus which is a walking program for students that is supervised by adults. Red Rock Elementary School is being used as the pilot school for the project; however, Miss Patten expressed concerns with the safety hazards that exist due to the lack of sidewalks.

Karl Lohmann, Director of the Youth Conservation Corps (YCC) and the Boys and Girls Club, said the program is a community based intervention to the threat of childhood obesity. The program offers a safe opportunity to students for physical activity in the morning before school and after school in the afternoon. The Healthy, Eating, Active, Living, Childhood, Obesity Prevention Leadership Coalition has been created to work with schools, healthcare systems and local governments to promote nutrition, health

MINUTES

Regular City Council Meeting – 5/22/2012

Page 2

education and physical activity for the youth of the community. He encouraged the Mayor and Councilors to help and participate in their efforts, such as the statewide Mayor's challenge, where the Mayor of each community addresses students on how to eat healthy, exercise and to refrain from beverages containing sugar.

Tyrone Barlow, Director of Support Services for the Gallup-McKinley County Schools (GMCS), said the State's guidelines do not require bus service to elementary students living within one mile of the school; however, due to various safety factors, the GMCS is providing bus service to elementary students residing within one mile of the school. The project provides an opportunity for the GMCS to identify walking areas to school that is safe and unsafe. When children are able to walk to school it reduces the amount of traffic and the privately owned vehicles entering and exiting the school grounds. Background checks and safety training are provided to walking bus drivers in the program. States with walking school bus programs will be able to obtain funding for walking school bus drivers as well as t-shirts and sweatshirts for students participating in the program. He asked for the Mayor and Councilors for their support of the walking school bus program.

Mary Patten, a parent and volunteer for the program, provided an overview on the number of participants and the routes in the program. The program is important for the students as they have an opportunity to exercise and to breathe fresh air before school starts. She expressed concerns with the safety hazards that are involved with the number of children being dropped-off and picked up at school.

Councilor Garcia commended the team for their work in the program. He recommended the inclusion of Washington Elementary School to their program which would provide safety to children walking to school from intoxicated individuals.

Councilor Wall said the program provides safety for children as well as promoting good health and nutrition for students.

Councilor Landavazo commended Miss Patten for her work with the project and Mrs. Patten for being a supportive parent. He said the community has benefited from their work as Miss Patten is obtaining leadership skills through scouting. He thanked the team for their work in the project.

Councilor Enfield agreed with Councilor Landavazo and thanked the team for their work.

Mayor McKinney commended Miss Patten for her work as she is setting an example for others to follow. He accepted Mr. Lohmann's challenge and asked the team to let the Council know what they can do to assist with the program. Mayor McKinney said he

MINUTES

Regular City Council Meeting – 5/22/2012

Page 3

was advised months ago of the sidewalk situation in the Red Rock School area where property owners do not have sidewalks or they allow their bushes to obstruct the sidewalk.

2. Citizen Complaint – Phillip G. Ramirez, Jr.

Mr. Ramirez addressed the Mayor and Councilors regarding a problem he experienced when he called 911 to report a possible drunk driver in the area of Ford Drive and Mesa Avenue on May 14, 2012. He said the Police Department did not respond to the call as the driver was able to travel from Ford Drive and Mesa Avenue to the Red Rock Chapter House during a period of 21 minutes. He expressed concerns with the lack of response by the Police Department and with how Metro Dispatch handled the situation. He recommended hiring additional police officers and asked Police Chief Robert Cron to look into the situation.

Mayor McKinney apologized to Mr. Ramirez for not returning Mr. Ramirez's phone call as Mayor McKinney thought that the phone call was for another issue that was discussed at an earlier time. Mayor McKinney said if Mr. Ramirez would have contacted the City Manager regarding the problem, Mr. Ramirez would have received a more rapid response on the matter as the City Manager has more direct contact with City personnel. Mayor McKinney said the Council is sympathetic to the plight of the abuse of alcohol in the community as they are constantly pressing the City Attorney to create aggressive ordinances that are legally permitted under State law to address public intoxication, aggressive panhandling, and driving while intoxicated. Mayor McKinney said the City is dealing with the manpower it currently has and understands Mr. Ramirez's concerns.

Councilor Garcia said the Gallup Police Department receives the same number of calls for service as the Yuma Arizona Police Department. Yuma has a population of 92,000 people. He said the City will be pursuing legislation to be able to take vehicles away from individuals convicted of driving while intoxicated.

Mayor McKinney also recommended reviewing the logs at Metro Dispatch to see how the dispatchers handled the situation. Mr. Ramirez said he listened to the playback of the audio of the situation as a police officer claimed that they saw the intoxicated driver at a traffic light on Highway 602 and Mendoza Road and chose to go "10-8" rather than pursuing the driver. Mr. Ramirez also said he was mistreated by police officers when he went to Metro Dispatch to complain about the situation. Mr. Ramirez expressed concerns with citizens calling 911 for police assistance and then being harassed by police officers. Mayor McKinney said he will not discourage anyone from calling 911 and thanked Mr. Ramirez for voicing his concerns.

MINUTES

Regular City Council Meeting – 5/22/2012

Page 4

Presented to the Mayor and Councilors were the following Discussion/Action Topics:

1. Memorandum of Agreement with the Gallup-McKinley County Schools for Shared Use of Athletic and Recreational Facilities – George Kozeliski, City Attorney

Mr. Kozeliski presented the proposed Agreement with the School District which establishes a procedure for the shared use of athletic and recreational facilities that are owned by the School District and the City. Under the proposed agreement, neither party will charge the other party a fee for the use of their facility; however, the School District will pay the City a fee for the use of Red Rock Park for events other than graduations and sporting events. Paragraph eight (8) of the Agreement sets forth the points of contact for facility usage as follows: the City Manager or his designee, Vince Alonzo, Executive Director, Parks and Recreation Department, on behalf of the City; and the Superintendent of Schools or his designee, Gary Schuster, Athletics and Activities Coordinator, on behalf of the School District. Mr. Kozeliski said the facility usage for both parties shall be channeled through the aforementioned individuals.

Councilor Wall said the proposed Agreement should resolve any conflict that may result due to the lack of coordination and the misrepresentation with the various athletic programs.

Mayor McKinney asked if the proposed Agreement would cover the use of City facilities by schools in Thoreau and Tohatchi. Mr. Kozeliski responded yes as all of the schools would need to channel their facility usage requests through Mr. Schuster. Mayor McKinney recommended use of the field at Gallup High School by the School District in addition to the use of the fields owned by the City.

Following discussion, Councilor Wall made the motion to approve the Memorandum of Agreement with the Gallup-McKinley County Schools for Shared Use of Athletic and Recreational Facilities. Seconded by Councilor Enfield. Roll call: Councilors Wall, Enfield, Landavazo, Garcia and Mayor McKinney all voted aye.

2. Construction Contract Award for the El Morro Theater ADA Renovations – Stan Henderson, Executive Director, Public Works Department

Mr. Henderson presented an overview of the changes to the scope of work for the project as previously discussed during the January 10, 2012 Regular Meeting. The new scope of work will consist of expanding the west restroom into the theater's west store front; refurbishing the east restroom into a family restroom; replacing the subfloor within the theater auditorium; and to install removable seating in the first four front rows to

MINUTES

Regular City Council Meeting – 5/22/2012

Page 5

create additional floor space as needed for theater events. Based on the bids submitted for the project, he recommended awarding the construction contract to Murphy Builders in the amount of \$231,145.69. He also recommended an increase of \$38,000 in the project budget to cover an estimated 15% contingency for the project.

Councilor Wall asked that a top or an aerial view of a floor plan be included in the supporting documentation of all future presentations on construction projects.

Mayor McKinney asked about the original budget for the project. Mr. Henderson said the original budget for the project was \$285,042. By subtracting \$57,127.13 for architectural and engineering services and subtracting \$231,145.69 for the construction costs, it results in a negative balance of -\$3,230.82. By subtracting the costs for a 15% contingency of \$34,671.85, it results in a negative balance of -\$37,902.67. The design for the original project as well as the design under the new scope of work was performed by the same architect. Mayor McKinney asked if a specific motion would be required to include the additional \$38,000 needed for the project. Mr. Henderson said the additional \$38,000 is included in his recommendation for award of the construction contract for the project.

Following discussion, Councilor Landavazo made the motion approve the construction contract award for the El Morro Theater ADA Renovations to Murphy Builders. Seconded by Councilor Garcia. Roll call: Councilors Landavazo, Garcia, Wall, Enfield, and Mayor McKinney all voted aye.

3. Resolution No. R2012-24; Condemnation of Certain Real Property Located at 811 East Highway 66 (NM 118) – Clyde “C.B.” Strain, Planning Director

Mr. Strain said the structure at this location is previously known as the Esquire Lounge and has fallen under such a state of disrepair that it has become a threat to the health, safety and welfare of the public. The property owners were served notice of pending action by the Council as the City has not received a response from the owners. Since the property owners have not addressed the blighted condition of the property, Mr. Strain recommended approval of the proposed Resolution.

Mayor McKinney asked if the property owners were present to address the matter before the Council. The property owners were not present.

Councilor Landavazo asked if the demolition of the structure would include the removal of the basement. Mr. Strain said the scope of work for the demolition of the property will include the removal of the entire structure and foundations, the termination of utility

MINUTES

Regular City Council Meeting – 5/22/2012

Page 6

services, and the backfill and grading of the ground surface. Once the City demolishes the structure, it will lien the property, foreclose the lien and sell the property.

Councilor Wall asked how soon the City would be able to sell the property once it forecloses the lien. Mr. Kozeliski said once the process is completed it will probably be around next December when the City will be able to sell the property. Mr. Strain said the demolition costs are estimated at \$60,000 to \$80,000 based on the square footage of the structure; however, the costs may escalate due to the asbestos abatement.

Councilor Garcia made the motion to approve Resolution No. R2012-24. Seconded by Councilor Wall. Roll call: Councilors Garcia, Wall, Enfield, Landavazo, and Mayor McKinney all voted aye.

Mr. Strain also distributed copies of before and after photos of the properties that were recently condemned and demolished.

4. Resolution No. R2012-25; Fiscal Year (FY) 2013 Preliminary Budget Approval – Dan Dible, City Manager

Mr. Dible distributed a handout concerning the proposed FY 2013 Preliminary Budget. A copy of said handout is attached hereto and made a part of these official Minutes. Mr. Dible said staff is experiencing difficulty in balancing the General Fund budget due to the high costs for employee wages and benefits. Under the previous administration, the Police and Fire Unions received generous contracts from the City while the remaining 68% of the City's workforce were held to a lower wage growth. In describing the Fire Department's General Fund expenses for FY 2007 through FY 2013, Mr. Dible provided an illustration of the fair market methodology, inflated market methodology, and cumulative excess personnel expenses. The total payroll in the Fire Department is currently above the market average while the majority of the City's employees are paid below the market average. In describing the survey at the top of page 3 of the handout, Mr. Dible said Gallup has more firefighters per capita than the market average. Although Gallup's salary for firefighters is very competitive, Gallup's Public Employee Retirement Association (PERA) employer contributions are as high as legally possible in the state. The PERA employer contribution of 33.25% for fire personnel is a significant expense to the City. The second table on page 3 describes the fire defunding proposal, which would require a pay reduction for all fire personnel at the rank of Captain and below by multiplying their salaries by a factor of .86526, which will place them at the market average. Under the defunding proposal, the total personnel cost for the Fire Department will be \$3.1 million. Mr. Dible also presented the current survey market area City and County per capita comparisons as well as the City and County per capita comparisons for International Association of Fire Fighters (IAFF) 2009 survey market area.

MINUTES

Regular City Council Meeting – 5/22/2012

Page 7

Mr. Dible said the proposed preliminary General Fund budget is currently \$429,717 out of balance and if the non-recurring capital expenses are removed from the budget, the General Fund will be \$106,717 out of balance. Based on the recommendations from the department heads, \$204,000 in recurring expenses, mainly consisting of proposed vehicle purchases, were cut from the budget. The recommended non-recurring expenses that are included in the proposed preliminary budget total \$330,000 for the following expenses: a key card entry system for City Hall; bathroom improvement and fleet software for the Vehicle Service Center; security construction and inventory software for the Warehouse; parking lot overlay at the Police Department headquarters; and roof repair for the Rex Museum. There were non-recurring expenses that were cut from the proposed preliminary budget in the amount of \$834,573. If the preliminary budget is approved with the defunding of the Fire Department and by cutting the non-recurring capital expenses of \$333,000, the budget will be out of balance by \$106,717. The proposed preliminary budget does not include any pay raises for employees. The final adoption of the FY 2013 Budget will be considered by the Mayor and Councilors mid-July 2012.

Discussion followed concerning with the timing of approving a preliminary budget and how the contract with the Fire Union will be negotiated and the provisions under State law that allows the budgeting of additional expenditures once the final budget has been approved.

Councilor Landavazo asked about the 4144.17% increase in the Environmental Surcharge Fund. Lance Allgood, Executive Director, Gallup Joint Utilities, said the revenue that has been generated will be used for improvements to the Waste Water Treatment Plant and a new Solid Waste Department facility. Councilor Landavazo asked about the budget increase for the Fitness Center. Mr. Dible and Vince Alonzo, Executive Director, Parks and Recreation Department, said the proposed increase is for the re-paving of The Fitness Center parking lot and to purchase fitness equipment. The old fitness equipment from The Fitness Center will be used at the Larry Brian Mitchell Recreation Center. Councilor Landavazo asked about the HVAC system at The Fitness Center. Mr. Alonzo is recommending the purchase of two additional swamp coolers for The Fitness Center rather than purchasing an expensive HVAC system. Councilor Landavazo asked about the increase in the YCC budget. Mr. Dible said the 90.67% increase is due to the pass through of grant funds. Councilor Landavazo asked about the 67.04% increase in the Metering and Billing Division budget. Rick Snider, Executive Director, General Services Department, said part of the increase is due to the change in the accounting for Gamerco billing. Councilor Landavazo asked about the 28.94% increase for Customer Service Division budget. Mr. Snider said the increase is due to the hiring of an additional supervisor. Mr. Dible said the cost for personnel services for the General Service Department is -4.31% due to the reorganization of the department.

MINUTES

Regular City Council Meeting – 5/22/2012

Page 8

Councilor Landavazo asked about the 839.58% increase for the Airport. Mr. Henderson said the increase is due to a grant for improvements from the Federal Aviation Administration (FAA). Councilor Landavazo asked about the 8522.42% increase in the Parks and Recreation Department budget. Staff was unable to provide a full explanation for the increase as some of the proposed expenditures include the repair of the roof at the Rex Museum and the purchase of a new truck. Mr. Dible said staff will research the matter and will send an E-mail to the Mayor and Councilors regarding the increase.

Councilor Wall asked about the amount budgeted for Fund 308 Airport Improvements in the amount of \$1,050,000 and the amounts listed for the Airport on page 9 of the budget packet. Mr. Henderson said the amount listed for Fund 308 is the actual grant amount from the FAA and the amount listed on page 9 is for the operational expenses of the Airport. Mr. Dible said funds are also budgeted in the General Fund for the Airport.

Councilor Garcia asked about the zero amount budgeted for the Na’Nizhoozhi Center, Inc. (NCI). Judi Starkovich, Executive Director, Administrative Services Department, said the City had a pass through grant for NCI three or four years ago. Councilor Garcia asked about the funds budgeted from the City for NCI. Mr. Dible and Ms. Starkovich said that the City does not budget funds for NCI. Mayor McKinney said NCI receives a federal appropriation through the fiscal agent of the Indian Health Service and the Navajo Nation that has been reduced this year by one-half of the annual appropriation of \$1.5 million. Councilor Wall said NCI receives operational funds from the local liquor excise tax revenues. Discussion followed concerning the operational funding for NCI depending on the amount of federal funds received by the Navajo Nation, budgeting by the City for protective custody, and the value of the facility used by NCI for their operations. Mayor McKinney said he met with representatives from the Public Defender’s Office regarding the funding of NCI by the Navajo Nation. Councilor Garcia asked if the defunding of the Fire Department is currently included in the proposed preliminary budget. Mayor McKinney responded yes. Mr. Dible said the defunding results in a 13.5% decrease in personnel costs for the Fire Department.

Following discussion, Councilor Landavazo made the motion to approve Resolution No. R2012-25. Seconded by Councilor Enfield. Roll call: Councilors Landavazo, Enfield, Wall, Garcia, and Mayor McKinney all voted aye.

Councilor Garcia made the motion to adjourn into closed session for the purpose of discussing bargaining strategy preliminary to collective bargaining negotiations. Seconded by Councilor Landavazo. Roll call: Councilors Garcia, Landavazo, Wall, Enfield, and Mayor McKinney all voted aye.

MINUTES

Regular City Council Meeting – 5/22/2012

Page 9

The Mayor and Councilors adjourned into closed session, pursuant to §10-15-1-H(5) NMSA 1978 Comp. (as revised).

Following the closed session Councilor Enfield made the motion to reconvene the regular meeting. Seconded by Councilor Wall. Roll call: Councilors Enfield, Wall, Landavazo, Garcia, and Mayor McKinney all voted aye.

Mr. Dible certified for the record that the matters discussed during the closed session was limited to bargaining strategy preliminary to collective bargaining negotiations. The certification by Mr. Dible is made pursuant to §10-15-1-J of the Open Meetings Act, NMSA 1978 Comp. (as revised).

Comments by Public on Non-Agenda Items

Due to the excessive drought conditions, Esco Chavez recommended removing the lawn and grass areas at local parks and City facilities and to install xeriscaping as a water saving measure. He expressed concerns with the amount of water being used to irrigate the lawn and grass areas at City facilities. The removal of grass would also eliminate the need for maintaining the lawn and grass areas and would free-up employees to do other beautification tasks. He also recommended selling the Boardman property that was acquired by the City a few years ago as well as the old Northside and Eastside Fire Station facilities. The proceeds from the sale of the properties could be used to preserve the Harold Runnels Pool.

Comments by Mayor and City Councilors

Councilor Garcia said the City needs to address the following problems: the prairie dogs at the cemetery; the illegal parking of vehicles in Districts 1 and 4; people talking on their cell phones while driving; people being released early at NCI rather than being detained for the mandatory 3 days; and the need to demolish the Zaragoza property as soon as possible due to the illegal activities being conducted at the property.

Councilor Landavazo commended Gerald O'Hara for his work in organizing the "Welcome to the Neighborhood" cookout for the Gallup Fire Department personnel which took place at the new Eastside Fire Station. Johnny Greene, Fire Chief, said the firefighters were very appreciative of Mr. O'Hara's efforts. Councilor Landavazo also encouraged all citizens to "buy, build and believe Gallup, by shopping and obtaining services at local businesses.

Mayor McKinney commended the citizens that are going above and beyond to help others in the community: Ingrid Patten and Gerald O'Hara. Mayor McKinney provided an overview of the following events that recently took place: Run for the Wall, Gallup High School Graduation, the Route 66 Freedom Flight and Ride, and the Off Road

MINUTES

Regular City Council Meeting – 6/12/2012

Page 10

Challenge at the ATV/OHV Park. Mayor McKinney commended all of the organizations for their work in hosting the events and to bring visitors to Gallup. He encouraged all citizens to help the organizations and sponsors of the upcoming events that will take place this summer. The Kids Wish Network will be in Gallup June 8-9, 2012, to bring gifts to local children. He asked for volunteers for the event which will take place at Gallup High School.

Comments by City Manager and City Attorney

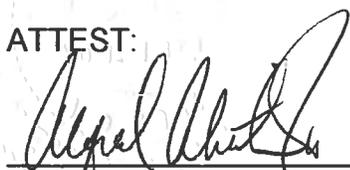
None.

There being no further business, Councilor Wall made the motion to adjourn the meeting. Seconded by Councilor Enfield. Roll call: Councilors Wall, Enfield, Landavazo, Garcia and Mayor McKinney all voted aye.



Jackie McKinney, Mayor

ATTEST:



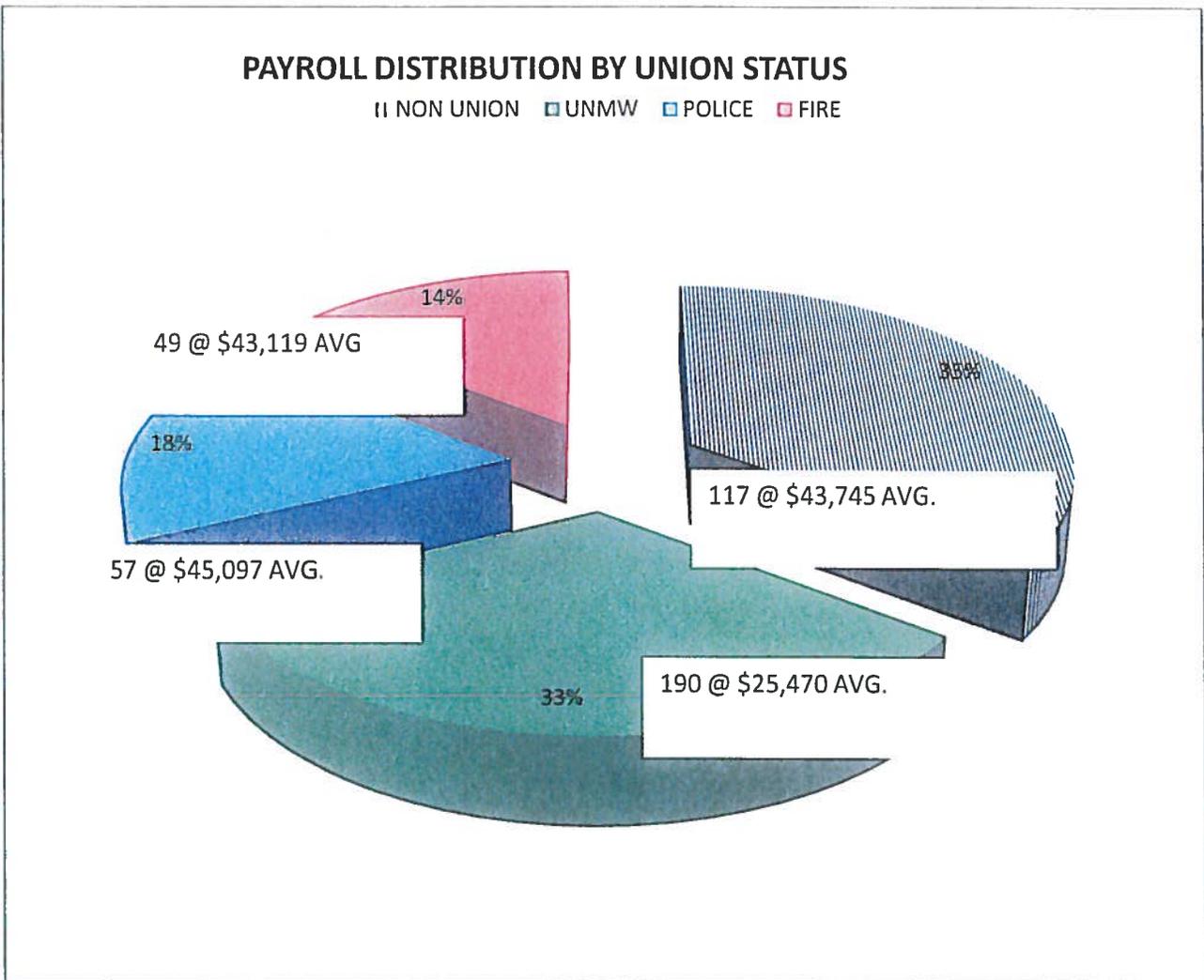
Alfred Abeita, City Clerk

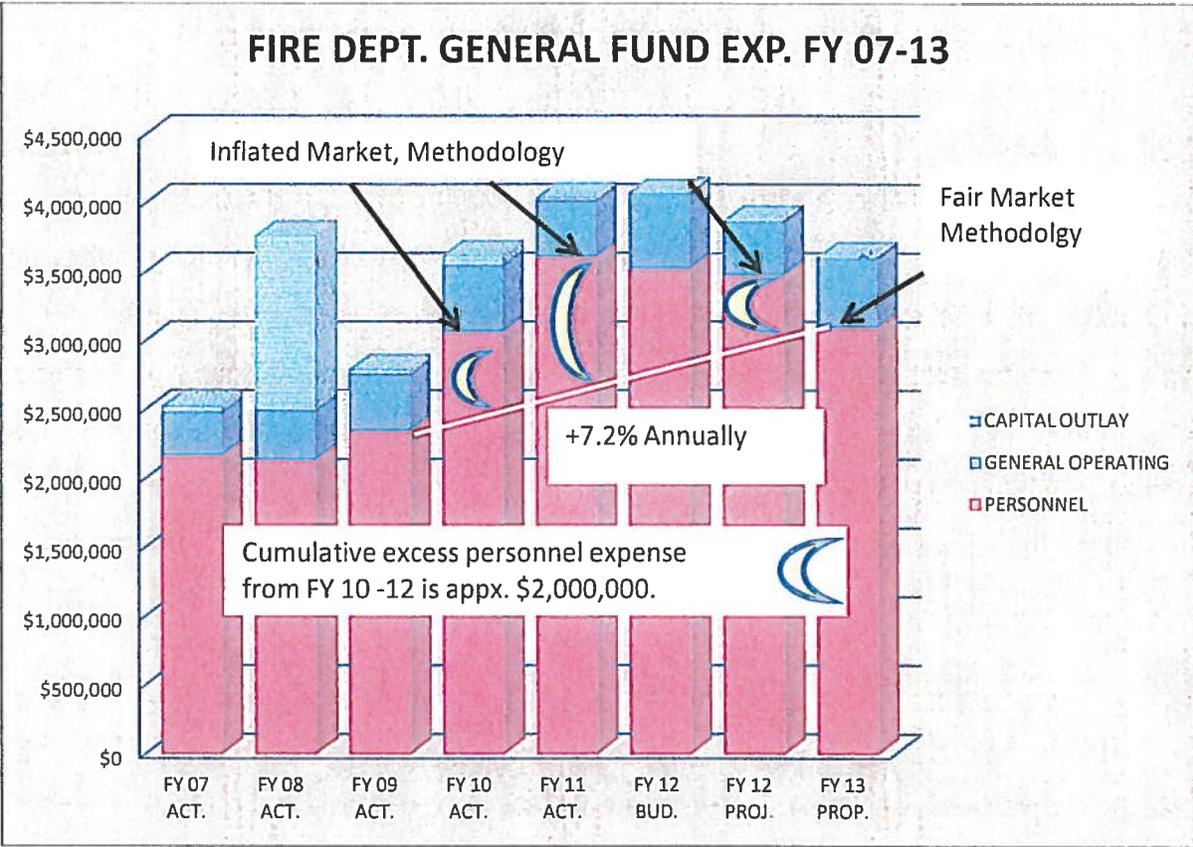
Approved 6/12/2012

FY 2013 PROPOSED PRELIMINARY BUDGET

5/22/12

The pie chart below shows an employee census taken last June of 413 city employees and vacant positions. In the proposed Preliminary FY 2013 Budget tonight the number of budgeted positions has been cut to 397 positions. The Fire Union personnel shown in red had their last 3% pay raise in October 2011; we will begin new contract negotiations with them in the next month. The Police Union is represented in blue and the City negotiated a contract with no new pay raise provisions early last fall; their last pay raise was in early fall 2010. The United Mine Workers are shown in green; their last pay raise was in January 2011 and they are now in negotiations with the City. Non-Union personnel have not received a pay raise since January 2011.





FAIR MARKET METHODOLOGY: Use of rural cities in NM outside the Rio Grande corridor that dominate their counties economies as labor market. Methodology includes average salary plus employer’s contribution to PERA. The white line from FY 2009 to FY 2013 represents the fair market based total personnel expenditures that could have been made to keep the Fire department competitive in 2009.

INFLATED MARKET METHODOLOGY: Use of “cherry picking” in rural parts of the state to include only the higher paying cities of Carlsbad, Farmington and Hobbs plus much larger Rio Grande corridor cities and counties. Entry level salaries were collected, no benefits were included.

CUMULATIVE EXCESS PERSONNEL EXPENSE: This is the extra costs incurred by the City’s adoption of the pay and benefits included in the current IAFF bargaining agreement that were based on the inflated survey methodology. These costs are estimated at \$2,000,000 for FY 2010, 2011 and 2012 Projected. The “moons” on the chart represent the personnel costs above the white line on which these estimates are based.

FIREFIGHTER (incl. Fire Engineer)

CITY	NUM.	AVERAGE SALARY	PERA	TOTAL COMP.	
CARLSBAD	36	\$46,604	\$9,903	\$56,507	
FARMINGTON	60	\$46,492	\$9,879	\$56,371	
<u>GALLUP</u>	<u>35</u>	<u>\$40,055</u>	<u>\$13,318</u>	<u>\$53,373</u>	\$54,123 THIRD QT.
HOBBS	41	\$40,162	\$9,438	\$49,600	\$46,405 WGTD. MEAN
ROSWELL	50	\$37,478	\$9,463	\$46,942	\$38,687 FIRST QT.
ALAMOGORDO	11	\$29,265	\$9,731	\$38,995	
CLOVIS	48	\$30,595	\$6,501	\$37,097	
DEMING	12	\$30,576	\$7,185	\$37,761	
<i>Average</i>	37	\$37,653	\$9,427	\$47,081	

The survey market is all cities outside the Rio Grande corridor who are the largest city in their county and have a population of at least 10,000 in a county of at least 25,000. Silver City also meets this criteria but was not included in the source data collected by the Rio Grande Foundation.

FIREFIGHTER (incl. Fire Engineer) FIRE DEFUNDING PROPOSAL

CITY	NUM.	AVERAGE SALARY	PERA	TOTAL COMP.	
CARLSBAD	36	\$46,604	\$9,903	\$56,507	
FARMINGTON	60	\$46,492	\$9,879	\$56,371	
HOBBS	41	\$40,162	\$9,438	\$49,600	
ROSWELL	50	\$37,478	\$9,463	\$46,942	
<u>GALLUP</u>	<u>35</u>	<u>\$34,658</u>	<u>\$11,524</u>	<u>\$46,182</u>	AVG. *.86526
ALAMOGORDO	11	\$29,265	\$9,731	\$38,995	
DEMING	12	\$30,576	\$7,185	\$37,761	
CLOVIS	48	\$30,595	\$6,501	\$37,097	
<i>Avg. w/o Gallup</i>	37	\$37,310	\$8,872	\$46,182	

The top table shows that the average total compensation of Gallup's Firefighter I and II classifications (\$53,373) is almost at the third quartile level; 13.25% above the survey average. Gallup has 35 incumbents, just 2 below the survey average of 37. However Gallup's population is only 67% of the survey average (see next page).

The second table is the basis of the fire defunding proposal. The average of the data on this table does not include Gallup. Gallup's salary has been multiplied by .86526 in order to match the survey average total compensation of \$46,182. In the Proposed Preliminary FY 2013 Budget the Fire Captain, Fire Lieutenant, Firefighter II, Firefighter I and Fire Cadet salaries have been multiplied by .86526 to place them at the market average. This data was developed using the municipal salary data on the Rio Grande Foundation website.

**CURRENT SURVEY MARKET AREA
CITY PER CAPITA COMPARISON**

	STATE SHARED 1.225% GRT FY 2011	CITY POP.	CITY PER CAPITA
HOBBS	\$22,650,799	34,122	\$663.82
FARMINGTON	\$24,315,227	45,877	\$530.01
<u>GALLUP</u>	<u>\$8,874,472</u>	<u>21,678</u>	<u>\$409.38</u>
CARLSBAD	\$10,165,336	26,138	\$388.91
ALAMOGORDO	\$8,248,287	30,403	\$271.30
ROSWELL	\$12,577,210	48,366	\$260.04
CLOVIS	\$9,367,687	37,775	\$247.99
DEMING	\$3,140,746	14,885	\$211.00
AVERAGES	\$12,417,470	32,406	\$372.81

**CURRENT SURVEY MARKET AREA
COUNTY PER CAPITA COMPARISON**

	STATE SHARED 1.225% GRT FY 2011	COUNTY POP.	COUNTY PER CAPITA
HOBBS	\$22,650,799	64,707	\$350.05
CLOVIS	\$9,367,687	48,376	\$193.64
ROSWELL	\$12,577,210	65,645	\$191.59
CARLSBAD	\$10,165,336	53,829	\$188.84
FARMINGTON	\$24,315,227	130,044	\$186.98
ALAMOGORDO	\$8,248,287	63,797	\$129.29
DEMING	\$3,140,746	25,095	\$125.15
<u>GALLUP</u>	<u>\$8,874,472</u>	<u>71,492</u>	<u>\$124.13</u>
AVERAGES	\$12,417,470	65,373	\$186.21

**IAFF 2009 SURVEY MARKET AREA
CITY PER CAPITA COMPARISON**

	STATE SHARED 1.225% GRT FY 2011	CITY POP.	CITY PER CAPITA
LOS ALAMOS	\$20,436,116	17,950	\$1,138.50
HOBBS	\$22,650,799	34,122	\$663.82
FARMINGTON	\$24,315,227	45,877	\$530.01
<u>GALLUP</u>	<u>\$8,874,472</u>	<u>21,678</u>	<u>\$409.38</u>
CARLSBAD	\$10,165,336	26,138	\$388.91
LAS CRUCES	\$31,584,196	97,618	\$323.55
ALBUQUERQUE	\$172,274,986	545,852	\$315.61
RIO RANCHO	\$13,845,711	87,521	\$158.20
AVERAGES	\$38,018,355	109,595	\$491.00

**IAFF 2009 SURVEY MARKET AREA
COUNTY PER CAPITA COMPARISON**

	STATE SHARED 1.225% GRT FY 2011	COUNTY POP.	COUNTY PER CAPITA
LOS ALAMOS	\$20,436,116	17,950	\$1,138.50
HOBBS	\$22,650,799	64,707	\$350.05
ALBUQUERQUE	\$172,274,986	662,564	\$260.01
CARLSBAD	\$10,165,336	53,829	\$188.84
FARMINGTON	\$24,315,227	130,044	\$186.98
LAS CRUCES	\$31,584,196	209,233	\$150.95
<u>GALLUP</u>	<u>\$8,874,472</u>	<u>71,492</u>	<u>\$124.13</u>
RIO RANCHO	\$13,845,711	131,561	\$105.24
AVERAGES	\$38,018,355	167,673	\$313.09

OTHERS:
SANTA FE COUNTY
BERNALILLO COUNTY
THOREAU AMBULANCE/FIRE
WESTERN REFINERY FIRE

OTHERS:
SANTA FE COUNTY
BERNALILLO COUNTY
THOREAU AMBULANCE/FIRE
WESTERN REFINERY FIRE

The top left table shows the net state shared gross receipts tax revenue (GRT), population and GRT per capita for the market area that the defunding proposal is based on. Gallup's net GRT is 71.5% of this market average and our population is 67% of this market average. Our GRT per capita on this table is 9.8% above this market average. In the top right table the county populations are used and our per capita GRT is the lowest because our population has risen to 9.36% above the market average.

The tables below my survey market average show the 2009 IAFF market area data. This market area is ridiculously inappropriate for the City of Gallup's use. Since the Los Alamos lab transferred to private sector management and thereby pays gross receipts taxes they have placed themselves on the top of the municipal labor market.