



New Mexico
Department of Public Safety
MICHELLE LUJAN GRISHAM
GOVERNOR

JASON R. BOWIE
CABINET SECRETARY

TIM Q. JOHNSON
CHIEF / DEPUTY SECRETARY

BENJAMIN A. BAKER
DEPUTY SECRETARY

March 10, 2023

City of Gallup
PO Box 1270
Gallup, NM 87305

Attn: Mayor Louie Bonaguidi and City Manager Maryann Ustick

Re: Law Enforcement Retention Fund – Audited Notice of Intent to Disburse

Dear Mayor Bonaguidi and City Manager Ustick:

DPS is in receipt of the City of Gallup request for a disbursement of funds from the Law Enforcement Retention Fund ["LERF"] for the purpose of providing law enforcement retention differential disbursements to the Gallup Police Department officers listed on **Exhibit A** and paying the employer tax liability (consisting of payroll taxes outlined in the Federal Insurance Contribution Act for Social Security and Medicare but not any employer contribution for retirement or other benefit plans) related to each law enforcement retention differential disbursement to be paid.

DPS has reviewed the information the City of Gallup submitted to the DPS as required by NMSA 1978 Section 9-19-14 and the then extant emergency rule NMAC 10.2.4.9 in order to be an agency eligible to receive monies from the LERF. The information submitted has been audited and revised and appears to substantially comply with that required to be submitted by the statute and the rule.

Based on the information provided by the City of Gallup for each officer for whom a request was made, DPS has asked the Secretary of the Department of Finance and Administration ["DFA"] to issue a warrant to the City of Gallup in the amount of **\$23,159.07**. Of the \$23,159.07, \$22,796.60 is attributable to the projected retention differential disbursement ["PRDD"] and \$ 362.47 is attributable to the employer tax liability for Federal Insurance Contribution Act ["FICA"] or Medicare.

Since the balance in the LERF is sufficient to pay all PRDDs requested by all eligible law enforcement agencies as well as the employer tax liability for FICA or Medicare attributable to each PRDD requested, no pro rata deduction was applied to the amounts requested.

If you believe the amount DPS has advised DFA that DPS will disburse to the City of Gallup for the purpose of paying retention differential disbursements to the officers listed

on Exhibit A and the employer tax liability for FICA and Medicare attributable to each PRDD is correct, please sign the acknowledgement below and return the signed acknowledgement of the Notice of Intent to Disburse to DPS.LERF@dps.nm.gov no later than Wednesday March 15, 2023.

If you believe the amount DPS has advised DFA that DPS will disburse to the City of Gallup for the purpose of paying retention differential disbursements to the officers listed on Exhibit A and the employer tax liability for FICA and Medicare attributable to each PRDD is incorrect, the City of Gallup has thirty days from your receipt of this Notice of Intent to Disburse to submit Objections to the Notice of Intent to Disburse to DPS.LERF@dps.nm.gov.

DPS will review your objections and respond as soon as possible.

Please be advised that disbursement of LERF funds to City of Gallup, obligates the City of Gallup to the following:

- 1) Any monies disbursed to for the purpose of paying PRDDs and related tax liability may not be paid to an eligible officer until the date the officer attains eligibility⁹;
- 2) Once an officer attains eligibility, the PRDD should be paid to the officer no later than thirty (30) days following the date the officer attains eligibility. If an officer has attained eligibility, but departs from the agency prior to the disbursement of LERF funds to your agency, the officer shall remain eligible for payment;
- 3) Tax liability for FICA and Medicare related to the PRDD must be paid in accordance with applicable law;
- 4) Monies disbursed for the purpose of providing PRDDs to those officers who are projected to, but who have not yet attained eligibility therefor, should be placed in an interest-bearing account;
- 5) Monthly reporting to DPS on or before the tenth day of the month following the disbursement of funds to an eligible officer or the non-disbursement of funds to an officer projected to be but ultimately found to be ineligible for a disbursement. The monthly reporting will include the name of the officer, the amount paid or not paid and, if not paid, the reason therefore;
- 6) Monies disbursed from the LERF which are not paid out as PRDD or taxes by your agency, shall be reported to DPS as not having been paid out, **no later than July 31, 2023**. DPS will provide a reporting template for your use. All funds shall be returned to DPS for redeposit into the LERF **no later than August 31, 2023**.

If you are a **state agency** and have not been contacted by DPS with respect to the detailed account information needed to disburse funds to your agency, please contact Edwina Montano, DPS Accounts Payable Supervisor, at edwina.montano@dps.nm.gov or 505.690.1340. Disbursement will not occur until DPS has been provided with the detailed account information and financial point of contact required.

If you are **not a state agency**, a manual warrant will be issued for the monies to be disbursed to you from the LERF. If you have not already done so, please contact Edwina Montano, DPS

⁹ The officer attains eligibility to receive the PRDD the day following the date on which the officer completes one year more than four, nine, fourteen or nineteen consecutive years of employment with your agency.

Accounts Payable Supervisor, at edwina.montano@dps.nm.gov or 505.690.1340 and advise her:

- 1) The legal name of the entity entitled to receive the LERF funds, e.g., the City of _____, etc.;
- 2) The name or job title and preferably, both, and the address of the individual to whose attention the warrant should be addressed for delivery by certified mail, return receipt requested;

Should you have any questions regarding this Revised Notice of Intent to Disburse, please do not hesitate to contact DPS Administrative Services Division Director ["ASD"] Sylvia M. Serna at DPS.LERF@dps.nm.gov or 505.629.6865.

Very truly yours,



Jason R. Bowie
Secretary

Cc: Chief Franklin Boyd

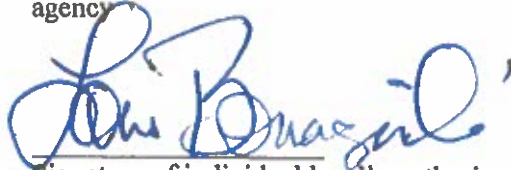
ACKNOWLEDGEMENT

I hereby swear or affirm under penalty of perjury that I, Louis Bonaguidi on behalf of the City of Gallup have received this Notice of Intent to Disburse to the City of Gallup from the LERF the sum of \$23,159.07. I understand that of the \$23,159.07 disbursed, \$22,796.60 is attributable to PRDD and \$ 362.47 is attributable to the employer tax liability for Federal Insurance Contribution Act ["FICA"] and Medicare. I further acknowledge the obligations placed on the City of Gallup as set forth in the Notice of Intent to Disburse with respect to the receipt, handling, further disbursement and return of the monies disbursed from the LERF.

Date: 3/15/2023

Louis Bonaguidi, Mayor

Printed name and job title of
individual legally authorized to bind the
agency



Signature of individual legally authorized
to bind the agency

LERF Eligible Officers Agencies
 Year 1 - 2022 Audit
 March 2, 2023

AGENCY NAME	OFFICER NAME	OFFICER ID #	YEARS OF SVC	ANNUAL SALARY	9M PAYOUT	MEDICARE	SOC SEC	TOTAL	Annly Date	REVISION
Gallup Police Department	COLLINS, STEVEN O	Officer 68	14	72,288.56	3,613.43	57.45	-	1,679.88	5/5/2022	
Gallup Police Department	DAWES, CHRISTOPHER	Officer 73	4	53,171.11	2,556.56	40.68	-	1,999.34	4/9/2022	
Gallup Police Department	LARGO, PATRICK	Officer 79	4	52,187.60	2,609.88	41.50	-	1,651.38	8/28/2022	
Gallup Police Department	HUGHES, TRACYTHY E	Officer 81	8	55,428.92	2,771.90	44.07	-	2,815.57	11/26/2022	
Gallup Police Department	MARTINEZ-COLLINS, MICHA	Officer 84	14	67,070.64	3,351.56	53.31	-	3,405.86	1/11/2023	
Gallup Police Department	PHARO, BRY T	Officer 90	4	53,187.60	2,609.88	41.50	-	1,651.38	7/11/2022	
Gallup Police Department	REINHARTZ, GINOY	Officer 91	8	55,428.92	2,771.90	44.07	-	2,815.57	8/14/2022	
Gallup Police Department	BOWMAN, ELIJAH T	Officer 261	4	50,166.48	2,508.32	39.88	-	2,548.20	6/4/2023	Added - New date 09-04-2023 - portal excluded in error
Gallup Police Department - certified		12	8	TOTAL	455,851.84	22,796.60	362.47	-	23,159.07	