Financial crisis panel turns to risky mortgages

By Daniel Wagner
Associated Press

WASHINGTON — A panel investigating the roots of the financial crisis will press current and former executives of Citigroup Inc. at hearings this week about the bank's role in spreading trillions of dollars in risky mortgage debt through the banking system.

The hearings are the first by the Financial Crisis Inquiry Commission to focus on a single company. Witnesses include former Citigroup CEO Chuck Prince and former Chairman Robert Rubin, who was Treasury secretary during the Clinton administration.

The panel also will hear from former Federal Reserve Chairman Alan Greenspan, a former risk officer with failed subprime lender New Century Financial Corp., and former executives and regulators from government-backed mortgage giants Fannie Mae and Freddie Mac.

The three days of testimony are designed to provide a first-hand accounting of decisions that inflated a mortgage bubble and triggered the financial crisis.

Much of the testimony Wednesday and Thursday will come as the 10 bipartisan commissioners examine Citigroup's role in financing, packaging and selling risky mortgage loans.

Gill was a major subprime lender through its subsidiary CiticFinancial. The bank pooled those loans and loans purchased from other mortgage

City

CONTINUED FROM PAGE 1A

With a population now more than 90,000 and a city government housed in a city hall that local leaders acknowledged was too small decades ago, the new municipal building is more than three times the size of the one used for 42 years.

Residents will now have a chance to learn more about the people in your City Hall City Manager Terrence Moore said.

Mayor Ken Miyagishima added, "We have a new building that embodies what we are about as a community. We have a building that has become a reality because of the involvement of..."
Residents will now have a chance to learn about the people in your City Hall," City Manager Torrence Moore said.

Mayor Ken Miyagishima added, "We have a new building that embodies what we are about as a community. We have a building that has become a reality because of the involvement of so many people. It's something we can take a lot of pride in for years to come."

For many residents who got their first look inside the new building, it was more than the "ooh and aah factor." They were genuinely impressed and ready to take ownership of what is now their City Hall.

"It's just a magnificent facility and we can all take some pride in it," said Claire Harper, a retired teacher who has lived in Las Cruces for over 66 years.

"It's a very efficient building. I've already been able to see where I go to pay my bill and where some of the other city employees do. I love how much natural light is being used and how much more attractive the building is," she said.

Jerry Cordova, a senior engineer for the city, said employees appear to have adapted well to their new workplace and have noticed changes for the better.

"I can see improvement in employees' morale. All I have to do is look into their eyes," Cordova said. "And productivity has improved. Now that we've gone to a workplace where a lot of people have cubicles, I've seen where productivity is often even higher."

But to be expected with any new facility, there are a few glitches that have to be worked out. There were echoes inside of Council Chambers during Monday's City Council meeting and that irritated some residents.

"The sound in this building is terrible, terrible," said Dan Jett, Las Cruces resident, who is regularly attends council meetings.

"Not nearly as good as the old building," Jett said. "But city officials pointed out that acoustical tiles that were supposed to suppress some echoes haven't as yet been installed in some areas."

"Why wasn't the building designed to have a drive-through window?"

-Ryan Dailey, Las Cruces resident, to city officials, wondering why the new City Hall doesn't include a drive-up facility for residents to pay their utility bills.

New open
- The new City Hall is at 700 N. Main St., five blocks north and one block west of the old city hall, 200 N. Church St.
- City Hall is open to residents from 8 a.m. until 5 p.m. weekdays, unless a meeting or other public event is conducted in the evening.
- Residents can pay utility bills and conduct other business on the first floor of City Hall. People can pay their monthly utility bills with cashiers located in the north wing of the first floor of City Hall.
- Permits, through the city's Community Development Department, can be obtained in the north wing of the first floor.
- Information: (575) 541-2000.

Did you know?
- The new City Hall is just east of the Ascarate Madre, the first ditch that provided water to Las Cruces during its early years. An access point to the historical ditch is near the main entrance to City Hall.
- The property City Hall sits was purchased by the city in the late 1980s for $1.6 million. Herculano Fernandes was the mayor at the time, and the city paid cash for the property.
- Before it ever became City Hall, a super market, gas station and even a drive-in restaurant — The Shamrock — were on the property.
- Monday's grand opening ceremony began with a bang — literally. Moments after the ceremony began, with the unveiling of two lion statues, a car crashed into the rear of pickup truck. Both vehicles were traveling north on Main Street at the time of the crash, and started a stampede that attended the ceremony.
- Until moving into the new City Hall, some employees didn't know what kind of day it was outside. Some city employees worked in the basements of the old City Hall and the City Office Center.

In their own words

"The sound in this building is terrible, terrible. It's not nearly as good as the old building, I can't understand hardly anything that's being said."

-Dan Jett, Las Cruces resident, to city officials at Monday's first council meeting.

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"The new Las Cruces City Hall is a catalytic project. Its completion will facilitate the re-growth and re-development of downtown Las Cruces. It will be the basis of continued downtown revitalization."
— City Manager Terrence Moore

"This wonderful building is certainly well-deserved for the city after many, many years."
— Ben Woods, senior vice president for planning, physical resources, and university relations, New Mexico State University.

City Hall

County

The settlement, announced March 29, also requires that the county change its policies to improve the reporting and investigation of complaints about discrimination and that the policies are made available to Spanish-speaking employees. According to the Justice Department, in addition, it must make sure all employees receive anti-discrimination training.

The women alleged that rights guaranteed under the Title VII of the Civil Rights Act of 1964 were violated.

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Sound Off!

Let's admit there will be no Level 1 Trauma Center in Las Cruces. Not enough insured people to make a trauma center any money. The ER is a black hole of expenses. Nobody cares enough to provide it.

Citizens in Arizona want to put a "Fun Photo Radar" initiative on the ballot for voters to decide. So they want to vote on what's legal and illegal. What's next, banning by public ballot laws or rules on speeding seat belt usage, noise ordinance, etc.?

At 12:30 p.m. Saturday, I was astounded to see many vendors' vehicles plowing through the crowd after the farmers market. Do the vendors have insurance or is the city responsible for the accident that is about to happen?

I don't understand how Susana Martinez can justify everything a cop does when she's never on the scene.

So now they want to keep the findings of the shooting secret. Sounds to me it's time to get the ACLU involved. What is it that someone does not want the public to see?

What are our law enforcement officers supposed to do when some criminal threatens their lives? Give them milk and cookies?

I read in Sound Off! where somebody asked when the police are going to rent a towel; 50 cents for daily locker rental; $2.50 for weekly locker rental; $10 for monthly locker use; and $29 to rent a locker for a year.

Different rates for different age groups have also been proposed to purchase a 30-admission punch card. Rates have also been determined for swimming lessons, rentals for private parties and events, and special events. The facility will include a zero-depth entrance, lap lanes, a water slide, splash park features, and a therapy pool.

I want something more that's going to be fun."

A MARATHON OF POETRY READING
NMSU departments asked to identify ways to cut costs

By Diana M. Alba
Sun-News reporter

LAS CRUCES — Academic journals might not sound very exciting to the average Joe or Jane.

But to university students and researchers, they're the lifeline they need to keep their work moving forward. The question is how to cut costs.

Barbara Couture, a professor in New Mexico State University's criminal justice department, said there won't be a simple "across-the-board" solution and looking for other ways to save money and has been successful in cutting utilities costs. She said the university is committed to maintaining academic quality.

"If we're proposing cuts, we're talking about the basics," she said.

But some faculty and department questioned whether the departments, if their budgets are cut, can afford another "across-the-board" solution.

On the Web

NMSU budget process:
http://budgetupdate.nmsu.edu

Man sought in Sunday stabbing

Sun-News report

LAS CRUCES — Las Cruces police are seeking tips in a stabbing that occurred Sunday evening. Jesse Israel Duran, 22, of Las Cruces, is said to have stabbed the victim in the left side of his lower back.

Police are also looking for information on the whereabouts of Jesse Israel Duran, who is wanted for questioning in the incident.

Tips

Anyone with information on the whereabouts of Jesse Israel Duran is asked to call Las Cruces Crime Stoppers at (800) 222-TIPS (8477) or send a tip by text...
Las Cruces — Academic journals might not sound very exciting to the average Joe or Jane.

But to university students and researchers, they're the lifeblood because they contain the most up-to-date knowledge about a given subject, said Joan Crowely, a professor in New Mexico State University's criminal justice department.

Crowley said she recently fielded an e-mail, asking her to vote for her top publication choices. Apparently, one proposal for help to deal with NMSU's impending budget cut entails reducing the number of journal subscriptions.

"If the students do papers and I want them to look up stuff immediately, that affects their ability," she said.

Still, Crowley, who attended a budget presentation Monday by President Barbara Couture, readily acknowledged the university is facing tough times.

"Couture told a sizable crowd of mostly faculty and staff that the university has yet to decide for sure how it will distribute the budget cuts that will be needed to start the July 1 fiscal year. But she's asking that departments generate three proposals, identifying ways to trim 2 percent, 10 percent and 10 percent of their spending.

The largest proposal is in case the state legislature reconvenes later this year to call for further cuts to higher education, she said.

"I thought there wouldn't be a single "across-the-board" cut among departments," Couture said. "Some units will receive lesser reductions; some units will receive greater reductions," she said.

Departments must submit their proposed cuts to top administrators by April 30, who'll forward them to the university budget committee by May 12.

Because of cuts by state lawmakers, NMSU was facing about a $123 million cut to instruction and general spending—roughly an 11 percent decline over this year's budget. Then university revenues last week OK'd tuition hikes. And NMSU officials factored in some other now-savings and revenues—such as an expected increase in enrollment—which decreased the gap to about $8 million, or 4 percent.

Couture said NMSU is making operations more efficient and looking for other ways to save money and has been successful in cutting utilities costs. She said she's committed to maintaining academic quality.

"If we're proposing cuts, we'll not do it on the backs of the students," she said.

But some faculty and department questioned whether the departments, if their budgets are cut, will be able to offer all of the classes that students need.

Crowley said she's expecting that departments may cut tenure-track positions through attrition, and won't hire any new personnel.

One faculty member suggested a plan to reallocate the university in a more eco-friendly way, something he believes would save as much as $1 million annually.

Asked her thoughts on the presentation, Crowley said she thought Couture was "amazingly open compared to previous presidents."

"We'll have to see what she actually does, but from everything I've heard, her emphasis on maintaining academic quality at NMSU is really sincere."