



City of Rio Communities Council Special Workshop
City Council Chambers - 360 Rio Communities Blvd
Rio Communities, NM 87002
Monday, April 04, 2022 3:00 PM
Minutes

Please silence all electronic devices.

Call to Order

- Mayor Joshua Ramsell called to order the special workshop at 3:00 pm.

Attendees

- PRESENT: Mayor Joshua Ramsell, Mayor Pro-tem Margaret R. Gutjahr, Councilor Arthur Apodaca, Councilor Lawrence Gordon, Councilor Jimmie Winters.
- Present City Manager Dr. Martin Moore, Municipal Clerk Elizabeth Adair, Finance Officer Stephanie Finch, Accounting Specialist Angela Valadez, and Finance Clerk Renee Adams.

Budget 2023 Fiscal Year

Please see agenda packet

- Finance Officer Finch started explaining our GRT revenue and started to breakdown all the GRTs starting with Environmental, Infrastructure, Municipal, State Shared, Compensating, Interstate Telecom, Other State Shared Tax and Administrative Fee.
- Manager Dr. Moore explained the increase from the previous fiscal year by 3.4 million which was 3 times the increase of the previous year.
- Finance Officer Finch began the budget presentation starting with the Organizational Chart which had a breakdown from citizens to law enforcement to city officials and then city employees. She then explained the departmental/fund relationship who are general government, administrative services, public works and public safety and services currently provided to the public. She then went on and started to discuss the property tax breakdown and percentage by explaining where the tax goes to and where it is helping the community and continued with the presentation.
- Mayor Ramsell stated he likes this presentation for the citizens to understand where their property tax is going.
- Manager Dr. Moore explained the additional revenue plan by breaking down what kind of revenues we are getting in the community starting with Annexation, Business Attraction & Retention, Housing Development, Unrealized GRT, Unrealized Property Tax, Negotiate New & Existing Franchise Agreements, Restructuring of City Fees, Zip Code/ Postal Service Presence and Sale of Excess City Properties.
- Councilor Gutjahr said this should be all of us, Belen, Los Lunas, and Rio Communities, because we are all in the same county.
- Manager Dr. Moore explained that we were not a municipality at the time of the franchise agreement and that is the reason we are not separated from the rest.
- Councilor Gutjahr said that the conversation before with Comcast, but the issue was whether or not we could add video and phones together amongst other things, this led into a discussion.
- Manager Dr. Moore said that would be correct, they are paying a franchise fee to the county for every unit that gets Comcast, then continued by explaining that himself and the finance department will be going in front of Council to talk about fee/fee schedules this upcoming year.
- Councilor Gutjahr asked what Postal Service Presence means.

- Manager Dr. Moore said it's a Post Office and this started a discussion.
- Councilor Gutjahr then mentioned an individual wanted to purchase land next to the individual's initial property and doesn't know what has happened since then.
- Manager Dr. Moore explained that the ownership is not clear on that particular lot.
- Finance Officer Finch explained the projected beginning cash from 07/01/2022, which will be broken into budgeted revenue, to budgeted expenditures, and transfers in which leaves us with projected cash on 6/30/2023. She continued with explaining the special revenue funds which are, Corrections, Environmental, Emergency Medical Service, Fire Protection, Municipal Street, American Rescue Plan Act, Bill Brown Memorial Fund, Fire Excise GRT, EMS GRT, and the Wildlife Fire, she then started to explain the capital projects funds which are Appropriate Projects, Road/Street Projects, and Other Capital Projects.
- Councilor Apodaca asked when would we find out when the appropriates for those grants would come in for the street projects.
- Manager Dr. Moore said one in May and the other hopefully by the end of July.
- Councilor Gutjahr said on the loan is it broken down monthly or is it all off the top in the beginning.
- Finance Officer Finch explained the loan is pulled out in one lump, it sits in the NMFA account in May or July and just builds interest and gets pulled out in about March or April and continued with the discussion.
- Manager Dr. Moore explained that Al's mini mart closed in the end of March, so we did do a reduction on GRT to account for that.
- Finance Officer Finch continued with the discussion on a brief revenue summary for general fund by explaining every category and description as such, Local Effort Tax- franchise tax, GRT,; State Shared Tax- GRT municipal equivalent,; Licenses & Permits- animal licenses, building permits, business licenses, etc.,; Charges for Services-pound fee, printing and copying, rental fee,; Fines and Forfeits- Court Fees,; Miscellaneous Revenues- Interest Income,; Intergovernmental Grants/Distributions- small cities assistance.
- Manager Dr. Moore explained there was a slight reduction for the small cities' assistance this year between 4% and 6% and factored the reduction in the revenue.
- Councilor Gutjahr asked how the small cities' assistance is acquired.
- Finance Officer Finch said she has talked with Tax & Rev regarding the formula and has gotten told it is very complex but did say oil prices have a lot to do with it and if the state has leftover money they distribute it but did not specify how and continued with the discussion with revenues for 3 fiscal years.
- Finance Officer Finch began a discussion on the expenditure summary for general fund and broke down each category and description starting with Salary & Wages- paid officials, commissions, on-call and full time and part time employees; Employee Benefits- social security, medicare, health, etc.; Travel Costs- cost for all officials, commissions and employees,; Purchased Property Services- maintenance and repairs of building and vehicles,; Contractual Services- contacts for the audit, attorney fees, engineering fee,; Supplies- software, office supplies, safety supplies, etc.; Operation Costs- training, surety bonding, telecommunications, utilities, etc.
- Councilor Gordon asked why is law enforcement down.

- Finance Officer Finch explained with the contract with the Sheriff's Department normally we get \$20k but this last year the law changed and now we get \$45k and due to this it helped us more.
- Manager Dr. Moore said as you can see in the fire protection it has gone up and that's due to us asking for volunteers for the fire department to step in.
- Finance Officer Finch continued with the one-time, non-capital expenditures starting with the project names and the descriptions such as, Palmetto L.L.C (Ralph Mims)-economic development consultant, Sunny 505- ongoing strategic public relations, Special Code Enforcement Operation-fire, nuisance, zoning, and a Grant Writer- contracted grant writer services and continued the discussion with the transfers for capital projects such as Annexation- cost associated with Annexation, City Hall improvements- cost to improve city hall interior, and Engineering/Architectural- engineering and architectural services. She then started talking about special revenue funds by category and description starting with Local Effort Tax- environmental GRT, State Shared Tax-gasoline tax, Fines and Forfeits- correction fees, and Intergovernmental Grants/Distributions-fire protection, law enforcement fund, and county fire excise GRT.
- Councilor Gutjahr asked if the capital project funds are a match.
- Finance Officer Finch explained no it isn't a match, but this is just big-ticket items and using this fund on those projects make it beneficial and continued with the discussion.
- Finance Officer Finch went on by explaining the expenditure summary for capital project funds.
- Manager Dr. Moore said this is just an example, if we start to break things down then it could be more expensive therefore, we add more just to be on the safe side.
- Councilor Apadaca asked about the engineering cost and if this covers hazards and/or construction.
- Manager Dr. Moore said yes it does, and covers the costs for infrastructure improvements, and this continued the discussion.
- Finance Officer Finch continued the presentation with the revenue summary for debt service funds, and also the expenditure summary for debt service funds.
- Mayor Ramsell explained with the \$150k for salary and wages we are only looking at 16% budget and most municipalities are 30% and up which is really good.
- Finance Officer Finch said with this budget the city is getting really good things such as a part-time librarian, an EMS Coordinator, Code Enforcement.
- Manager Dr. Moore explained the salary and wages we have budgeted the finance officer and the municipal clerk to go to 40 hours a week which means a smaller increase amount and no cost of living as well as due to some employee's evaluations they will be only getting an increase of 5 hours, but it is all tied into the budget and continued with the discussion.
- Councilor Gutjahr said this is a fantastic job and Finance Officer Finch exceeds all expectations.
- Councilor Apadaca said its nice to see the city moving forward with additional services and now we can tell the residents these are what's getting done.
- Mayor Ramsell said well they may have been in the works but budget issues or grant agreements could have gotten in the way, this continued the discussion.
- Councilor Gutjahr said the biggest fear was sources of revenue for GRTs.

Adjourn

- The special workshop was adjourned at 4.07.

Respectfully submitted,

Elizabeth F. Adair, Municipal Clerk
(Transcribed by Cheyenne Sullivan, Assistant Clerk)

Date: _____

Approved:

Joshua Ramsell,
Mayor

Margaret R. Gutjahr,
Mayor Pro-tem/Councilor

Arthur Apodaca,
Councilor

Lawrence R. Gordon,
Councilor

Jim Winters,
Councilor