

City of Rio Communities Special Workshop Minutes  
Friday May 11, 2018

- Mayor Mark Gwinn called to order the city council special workshop at 9:00 am
- Present: Mayor Mark Gwinn, Councilors Bill Brown, Peggy Gutjahr, Arturo Sais and Joshua Ramsell.  
Present: City Manager Bob Skerry, Finance Officer/Treasurer Celina Benavidez, Municipal Clerk Lisa Adair and EDC Chairman Jim Winters.

**1. 2019 Budget – Discussion**

- Manager Skerry explained we are unable to budget revenue on estimates and the best practice is to budget low and anticipate high and then started a discussion on the revenue changes.
- Manager explained the income from the fire funds and then handed out an expenditure summary sheet and explained the payroll & burden excluding the income for the fire chief and assistant fire chief which comes out of EMS funds and continued the discussion on the revenues.
- Manager Skerry explained GRT's are the hardest to project that is why we have projected them low and continued the discussion on revenues.
- Manager Skerry explained the combined fuel tax distribution is up from the projected amount and continued the discussion on revenues.
- Manager Skerry explained how the capital projects fund is listed in revenues, what was allocated for the interior of the building and what amount for the outside of the building. He then continued with the discussion.
- Manager Skerry started a discussion on his expenditure summary and explained regarding LEDA he put \$100,000 in expenditures and further explained you cannot spend more than 10% of the general revenue and continued the discussion.
- Manager Skerry said on the expenditure summary parks are listed for \$130,000 and explained there has been talks with Mr. Tabet and he is willing to sell back the parks to the City for what he paid for them and the cost of cleanups and continued the discussion on the expenditure summary.
- Councilor Brown asked doesn't Mr. Tabet have to give open space within the 64 units and wouldn't it be to Mr. Tabet benefit to donate the parks to the City.
- Manager Skerry said it would be Mr. Tabet choice to make and continued the discussion on the budget expenditure summary.
- Councilor Brown explained that the cost for the purchase of the parks is just the beginning, what it would cost for the ongoing maintenance and continued the discussion.
- Manager Skerry said the big-ticket items on the summary list, council can change around and put in other funds and continued with the discussion.
- Councilor Gutjahr asked who usually does the Survey for the CDBG grant.
- Manager Skerry said usually the COG would do the survey and explained the processes of the grant, who would benefit from it and continued the discussion.
- Manager Skerry explained as of today we have 2.6 million in the bank and we would possibly end the year at 2.3 million - 2.5 million and then explained we would not know until a few months after the budget year has ended what we actually close the year.
- Councilor Gutjahr asked how much we had received for small city assistant fund and when was it received.

- Mayor Gwinn explained we received \$133k back in March but we may be getting more next year and further explained how the small city assistant fund is driven by gas and continued the discussion on the projected amounts of revenue.
- Manager Skerry said we are bringing in about \$1,112,000.00 and further explained that we should not drop below 1.5 million.
- Councilor Gutjahr asked under proposed revenue why are we negative for the total revenue.
- Finance Officer Benavidez explained that this is the actual net and the negative is due to gross revenue and transfers.
- Manager Skerry explained that this amount will be taken from one fund and it into another fund and continued the discussion.
- Councilor Gutjahr asked for an explanation on interfund transfers.
- Finance Officer Benavidez explained it is coming from general funds and being transferred into the respective other funds as necessary.
- Manager Skerry explained we are not allowed to budget from the grants until we receive the acceptance letter and continued the discussion on revenues.
- Mayor Gwinn asked if there are any further questions on the expenditures budget.
- Councilor Brown asked why there is not another officer on expenditures and what is our defense in this area when it comes up at the hearing.
- Mayor Gwinn started a discussion on options that Council can look at for getting additional revenue to support another officer.
- Councilor Brown said basically it comes out to yes you want a second officer but how willing are you to pay for it by increase taxes and continued the discussion.
- Councilor Sais said there is needs and wants and continued the discussion on wants such as parks, the need of another officer and what funding is available.
- Councilor Gutjahr explained that we have already separate funds setup that we cannot touch and then said one of the biggest problems that seems to be coming up with the wants of a new officer is not having as much visibility from the current officer and the feeling of needing another officer to fill in that void. She then said we (the previous council) had said we would spend the previous year looking at how can we find the revenue to fund another officer and that was not done and continued the discussion on explaining to the resident that this year we will have workshops to start the process.
- Councilor Ramsell said he understands that even if we had 4-5 officers there would never be zero crime but we need to let the public be aware of where the money is going and continued with the discussion on what can be said to the public as far as additional funding and what will Council do to raise the funds.
- Councilor Gutjahr said her frustration with us as a council (including herself) is things are talked about but do not come up on an agenda or the following through is not done and then said we need to put on the agenda starting in July and have it as an ongoing agenda item.
- Manager Skerry said he feels the tax payers think they are paying and funding all the costs for the City and explained where most of our funding is coming from and continued the discussion.
- Councilor Brown said in summary we do not have budgeted a second police officer and in summary that has been our decision and we need to stand behind what we have in place.
- Mayor Gwinn said we have already signed a contractor for only one officer for the FY19 with the County and if we really want to push to have another one we need to start working on it in July and continued the discussion.

- Manager Skerry said he feels we are doing well for the amount of staff and more has been accomplished recently than in the last 25 years.
- Councilor Gutjahr said she is not disagreeing with the City Manager and then said are there some line items we can reduce or change in order to find another officer.
- Manager Skerry said we had last year complaints from residents that we do not have parks and now there is an opportunity to get parks back into the city and now it is on funding of another officer. He then continued the discussion.
- Mayor Gwinn said we need to continue on the budget in front of us right now and then said that some people have already gotten information on the budget and is not sure how that happened, but the word is already out there.
- Councilor Gutjahr said regarding salary and payroll on the proposed budget the public will see these as raises not as a salary range adjustment and began a discussion on the salary range and what is on the proposed budget for wages.
- Councilor Brown said he has no issues on any of the proposed pay requests but the one issue he has is with the City Manager position where he sees that as a very significant jump and he would be very hard pressed to justify this to the constituents and feels this is what Council needs to talk about.
- Mayor Gwinn explained that council still needs to meet and discuss the manager's wage.
- Manager Skerry said the treasurer needs to submit before June 1 the actual wages for all employees.
- Treasurer Benavidez asked if the Manager's salary is decided in a closed meeting.
- Mayor Gwinn said it is decided at an open meeting and said on May 22<sup>nd</sup> they will have to approve the manager's salary along with the interim budget.
- Councilor Brown asked regarding CDBG grants has the application been made.
- Manager Skerry said no it hasn't and then explained back in November we would have had to start the process. He further explained that we are now in compliance with personnel to go after many of the grants and continued the discussion on the proposed budget.
- Councilor Gutjahr asked under EDC is \$100k for LEDA.
- Manager Skerry said yes, the \$100k is for LEDA and the remainder amount is for EDC.
- Councilor Gutjahr asked where we are regarding PERA.
- Manager Skerry said he still needs to fill out the paperwork and submit to PERA and continued the discussion on the draft interim budget.
- Manager Skerry began a discussion on adding solar lights or cameras for crime prevention. He then asked if everyone agrees to have more street lights and less cameras and continued the discussion.
- Mayor Gwinn asked if council could see any other changes to the budgets and are we good to go into Monday night.
- Manager Skerry explained we are in the need for financial software and said the line item is there but the amount has not been added until we talk with the software companies and further explained they have looked at Tyler and Cassel.
- Clerk Adair explained how the court has to submit a budget to Court Automation as well in order to get reimbursed for certain items.
- Mayor Gwinn asked if there was any further discussion regarding the budget.
- No other discussion on the budget.

**Public questions (3) minutes to address the Council**

- No public for questions or comments.

- The City Council workshop was adjourned at 11:48 am.

Respectfully submitted,

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Lisa Adair  
Municipal Clerk

Date: \_\_\_\_\_

Approved:

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Mark Gwinn,  
Mayor

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Margaret (Peggy) Gutjahr,  
Councilor Mayor Pro-tem

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Bill Brown,  
Councilor

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Joshua Ramsell,  
Councilor

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Arturo R. Sais,  
Councilor