

City of Rio Communities Budget Hearing Minutes

May 15, 2019

- Mayor Gwinn called to order the Budget Hearing at 5:00 pm.
- Present: Mayor Mark Gwinn, Councilors Bill Brown, Peggy Gutjahr, Arturo Sais and Joshua Ramsell. Present: City Manager Leisa Haynes, Finance Officer/Treasurer Celina Benavidez, Municipal Clerk Lisa Adair and Finance Clerk Angela Valadez.
- There were a total of 15 audience members present.
- Mayor Gwinn thanked everyone for being here today and explained the process of the hearing.

- ❖ Manager Hayes gave a presentation concerning a draft of the proposed budget for year ending 2020 and the budget was distributed to the residents in attendance. She began with an explanation of each of the proposed expenditures, revenue and transfers.

- Mayor Gwinn asked for comments from Council.
- Councilor Gutjahr made some clarifications regarding actual numbers for revenue.
- Manager Haynes said the actual number at the top under revenue should be corrected to 2018-2019 because revenue figures are actual.
- Councilor Gutjahr also clarified that #19 on that page before Prison Fund it says Rio Grande Fire Department and that is payback of money the City loaned them last year. She said they spent that money so we're clawing back a certain amount every year.
- Manager Haynes said the City loaned the Fire Department \$200,000 and they are paying back \$50,000 a year.
- Councilor Gutjahr said the amount show under fire protection of \$194,253 is what they have after the amount for the ambulances is taken out.
- Councilor Gutjahr also explained that the expenditures shown are 2017-2018 figures. She also clarified that the amount shown under supplies on the expenditures is the insurance for the Citizens' Patrol volunteers.
- Councilor Brown said, as with any budget, it becomes a balancing act. He said Council has a list of wants and finite revenue so we have to choose the best balance we can to get the most of what we want with the resources we have. He also said we have 5,000 residents with conflicting special interests and that also requires a balancing act to try to figure out how to best serve public safety with the resources we have. He said our revenues are anticipated and a lot depends on what we get from the State and our best knowledge at the time.
- Councilor Ramsell said when we look at the budget, we want to plan expenditures high and revenues low and it is a balancing act in figuring out how we can get the most for the money. He also said some of the things listed as expenditures may not be completed but if we have them in the budget and money comes available, we can show the State we have that in our budget and we will be able to spend the money to get the job done.
- Councilor Sais said some of the safety factors Council looked at are prevention and diversion. He said we're also looking at a program called "traffic calming" which he would like to look into further as a safety factor. He also said getting bids on lighting has been difficult but he wants additional lighting because right now we're not in a place where we can hire another police officer.
- Mayor Gwinn said we have seen a 7% to 8% increase in gross receipts because there has been more construction and also more people are paying their gross receipts to Rio Communities instead of other

municipalities. He also said our franchise fees have balanced out to around \$120,000 and the biggest drivers are PNM, Gas Company of NM and NM Water. He explained that we continue to grow in small city assistance and we took in more this year than last but that is a juggling act also. He further explained that the State will be targeting the online sales so people will be paying state, county and local taxes.

- Mayor Gwinn explained the 311 process of allowing people to send a message to the Municipal Clerk to report a problem. He said this process also allows us to post back when the problem is resolved. He also said a large expenditure for the City is utility lights because PNM wants to convert all the lights to LED and that will be a charge to us.
- Mayor Gwinn said he, Gordon Reeves and Jim Winters put together a plan for roads for next year and DOT has approved it. He said when we get the paperwork and sign off, we can put it out to bid and that will happen after the first of July.
- Mayor Gwinn asked resident to sign in if they wish to make comments for the budget hearing.
 - Jody Skelton, Brown Drive, Rio Communities: Ms. Skelton asked why we don't have an additional police officer in this budget. She said there is money allowed in the budget for a second officer and we have asked more times than we can count. She said that should be addressed.
- Mayor Gwinn said there are funds that are dedicated to certain line items and then we have recurring funds and we don't have enough recurring funds to fund another officer. He said in June we had people request a mill levy and that is what we're looking at now.
 - Frank Stasi, Rio Communities; Mr. Stasi said he does agree about the police officer and understands the recurring funds, but Council has a tendency to have money for everything else in the budget but doesn't even look at a way to have a police presence for morning and evening. He said going back to when this started the people asked for police protection and roads. He said Council has started working on roads but not giving the people what they want. He said if they're going to keep jacking Council up every year for a police officer, why don't you look somewhere else. He said there are other things to go for and then said we can do an MOU such as with Belen or Los Lunas or start our own force and it could have been a good thing to start with one person to start a police force and add as we get the money. He said he is putting out there as things to do and it seems like this is what you're going to do and pay whatever they want.
 - Mr. Stasi said the other thing he would like to talk about is the building. He said, at some point he would like to know what the building cost and the extras. He said he would like to know did we have enough money to pay for the building with the legislature giving you money or how much money did you actually have to take out of the general fund.
- Mayor Gwinn explained that we got all the money from capital outlay and started with \$105,000 of City money going in. He said when we got the money back from buying the building we put that \$200,000 back in the building fund. He said \$600,000 plus is from Capital Outlay.
 - Mr. Stasi said asked how we paid for anything over \$600,000.
- Mayor Gwinn said we've been putting in the money along with Capital Outlay. He said over the past five years, we've added over \$350,000 out of the general fund and you were part of that when we made those decisions.
- Manager Haynes said we're getting back \$380,000 from Capital Outlay and of that \$200,000 will go back into the grant program and \$180,000 will be used to finish the inside.
 - Mr. Stasi asked why we're getting back.
- Mayor Gwinn explained that we have to file to get Capital Outlay because they don't give it to us until the job is done. He said we have to have money up front and Capital Outlay reimburses. He said the

\$1.2 million that we've had has allowed us to move forward and we replenish it when we get the money back from the State.

- Mr. Stasi said he never agreed to put \$1.2 million in the bank and just use it for grants. He said you have to come back and put something up for us and we've waited a long time for this. He said he knows everything goes up but you're still back to square one – we need something for police presence and the City needs to look outside of the box and find a way to allocate to protect us. He said the drug houses are coming back no doubt about it and we can give you the addresses and the sheriff knows about it. He said when we hear of someone who is single and has kids and there's a drug house across the street, we have a problem. He said he understands what they say – well it takes time. He said something like that can't happen to the person who lives across the street and there are other stories like that. He said people come and address it and nothing keeps happening. He said no one should wait five years to get the drug people out of the drug house next door – what about that person who has to live in Hell and they make fun of them because they're getting away with it. He said granted it is not all your fault and it has to go through channels but the only way we could resolve something is when we started a committee and people came in and said what their problem was – we got them to come to the meeting and you saw that. He said we had to convince them to come and say what's wrong and what happened, they started to make drug busts, the squeaky wheel get things.
- Manager Haynes said she has talked with another community that is overwhelmed with their expense for police officers. She said the going rate is \$150,000 per officer and that has to come from recurring funds. She said we can't get away from that and we are trying to think outside the box and figure out what we can do. She said our Citizens' Patrol will try to answer part of the problem and we've told officer Duran that we want him patrolling and we want him to be seen and when he has a backup we want them both patrolling.
- Mayor Gwinn said on the \$150,000 under our MOU, that is the going rate across the State. He said we can go to any municipality and if we want to rent one of their officers, its \$150,000. He said with our MOU with the County under Sheriff Burkhart we pay for one officer but two or three more have been moved to various quadrants and we are one of those quadrants. He said we see other officers here but we don't pay them and we also have two State Police officers who live in Rio Communities. He said between Rocky and Cole they busted six drug houses in the community but on all six cases all were dropped.
- Councilor Gutjahr said one of the things that would be helpful is to show what the \$150,000 covers. She said the issue is the liability we face when we hire someone and we also have to have a car – not one of the ones donated – plus their liability, plus their armaments, plus the certification they have to have and that automatically increases the liability to the City. She said a lot of people wanted a Citizens' Patrol and yet we don't have a lot of people who volunteer. She said she thought we could connect it with some of the captains that have Neighborhood Watch because this is a presence and prevention.
 - Mr. Stasi said he has figures from the County broken down for him and why doesn't it even come close to what they're charging us. He said it was \$120,000.
- Mayor Gwinn said that was last year and we have a new contract.
- Councilor Gutjahr said even if it was \$120,000 a year ago, there is another piece to that. She said we have to have other things in our budget.
 - Mr. Stasi said every detail they have – training all the way down the line but you only train them once.
- Councilor Gutjahr said they have to recertify, and they have training every year.
- Manager Haynes said she is going to try to recruit businesses and that brings in money. She said she has recruited seventy in her past and she can do it. She said as soon as the budget is finished, she will

start and already has a line on a few. She also said she is trying to get forty houses built which is new property tax and new people and all that adds up to more money.

- Mr. Stasi said she is in the right direction, there is no doubt about that but understand the other side. He said if you own commercial buildings, we'll not only get hit for houses but we'll get hit for every commercial building we have and that hurts us. He said we're trying to get them rented and the price of taxes has to go up so we either have to absorb it in the rent or pass it off and you aren't going to be able to pass it off because we're trying to get people here.
- Mayor Gwinn said we had a Mayor Caucus and twenty-two mayors attended - one of the mayors was from Rancho de Albuquerque and one from Tijeras. He said revenue in Rancho de Albuquerque averages a little over \$11,000,000 to \$12,000,000 a year and they dropped their police department and their fire department and went strictly to Sandoval County. He said the same was true with Tijeras – they dropped their police department. He said the main cause for that was the liability.
 - Frank Stasi said every person that rents a building – one of the first things they ask is about police protection.
- Manager Haynes said she has recruited seventy businesses and not one asked about police protection.
- Counselor Sais said our officer does a real good job.
- Mayor Gwinn said the Sheriff does the scheduling and looks at the hot times and that is when officers are scheduled.

Adjourn

- The Budget Hearing was adjourned at 6:25 pm.

Respectfully submitted,

Elizabeth (Lisa) Adair,
Municipal Clerk

Date: _____

Approved:

Mark Gwinn,
Mayor

Margaret (Peggy) Gutjahr,
Councilor Mayor Pro-tem

Bill Brown,
Councilor

Joshua Ramsell,
Councilor

Arturo R. Sais,
Councilor