

City of Rio Communities Budget Hearing Minutes

May 20, 2020

This meeting was streamed on Facebook Live

<https://www.facebook.com/riocommunities>

- Mayor Pro-tem Peggy Gutjahr called to order the Budget Hearing at 6:00 pm.
- Present: Mayor Pro-tem Peggy Gutjahr, Councilors; Bill Brown, Joshua Ramsell and Jim Winters.
Present: Finance Officer Stephanie Finch, Municipal Clerk Lisa Adair, Finance Clerk Angela Valadez, and Deputy Clerk Amy Lopez.
- Mayor Pro-tem Gutjahr introduced herself, Council and other participants in the room. She explained how the hearing process will go: The Treasurer Stephanie Finch will give a presentation on the budget. Once the presentation is done, Council will address the Treasurer. Mayor Pro-tem Gutjahr will then open up for public comments and questions.
- ❖ Finance Officer/Treasurer Stephanie Finch explained how to go to our website and see a copy of the budget. She then began a presentation on a draft of the proposed budget for fiscal year ending 2021.
- ❖ Finance Officer/Treasurer Finch began her presentation by going over the recap of the budget. She explained that we have in budgeted revenues \$1,044,850; transferred in \$11,615.74 transferred out \$90,000, expeditors \$1,022,024.68 ending balance \$1,766,280.20, required ½ reserve \$85,168.72, adjusted available cash ending on June 30, 2021 \$1,681,111.48 in the general fund. She then said Council wants to transfer from the \$300,000 adjusted available cash into our reserve account. She further explained currently in the reserve there is \$430,010 so it will end that with \$730,010. She moved on to Correction funds and explained how the funds are received and how this fund takes care of prisoners in the event our Judge should have issued an arrest warrant. budget revenue is \$2,000.00; expenditures \$2,000 adjusted available cash is 5,618.00. The environmental fund, budgeted revenue \$12,000, expenditures \$12,000, adjusted available cash \$15,642.09. The EMS fund, this year we are receiving \$7,580, expenditures \$7,580, ending adjusted available cash \$4,289.08. The fire protection fund revenues \$194,253, transfer in \$11,909.50, transfer out \$55,553.28 (pay loan on the EMS vehicle), expenditures \$209,00.00, adjusted available cash \$66,981.22. The law enforcement protection fund revenue \$20,000 expenditures \$20,000 adjusted available cash \$20,822. She explained each time you buy gas we get a gas tax; the street fund revenue \$45,000 transfer out \$100,000, expenditures \$36,000 adjusted available cash \$105,304.03. The fire excise GRT revenue \$30,000, expenditures \$24,759.50, adjusted available cash \$8,757.67. the EMS GRT Revenues \$80,000, expenditures \$185,000 adjusted available cash \$8,757.67. The wildland fire fund beginning cash balance is \$11,909.50 transfer out \$11,909.50, ending cash balance \$0.00. The State Legislative Appropriation project (as soon as they are unfrozen) revenues \$700,000, expenditures \$700,000. The road/street projects revenues \$400,000, transfer in \$100,000, expenditures \$500,000 ending balance \$0.00. The capital projects beginning balance \$11,615.74, transfer in \$90,000, transfer out back to GF \$11,615.74, expenditures \$90,000 ending balance \$0.00. The NMFA loan debt service is the loan for the fire department 2 vehicle beginning balance \$54,714.80, adjusted beginning cash balance \$926.00, revenues \$1,000, transfer in \$55,553.28, expenditures \$55,553.28, ending balance \$1,926, adjusted available cash balance \$54,714,80.
- ❖ Finance Officer/Treasurer Finch said going back to the general fund the \$90,000 transfer out that is for some projects that Council discussed they wanted to get done this fiscal year \$30,000 for the fence and pad for the public works area, \$20,000 for traffic calming, \$30,000 for an electric sign, \$10,000 for street lights on Hwy 304. She further explained in the general fund this includes a budget for a full-time paid Fire Chief.

- Councilor Brown said the difficulty with any budget you are betting on the future and our future depends on what happens with the revenue. Given that the oil and gas industries have pretty much tanked, we do not know how much revenue will be available and we hope it will be in the ballpark of what we guesstimated.
- Mayor Pro-tem Gutjahr asked for comments from Council. Hearing none, she then asked Finance Officer Finch to explain where revenues are come from.
- Finance Officer Finch explained recurring revenue is what we receive year after year. She then went over the general fund and how we are able to operate with revenues, 1st there are franchise tax, that we receive from the electric bill, gas bill, water bill, century link and now with the solid waste bill. Proposed budget for franchise fees are \$170,000. GRT – municipal local option \$145,000. GRT – municipal infrastructure \$24,000. Property taxes – current \$235,000. Property taxes – prior year \$5,500. GRT – shared muni. equivalent \$238,000. Motor vehicle \$19,000. Other State shared taxes \$40,000. Animal licenses \$500.00. VC Animal shelter \$0.00. Building permits \$2,000. Business licenses and registration \$3,000. Zoning permits \$3,000. Printing and copying \$0.00. Rental fees \$500. Other charges and services \$0.00. Court fines \$2,200. Contributions/Donations \$0.00. Reimbursements/refunds \$0.00. Small cities assistance (TRD) \$150,000. Other State grants \$10,000.
- Mayor Pro-tem Gutjahr said in the past when we had advertised for personnel, we had not been able to offer PERA or health benefits, we gave them a stipend, but they had to look into their own retirement or health. She then said this year, even though this is a difficult year we have been approved for PERA and Council has approved to provide health insurance to our employees at an 80-20 split.
- Finance Officer Finch said the Council realized to find someone that has experience in local government you have to offer the PERA retirement that they are already getting and health benefits.
- Mayor Pro-tem Gutjahr said the two rescue units that we have for the fire department, the loan for one more year after this fiscal year. She then said the reason we put so much away is we have 3 major GRT revenue companies; Dollar General, Allsup's and Al's mini mart, but if something happened to one of those major contributors we would be in quite a bit of problem. She further explained if you look at a budget, there are 2 entirely different funds recurring funds and be able to look over a pattern. The other revenue fund is a one-time events such as street funding, building remodel came out of capital outlay funds can only be used so those specific items.
- Finance Officer Finch explained the process of receiving a grant.
- Councilor Winters explained the NMFA funding, the reason we were able to secure that loan is because of our financial status, having money in the bank, having good credit allowed us to get those loans.
- Mayor Pro-tem Gutjahr said we had a good audit, with a couple of exceptions that have been taken care of.
- Finance Officer Finch explained the audit this fiscal year will cost \$21,380.06.
- Mayor Pro-tem Gutjahr said we were notified a couple of days ago, we always pay into the VRECC/911 calls to be on the board, this year we will have to pay more.
- Finance Officer Finch said it is a good thing to note that when we receive the GRT they are from 2 months ago and they only went down a couple thousand dollars but our big gross receipt tax supporters they continued to stay open, we didn't see a huge difference.
- Mayor Pro-tem Gutjahr said looking at GRT's we may not see a drop, though it has really hurt a lot of our local smaller business and home business. The other place we may see it is the County EMS is funded through GRT and we may see it in that area.

- Councilor Brown explained the process of having a budget hearing, which is required by the State, passing the interim budget, moving to DFA and final budget approval.
 - Question on Facebook from Richard Henderson – any word from the old parks.
- Mayor Pro-tem said currently for the budget we did not have anything in place.
- Councilor Ramsell said currently they are private property and they are zoned for open space.
 - Question on Facebook from Richard Henderson – can we have an assessment of Hillandale it is falling apart
- Councilor Winters explained there is some minor work going to be done on Hillandale and we have applied to DOT for the coming year and said he is not sure what project, but we did program for chip and seal for the entire length from Pageant down to Horner.
- Mayor Pro-tem said to anyone listening on now or who would be listening later, she has sat through since 2015 has watched them being put together and certainly been a part of it, how much she appreciates from the Finance Department, City Clerk and Deputy Clerk they have come together to make this a safe place for everybody. They have worked together to make this budget. She then said that we have a library funding we are moving forward with it and we will have a small one up front.
- Finance Officer Finch said Amy has really taken the helm on the library as well as Lisa and Gordon. She then said that they have already almost expended the \$50,000 because we need to expend it by June 1 to be able to submit for reimbursement.
- Mayor Pro-tem Gutjahr explained that we have contracted with an IT person to get this on the air and we will be broadcasting all future meetings.

Adjourn

- The Budget Hearing was adjourned at 6:48 pm.

Respectfully submitted,

Elizabeth (Lisa) Adair, Municipal Clerk

Date: _____

Approved:

Mark Gwinn,
Mayor

Margaret (Peggy) Gutjahr,
Mayor Pro-tem

Bill Brown,
Councilor

Joshua Ramsell,
Councilor

Jim Winters. Sais,
Councilor