



City of Rio Communities Council Workshop
City Council Chambers - 360 Rio Communities Blvd
Rio Communities, NM 87002
Monday, February 27, 2023 3:00 PM
Minutes

Please silence all electronic devices.

Call to Order

- Mayor Joshua Ramsell called the regular workshop to order at 3:03 pm.

Attendees

- PRESENT: Mayor Joshua Ramsell, Mayor Pro-tem Margaret R. Gutjahr, Councilor Arthur Apodaca, Councilor Lawrence Gordon, Councilor Jimmie Winters.
- City Manager Dr. Martin Moore, Municipal Clerk Elizabeth Adair, Finance Officer Stephanie Finch, Fire Chief Andrew Tabet, City Attorney Randy Van Vleck.

Presentations: Greater Valencia County Chamber of Commerce - Rhona Espinoza

- Mrs. Rhona Espinoza Executive Director of the Greater Valencia County Chamber of Commerce handed the Council her business cards and began her presentation by introducing the other members of her board with her.
- Mrs. Espinoza explained when she started there was only 45 members and now the membership has grown to over 300 and further highlighted 21 members of the chambers that are residents of Rio Communities. She then said they have had many luncheons in Rio Communities with a big Luncheon at the Tierra Del Sol Golf Course as well as an annual tournament.
- Mrs. Espinoza said in December at their Board retreat there was a recommendation to change the name to Greater Valencia County Chambers of Commence and voted on a new logo as well.
- Mrs. Espinoza asked Rio Communities Council to participate in a smaller scale then they asked the City of Belen. She further said for the council to appoint someone for the board and then they will draw up a contract and will make quarterly reports, and the contract for nonprofits is \$140.
- President Andrew Spears stated he would like to expand and help all the businesses in the county.
- Councilor Apodaca said he thinks it's great he's representing all of Valencia County.
- Mrs. Espinoza explained that they are going to reach out to Los Lunas Schools as well and explained that the board members are from all over the county.
- Councilor Gutjahr asked how many are on the board and how will we benefit from joining.
- Mrs. Espinoza explained there are 15 board members and 4 from Rio Communities who enjoy being on our board and we reaserch to see how changes are not good for our businesses and if a city is going to have an ordinance that is not good for our business stratiges. She continued by saying we are the voice of the businesses in our chambers and have articles in the new paper every month that introduces our new members. She finished by saying we are here to assist them and during Covid she helped them write Covid grants as well as she is from a small business back round.

- Mr. Winters asked if home base businesses are welcome in the organization and how are they represented.
- Mrs. Espinoza said there are several and started to explain they help in any way the small businesses need.
- Councilor Gordon asked if they work with the incubators.
- Mrs. Espinoza said yes, Ben just became a member and had him as our speaker at our holiday luncheons and we talked about partnering together.
- Councilor Gutjahr asked if they were able to set a meeting up with Los Lunas.
- Mrs Espinoza said not yet, but have some set up with Los Lunas, Bosque Farms, and Peralta. She explained they get \$1,500k a year from Belen but for the smaller municipalities we ask for \$1,000k.

Audit Report Presentation – SJT Group

- Jeremiah Armijo SJT Group Senior Audit Manager began a presentation on the 2022 audit for the City of Rio Communities. He said he will be going through the audit and going over these topics: Service Team, Management Responsibilities, Auditor's Responsibilities, Required Communications, Audit Results, Financial Statement Analysis.
- Mr. Armijo started by explaining who helped with the audits for this fiscal year, and going over management responsibilities as they are responsible for accounting policies, internal controls, accounting systems, significant estimates, and management representation letter.
- Mr. Armijo continued to explain what the auditor's responsibilities are starting with providing an opinion about whether the financial statements are materially correct, reasonable, but not absolute, assurance that the financial statements are materially correct, and understanding of internal controls sufficient to plan the audit; evaluation of control design; and verification of implementation of key controls, and finally perform tests of compliance related to various State Statutes and requirements including: Procurement code (chapter 13 NMSA 1978), Travel and per diem (chapter 10-8 NMSA 1978), and State Audit Rule (2.2.2 NMAC).
- Mr. Armijo started to explain the required communications such as audit adjustments, reclassification adjustments, passed adjustments, disagreements with management, consultations with other accountants and difficulties performing audits. He continued to explain the new accounting standards (GASB 87, Leases), as well as Significant Transactions such as donation from Bill Brown Estate -\$331,000, Received federal American Rescue Plan award-\$561,000, Purchase of a Ferrera fire pumper truck-\$460,000, County Club Lane Road improvements- \$241,000, Purchase of three vehicles-\$98,000, Purchase of land near fire department, \$92,000, and Purchase of marquee sign- \$50,000.
- Mr. Armijo explained the audit results, stating the city had a unmodified (clean) opinion on the financial statements, internal controls, no material weaknesses identified, no significant deficiencies reported, findings required to be reported under 12-6-5 NMSA 1978 with nothing to report.
- Mr. Armijo went over the financial statement balances and year to year trends with the statement of net positions, assets total, deferred outflows, deferred liabilities, deferred inflows, and net position is \$12 mil, as to last year \$11 mil. He continued to explain the assets starting with cash increase from \$2,591,761 to \$3,507,528, receivables increase

from \$186,147 to \$209,939, capital assets increased from \$8,722,953 to \$9,264,761, leases-right to use increased from \$0 to \$62,821. He further went over accounts payable increase from \$5,233 to \$15,280, accrued payroll liabilities increased from \$19,465 to \$25,809, other current liabilities increased from \$65,935 to \$636,025, long term debit increased from \$0 to \$540,303.

- Mr. Armijo explained the net position is split up by invested in capital assets, restricted and unrestricted being as such from 2020 invested in capital assets was at \$8.1mil and as of 2022 it increased to \$9.0 mil, for restricted in 2020 it was at \$0.6 mil and decreased to \$0.4, and for unrestricted it declined from \$2.3 to \$2.2 in the years of 2020 to 2021 and increased to \$2.6 in 2022. He continued to describe Statement of Activities - Revenue, FY 2022 by stating operating grants and contributions is at 38%, capital grants are at 24%, GRT is at 12%, property tax is at 7%, franchise tax is at 6%, state shared taxes is at 11%, and other taxes are at 2%. He went on by explaining the Statement of Activities-Expenses, FY 2022 starting with general government at 38%, public safety at 36%, public works at 23%, culture and recreation at 3%. He stated one of the biggest changes to this year is due to the makerspace, library and those activities grouped with the culture and recreation. He further explained the change in net position for 3 years 2020 \$-22,551, 2021 \$497,535, and 2022 \$576,357 and due to the increase was from Bill Browns donation as well as capital grants the city has had over the year.
- Mr. Armijo said overall the city is financially stable, as well as you all are being good stewards of the cities resources. He then thanked council for then to be the cities auditors.
- Councilor Gordon told Finance Officer Finch great job.
- Finance Officer Finch said it takes a village and it took all of us to do this.
- Mayor Ramsell said he is very happy that 2 years in a row the city has very good audits and thanked Dr. Moore and the staff for making it happen.
- Mr. Armijo said the State Finance Auditors have approved the paperwork and it has been released.
- Mayor Ramsell said the audit is required every year for the city and now is available for public to view. He continued to say about 19%-20% of city funds is paid by city taxpayers and it's nice to see that majority of the money the city receives is either from grants, donations or other means.

Accounts payable report

- Finance Officer Finch went over everything over \$500.00; Wells Fargo in the amount of \$2,497.73; Sandra Schauer in the amount of \$2,991.50; Tyler Technologies in the amount of \$519.30; 2 accounts for H&E in the amount of \$6,328.80; Sharp In the amount of \$1,320; Ray's Fire Extinguishers in the amount of \$1,548; H&M in the amount of \$1,186; HDR in the amount of 3,161.20; FBT in the amount of \$11,556.66; 7 accounts in the amount of \$41,077; APIC in the amount of \$11,253.43.

Resolution 2023 - XX IPA Audit Acceptance Approval

- Finance Officer Finch explained this is just the formality that has do be done for DFA for the city to approve the audit by resolution.

Authorization to Appropriate funds for purchase and installation of a new sound system in Council Chambers

- Manager Dr. Moore said we have received a formal request for the ability to hear better by residents and have had some quotes come in for a new audio system and are requesting an amount not to exceed \$50,000 which can be utilized out of the rescue plan fund for audio/visual upgrades for council.
- Councilor Gordon asked would this include mics and speakers.
- Manager Dr. Moore said this will include 10-12 new mics, new speakers in the ceiling, sound quality cabinet, as well as IT upgrades.
- Councilor Winters said will this include new monitors.
- Manager Dr. Moore said he is not sure but did identify the need for new monitors.
- Councilor Gutjahr said the biggest complaint has been hearing through Facebook during the meeting you can not hear but after the meeting on the Facebook recording you can hear and with this change the issue needs to be addressed.
- Manager Dr. Moore said that is an IT improvement that is in issue overall in the city and with upgrades there are some issues that Comcast is working on. He continued to say there is fiber in the city building but has not received word if it is up and running as of yet.
- Clerk Adair said with talking with IT they have discussed getting the city a YouTube page and being able to put it on the website as well but will have to get with an application that allows us to stream on multiple platforms.
- Councilor Gutjahr asked if this will happen the same time the upgrades are taking place or is this something that will have to wait till later.
- Both Manager Dr. Moore and Clerk Adair said it will happen with the upgrades.

Jr. Appropriation Bill for Community Programs

- Manager Dr. Moore explained what we are looking at purchasing from our Jr. appropriation bill that we received are a computer lab, coding avengers program, 3D printers which the ones we have now are not as fast as we would like if are teaching a class, STEM programs, volunteer biased groups who requested jewelry making, weaving, soap and candle making as well as resin making, chess club (lead by a council member, 20 chess sets are asked since it has been a success), and Lego club.
- Councilor Gutjahr said regarding the LEGO camp, when Optimus club has theirs in the summer go to the finals, the kids build so much things just usings Legos and electricity.
- Manager Dr. Moore said we learned a few things regarding the tables and chairs and will be adding those to the bill as well.
- Councilor Gutjahr reminded that this was a grant from Representative Matthew McQueen.
- Councilor Apodaca said the challenge is are we going to have the volunteers to run the programs.
- Manager Dr. Moore said in future he will be coming back for approval on electrical and IT improvements.
- Finance Officer Finch explained that the grant will expire by end of June, and funds need to be expended by mid-April and if approved we will start the ordering process this week.

Public Comment

- Marie Otero explained her biggest concern that has not been brought up is more police patrol, there has been more break in and need more streetlights as well, she did have a list of things the city needs and wanted to give a copy to everyone. She continued to say these are just concerns as she just moved in the city, yards are trashy, dogs running loose, speeders and her biggest concern is the solar farm which only gives the community 10%, and what happens to the other 90%.

Council General Discussion & Future Agenda Items

- Councilor Apodaca had nothing to report.
- Councilor Gutjahr said we are going to talk at one workshop on priorities.
- Councilor Gordon had nothing to report.
- Councilor Winters had nothing to report.
- Mayor Ramsell gave a big thank you to public works with the winds we had in the city they were right away clearing streets from debris as well as the fire department had about 18 calls in the amount of about 8 to 9 hours with some in the city but some across the district.
- Manager Dr. Moore said the fire volunteers also gave help in the debris clean up as well.
- Fire Chief Tabet said they had trucks out, as well as cutting down tree branches and keeping them out of roadways.

Manager Report

Purchase and Installation of new HVAC unit

- Manager Dr. Moore said the construction we have 3 different contractors we are working at this time, TLC - server room, HGI - construction phase 1, Roof care - the roof is complete for one part of the building now they will be doing the next part, and the last part is the completion of the police station which only has a few more things to do but the furniture is in and ready to assemble.
- Manager Dr. Moore further said the cost of putting the new HVAC unit in the server room was approx. \$11k which was more than we wanted but that is up and running now. He continued to describe the different areas of construction in the building starting with the room where the extra library books were kept will become part of the summer program rooms and will cost about \$28k, then the Judges chambers are not secure and not workable and the max capacity of 6 people and to increase capacity they will be knocking a wall down and adding the appropriate functions to ensure safety as well as finding a way to have additional sitting room for defendants when weather is bad and this would cost about \$30k. He further explained the florescent lights will be getting looked at and waiting on a quote for those as well as more electrical outputs in the makerspace. He further said one area is energy efficiency to the building and have not seen a price for that as of yet, but as people know there are some gaps in the doors that need to be addressed, some glass are tampered glass as some are not, so with these few upgrades we are looking at the best way for us to save money for the city.
- Councilor Apodaca asked when the completion date is for phase 1.
- Manager Dr. Moore said it is projected to be completed May 22.

Adjourn

- The Council regular workshop was adjourned at 4:44 pm.

Respectfully submitted,

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

Date: _____

Approved:

Joshua Ramsell,
Mayor

Margaret R. Gutjahr,
Mayor Pro-tem/Councilor

Arthur Apodaca,
Councilor

Lawrence R. Gordon,
Councilor

Jimmie Winters,
Councilor