

**CITY OF TUCUMCARI  
CITY COMMISSION**

**Work Session Notes  
April 10, 2014**

The Tucumcari City Commission met in a work session on Thursday, April 10, 2014 at 5:00 p.m. in the City Commission Chambers. Members present were John Mihm, Ruth Ann Litchfield, Mayor Lumpkin, and Amy Gutierrez.

City staff members present were Doug Powers, City Manager; Charlie Sandoval, Assistant City Manager; Dennis Dysart, Finance Director; Angelica Gray, City Clerk; and Viki Riddle, Housing Authority Director.

Others: JJ Griego from Griego Professional Services

**Presentation of the Annual Audit by Griego Professional Services (GPS)**

Mr. Griego stated this is Griego Professional Services' third year in preparing the City's audit. GPS and the City have worked hard to move forward with getting things taken care of and this audit reflects that. The report that was issued is unmodified which is the best report that can be given. These financial statements are the responsibility of the City. GPS is responsible for auditor's report, the report on internal control and financial reporting and compliance, and the report on the federal programs.

GPS does however; assist with preparing the financial statements. This last year was the first time the City was more involved in preparing the financial statements.

The unmodified report is an improvement from over three years ago. It has taken a lot of work especially in the capital assets, to get there.

The second report is the internal control and financial report - He stated he is unable to give the City his opinion, however, he does inform the City what it is doing wrong.

He stated that the minor items get put on the report as much as the larger items.

The last report is for control of all major programs. This is the report that looks at all federal programs. We test only if the federal expenditures exceed \$500,000.

This year the City did qualify as a low risk auditee for federal programs, which is attributed to the City and Housing Authority.

We looked at the Public and Indian Housing and Section 8 as our major programs this year. He thinks one of them will be a major program that will be tested next year because they take a majority of the expenditures.

Prior year audits findings was a material weakness in the deficiency of internal control design operation and oversight. It was resolved this year by putting interim controls in place.

Prior Year Audits – The first one FS06-04 was a material weakness in the deficiencies in Internal Control Structure, Design, Operation, and Oversight for the City of Tucumcari. It was resolved this year by putting internal controls in place by making sure there was a review process.

FS-08-03 Over Expenditure of Budgets - This was also resolved by being proactive on the final bars to make sure there was not over expenditures.

Failure to obtain Proper Authorization for Expenditures was a finding due to an invoice being paid before there was a purchase order. Although the auditors did not find any, it does not mean there weren't any. It simply means that when he pulled the samples, he did not find any.

Mr. Griego stated Housing Authority only had two findings.

This year's findings for the City of Tucumcari were FS-10-06-Cash Reconciliations – There were accounts that have very little activity that are not being reconciled monthly.

Mr. Dysart stated we have New Mexico Finance Authority grant accounts that accumulate very little. Instead of reconciling every month, we deal with them at the end of the year.

Mr. Griego suggested that if Mr. Dysart wants to reconcile at the end of the year, the City simply needs to implement a policy stating that and it would no longer be a finding.

FS-10-07 – Audit Report Submission to the New Mexico State Auditor- The City's audit report for the year ended June 30, 2013 was not submitted to the State Auditor by the required due date of December 2, 2013, because of the technicalities. The City bought the programming that is used in preparing the financial statements and although all the updated information was lost, it was positive steps because the City has taken the necessary steps in preparing their own financial statement.

FS-13-03- Prior Period Adjustment Capital Assets – Mr. Griego stated the finance department has gone through and looked at their capital assets and have realistic numbers. This year the City has done the certification and capital assets are where they should be.

#### Housing Authority Audit Findings

FS-13-01 – Segregation of Duties – Mr. Griego stated that this year there are very little resources in a small City. While Ms. Riddle was shorthanded, she had to cover the responsibilities until she hired someone and trained that person.

FS-13-02 – Travel Documentation – The travel documentation was for \$67.89 that could not be found. Mr. Griego does not believe this will be there next year.

Mayor Lumpkin thanked Griego Professional Services for their suggestions to help with the audit report.

## **Discussion of replacement of Commissioner District 1**

The commission discussed replacing Commissioner District 1. Mr. Lumpkin stated the commission has been appointed to these vacant positions since 1982, which indicates that they should follow precedence.

Mayor Lumpkin suggested that questions be asked to the candidates during their interview, which included “Why would you like to be a commissioner?” and “What are your qualifications?”

Commissioner Gutierrez stated that because Commissioner Litchfield will be absent at the next commission meeting, she thought that the interviews and appointment should take place on May 8, 2014. Mayor Lumpkin stated that letter of interest would be accepted until April 21, 2014 by 12:00 p.m.; interviews would be scheduled for 5:00 p.m. during the regular scheduled work session and appointment will take place at the commission meeting of May 8, 2014.

## **Discussion of Public Comments Policy**

Mayor Lumpkin stated that some comments made by the public are hurtful. He would like input from the commission.

Commissioner Litchfield stated that she visited with a school board member and was informed that their policy states they need to be on the agenda five days prior to the meeting along with filling out a form. She also visited with a board member of Mesalands Community College that stated the public needed to be put on the agenda prior to being allowed to speak.

Commissioner Mihm stated that if we do research they may find what works for our quorum.

Commissioner Gutierrez stated that the commission welcomes constructive criticism.

Mayor Lumpkin does believe that rules should be adhered to. He stated rules should be on the application and read before the public comments.

## **Other**

Commissioner Gutierrez asked why the City is not fully utilizing the Agenda Item Form. Mr. Powers stated that the City Commission is the governing body for the City of Tukumcari and he thinks the Mayor should be part of the agenda. He also thinks the commission needs to control their own agenda.

Mr. Dysart would like to see the dollar amount on the Agenda Item Form.

Mayor Lumpkin thinks this form needs to be addressed to include how much the loan, grant, and whether or not the city manager and department head approve it.

Commissioner Gutierrez stated if the community has questions or an issue, she asked if there is a work order form process.

Ms. Gray informed the commission that we have the Iworks software program that controls work orders. Ms. Gray suggested that the Commissioners contact her and she would be able to address the work order to the proper department head.

Mr. Powers stated that if the item is concerning him, a simple email would be great.

### **Adjournment**

Mayor Lumpkin asked for motion to adjourn. Commissioner Mihm made the motion to adjourn and Commissioner Gutierrez seconded the motion. Roll Call:

Gutierrez	Mihm	Litchfield	Lumpkin
Yes	Yes	Yes	Yes

The work session end at 5:55 p.m.

Respectfully Submitted:

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Angelica M. Gray, City Clerk