



April 4, 2018

Agenda

3:00 P.M. Bond Workshop

Valencia County Commission Chambers
444 Luna Ave.
Los Lunas, NM 87031

Board of County Commissioners

<i>Jonathan Aragon Chair</i>	<i>District V</i>
<i>Charles D. Eaton, Vice-Chair</i>	<i>District IV</i>
<i>Helen Y. Cole</i>	<i>District I</i>
<i>David Carlberg</i>	<i>District II</i>
<i>David A. Hyder</i>	<i>District III</i>

Please Silence all Electronic Devices

- 1) Call Meeting to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda

Sponsorship does not indicate endorsement of a given topic

WORKSHOP

- 4) Bond Workshop with RBC Capital

PUBLIC COMMENT

Please sign up on the sheet located just outside the Commission Chambers. The Board will allow each member of the public wishing to address the Board an opportunity to address the board in conjunction with the Public Participation, Resolution No. 2018-09 adopted by the board. **Limited to three (3) minutes per person**

NEXT COMMISSION MEETINGS

April 4, 2018- Business Meeting @ 5:00 P.M.

Valencia County Commission Chambers, 444 Luna Ave., Los Lunas, NM 87031

April 18, 2018- Public Hearing/Business Meeting @ 5:00 P.M.

Valencia County Commission Chambers, 444 Luna Ave., Los Lunas, NM 87031

ADJOURN

B : 96 P : 547



If you are an individual with a disability, such as a visual, auditory, physical, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the Valencia County Manager's Office at the Valencia County Administration Building, Los Lunas, New Mexico, (505) 866-2014 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Valencia County Manager's Office if a summary or other type of accessible format is needed.

**VALENCIA COUNTY BOARD OF COMMISSIONERS
BOND WORKSHOP**

APRIL 4, 2018

PRESENT	ABSENT
Jhonathan Aragon, Chairman	
Charles D. Eaton, Vice-Chair	
David A. Hyder, Member	
David Carlberg, Member	
Helen Y. Cole, Member	
Danny Monette, County Manager	
Adren Nance, County Attorney	Dave Pato, County Attorney
Peggy Carabajal, County Clerk	
Press and Public	

- 1) The meeting was called to order by Chairman Aragon at 3:00 P.M.
- 2) Mr. Orlando Montoya led the Pledge of Allegiance.
- 3) Approval of Agenda
 Commissioner Cole moved for approval. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

WORKSHOP:

4) Bond Workshop with RBC Capital
 Mr. Monette stated that there are several projects in the county that the county has been putting band-aids on that need to be remedied and there is a bond that will be expiring, if the county works within a certain timeframe and goes out for election there is a substantial amount of revenue that can be collected without having to raise taxes on the constituents. Erik Harrigan with RBC Capital stated that the county has several outstanding bonds including several fire fund revenue bonds that are relatively small amounts with attractive interest rates. The county also has two GO bonds from 2011, they will mature this year and without any issuance of any GO bonds the tax rate will fall to zero next year. There was also a Hold Harmless GRT bond issued in 2013. The county as a whole has no debt that is outstanding that is refundable, the county has a low debt profile compared to most of the counties throughout the state. The Hold Harmless GRT bond was used to fund IT equipment, heavy road equipment and vehicles as well as fleet vehicles, building and maintenance and road repairs. Mr. Harrigan discussed GRT that the county has imposed or has the ability to impose, the county has the potential to impose the county infrastructure GRT, capital outlay GRT and the healthcare GRT. Potential revenues from those would be around \$2.5 million. He reviewed the history of GRT tax collections for the county. In 2016 there was a 4% decline in GRT but since then there has been healthy growth in GRT revenues which has been attributed to Facebook.

Mr. Monette stated that a lot of those revenues are earmarked for fire funds and different things so not all of that GRT revenue goes into the general fund. Mr. Harrigan confirmed that a lot of GRT revenue funds are earmarked for specific purposes and cannot be used in the general fund. Commissioner Carlberg asked what the county correctional GRT can be used for. Mr. Nance replied that proceeds from the county correctional GRT can be used for operating, maintaining, constructing, purchasing, equipping, rehabilitating, expanding or improving a judicial correctional or county correctional facility, it cannot be used for salaries. Mr. Harrigan stated that the 2011 series GO bonds have a tax rate of \$0.87 per thousand, those bonds will mature this year and without additional voter authorized bonds that tax rate will fall to zero for next year. He also reviewed the timeline for tax rate setting by the state. Commissioner Carlberg asked where the county's bond rating stands. Mr. Harrigan stated that the county's GO bonds are rated double A3 by Moody's. Mr. Harrigan presented 2 options for the GO bonds, Option 1 is the county would keep the same tax rate of \$0.87 per thousand, the election size would be \$7,000,000 with the issuance every 2 years being \$3,500,000 with the total of \$35,000,000 generated over a 20-year period. Option 2 would be if the county went out for a \$14,000,000 election, the tax rate would be \$1.60 per thousand which would be a \$0.73 tax rate increase.

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Assumptions that were used for the options include a 3% average growth rate, a tax collection rate of 95% and interest rate of 4.50% to 5.50%. Commissioner Carlberg asked questions regarding how to higher the county's bond rating. Mr. Harrigan stated that an election would have to happen prior to September of this year if the county wanted to maintain the tax rate. HB 98 would require that the special election occur in a 2-week period between August 14th and August 28th. HB 98 also requires 2 publications of a proclamation 63 days prior to the election. Special elections can only be conducted by mail in ballot only and the county would have to take action on an election resolution prior to the first week of June. County Clerk Carabajal stated that the timeline that she was presented was for an election with early voting and polling locations not a mail in ballot election. Mr. Harrigan stated that the special election would be mail in only. Mr. Monette stated that during the last couple of staff meetings there has been discussion on projects that could be funded with the bond revenues. Some of the projects included:

- Fire alarm system for judicial complex
- Security system for judicial complex
- Contributing to I-25 corridor project
- Utilizing the storage building that was purchased several years ago
- Renovations on upstairs of administrative building
- Addressing the overcrowding in the I.T. room
- Additional generator for use by the admin building and detention center
- Reroof the treasurer's building
- Improvements to county building parking lots
- Roads
- Animal control vehicles
- Replacement of OAP vehicles
- Replacement of Sheriff's vehicles
- Landfill improvements to keep up with NMED requirements
- I.T. disaster recovery system
- Body x-ray scanner for Detention Center

BOE Administrator Candace Teague stated that she has reached out to Senator Daniel Ivy-Soto to talk about the proclamation which has to be drafted with HB 98 wording. Commissioner Eaton stated that with the amount of growth that the county is seeing and the need for services in the county it has become demanding. There have been certain improvements in the last few years but it's still not enough. The board is faced with the dilemma of how to make it happen for the constituents. The county doesn't get funding from the state like before so they have to look at creative ways to make it happen. Hopefully, the public can understand and support the county in doing this. Chairman Aragon stated that he feels that a lot has been done with the tax increase and there is a lot more that can be done if the county stays with it. There might also be the need to re-educate the public on what can be done with the revenue, it's also easier to continue a tax rather than raising taxes later. Mr. Monette stated that he can place the item on the agenda for next meeting to move forward with commission direction. Commissioner Cole stated that she has always thought that the county was far behind the times in moving the tax forward, the increase has helped the county and the county does need to move forward. She also stated that she is leery if the residents will participate if it is a mail in ballot only election. Mr. Harrigan stated that Los Alamos county uses mail in ballot for all school elections and they have had a lot of success with it but every community is different. Commissioner Eaton asked if it would be a county wide election. Mr. Herrigan replied, yes all registered voters. Mr. Monette stated the clerk's office is anticipating this election so they will add the special election in their budget.

PUBLIC COMMENT:

None

NEXT COMMISSION MEETING:

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5) Adjournment

Commissioner Eaton moved for adjournment. Seconded by Commissioner Hyder. Roll call vote. Commissioner Cole voted yes. Commissioner Eaton voted yes. Commissioner Hyder voted yes. Commissioner Carlberg voted yes. Chairman Aragon voted yes. Motion carried 5-0. TIME: 4:03 P.M.

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NOTE: All proposals, documents, items, etc., pertaining to items on the agenda of the April 4, 2018 Bond Workshop (presented to the Board of County Commissioners) are attached in consecutive order as stated in these minutes.

VALENCIA COUNTY BOARD OF COMMISSIONERS


JHONATHAN ARAGON, CHAIRMAN


CHARLES D. EATON, VICE-CHAIR


DAVIDA HYDER, MEMBER


DAVID CARLBERG, MEMBER


HELEN Y. COLE, MEMBER

ATTEST:


PEGGY CARRABAJA, COUNTY CLERK

4-18-2018
DATE

