

**VALENCIA COUNTY BOARD OF COMMISSIONERS**

**BOND AND BUDGET WORKSHOP**

**MAY 15, 2018**

<b>PRESENT</b>	<b>ABSENT</b>
	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 & Dave Pato, County Attorney
Peggy Carabajal, County Clerk	
Press and Public	

1) The meeting was called to order by Commissioner Eaton 2:06 P.M.

2) Commissioner Cole led the Pledge of Allegiance.

Commissioner Eaton stated that Chairman Aragon and Commissioner Hyder will not be present for today's meeting.

3) Approval of Agenda

Commissioner Carlberg moved for approval. Seconded by Commissioner Cole. Roll call vote. Commissioner Carlberg voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Motion carried 3-0.

**WORKSHOP**

4) FY 19 Bond and Budget Workshop

Mr. Monette stated that he would like to have Ms. Gonzales come forward and present the OAP budget, the federal government recently took out \$89,000 from the current budget and that has put the county in a jam. (See Exhibit A)

Older Americans Program Director Nancy Gonzales stated that at the last budget meeting she had informed the commission that the program would be incurring cuts in federal funding. Since becoming the director she has been looking at how to run the program making cuts and how to be more cost effective. She stated that she worked with the finance director and grants manager to prepare a realistic budget but even with the bare bones budget the program will be short \$134,000 and those are costs that cannot be cut such as food permits and supplies. There is a lack of funding from the state as well as the surrounding municipalities. She stated that if the county wants to continue this program as is we will have to find \$134,000. Cuts have already been made in every area possible. (See Exhibit B)

Mr. Monette stated that on the agenda for tomorrow's meeting the county will be asked to sign a new contract with Aging and Long Term Services reflecting the change of \$89,000. It will be up to the commissions discretion if they want to sign that or not. He also stated that the county has already subsidized the OAP for \$289,049 this year.

Commissioner Cole asked if they had met with the other municipalities or legislators.

Ms. Gonzales stated that all municipalities have been approached, long story short none of them want to contribute anything in the way of dollars and at Senior Day at the legislature only Clemente Sanchez showed up.

Mr. Monette stated that regarding the latest federal cut the county was the hardest hit, the county has reached out to NMAC, the managers affiliate and NACO in trying to get some answers.

Commissioner Carlberg asked what is the total amount that the program is short.

Ms. Gonzales replied, \$134,069 the operating expense of \$306,000 is just the basics such as food, water, lights on just the basics such if there wasn't even a party held.

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Mr. Monette requested that the commission reach out to any special contacts that they might have in regards to the situation that the program is in.

Commissioner Eaton asked how many full time employees the program has.

Ms. Gonzales stated that she believes 7-8 but total employees are 28.

Commissioner Eaton stated that the term bare bones budget is an understatement, the OAP has been underfunded for a number of years. The ones that suffer are the seniors that depend on the program. There is the possibility that there will be more cuts in federal funding next year so the county needs to make a decision really quick on what to do. The county can't continue to carry the cost of the program. He stated that he suggests that the board not entertain the amendment to the contract tomorrow night.

Commissioner Carlberg asked how many facilities the program has and if it would make any difference to cut the number of facilities.

Ms. Gonzales replied there are 5 facilities, there are options to be looked at such as just operating out of 2 or 3 sites along with the home delivered meals.

Commissioner Carlberg stated that if options were presented to the municipalities at least it's a plan and if they don't want to pony up they know it's not up to the county, the county is the one that had the rug pulled out from under us.

Commissioner Eaton asked if there has been a cost analysis done regarding consolidating a few of the facilities.

Ms. Gonzales stated that there has been some discussion with Ms. Trujillo and Ms. Sanchez but she can get some real numbers in place. She stated that she wants to be assured that the seniors are still getting their home delivered meals and transportation that they desperately need.

Commissioner Carlberg stated that he would like to work with Ms. Gonzales to come up with some options.

Ms. Gonzales stated that she would love the help as soon as possible.

HR Director Mr. Montoya stated that there have been some union negotiations that were not included in the budget but what the union has presented for the detention center is a longevity increase, which as of today would cost \$191,000 and would increase over the years. The FOP has asked for \$2.50 increase across the board, without benefits it would cost \$265,200. The union for the public works department haven't presented any solid numbers yet but there is a meeting with them on Monday.

Mr. Monette stated that the reason that the Warden and the Sheriff have asked for increases is for the retention of staff.

Ms. Trujillo stated that the entire budget needs to be balanced in order for it to be submitted, in lieu of the issues with the senior program she doesn't know if that will cause any further delay but she will work with Ms. Gonzales as soon as possible.

Warden Chavez stated that the detention facility was a big liability to the county 5-6 years ago but now it is a good facility and is accredited because of the quality of employees that work there but when staff starts to leave and go elsewhere because of the pay it starts to cripple the county.

IT Director Julian Barraza stated that he would have liked the finance department to have sat down with him and had a discussion before cutting items from his budget. He requested that he be allowed to keep his priority budget items and substitute them with other items that were left in his budget. One priority would be a IT Security and Compliance Admin which would be a new position with a \$50,000 reoccurring cost it would take the place of the network penetration assessment which was left in the budget for \$40,000 then he would go through the budget to address the remaining \$10,000 the bottom line budget expenses would stay the same.

Commissioner Carlberg asked if anyone went through the budget with him for his department.

Mr. Barraza stated no, not since the first time.

Warden Chavez stated that departments initially had a meeting with the finance director and the county manager but after that they cut whatever and after items were cut there was never another meeting to review the final numbers.

Ms. Trujillo stated that for the budget process the software was open for directors to input their wants and needs, at a certain point finance takes away their access to make changes but what she was unaware of was that the software program also took away the directors ability to view their budgets, she was under the impression that they were still able to view the changes to their budgets.

Commissioner Carlberg asked if all departments are aware of what their end budget is.

Ms. Trujillo stated that they were not aware of it until today when they were able to get their access back. She stated that after the initial budget meeting she went back and met with all departments to discuss cutting some items, the county manager made the decision to cut any new positions and different percentages were worked with to try to give an across the board increase.

Commissioner Eaton stated that new positions create recurring expenses, if we budget for salary adjustments we need to make sure the revenue is there to support it.

Warden Chavez stated that maybe he should have been more proactive with his budget but he was waiting on the commission to know what the bottom line was.

Commissioner Cole stated that she understands why department heads are frustrated, the directors need to be involved in the budget process all the way through.

Ms. Trujillo stated that her role in the budget process is to be a facilitator, directors were met with and it is a frustrating process when a director says they know their over budget but won't cut anything or don't want to budge. If the board wishes she can meet with everyone again.

Commissioner Eaton stated that this is Ms. Trujillo's first budget with Valencia County and it is a learning curve.

County Assessor Michelle Milam stated that the 420 fund is drained, right now 97% of the 420 fund supports the assessor's office. She requested that operating expenses be moved from the 420 fund into the 401 fund.

Commissioner Carlberg asked what will be resolved by moving funds.

Chief Deputy Celia Dittmaier stated that 100% of supplies and equipment is being taken out of the 420 fund, it is being drained every year and there needs to be a plan to get that account under control. By state statute the 420 fund is not to be used to supplement the general fund.

Commissioner Cole asked that of the 5 employees that were laid off how many were being paid out of the 420 fund.

County Assessor Milam stated that she believed half of them were paid out of that fund. When they were laid off it was her understanding that the 420 would be replenished but that did not happen. She also stated that while employees think their getting a 2% raise they are not because there is going to be a 4% increase in insurance. When the county gets the assessor evaluation it may say that they are not in compliance because they are not able to do field assessments because of the employee cuts and that is a loss of revenue to the county.

Commissioner Cole asked if the county is not in compliance because a field officer was laid off.

Deputy Assessor Dittmaier stated that there are multiple subdivisions going up and with the limited number of staff they aren't able to go out into the field, they are trying to focus on the larger projects which bring in more revenue for the county so they don't have the extra staff to go out for reappraisal.

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Mr. Monette stated that Mr. Pato had pointed out that bond proceeds are prohibited from being used on maintaining existing buildings. The county must be careful that the proposed improvements are not maintenance but rather a remodel or addition. The admin building renovations may arguably be a permissible remodel, while the roof repair and carpet on some buildings, landfill repairs and cleanup may be prohibited maintenance. After the first bond sale the county would receive the first \$3.5 million and after 2-3 years the county could apply for the second \$3.5 million for a total of \$7 million.

Commissioner Cole stated that she would like to leave the \$2 million for the I-25 corridor on the list and she would like to see more money go to her district for roads.

Mr. Monette stated that items need to be very specific for the bond question.

Commissioner Cole stated that she hopes that the village helps get the word out on this election that taxes will not go up and it will support the I-25 corridor.

Commissioner Eaton asked when the list of items needs to be completed by for the question.

Mr. Monette stated that it is on the agenda for tomorrow's meeting but its needs to be done by the end of the month.

Commissioner Cole asked when the election will be held and when the county would receive the proceeds.

Mr. Monette stated that it would take roughly 60 days to sell the bonds.

BOE Director Candace Teague stated that there is a 2-week window to hold the election, August 14<sup>th</sup> and the 28<sup>th</sup> for the election it will be an all mail election only, there are around 42,000 registered voters.

Commissioner Carlberg asked what is being planned for the landfill repairs and cleanup and what is the long term plan.

Ms. Benavidez stated that the county has been working on engineering plans with Molzen Corbin and the NM Environment department, there are requirements for diverting water into ponds and building additional ponds. As for long term plans she has no answer for that, at this point but the county is required to maintain it for 20 years then after that she is not sure what the state will require. (See Exhibit C)

**PUBLIC COMMENT:**

None

**NEXT COMMISSION MEETING:**

**May 16, 2018- Public Hearing/Business Meeting @ 5:00 P.M.  
Valencia County Commission Chambers, 444 Luna Ave., Los Lunas, NM 87031**

**June 6, 2018- Business Meeting @ 5:00 P.M.  
Valencia County Commission Chambers, 444 Luna Ave., Los Lunas, NM 87031**

**July 11, 2018- Business Meeting @ 5:00 P.M.  
Valencia County Commissioner Chambers, 444 Luna Ave., Los Lunas, NM 87031**

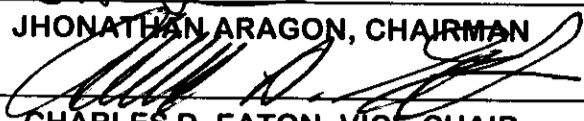
**5) Adjournment**

Commissioner Cole moved for adjournment. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Motion carried 3-0. **TIME: 3:25 P.M.**

**NOTE: All proposals, documents, items, etc., pertaining to items on the agenda of the May 15, 2018 Bond and Budget Workshop (presented to the Board of County Commissioners) are attached in consecutive order as stated in these minutes.**



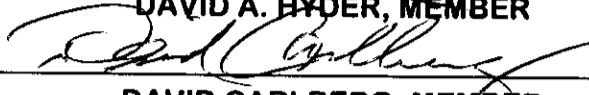
JHONATHAN ARAGON, CHAIRMAN



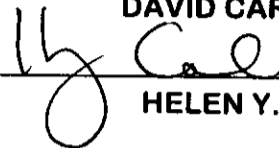
CHARLES D. EATON, VICE-CHAIR



DAVID A. HYDER, MEMBER

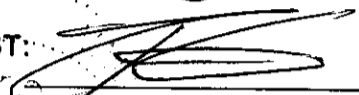


DAVID CARLBERG, MEMBER



HELEN Y. COLE, MEMBER

ATTEST:



PEGGY CARABAJAL, COUNTY CLERK

2e-6 2018

DATE

