

VALENCIA COUNTY BOARD OF COMMISSIONERS

2002-2003 Budget Workshop

February 25, 2002

Chairman Aurelio H. Padilla called the Meeting to order at 10:25A.M.

PRESENT	ABSENT
Aurelio H. Padilla, Chairman	
Gary Daves, Vice-Chairman	
S. T. Frank Pando, Member	
Alicia Aguilar, Member	
Helen Baca, Member	
James Fernandez, County Manager	
	Thomas Garde, County Attorney
Tina Gallegos, County Clerk	
Press and Public	

Chair Aurelio Padilla called meeting to order at 10:25AM. Tina Gallegos, County Clerk read the agenda. Before the agenda was approved, Commissioner Aguilar asked if there would be any action taken on the day's discussion. Chair Padilla answered that there was no action items and was strictly a workshop and therefore no action would be taken. Commissioner Pando made a motion to accept the agenda. Commissioner Aguilar seconded it. Motion carried.

Chairman Padilla welcomed Darlene Mares from DFA who had asked to be present for this budget hearing.

Mr. James Fernandez presented the Commission with the revisions to the **2001/2002 Fiscal Year Budget**. He informed the Commission that the first thing that was done was to refer to the revenues that were originally projected for the fiscal year 2001/2002, which had actually dropped anticipated revenue coming in from \$9,316,002.00 to above \$9,052,203.00. He showed the specific items that had adjusted up or down to be realistic with the revenues that were coming in. He explained the summary of expenditures of each department that falls under the general fund. He showed the transfers that had been done by resolution. He showed the revisions that had been made to the budget. There was an increase of \$232,004.00 under the County Managers. Reductions of \$40,248.00. In Recording and Filing, \$24,068.00, in Bureau of Elections, \$1,255.00, and the reason for BOE not having much of a reduction was that they had to add the three elections that at the time the budget had been approved, the County did not know were going to take place. There were two school elections and the UNM election. Property Assessments reductions were \$23,813.00 and the majority was the movement of employees form the general fund to the property evaluation fund, Collections reductions was \$45,247.00, Law Enforcement went up \$61,186.00, Animal Control went down \$12,606.00, Building Inspector reduction \$11,480.00, Probate Judge reduction \$1,950.00, Data Processing reduction \$6,600.00, Zoning reduction \$51,752.00, Fire Marshall reduction \$3,620.00,Fiscal reduction \$42,170.00, Planning reduction \$20,250.00. Actual reductions offsetting the increases with the reductions of \$91,869.00. So the budget had gone from the original budget of \$9,446,509.00 to a new budget of \$9,354,640.00. This was a reduction of \$91,869.00. It was noted that they had 6 months of this fiscal year with no reductions, which were the months of July to December 24th, 2001.

The total transfers out of General Fund were \$206,798.00, some of which had already taken place, the largest going from the general fund at \$138,893.00 to COPS and \$102,000.00 to the Older American Program. Under the COPS program as each individual goes through the program after three years they are absorbed completely into the general fund. The total amount would be about \$25,000.00 a year.

Mr. Fernandez explained that the Board of County Commissioners budget that was originally approved by the board in August shows transfers that had been done year to date by resolution by the board and the revisions that were made. Under the top section was a reduction of hours at cost savings of \$11, 006.00. The change in benefits went from \$439,371.00 to 399,586.00. The operating cost revisions were made in some of the line

items specifically in mileage and per diem which was reduced by \$5,000.00, car expense were taken away by \$500.00, a reduction of \$1,000.00 was made in equipment and repair and these were based on projection and what contrast are existing as of now. Under the rental of equipment it went up \$500.00, reductions to the Extension Service and Soil Conservation \$36,000.00, repair to building, added \$5,000.00, there was a reduction grounds, maintenance and improvements of \$2,000.00, utilities \$12,000.00 were added, janitorial supplies \$2,000.00 were added, indigent burials, no difference, membership dues \$45.00 were added in order to balance and that had already been done by transfer, audit was a \$.60 difference they had to add in order to close off, reserve for priors, \$53,000.00 was added as billings were coming in from medical and any number of sources that they had accounted for. Trash disposal \$123,000.00 was added, professional services \$16,000.00 was added, they took away \$2,380.00 from rentals, juvenal detention, if recalled, was under budgeted and they added \$106,000.00. Taking into consideration what actual expenditures had taken place through today and projected out at \$42,000.00. The highest of any month for the remainder of the fiscal year. They showed expenditures of \$456,000.00. On training they added \$3,600.00, which was reimbursable from the State, and it is training that need to take place for the E911 and the GIS.

Commissioner Daves had a question on the beginning cash balance, which was \$100,000.00 difference from what was in the budget document. Mr. Fernandez explained that originally the overpayment of taxes, \$140,000.00, was being removed and placed in the correct line item, so for that reason that revenue beginning cash balance went down.

Commissioner Pando wanted to know why professional services had gone from \$144 to \$160 to which Mr. Fernandez explained that part of it was community service monitor and part juvenile monitor and they wanted to make sure the money was going to be there for it.

Court settlement was dropped by resolution, \$16,820.00, \$30.00 was taken away from subscription, registration fees, \$1,000.00 was dropped, education \$781.00 was dropped, on the adult detention contract, when the original budget was figured, the CPI had not been included, so revisions were made and also increased was the variable cost on the number of inmates, so they added to it to give a total of \$3,285,000.00. Legislative appropriation was dropped and also dropped were related revenues coming in which were projects that were not going to be funded for this year. They were only picking up two items which were the Meadow Lake Center at \$5,711.73 and the El Cerro Fire Department \$50,000.00 and they were two legislative grants that were being closed out.

Membership dues were expended \$20,125.00 and the county did not anticipate adding to it for this fiscal year. Professional services were expended \$114,922.00, the attorney was estimated at \$4,500.00 remainder per month for \$20,450.00, Community Service Monitor, for the remainder of the fiscal year \$3,060.00, Juvenile monitor \$6,000.00, cleaning service \$7,200.00 and this was one of the items they were going to look at eliminating, the month of June is when the spraying is done and \$3,000.00 is always anticipated so it is always included in the budget, pre-employment \$650.00 for any person going into the Sheriff's office for their medical, \$3,000.00 was estimated for Molzen & Corbin as they were going to be working with Managers office on an RFP to go out for the monitoring. Commissioner Aguilar questioned the amount just being for RFP and Mr. Fernandez explained that this was, for example, one of the bills to be presented to the Commission was going to be around \$70.00, small items for the Landfill, so this would be within the \$3,000.00. Total expected unexpended under Professional Services would be \$158,082.00. Commissioner Aguilar wanted clarification on the Molzen & Corbin, to which Mr. Fernandez said that nothing was been sent to them unless they got approval. Also for all the items that were reserved for prior, everything that they found out that had not been paid had been incorporated.

County Managers Budget. The original approved budget was \$300,084.00 and a \$500.00 approved transfer by Resolution. On revisions, the majority was on the salaries and benefits, reduction of \$38,996.00. Total operating cost was a negative total of \$1,252.00 for a total reduction within the budget of \$40,248.00. The revised budget now was \$300,084.00 to \$259,836.00.

The **County Clerks recording & filing** total decrease was \$24,068.00 or a revised budget of \$184,289.00 to \$160,221.00.

Mr. Fernandez wanted to point out to the Commission that on the **Bureau of Elections** the overtime salaries was an addition of \$4,060.00 for 3 elections that was not anticipated. They also had to add to the rental of polling places because of the number of elections that took place. Ms. Gallegos explained that anything other than schools had to be rented at \$150.00 each. Original budget was \$311,472.00 to a revised budget of \$310,217.00.

Property Assessments original budget was \$473,228.00 to a revised budget of \$349,450.00. Ms. Gonzales informed the Commission that she had lost one of her Appraisals and in June Ms. Thomas was retiring and wanted to know if she was going to be allowed to replace those positions. She was told that those positions were going to be left intact and were incorporated into the budget. Commissioner Daves reminded them that they had been informed, by the State that they might have to make more cuts so they needed to look at these positions that were voluntarily vacated more carefully. Ms. Gonzales said that they were in the start of re-assessments and she did not have enough workers as it was now. Commissioner Pando and Commissioner Aguilar both agreed this employee would be replaced.

Collections majority reductions were in salaries, which were \$34,435.00, and operation cost was \$10,812.00 for a total reduction of \$45,247.00. Ms. Coplen also had 2 positions that she wanted to fill and requested that she keep one of her employee that is job sharing and bring the other employee in for two days of the week on another week. Commissioner Pando asked if this was reflected on this budget and Mr. Fernandez replied that it was not and it would be a difference of \$1,400.00.

Law Enforcement: Original budget was \$1,531,236.00, revised budget, \$1,592,422.00.

Animal Control Original budget was \$252,730.00, revised budget, \$238,124.00.

Building Inspector: Original budget was \$124,571.00, revised budget \$113,098.00.

Probate Judge: Original budget was \$15,441.00, revised budget \$13,491.00

Data Processing: Original budget was \$137,188.00, revised budget \$138,768.00 because of transfers that had to be made on items that had were not budgeted for.

Zoning Dept. Original budget was \$169,892.000, revised budget \$118,140.00.

Fire Marshall: Original budget was \$123,337.00, revised budget \$119,717.00.

Fiscal Office: Original budget was \$256,322.00, revised budget \$214,152.00

Planning Dept: Original budget was \$116,988.00, revised budget \$96,738.00

Property Valuation Fund: The dollar amounts are the same, it was restructured to cover the cost of personnel Original budget \$283,668.00.

Solid Waste: This was movement within line items to cover shortfalls, so there were no budget changes.

See Exhibit A for figures.

Mr. Fernandez informed the Commission that the monthly financial reports from the Treasurers office showed how and where the money was invested and in terms of the Commission serving as the Board of Finance, it is done in conjunction with the Treasurer.

The next item was the cash flow analysis that was provided as a tool by DFA and it has been generated every two weeks and submitting it to DFA so that they have an indication as to how the county is progressing with the cost saving measurers. See Exhibit B.

The last report was an estimated 3-month budget. See exhibit C.

The point that Mr. Fernandez wanted to make was that at the end of the 3-months, with the cuts that have been made and anticipated revenues that are to come in, there would still be a shortfall.

Commissioner Aguilar had some questions on the Juvenile Detention Center, on the presentation that Bernalillo County had given, it showed that after three years of it being open, it would become self sufficient and zeroed out, instead it had grown to \$514,000.00 or so and she was being told that half the wing is open. She would want to look to see if there could be some cuts there.

Mr. Fernandez said that when they get the net assessment from the Assessors office and are able to convert it into actual property tax dollars, that they do percentage based on the

revenue that is coming in, and then they will have a better idea as to whether or not they'll have any growth in property tax revenues. Second, is looking at the fees the county charges or JPA and third, are the expenditures, where there will have to be more reductions.

Commissioner Aguilar agreed with all that Mr. Fernandez had presented and said that the Commissioners should give him direction. Mr. Fernandez is being put in a position as to come back to them with recommendations, but ultimately it was the commission that had to step up and say this is what we're asking you to do now plug in the numbers and then come back with them. Her recommendation, as one commissioner would be to see at least half a million dollars, not as a cut, but as expenditures made up in a sense of, look at what properties are out there that can be sold, look at the juvenile detention center, look at the road department, look at fiscal and again she was not talking \$100,000.00 or \$300,000.00 items, she was saying if they could save \$50,000.00. She would like to look at all the departments and see where they could save some money. For example, equipment has been bought and is just sitting and they are making payments on it, also the balloon payment at the end of the year should be evaluated. As a board they needed to give Mr. Fernandez direction and say they were ready for the hard decisions. All the departments had been great about the cuts but it was time to look at it and find the number and that was the number she was looking for whether it was half a million, do we need one million, we can't do a million, but if that's the number that we need, at least from there we need to start working backwards and trying to solve it and say this quarter we can do this, this month we can do this and work from there.

Chair Padilla said he knew the committee was looking at the adult detention and maybe there was a possibility that they could re-negotiate.

Commissioner Daves asked if DFA representative could say a few words.

Ms. Mares agreed with the information that Mr. Fernandez had provided and agreed that the reductions made so far are minimal and that it would be a long slow process and even at that, they might not ever get back to their feet. She said something more had to be done. One of the things that needed to be looked at was moving the corrections fund out of the general fund. Ms. Mares also suggested that they look into increasing the fees for the prisoners.

The agreement that they had with Cornell should be looked at to see if it is the right way to go or would it be better for the county to run it or look for a company or organization to do it. The Sheriffs COPS Grant should be looked at. Once it expired they did not have to put all the police officer into the sheriffs fund. What they could do when there was a vacancy was replace it with the next person in that cost fund that expires. If they start replacing, they didn't have to add all those officers. The 70% gross receipt that was passed by the voters had to be used as was intended, but then they needed to reduce the amount given to the Sheriff from the general fund. She said that these were just recommendations, and it was up to the County Commission to make these decisions, however some of the revenues that had been projected and are not coming in, the county might have less money in September. She said they could leave it like it was and live quarter-to-quarter or they could make additional cuts. As answer to Commissioner Pando's question, she said the biggest expense was personnel.

Commissioner Aguilar suggested forming a committee to help out with the budget, and these would be people from the community to help Mr. Fernandez. Commissioner Pando preferred to leave it with the committee that is looking at the adult detention center and wait to see what recommendations they bring.

Commissioner Baca comment was that she would not sacrifice the employees any more than they already had been.

Motion to adjourn was made by Commissioner Baca. Seconded by Commissioner Daves. Motion carried. 4-0

The next Regular Meeting of the Valencia County Board of County Commission will be held on March 19, 2002 at 9:00 AM in the County Commission Room at the Valencia County Courthouse.

Adjournment

NOTE: All proposals, documents, items, etc., pertaining to items on the agenda of the, February 25, 2002 Budget Workshop (presented to the Board of County Commissioners) are attached in consecutive order as stated in these minutes.

VALENCIA COUNTY BOARD OF COMMISSIONERS

**ss/
AURELIO H. PADILLA, CHAIRMAN**

**ss/
ALICIA AGUILAR, MEMBER**

**ss/
S. T. FRANK PANDO, MEMBER**

**ss/
GARY DAVES, VICE-CHAIRMAN**

**ss/
HELEN BACA, MEMBER**

ATTEST: ss/

TINA GALLEGOS, COUNTY CLERK

DATE: April 2, 2002