

VALENCIA COUNTY BOARD OF COMMISSIONERS

Special Meeting

June 2, 2003

Chairman Gary Daves called the Meeting to order at 9:10 A.M.

PRESENT	ABSENT
Gary Daves, Chairman	
Paul Edward Trujillo, Vice-Chairman	
Aurelio H. Padilla, Member	
Alicia Aguilar, Member	
Mary J. Andersen, Member	
James Fernandez, County Manager	
	Thomas Garde, County Attorney
	Tina Gallegos, County Clerk
Press and Public	

Chairman Gary Daves called the Meeting to order at 9:10 A.M.

Chairman Daves asked Rose Marie Crumpton to lead the Pledge of Allegiance.

Approval of Agenda

ACTION ITEM

a) Consideration of the Preliminary 2003/2004 Fiscal Year Budget

Mr. Fernandez said we have a request by Judge Tody Perea and Judge Buddy Sanchez to address the Commission on one of the revisions that was made at the last meeting and that was the elimination of funding for the community monitor. Mr. Fernandez said Judge Perea has a 9:30 AM hearing that he needs to attend.

Chairman Daves asked Mr. Fernandez if the position that he is going to address is it in the revised budget? Mr. Fernandez said the revised budget that is being presented to you today it is not.

Judge Perea said we come here today to ask the Commission to keep our community service program and we learned the Commission had eliminated it from the budget. He knows at least three Commissioners know the problems and understand the problems they are having with this budget. The new Commissioners don't understand that every year we come before you and ask for the community service program. This program saves the County money and to do away with this would hurt this County. Judge Sanchez said on a community service basically there are two different ways a person pays fines. There is a big percentage of people that can't afford to pay their fines and we have to send them to community service or the other option is jail and they stay in jail. If this Commission wants us to do that then that is what we will do. We have to have this program to keep us legal, basically, because we have mandatory community service for DWI offenders, etc. Judge Perea said there are 3500 active warrants right now just for people that haven't paid their fines. Judge Perea said we have to comply, the law is very simple, if they pay their fine or you are going to jail or the other alternative if you don't have a community service program what are we going to do, but put them in jail. That is going to hurt the County because you will be shipping them out of here and the program that you are going to give this money to, we're sure is a good program but take the money from somewhere else, don't take it from this program because you will be hurting the County in the long run.

Commissioner Trujillo said it doesn't make sense to him to cut essential programs and Judge Perea presented a strong case because the Commission can look for monies for funding programs in other places that will have a lot less impact on the community. It doesn't seem like we are going to be saving any money if we do that, in fact we will be spending more money in the long run.

Judge Sanchez said what the County will be getting here is free labor. The County can have there roads cleaned and so forth, we don't think the public wants this program to stop. Both Judges said it is a win, win situation.

Mr. Fernandez said he will go over the changes from the last budget meeting of May 19, 2003 in terms of revenue; there are some additional revenues that are added to this budget. The Treasurer's Office had indicated to the Commission that we might receive \$1.2 million in property tax distribution for the month of May, which will be \$200,000 greater than anticipated for the month of May. The actual distribution that was made realized the actual increase in those revenues by \$169,000 so \$160,000 of that has been incorporated here as an addition to the ending cash balance. The second item is our County equalization, we budget that low about \$750,000, last year we received an excess of \$950,000 for that line item and that has been increased by \$100,000 to \$850,000. A third increase in revenue was from the addition of the property tax for another new business, which was the Holiday

Inn Express, an additional \$75,000 that will be affected for the 2003/2004 tax revenues. Those increases in revenues amount to \$335,000.

Commissioners discussed Mr. Fernandez's presentation on the additional revenues. Mr. Fernandez said from the original meeting of May 19, 2003 with the assumptions that were presented at that time indicated fully funding seven positions that were being asked for, now you are only funding two positions based on our last meeting, the Commission requested that we continue to fund a PC Analyst as well as a Zoning Supervisor, of the seven positions that were asked for only two of those remained in the budget, the new positions request. By eliminating the other five positions there was a net savings of \$138,321.00.

Commissioner Trujillo asked if there was a single sheet that summarizes the distinctions between the May 19, 2003 budget meeting that you presented and what we are looking at today. Mr. Fernandez said no, the only changes that administration made was per Commission request was the elimination of the five positions, fully funding the Extension Service, doing away with the funding for the community monitor through the Magistrate Court as well as the Juvenile Monitors. The other was the consolidation of the office supplies, the travel, and the mileage and per diem under the Board or under the Manager's budget. Commissioner Trujillo read from a page in the budget on the May 19, 2003 meeting that this assumption is a decrease in the rate charge to municipalities for housing inmates from \$81.00 to \$61.00. That is a 25% decrease. Commissioner Trujillo asked what does 25% decrease translate into dollars and cents. Mr. Fernandez said roughly \$100,000. Commissioner Trujillo said we are putting ourselves in a critical position regarding money saving ventures like the community monitor and the juvenile monitors and it doesn't make any sense that we are going to voluntarily reduce the fees charged to municipalities and he doesn't agree with this.

Commissioner Aguilar said to follow up on what Commissioner Trujillo was saying, we only charge Bernalillo County about \$45.00 a day to house their prisoners so that we have been charging the municipalities \$81.00 so now we have dropped it to \$61.00 because of the activation fee. It may go elsewhere but also in that amount that we charge it is also the booking, there is cost savings to the municipalities to come here. If these municipalities go to Bernalillo County and we are charging Bernalillo County \$45.00 so is this a way to go around the \$61.00 so this would reduce our revenues even more.

Mr. Fernandez said the anticipated revenue from the contract jail beds, which will be sources such as Bernalillo County have been reduced substantially from approximately \$400,000 that we have received this year down to \$100,000 because we have no new contracts in place at this time.

Commissioner Aguilar said she spoke with the Cornell Warden and he mentioned that Bernalillo County was moving all of the prisoners from our County and there was no intent for Bernalillo County to bring any more in. So as of today we have no contract beds at all. But we budgeted \$100,000.

Mr. Fernandez said what we still have in the works is preliminary requests and contracts that we have sent to the US Marshals Service as well as the Immigration Naturalization Services that we are working on and with the time frame it takes to implement any of these contracts. This is why that revenue projection is so low.

Commissioner Aguilar said what if we were to increase the rate to \$81.17 because we are taking into consideration the fact that we are next door as far as the booking and there is a reduction in costs to the municipalities and vehicle manpower and liability and we don't even know if they would accept the \$81.17. We are just assuming and proposing the \$61.17 to them. This is something we are taking on our end without any dialogue or negative without them saying they don't accept.

Mr. Fernandez said in a meeting that was held with one of the municipalities about three months ago there was discussion based on the fee that the County was charging them that they were making us aware that they would be looking at the possibility of housing their inmates somewhere else.

Commissioner Andersen said we need to take some time and look at all the fees we charge for everything, not only for animal control, solid waste fees but all of them. We have got to find ways to increase our income.

Commissioner Aguilar said she wouldn't want to approve the budget on the \$61.17 because she wouldn't want the municipalities to think that just because we approved the budget at \$61.17 that is going to be the contract. If there was some way we could raise that, we can start looking for a few dollars here and then maybe in a couple of months our goal should be in looking to give our employees an increase.

Mr. Fernandez said he would like to reemphasize that this is a preliminary budget and not your final budget that is being submitted to DFA, that would reflect your absolute cash balances as we will have more firm numbers in terms of property tax dollars as well as what the expenditures for this fiscal year have actually been. Mr. Fernandez said he thinks they are going to be less than anticipated. When we receive our county equalization monies in September or October that we would assume that that distribution would be greater than what we anticipated. Then we can look at to see if it is feasible to give our employees an increase and how that would affect not only this coming year but also the years after.

Commissioner Padilla said there are the talkers and there are the listeners, he happens to be one of the listeners but he would like to go along with Mr. Fernandez's recommendation to see where we stand financially by when we get the equalization monies, we should have a good idea of where we stand. Then we can have a chance to make some recommendations for salary increases if the budget looks substantial and we are able to carry out an increase for our employees and he would be for this.

Commissioner Trujillo said there is a saying you can't always get what you want but you can get what you need, and if we look at employee's salaries and this is something that we want, we may not be able to get it but if you view it as something that is necessary, then you will get it. If we need to get wage increases for these employees and we put it down as a necessity, we will get it, maybe not today but he is certain we can get it for them and we can bring these salaries to where they should be and we can replace positions that have gone away. Commissioner Trujillo said sometimes it is our thinking that leads us to where we are, if we view something as unnecessary you will never get it done. These people are making less money every year with less help and he would like to see it viewed as a necessity.

Commissioner Andersen said in view of that comment, she would like to bring the Commission's attention to the blue sheet in the budget packet on effective wage increases on the ending cash balance of the 3/12 requirement. This reflects as the budget looks now and carrying a \$2,376,000.00 cash balance at the end of this year. With all the expenditures and revenues as predicted, as Mr. Fernandez said the revenues are still very conservative, we would meet our 3/12 requirement and have half a million dollars in excess of that. Commissioner Andersen said she would like to suggest if we were to fund the community services as the Judges asked us to do and the COG services of \$17,000, we are looking at a total additional expenditure of \$43,840.00. In addition to that you would impact the 3/12 requirement by about \$10,000. We would still meet this requirement.

Commissioner Trujillo said we are very aggressive when it comes to telling employees no, we can put our foot down firmly, but when it comes to telling Cornell or somebody else no, we seem to not be able to put our foot down. Commissioner Trujillo said he would rather see us put our foot down there and take care of our people and say yes to them and say yes to the programs that benefit our kids.

Commissioner Aguilar said she would agree that the community monitors should be budgeted but she would not support Middle Rio Grande Council of Governments (MRGCOG). She thinks at this point if we talk about necessity and programs that really benefit the County monetarily, and we are looking at one side and wanting to give raises on the other side, we need to take that firm stand.

Commissioner Aguilar made a motion that the community monitors be budgeted and not MRGCOG. Seconded by Commissioner Trujillo. Discussion. Commissioner Trujillo said he would like to see a motion that more broadly covers what we are attempting to do here, he thinks Commissioner Andersen has shown us that we can in fact and still reasonably afford to give some sort of a raise, and commends Mr. Fernandez and his staff for bringing this forward and Commissioner Andersen for pointing it out. He believes we can and it is a matter of how far we want to go in that direction and he knows we have a competent staff here and he commends them for that. It is just a matter of direction. He would like to see a motion that we do incorporate a raise for the employees and would certainly agree to Commissioner Aguilar's recommendation MRGCOG be eliminated and the monitors be included. But he wants to see a raise in there with it. Commissioner Trujillo asked if Commissioner Aguilar would amend her motion to include a raise for the employees. Commissioner Aguilar said she would prefer to take it one step at a time. Commissioner Andersen said the money is there for MRGCOG, we can afford that \$17,000 and they are becoming more and more the spokesman for the Middle Rio Grande operations as a whole. We need to be members because we won't be listened to the way Bernalillo County is. Commissioner Andersen said we should take this motion one at a time, the community monitors and MRGCOG as a single individual motion. Chairman Daves said he would make a ruling and the placing of the condition on the motion with regard to not funding COG is inappropriate and certainly the Commission there might be moving majorities yes or no on these issues and he believes the appropriate way for the Commission's will is to be fully heard. Commissioner Aguilar said we are outside Roberts Rules of Order totally and she withdraws her motion if the second is withdrawn. Commissioner Trujillo commented and he didn't suggest that the motion be voted down but what he is saying is if the Commission and the majority feels that they would like to handle it separately, then there is always the option of voting the motion down and then bringing the parts of it separately. Chairman Daves said the negative element of it is an inappropriate motion and that is simply because there is a possibility that there would be majorities or yes's or no's that are hidden within the vote and it is not unfair to anyone to allow a motion to fund one item and a separate motion to not fund another item. If the majority votes for one, it passes and votes against it doesn't, the second one the same thing. So he is making a ruling from the Chair that withdrawal of the motion and second that the motion that Commissioner Aguilar made be limited to funding the community monitors and that is it. Commissioner Aguilar said she withdrew her motion; the Chair does not have the authority to amend or make requests as to what is appropriate, Robert's Rules of Order. Commissioner Trujillo agreed with Commissioner Aguilar and doesn't find anything wrong with the motion and he does see what you are saying that something is in there defacto but that is typical, how many times do bills get passed with something that has nothing to do with the name of the bill. And that is just the way it works. Commissioner Padilla said he agrees with Commissioner Aguilar's motion. He wishes she would not have withdrawn it. We cannot fund everything. We can't just say we have \$100,000 to \$200,000 and we have the money there let's fund it, we don't know how we are going to stand at the end of this fiscal year. There is a lot of expenses that are coming in that we don't know about and to withdraw that motion he wishes she wouldn't have

done that. Commissioner Aguilar said for clarification the reason she withdrew her motion was because the Chair was taking a position of what was appropriate, which is against Robert's Rules of Order. And that is why it got withdrawn and only because of that. Commissioner Trujillo said if we were to work out and craft out a package here that we can look at as a whole that provides us an opportunity to go back and forth and take a little here and a little there, come up with a package that we can vote on with one motion and probably everybody will be pretty much satisfied with it. For example, if we were to not decrease the housing of inmates from \$81.00 to \$61.00 certainly COG should go right into that, we should be able to fund COG. But he can't see where we are constantly handing money out to municipalities and so on and we are taking on more of a brunt on that and keep that at \$81.00 and fund COG, let's put the jail monitors back and give these people a raise. And we are okay all the way around. Commissioner Aguilar said to Mr. Fernandez, on the budget before us do expenditures exceed revenue leaving 3/12, 2/12's aside, do expenditures exceed revenue? Mr. Fernandez said yes they do. Commissioner Aguilar asked by how much? Mr. Fernandez said expenditures and transfers out exceed by \$380,000. Commissioner Aguilar said her other comment is last week she went before a grand jury, the District Attorney's question to her was Commissioner Aguilar, are you aware that when you approve a budget where expenditures exceed revenues it is a violation of statute, and she said but we meet the 3/12's, and he said statute does not clarify 3/12's it is if expenditures exceed revenues you are in violation of law. What we need to do is balance the budget and that is where we have to take some hard positions and looking at that in itself is where she agrees with Commissioner Trujillo in the cost for inmates and in cutting down wherever we can and there is a difference in necessity and something that is just beneficial and she thinks that is where we are at. And that is where MRGCOG is beneficial and it is not a necessity. Chairman Daves said one of the reasons his mastery of Robert's Rules is obviously is brought with doubt anguish and despair and yours is not. And he also knows what the vote is going to be and the motion to reinstate the community monitors probably 4-0 and thinks if a motion were made by Commissioner Andersen to reinstate COG the motion would not receive a second and Commissioner Trujillo has suggested we take a fifteen minute break. It is appropriate to go ahead and vote on the motion. Commissioner Trujillo said he withdraws his second from the motion.

Chairman Daves called for a fifteen-minute break.

Commissioner Trujillo said he understands there has been a lot of work and input on the budget, but he looked at what Commissioner Andersen pointed to here and he sees an ending cash balance of \$537,000.00 for 2003/2004 and then he looks at that balance to give raises to the employees. Commissioner Trujillo said he thinks this is an appropriate thing to do. And then at the end of our discussion before the break he understands we are running a deficit of \$380,000.00. Commissioner Trujillo said he is not an accountant but he needs some clarification, how can we be running a deficit and based on that deficit we are going to have a cash balance that would support a raise and the understanding that he has for Commissioner Aguilar and he may be interpreting her words is that we can't go forward and being within statute and running on a deficit. But the one thing he will support giving the employees raises but on the other hand he doesn't want to violate the statute because of a deficit. He doesn't understand how we have a cash balance and a deficit.

Mr. Fernandez said we are talking about expenditures and transfers being greater than the revenues, this is true, where the difference is being made up from is the cash reserves, so your ending cash balances. Basically, what is being done is your eating away at those reserves and overtime those reserves continue to go down.

Commissioner Trujillo said the reason we are ending up where we are is because we have a cash balance sitting there and what we are projecting spending is exceeding our revenues so we are eating up that reserve. We are pulling out of our savings account. Mr. Fernandez said right now you have an excess of your 3/12's requirement, which is recommended by DFA.

Mr. Fernandez said his understanding of the statute is you cannot negative spend which would mean no cash in the accounts, and we would be spending all revenue coming in. Commissioner Trujillo said but we could give raises, we would be depleting our cash reserves, but we would still not be violating statute. Mr. Fernandez said as long as we do not negative spend then we are not in violation of the law.

Commissioner Andersen said she would like to point out that in the year fiscal year 2000/2001 we began with \$2.5 million dollars as the cash balance and the next year we did eat into reserves, 2001/2002 it went down to \$1.3 million dollars, beginning this year it was up \$1.4 million dollars and we are now projecting a cash balance of \$2.3 million dollars for next year. Commissioner Andersen said she appreciates having that sheet of information in the budget with the past fiscal years and up coming fiscal year projected figures.

Chairman Daves said he is a Commissioner who it dawned on him at one point that ultimately in order to have a cash balance the revenues have to be at least as much as your expenditures and because if not there is nothing left to borrow as far as the cash balance. What staff is trying to is look down the road long enough to take care of business now which he thinks might well include a raise if this Commission approves that but also sees a window where ultimately revenues are no less than expenditures and we are heading in that direction. In the meantime, we have imperatives that he thinks are weighing in the balance and he thinks the prudent way of going is to in fact if we can see the light in terms of projections, perhaps of lowering costs and certainly some increases in revenue as we see down the road. Chairman Daves said in terms of whatever is illegal or in violation all he is aware of is that the County has several times submitted budgets that have been approved by DFA

that in fact project revenues less than expenditures. So if at least at that level if that is a violation of law they are complicit in that and he tends to agree with Mr. Fernandez on that because it is not good policy and ultimately you are broke or bankrupt if you do it to where you have no cash reserves and that is what we need to keep our eye on. Chairman Daves said we need to have a goal that revenues do exceed expenditures.

Commissioner Padilla said we have just got ourselves out of a bad situation, it was supposed to be an eighteen-month plan and we got out of it in one year with our employees going back to 40 hours. We have got to be very careful with this budget because we still have a deficit and he still goes along with administration that we should wait until October and keeping in mind making our employees a priority with a wage increase coming in at that time when we get the equalization monies. This will be the final figures on this budget and there is many demands put on this budget and we don't want employees back to where we were last year. It was tough on these employees, we lost a lot of them and he is not saying he does not want a wage increase because he does. We put the County Extension back on and our community monitors and he would also like to see Soil Conservation getting monies. There is nothing wrong in waiting to see what this budget is going to look like.

County Assessor, Beverly Gonzales said earlier when the meeting started Mr. Fernandez mentioned that there was going to be no new hires except for a PC Analyst and one for Zoning. She has lost employees and those positions are not in her budget anymore but yet in the Manager's budget there is one for Business Manager and for an inventory clerk floater which amounts to \$75,000 plus. Those were not in the last budget but yet they are here now and it was not brought up on the May 19, 2003 meeting. She was wondering how come when the Business Manager position was done away with from what she thought and monies were divided up amongst some employees but yet now that position is back with a bigger salary from what was paid last time. There were no raises included in this budget but yet there is no new hires except for those two and this budget did not reflect any raises. She had a line item for \$7,000 on her capital outlay and it was going to be for computers and that is gone and it has been turned over to data processing, which is fine because hopefully she will still get it. But she was wondering why there is new hires in some offices and not in the others.

Chairman Daves said that is because it is the sense of the Commission and what Ms. Gonzales is bringing up would be appropriate later in terms of departmental actions but he believes that Mr. Fernandez inferred from the discussion last week that it was the sense of the Commission that the priority of new employees were those two. The Commission a month ago made the decision that it was essential to hire a fiscal officer and that we pay a fiscal officer an amount that was necessary to get somebody that would do it. Those are policy decisions that have been made and you are kind of couching us against them situation and he hopes we don't continue to think that way. But he can understand her frustrations and we have a budget in front of us and you have made your point. Ms. Gonzales said she is sure those are important positions, which are fine, but also she feels that appraisers are important in order to pick up new value for this County. This budget last December, the Commission at that time did allow for an increase in the Elected Officials wages that was passed by the Legislature last year and that was not even discussed.

Mr. Fernandez said in terms of the two positions, there has been an increase in the Manager's staff by the Business Manager, which is a new position had not been funded. The inventory clerk floater is not a new position, this is an individual who is already being budgeted for within the Sheriff's Office because of a personnel issue is being dealt with in this manner but that is not a new position. In terms of the salary increase for the Elected Officials as you recall the old Board approved a 15% salary increase as per statute contingent upon there being sufficient monies to do this.

Marcel Reynolds, Soil and Water Conservation said he would start off and have the Commission and the County to support the efforts to resolve the water issue problem. Mr. Reynolds said since the last meeting of May 19, 2003 the Soil and Water Conservation brought in about \$650,000 in additional programs working toward the salt cedar and Russian olive removal in the Bosque and Rio Puerco. We are getting some monies in to support the farm bill and the removal of salt cedar. We have asked for a little support from the County for administrative help. **Commissioner Padilla made a motion to fund the Soil Conservation in the amount of \$2,000. Seconded by Commissioner Aguilar.** Discussion. Commissioner Aguilar asked Mr. Reynolds would \$2,000 be helpful? Mr. Reynolds said it is inconceivable to him to expect them to operate and these are County objectives and there is a need to resolve the water problem and that is the County's responsibility. We would like \$10,000 but whatever we get does help because it is for programs for the County. Commissioner Aguilar said she appreciates Commissioner Padilla trying to work and give something but some of these programs, it seems to her that the County has to bear the brunt of them, it is never the municipalities, even though some of these properties may fall or benefit the municipalities more so than the County's. There are grants that are obtained to benefit farmers and she doesn't see some of those organizations coming forth with any type of contribution. This is our preliminary budget and there may more by final but she thinks this is a good start. Commissioner Trujillo said he appreciates, Mr. Reynolds for what he is doing for water conservation because it is a critical issue. Commissioner Aguilar asked how much funding does Bernalillo and Socorro County budget for Soil Conservation? Mr. Reynolds said none for Socorro County, it is a different District. Commissioner Aguilar asked does the MRGCD help out with funding? Mr. Reynolds said they have their own programs with that they get grant monies. Chairman Daves called for the vote. Commissioner Aguilar voted yes. Commissioner Trujillo voted yes. Commissioner Padilla voted yes. Commissioner Andersen voted yes. Motion carried. 4-0.

Mr. Fernandez said the consolidation of the mileage and per diem, consolidation of the office supplies, and consolidation of capital outlay, rather than placing all of these items in the different departments will all be consolidated in one place. As mentioned the data processing department with the capital outlay request for computers was placed in data processing and can be monitored by department. By consolidation we have minor savings but it gives us a better opportunity to monitor and to track those expenditures. Chairman Daves said the discussion and suggestion was in this coming year we are going to develop a way where these will be put into individual budgets. Commissioner Andersen said there is \$40,000 in capital outlay and in view of the needs of this County, she would like to suggest that we look at those in priority order and that we postpone as much of that as we can until we have a real fine handle as to where we are going to be.

Mr. Archuleta said in regards to the capital outlay on May 19, 2003 the budget that you had before you at that time was \$37,840.00 allocated for capital outlay distributed between the Manager's Office and of \$10,000.00, Bureau of Elections \$2,650.00, Assessments, \$7,000.00 and Collections \$12,290.00, Animal Control, \$2,600.00, Building Inspector, \$3,300.00 and these totaled \$37,840.00. Those items were removed from their respective departments and placed in the data processing in the amount of \$31,000.00. Mr. Archuleta said Mr. Mervine, Data Processing can give you a breakdown of what the priorities are as he sees them today.

Mr. Mervine said this priority list was developed by the Data Processing Committee and the first priority being a PC Specialist. The next on the list was the Treasurer's Office with that office needing (4) personal computers, (2) receipt printers and (3) pc printers and the networking to connect them and that total amount for Collections Dept. was \$12,290.00. The Manager's Office was another priority with (4) pc's needed, network material, color laser printer to be shared amongst the whole office, and (1) scanner with this total amount of \$10,000.00. The Bureau of Elections amount of \$2,650.00 was removed. For Animal Control there was (1) pc printer and an animal software tracking system and this amount is \$2,650.00. The Assessments of \$7,000 was also removed. The Building Inspector is (1) pc and (3) palm tops. This amount is \$3,300.00.

Mr. Fernandez said his recommendation is on the priority list is the Treasurer's Office in the amount of \$12,290.00, the Manager's it could go with \$6,000.00 instead of \$10,000.00 and the Animal Control, amount of \$2,650.00 and the Building Inspector, amount \$3,300.00. This total amount of priority would be \$24,240.00.

Ms. Gonzales, County Assessor said she would like to get (2) computers for her employees instead of taking loans out and having good equipment for her employees to work.

Commissioner Andersen made a motion that the capital outlay budget be reduced to \$24,240.00 for this coming fiscal year with the provision that should there be additional revenue at a later part of the year that we can add some of these other items. Seconded by Commissioner Trujillo. Discussion. Commissioner Aguilar said we already had this budgeted so now we are reducing it by \$6,760.00. This is only the preliminary budget, each department head was asked if they could manage with what they had or if they preferred raises, and that is still balancing in her mind as to where we want to go. Chairman Daves called for the vote. Commissioner Aguilar voted no. Commissioner Trujillo voted yes. Commissioner Padilla voted yes. Commissioner Andersen voted yes. Motion carried. 3-1.

Mr. Fernandez said the only revisions made from May 19, 2003 to now is the removal of the office supplies, the removal of the capital outlay and the mileage and per diem from the individual department budgets.

Ms. Lovato, Chief Deputy Treasurer said on behalf of the Treasurer she would like to make a few comments. She is disappointed that the employees aren't going to be getting raises until October. The health insurances are going up next month and we have three single mothers in their office that have barely made it on the paycheck they are receiving now. Ms. Lovato said what bothers her more and she agrees with the County Assessor is where was the money found for our fiscal officer, this was a position that was eliminated last year and this position came in at a really large salary compared to the previous fiscal officer was receiving. She would also like to know where monies were found to pay an employee for overtime. She has never heard of anyone getting overtime before. This floating position that is in the Manager's Office, where was she going to float to. Is she going to float to the different departments at their busy time? Ms. Lovato said she would like someone to answer her question.

Chairman Daves said he believes some of those questions can be answered but he doesn't believe that they are relevant to the action that they are going to take on the budget and he thinks they need to answered to her satisfaction but not all of them need to be answered today.

Mr. Fernandez said in terms of the inventory floater it is anticipated that this individual go to the individual departments who are need during their rush periods. Ms. Lovato said taxes go out November 1 so how far ahead of time are we going to get her so she can come into their office to train and what is her job going to be. Chairman Daves said this type of comment is very important but is not terribly appropriate to the budget.

Commissioner Aguilar said this floater isn't it the plan to send her to Animal Control? So there won't be an inventory clerk in the Manager's Office.

Mr. Fernandez said without getting into particulars on employment issues that he needs to share with the Commission based on recent correspondence from their Attorney, this is why it was left as a floating position.

Commissioner Trujillo said so this particular situation involves a personnel matter that should not be discussed in this forum. Mr. Fernandez said the specifics need to be addressed to the Board in terms of this being a new position it is not, this position was in the Sheriff's Office so we are not adding new dollars. Commissioner Trujillo said he would like an answer to the overtime hours, maybe not now but he would like an answer.

Chairman Daves said he appreciates concerns but some are not relevant to the budget today. In terms of the Fiscal Officer we had an overloaded County Manager and the Commissioners made a decision to hire a person and that is policy discretion left to the Commission.

Commissioner Aguilar said the employees deserve an explanation or example of some of the costs coming in. For example, Conejo Transfer Station, there was trash buried there and it was done administratively and started off being \$90,000.00 and we budgeted for that, it was an expenditure last year. Six months later it was greater than we thought so we had to put another \$100,000 in there and now we are up to \$190,000.00. This year's budget we just learned last week that there is more trash buried there so there is another \$100,000 in this budget and these are the costs you don't hear about. We don't even know if this \$300,000 is going to cover the compliance for ED and Conejo, there is 0 dollars for the landfill ED compliance and we didn't budget for it. We budgeted only a certain amount for the Judges but that doesn't mean that is going to be enough. We seem to touch on a few things and you are left to draw your own conclusions on limited information and this is unfortunate.

Sally Perea, Chief Deputy Clerk on behalf of Tina Gallegos, County Clerk said they had concerns regarding the fact if there is not going to be any raises for the employees that maybe the Commission will consider the two positions that she had asked for, one for Recording/Filing and one for Bureau of Elections. Ms. Perea said she had a question also on the floater; will we be able to utilize her also?

Chairman Daves said he believes that question has been answered to the extent possible. In regard on the raises that has not been disposed of by this Commission and this is where we are with the changes.

Ms. Gonzales said she wanted to make changes on her 420, since the Commission approved the Capital Outlay earlier and she didn't get anything. On the 1% this funds her telephones, her office supplies and mileage and per diem, all those come out of her 1% from her office. The General Fund does not pay for any of those. Ms. Gonzales said what she would like to do is take \$1,000 from telephone and the General could pick up \$1,000 for the telephones and take \$1,500 from her mileage and per diem and this way she could purchase a couple more computers. Chairman Daves said he would ask Mr. Fernandez to comment.

Mr. Mervine said silence demands obedience but his comment is to remember that when you are considering the budget the County provides a service to the public and the employees are the critical component of supplying that service and the quality of service is affected by wages, equipment, and work environment. So please consider that your employees are the critical component here for the County.

Commissioner Trujillo made a motion to approve Ms. Gonzales request of transferring monies to buy (2) more computers for her office. Seconded by Commissioner Padilla. Discussion. Commissioner Aguilar was absent on this motion. Commissioner Trujillo voted yes. Commissioner Padilla voted yes. Commissioner Andersen voted yes. Motion carried. 3-0.

Ms. Gonzales said she would like to make one more comment and have the Commission give raises to the employees because they do deserve it and she did get monies transferred and this is a good thing and before you consider funding any other like COG consider giving the five elected officials that increase because that is what it would come down to. The last time a raise was given to elected officials, as the former Probate Judge knows she was not able to get any of that. So please consider that also.

Mr. Chavez, Planning and Zoning said all he can say is come June and July we will be hit again with insurances going up. Mr. Chavez said in Saturdays newspaper it said our insurance will increase another 50% and the employees will net \$117.00 less in the next two years. There is frustration in his department as well as any other department and we come up here to ask and it does put a strain because there are a lot of needs. And when you are sitting in the audience it feels like when someone gets something it is taken away from you. In one scenario we saw an extra \$380,000 and then in another it is taken away. This is like a carrot out there and it looks like maybe we are going to get a raise and then someone comes up here and expresses a need and it seems like that carrot goes a little further away but the opposite effect of that is the insurance. This affects the pocket and for another \$117.00 taken from your check but at some point this has got to stop.

Richard Chavez, Planning and Zoning said to continue what Ruben Chavez was stating in the newspaper headline they are projecting 50% increase health insurance costs by the year 2006. What that amounts to what every employee is paying on a biweekly check we would have to absorb that from our net pay for two years. Unless this Commission plans accordingly to cover those insurance costs. Our current insurance premium going into effect now in July is a 15c an hour increase coming

out of our net pay. Mr. Chavez said using him as an example he is taking roughly \$90.00 less a month from his paycheck than he was in 1999, which was the last time there was a pay raise for the employees. The consensus from the Commission is a 50c raise for the employees which is a step in the right direction. The 50c increase, which we would get, now would almost cover the insurance increases from 1999 to today. To make-up for insurance increases from 1999, we would need a 65c an hour raise, but again a 50c an hour increase is a step in the right direction. Mr. Chavez said he can appreciate some of the Commissioners being cautious in this upcoming budget wanting to wait until September or October but come July 1 a 15c an hour increase in the insurance is going to cost him \$25.00 net every two weeks, that is \$50.00 a month.

Commissioner Trujillo said he concurs with Richard Chavez with his figures and discussed the different stages of a 25c, 50c or 75c raise and how this would affect every employee of the County. **Commissioner Trujillo made a motion for a 50c raise excluding the Elected Officials, appointed positions, law enforcement, any vacant positions, any new positions and any individuals who are on probation. Seconded by Commissioner Andersen.** Discussion. Commissioner Aguilar said so this is going to increase the deficit by \$118, 301.00. Mr. Fernandez said that is correct. Mr. Fernandez said if it is the intent of this Board to give a salary increase which is all well and good but if we would please not implement those until the final budget which has to be submitted by July 31, 2003 and the reason being there is no way we can make the massive amounts of revisions that this Board put in front of us and get this budget to Department and Finance today. Commissioner Andersen said this raise has to take effect the July 1, 2003 or the end of this fiscal year. Commissioner Trujillo asked Mr. Fernandez when are you recommending this raise take effect? Mr. Fernandez said he asked if this increase not take affect until the first pay period in August that we submit the preliminary budget with no increases in it and if it is the desire of the Board to have those increases that they be implemented for the final budget to be submitted by July 31, 2003. Chairman Daves asked Mr. Fernandez when would you anticipate the final budget? Mr. Fernandez said we have to have a final budget by not later than July 31, 2003 and he would hope we have it by the second or third week of July. If it were the Commission's firm intent through a vote to give a 50c raise starting July 1, could we do that even if it is not in the preliminary budget? Mr. Fernandez said he doesn't think you can pay retroactively. Commissioner Trujillo said he doesn't have a problem with clarifying his motion or let it stand and make another to as to whether when we are going to implement this? Commissioner Trujillo said so as to not overburden our administration because we are up against a deadline. **Commissioner Trujillo amended his motion to reflect that this increase be implemented as the County Manager has suggested which would be the first of August just to allow us to get this budget to DFA, and to still exclude the above positions as stated in the first motion. Seconded by Commissioner Andersen.** Discussion. Chairman Daves called for the vote. Commissioner Andersen voted yes. Commissioner Padilla said he wanted to comment before he voted that he maintain and go on the recommendation of administration was to come back and look at this budget for salaries in October, we should be in a better position to know exactly where we stand. Commissioner Padilla voted no. Commissioner Trujillo voted yes. Commissioner Aguilar voted no, said she can't approve it because we are increasing a deficit. Chairman Daves stated it is a tie vote. Chairman Daves voted yes. Motion carried. 3-2.

Commissioner Trujillo made a motion that the community service individual position and the juvenile monitors with those monies be reinstated into the budget. Seconded by Commissioner Andersen. Discussion. Commissioner Andersen voted yes. Commissioner Padilla voted yes. Commissioner Trujillo voted yes. Commissioner Aguilar abstained from voting on this motion. Motion carried. 3-1.

Commissioner Trujillo made a motion that the proposed decrease in the rate charge to municipalities from \$81 to \$61 remain at the current rate charge of \$81.00. Seconded by Commissioner Padilla. Discussion. Commissioner Andersen voted no. Commissioner Padilla voted yes. Commissioner Trujillo voted yes. Commissioner Aguilar abstained because she doesn't have enough information. Chairman Daves voted yes. Motion carried. 3-2.

Commissioner Andersen made a motion to reinstate MRGCOG dues into the budget in the amount of \$17,000.00. Motion died for a lack of a second. Motion failed.

Commissioner Trujillo made a motion to approve the preliminary budget with revisions. Seconded by Commissioner Padilla. Discussion. Commissioner Aguilar voted no. Commissioner Trujillo voted yes. Commissioner Padilla voted yes. Commissioner Andersen voted yes. Motion carried. 3-1.

The next Regular Meeting of the Valencia County Board of County Commission will be held on June 3, 2003 at 9:00 AM Executive Session and 10:00 AM Regular Session in the County Commission Room at the Valencia County Courthouse.

Adjournment

Commissioner Trujillo made a motion to adjourn. Seconded by Commissioner Andersen. Discussion. Commissioner Aguilar voted yes. Commissioner Trujillo voted yes. Commissioner Padilla voted yes. Commissioner Andersen voted yes. Motion carried. 4-0. Time being 12:45 PM.

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

VALENCIA COUNTY BOARD OF COMMISSIONERS

**ss/
GARY DAVES, CHAIRMAN**

**ss/
PAUL EDWARD TRUJILLO, VICE-CHAIRMAN**

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

**ss/
ALICIA AGUILAR, MEMBER**

**ss/
MARY J. ANDERSEN, MEMBER**

ATTEST: ss/

TINA GALLEGOS, COUNTY CLERK

DATE: July 15, 2003