

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF COUNTY COMMISSIONERS
OF SAN MIGUEL COUNTY, NEW MEXICO



HELD MONDAY, JULY 26, 2021

1. Meeting Link

2. CALL TO ORDER AND ROLL CALL

Chairman Harold Garcia called the meeting to order at 9:08 AM at the San Miguel County Administration Complex located at 500 West National Avenue, Suite 200, Las Vegas, New Mexico 87701. Upon roll call by Deputy Clerk Jacob Gonzales, Chairman Harold Garcia present, Vice-Chairman Janice Varela present, Commissioner Max Trujillo present, Commissioner Martin Sena present, and Commissioner Kenneth Medina present.

The record will show a quorum is present.

3. PLEDGE OF ALLEGIANCE

County Manager Joy Ansley led the Pledge of Allegiance and all present joined in the pledge, and continued to item 4:

4. SALUTATION TO THE NEW MEXICO STATE FLAG:

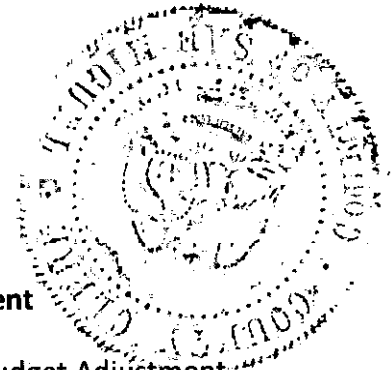
"I salute the flag of the State of New Mexico and the Zia Symbol of perfect friendship among United Cultures."

5. APPROVAL OF AGENDA

Chairman Harold Garcia informed the commission of Finance Director Melinda Gonzales recommended changes to the agenda to move Resolution Approving Final FY21 Budget Adjustment to become item 1; Resolution approving FY21 4th Quarter Report to item 2; Resolution Approving FY22 Final Budget to item 3 and removing FY21-22 Final Budget for redundancy. Other items remain as follows.

Motion made by Commissioner Max Trujillo to approve the agenda with changes recommended by the County Finance Director. Second by Commissioner Kenneth Medina. Motion carried.

NEW BUSINESS



1. Resolution Approving Final FY21 Budget Adjustment

Finance Director Melinda Gonzales asked the Commission to approve the Budget Adjustment on transferring \$5,500 from general fund to law enforcement fund due to a receivable not correctly accounted for at the beginning of the fiscal year in the 750 fund. This will maintain a positive cash balance.

Motion to approve budget adjustment made by Vice-Chair Janice Varela. Second by Commissioner Martin Sena. Motion carried.

2. Resolution Approving FY21 4th Quarter Report

Finance Director Melinda Gonzales informed the Commission on the summary of the DFAs fund and revenue transfers and adjustments throughout County budget. Finance Director Melinda Gonzales provided quarterly information for all funds and a summary page of nine funds that are non-special revenue funds.

Summarizing these funds: the County has a \$2.5 million budget surplus due to increase in property tax revenues of \$600,000. The General Fund saw a \$52,000 increase in PILT funds.

The Maintenance department did not expend \$246,666 of its budget. \$150,000 of that savings was from what the Commission had set aside last year for the Three Year Maintenance Plan, plus an additional \$96,000 unexpended in the maintenance budget.

General Service savings were \$208,743 from an unfilled narcotics position, insurance monies from deductibles, plus \$40,000 for NMAC conference that did not happen.

Information Technology department did not expend \$68,723 in capital line items.

Sheriff's office saved \$154,438 mainly from vacancy and fringe benefits.

The Attorney's office did not expend \$22,000 on money that was set aside for hiring an opiate consultant.

Planning and Zoning saved \$71,000 (\$60,000 was to hire a consultant on various projects - not expended.)

The General Fund saved \$1 million dollars of budgeted expenditures not spent.

Transfers: Solid Waste Fund was scheduled to receive a budgeted transfer of over \$200,000; due to an increase in Solid Waste revenue the transfer was not necessary. The County experienced a \$120,500 savings by not transferring to Solid Waste fund.

The General Fund \$6,965,793 budgeted, revenue \$7,633,000, thus net excess revenue of \$667,261.

The Road Department Fund 201 had excess cash of \$132,570.18; there was additional revenue of \$33,463 above what was budgeted. In addition a savings of \$99,106.53 was realized in budgeted expenditures that were not expended. The savings were in motor vehicle and gasoline taxes. Fund 230 Crusher Budget did not expend \$33,961.

The 703 Fund revenues fell short by \$32,828; however, non-expended budgeted expenditures were \$335,350.28.

Funds 704 – 705 - 706 - 996 hold gross receipt tax monies that are pledged for debt-service, after debt-service is paid the remaining funds are transferred to funds that need it.

Fund 704 was in excess by \$233,000 and it's tied to the Equalization Distribution received from the State based on a formula where the State calculates what .125%/per capita GRT is, then State calculates the same data for the County and provides the difference to SMC through this funding source.

Funds 705 – 706 – 996 revenues are excess gross-receipts tax revenues above what was budgeted.

A recap of these particular funds shows revenues \$980,000 over budget, and expenditures \$1.5 million lower than what was budgeted for a total savings of \$2.5 million

The county reports quarterly to the DFA operating accounts and other funds held by the county by Resolution Approving FY21 4th Quarter Report. Finance Director asked the Commission for approval of FY21 4th Quarter Report to submit to NM-DFA.

Motion to approve Resolution FY21 4th Quarter Report made by Commissioner Max Trujillo. Second by Vice-Chair Janice Varela. Motion carried.

Before debating the FY 22 Final Budget, County Manager Joy Ansley informed the Commission that Public Hearing be adjourned.

Chairman Garcia asked for a motion to adjourn Special Meeting and enter Public Hearing. Motion to adjourn Special Meeting made by Vice-Chair Janice Varela. Second by Commissioner Martin Sena. Motion carried. Public Hearing was entered into at 9:26AM.



3. Public Hearing

Budget Public Hearing for FY 21-22

Chairman Harold Garcia asked the public to come forward to address the Commission on taxpayer concerns regarding the San Miguel County FY21-22 Budget. No one present came forward.

Motion to adjourn Public Hearing made by Commissioner Max Trujillo. Second by Commissioner Kenneth Medina. Motion carried. Public hearing adjourned at 9:27 AM.

Motion to re-adjourn Special Meeting made by Commissioner Martin Sena. Second by Vice-Chair Janice Varela. Motion carried. Special Meeting was re-adjourned at 9:27AM.

Resolution Approving FY22 Final Budget

Finance Director Melinda Gonzales provided a breakdown of the budget line items from interim budget hearings and rationale for adjustments from interim budget hearings on final budget presented.

During Interim Budget Hearing GF (101) the line was initially \$1.9 million and felt the adjustment to \$2.5 million was justified; an initial \$1.6 million was received, a combination of other assets and liabilities of \$360,000 tied to the general fund. The adjustment included in the Final Budget is a transfer of \$100,000 to Fund 220 (Vehicle Capital Outlay). The increase in expenditures of \$424,464; roughly \$27,000 is an increase to the maintenance budget County Fairgrounds project that was not completed in the last fiscal year, and recommend the purchase order be carried over and increased. Additional funds were added for County Manager/Commission and Finance Department needs in the General Fund budget request.

Finance Director explained that the yellow line on the recap page was to show the changes that took place in each fund.

Fund 201 Roads – ended with \$257,000 cash and \$24,457 other assets; and projected to end fiscal year with \$230,981.75. With the current budget as is, this particular budget has a 1/12th Reserve requirement. The requirement calls for ending the fiscal year with at least \$123,557.33 in cash. The current budget will be \$107,000 in excess of the requirement so if there are changes that need to be made to the budget to include a reduction of the budgeted transfer, SMC could do so.

Chairman Harold Garcia asked if additional funds to be set aside for road projects would they be budgeted in Fund 201 or Fund 202? Ms. Gonzales indicated either, and informed that

typically Fund 202 is used to account for LGRFs, LGPTF and that other transfers into that fund to complement existing projects that need additional funding. In Fund 201 they have a maintenance line item for \$135,000 for culvert and cattle-guard repair/cleaning, and additional road projects, as specified.

Chairman Harold Garcia asked if changes should be mentioned now or until end-of-meeting, Finance Director Gonzales asked to point out a few more items of concern prior to discussing this aspect.

For Fire Funds, we budget to fully utilize their funding; however, that may not take place as savings are realized to purchase a piece(s) of equipment so a lot of adjustments occur in Fire Department budgets as we may have projected lower cash balances during interim hearings as we are making projections as to where their funds may end with cash. Fire Department budgets are adjusted as non-expended savings are realized. The County funds what we are statutorily mandated by the State Fire Marshall's Office. The State Fire Marshall's FY22 allotment is greater than what was budgeted at interim. Vice Chair Janice Varela asked whether Fire Department funds are accounted as SMC money, or does each fire department raise their own money and have their own fund? Finance Director Gonzales answered they are accounted collectively; and stated that fire department fund raising is a different issue, yet all of the fire departments are listed in the budget as we account for state allotments, and legislative appropriations. Fire Funds are Fund 403 through 420, and some departments have a 501C(3). Discussions with State Auditors about whether those funds become a component unit to the County as currently we designate the funds for each 501C(3) of the respective Fire Dept.'s. Finance Director expressed concern that SMC should have control of and audit these funds. Currently each 501C(3) is managed by the respective Fire Dep't. Some of the Fire Departments will donate their 501C(3) funds to SMC so they can couple it with money already in their funds to offset a cost. For example, Pecos entered into a contract for a building that needed completion of which the County did not have enough funding for, so Pecos donated money from their 501C(3) to their VFD Fund with the County, to finalize completion of project.

Fund 998 – in the interim budget discussions various expenditures were not accounted for and these expenditures are reflected in the Final FY22 Budget.

Finance Director Melinda Gonzales provided the Commission with a listing of items that various departments requested totaling \$1.3 million -- primarily a replacement for the crusher by placing \$300,000 in savings for a new crusher costing approximately \$1.5 million. The crusher's life-time is 20 years and we are at the mid-point.

Public works requested funding needed for a piece of equipment. The Detention Center provided a list of items needed at the Center. Chairman Harold Garcia asked the final amount is

that we have in excess that could be applied to the budget. Ms. Gonzales answered it is \$2.5 million but it becomes tricky in applying that to the General Fund budget as our 3/12th Reserve Requirement increases, and we must consider the fact that we had to move cash at the 2020 fiscal year-end to cover July 1st payroll. This transfer lowered our beginning cash balances. Finance Director Gonzales stated we should be working with budgeting \$2.2 million to the General Fund due to the reserve requirements of NM-DFA.

Discussion ensued regarding the list of additional items.

After Commissioners discussed line-items, questioned Finance Director and County Manager and made recommendations and changes in budget allocations – the following allotments were so ordered:

Through a legislative appropriation, the County Clerk will receive funds for the refurbishment of existing warehouse for excess storage, dust and pest control funded at \$200,000. The original request was \$800,000. The current storage unit could use these funds to seal the storage to specifications (space usage, dust and pest issues), and Commission indicated a rubber floor or to build a permanent wall to replace the existing chain-link wall separating the different units. The Commission feels that the opening and cat-walk can be sealed and additional storage built to specifications. There is an operational HVAC in place and electric.

The detention center listed various needs primarily to replace three staff members and funded \$100,000. This funding can only be used for staffing purpose.

Information Technology for the Commission Chambers is funded for \$40,000 for technology updates (speakers, microphone, camera, streaming).

Assessor's Pictometry funded at \$208,000.

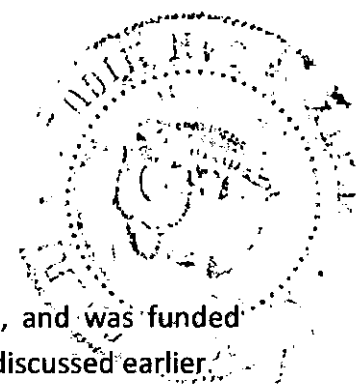
Increase Juvenile Budget and funded at \$75,000.

Maintenance budget for Assessor's office new flooring funded at \$15,000.

Road improvement funding in various districts for consideration were presented with the caveat the projects be completed end-of-year: \$75,000 funded for the following -- Road in Blanchard B26; Road 65-A in Pecos; Harris and Chico road, La Liendre, and Gallinas Road A27. Funded \$375,000 and project be completed by December 31, 2021.

The Commission decided not to set funds aside for the crusher as this could be paid for with a General Obligation Bond over the next several years. The bond could be for \$1 million.

Planning and Zoning and DWI new vehicle – Commission funded \$50,000 and Finance Director Melinda Gonzales informed there had been a transfer of \$100,000 to Fund 220 (Vehicle).



Commission funded Sheriff's Office at \$200,000.

Public Works Department funded at \$60,000 for drilling a well.

County Manager Joy Ansley asked for funding for Economic Development, and was funded \$50,000. This will come from money budgeted in the General Fund, and was discussed earlier.

Discussion of staff salary increases took place and that funding has been incorporated in the interim budget.

County Fairgrounds funded \$50,000, and must be spent by December.

Finance Director informed the Commission that an S5 document to NM-DFA needs to be submitted to set aside 3/12th in Reserve funds and asked for the County to impose an in-county 3/12th reserve on transferred funds. A form is used for match waivers. SMC has a lot of needs. Last year, discussion was had about setting aside \$50,000 a year for ADA compliance to meet Federal Grant Requirements.

Discussion of Public Works funds request of an additional \$129,240 held a duplicate amount of \$40,000 for a piece of equipment in the additional fund request. The Commission approved the increase to be \$60,000 as opposed to the \$129,240.

Finance Director Melinda Gonzales asked the Commission to approve the Resolution Approving FY22 Final Budget.

Motion to approve Resolution Approving FY22 Final Budget with the changes discussed during the hearing to include the deadline of the funds set aside for the roads made by Vice-Chair Janice Varela. Second by Commissioner Martin Sena. Motion carried.

4. Resolution approving Disposition of Surplus Property Discussion/Action

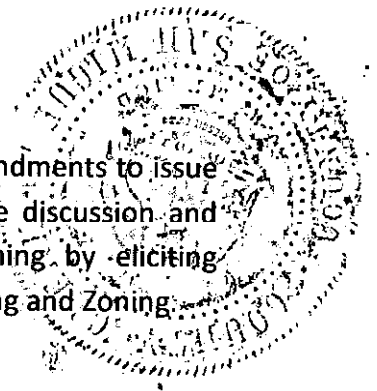
Finance Director Melinda Gonzales asked the Commission for permission to inventory surplus County property and to sell at auction. The auctioneer firm will take inventory and assess value.

Motion to approve the Resolution approving Disposition of Surplus Property made by Commissioner Kenneth Medina. Second by Commissioner Max Trujillo. Motion carried.

5. Proposed Amendment to Zoning Ordinance for Cannabis Production*

Planning and Zoning Supervisor Amanda Salas informed the Commission on continued progress regarding the upcoming zoning issues associated with the recent legalization of recreational marijuana. The state statute gives counties the regulatory zoning power on cannabis production. The County does have an existing Land Development Standards Ordinance and Ms.

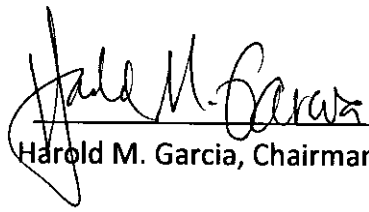
Salas recommends the county piggy-back on the existing resolutions and amendments to issue Cannabis development licenses by outdoor and greenhouse production. The discussion and further recommendations will continue on this developing Cannabis Zoning by eliciting cooperation between City of Las Vegas Planning and Zoning and County Planning and Zoning.



*For Informational Purposes Only

Motion to adjourn the Special Meeting made by Commissioner Kenneth Medina. Second by Commissioner Max Trujillo. Motion carried. The Special Meeting was adjourned at 11:21 AM.

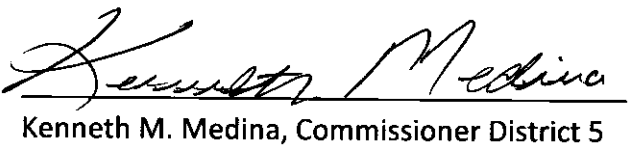
Approved this 9th day of November, 2021 as the Official Minutes of the Board of County Commissioners of San Miguel County New Mexico, of its Special Meeting held July 26, 2021.


Harold M. Garcia, Chairman District 1


Janice E. Varela, Vice-Chairman District 2

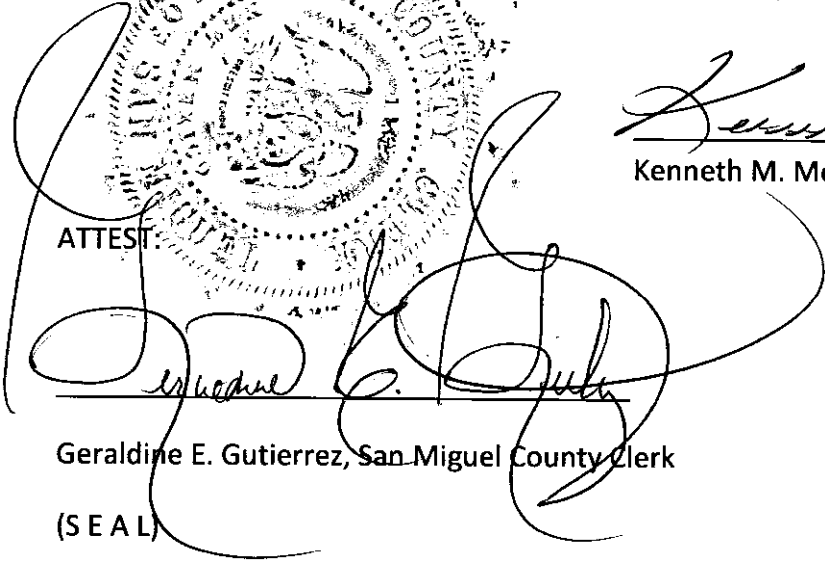

Max O. Trujillo, Commissioner District 3


Martin M. Sena, Commissioner District 4


Kenneth M. Medina, Commissioner District 5

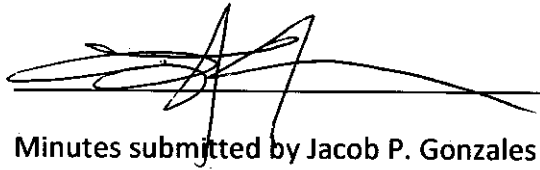


ATTEST:



Geraldine E. Gutierrez, San Miguel County Clerk

(SEAL)


Minutes submitted by Jacob P. Gonzales