



MAY 14, 2020

The Board of Chaves County Commissioners held a Special Commission meeting, Budget Workshop in the Commission Chamber of the Joe Skeen Building, #1 St. Mary's Place in Roswell, New Mexico. Chairman Cavin called the meeting to order at 8:30 a.m. Commissioner Dana led the pledge and Commissioner Bilberry led in prayer. Those present were Commissioners Bilberry, Dana, Ezzell, Corn and Cavin. Also present were County Manager Stan Riggs, Finance Director Joe Sedillo, County Treasurer Charlotte Andrade, Sheriff Mike Herrington, County Assessor Mark Willard, County Clerk Dave Kunko, news media, staff and guests.

BUDGET PRESENTATIONS

Stan Riggs thanked the County Commission, Budget Committee, Finance Department and he thanked past Commissions. Work in the past sets up current and future budgets. This is an interesting budget because we are dealing with a lot of unknowns. He is proud to say this budget has no lay-offs, no hiring freeze, step increases are included, a 3% health insurance increase will be picked up by the County, support to our local governments in Chaves County will continue, USDA and County Extension are also in this budget. Support to the EDC and Chamber of Commerce is also in the budget. The money for the radio project is in the budget. The other thing we plan to do is work on infrastructure. Our interest rate on investments is extremely low. We plan to take that money and invest it in some needed infrastructure projects. The administrative center needs a new chiller, estimated at \$160,000. We will begin work on Area D estimated at \$500,000. We also need to put a new roof on this building estimated at \$850,000. Interest rates will eventually go back up and we can get back to investing our money. He mentioned a partnership between the Assessor and Planning and Zoning for a fly-over for updating aerial photos of the County. He thanked all the elected officials and department heads.

Finance Director, Joe Sedillo stated this is a balanced budget and he hoped to highlight a few items. He mentioned they modified property tax and gross receipts tax (GRT). The projection for GRT is being reduced by 10%. He reviewed some pie charts. This reduction requires tightening our budget. We must sustain what we do in this organization and push ahead with our goals and objectives. There will be a need for fiscal restraints and strategic patience. He mentioned the General Operating Fund and the Budget Recapitulation. He thanked the Finance Committee. He acknowledged that Chaves County was made up of very talented individuals. We don't always agree, but we get the job done. He stated oil and gas revenues will continue to be down. He stated it makes sense to use the money not making interest for Capital Outlay. We are still in a healthy position. Labor cost will remain the same as last year. Payroll is 62% of our total cost.

DEPARTMENT PRESENTATIONS

Sheriff Mike Herrington stated as they were preparing their budget, they knew the pandemic has created many unknowns. He was originally asking for 5 more people and ended up removing that request. He mentioned the Governor freezing Capital Outlay and stated his budget was about a 2% increase because he did ask for 4 more vehicles. It is in the best interest of the organization to wait and see how things pan out. Commissioner Corn stated that due to our current situation he realizes it is "all hands on deck", but we really need to try to limit the amount of overtime. Chairman Cavin thanked the Sheriff and his staff for the job they are doing and asked if his office was fully staffed. Sheriff Herrington stated they currently had 6 positions open. They have people ready to fill these positions. They are waiting on psychological evaluations. The virus has slowed the hiring process. Four of those positions should be filled in the near future. Chairman Cavin also asked about the vehicle situation. Sheriff Herrington stated once the vehicles are purchased from the new budget they will be in a much better position vehicle wise. There was discussion about all local law enforcement working together. The Sheriff believes the Governor has put the State Police in a tough position.

Stan Riggs stated the ideas of this workshop is part of the budget process. If there are any changes to be made, we would like to hear about them now, because the preliminary budget will be approved next week. The goal is to have the budget 99.9% completed so all we need to do is roll over our final closeout. Now is the time to make changes so they can be plugged into the budget for next week.

Jail Administrator Clay Corn mentioned they had 4 budgets and he went over the juvenile detention first. He stated they are projecting \$220,000 to house juveniles. Currently the primary juvenile detention center will be in Dona Ana County. Curry County is looking at closing their facility and it has become difficult to get our juveniles into the Lea County Facility. A new Care of Prisoners Services Contract with Bernalillo County will be in affect on July 1, 2020 if we need another facility. The average daily population of juveniles is between 2 and 3. The last year the juvenile facility was open in Chaves County the cost to operate it was approximately \$1,000,000.00. Chairman Cavin asked how many juvenile detention facilities will be operating in New Mexico on July 1, 2020. Clay Corn stated the facilities that will be still open are in San Juan County, Bernalillo County, Dona Ana County and Lea County. Commissioner Corn stated the saving will be around \$700,000. Some people said we would not save any money. He stated he was glad to get this done. Clay Corn stated his Administration budget was flat. Feeding the prisoners is based on an average population of 290 at \$2.00 per tray for a cost of \$630,000. Medical care is covered by IHC. Contractual services are usually their biggest line item. It includes online training for 70 officers, the jail management system and pest control. The new security system will come from Capital Outlay. Food Service, medical and labor are the largest items. The upgrade to their security system is imperative to the safety of the staff. Safety is the top priority. Detention staff don't have the ability to work from home during the pandemic. Chairman Cavin thanked Mr. Corn and his staff and stated our detention facility was the shining star of New Mexico facilities.

Road Superintendent Joe West thanked his staff for gathering the information needed for an accurate budget. He stated he has kept his budget as flat as possible. He mentioned he has 5 departments within the Road Department. Those departments are administration, the shop, vector control, road crew and waste management. He mentioned new GPS units in his Administration budget. He mentioned leaving his fuel budget the same as the last couple years. Fuel cost is unpredictable right now. He would rather estimate it a little high instead of not having enough. Last year at this time we were paying \$2.43 for unleaded and \$2.56 for diesel. He recently paid \$.88 for unleaded and \$1.08 for diesel. Joe West mentioned the reclaimer purchased last year and the savings in time and cost to replace roads. He mentioned he had a broom and a tractor on the budget that instead were purchased this year. He thanked Sandra Rodriguez for ordering those yesterday. The other items in capital outlay include a full-size SUV for local travel as well as training out of town. We have many new employees that need training once it resumes. Another item he mentioned needing is a loader. They will be making some changes to services for waste management. Services have improved and they have compactors at 4 locations in the County. We are looking at closing our open top containers. A compactor will hold 2 to 3 times more than an open top container. Commissioner Ezzell stated it is a testament to the manner in which our budget people work. There is no better feeling in a Finance Committee Meeting to deny a capital outlay request for next year and tell them to get the equipment now. Chairman Cavin thanked Mr. West for all that he and his department do for the citizens of Chaves County. Mr. Riggs echoed what Commissioner Ezzell mentioned about purchasing some equipment now. Mr. Riggs stated Purchasing Agent, Sandra Rodriguez was instrumental in getting this done and it definitely is a team effort.

Planning and Zoning Director Louis Jaramillo stated they have worked with Eagleview, an aerial photography service that provided aerial photos in 2018. They have asked Eagleview for an estimate for a flyover in late 2020 or early 2021. The estimate is \$111,000 which would include 2 flights separated by 3 years. Payments would be made over the 3-year period without interest. Aerial photography can be used by and valuable to the Assessor, Sheriff, Road Department and Planning and Zoning. The cost would be shared between the Assessor and Planning and Zoning. The second flight can be canceled. Chairman Cavin thanked Mr. Jaramillo and his staff.

Charlotte Andrade thanked the Commission for the temporary barriers in her office. She stated her budget was relatively flat. She had intended on asking for an additional employee but will possibly wait until next year. The Treasurer's Office has had 5 total employees for numerous years. They have done a good job, but she feels they could do even better. The additional employee would primarily focus on delinquent accounts. During a six-week period a temporary employee was able to collect \$32,000. They have already collected 94% of the bills that just went out. They provide 5 different payment options. There are investments maturing in June and those will be cashed out and used for capital outlay projects as mentioned by Mr. Riggs. Ms. Andrade stated they have received

approximately ½ of the Roswell Escrow accounts. These account holders were given until May 11th to get everything in order. Any taxes not brought current by May 12th will incur penalty and interest dating back to December 10th. Chairman Cavin stated the additional staff member can be revisited in December.

Chairman Cavin asked County Clerk Dave Kunko if he wished to mention anything in his budget. Mr. Kunko stated his budget was flat. He did mention his postage was up this year due to the Secretary of State (SOS) mailing out absentee applications as ordered by the NM Supreme Court. We hope to be reimbursed by the SOS. Commissioner Corn asked if we were picking up the expense for the absentee ballot request. Mr. Kunko stated the postage for all the applications sent to our office was being charged to us. We do have a BRM account with the Post Office that is charging us a reduced rate. Commissioner Corn asked if the printing and postage to the voter was paid by the SOS. Mr. Kunko stated that was correct. Commissioner Corn asked if this was the normal procedure. In the past we did pay for return mail and did not get reimbursed. Mr. Kunko stated it is his understanding the new law requires the cost be paid by the SOS. Commissioner Corn understood it to be that way as well. Commissioner Corn asked about the amount of Federal Funds received by the Secretary of State for elections. Mr. Kunko was unsure. Commissioner Corn believed that figure to be 4 million. He stated it was confusing that a law is passed to put the cost in the SOS basket and now this election will have some extra cost that she may not want to pay for. Mr. Kunko stated the SOS has not committed one way or the other on paying the extra cost. Commissioner Corn stated to not hold my breath waiting and added that if we needed help to let him know. Chairman Cavin asked for the total cost of the Municipal Officers Election. Mr. Kunko was not sure of that amount.

Facility Maintenance Director George Libby mentioned some minor changes to his budget. This budget includes 15 HVAC units for replacement at a total cost of \$45,000. More units could be replaced if the budget permits. Additionally, they hope to replace all the A/C units at the Road Department. He originally was asking for 4 vehicles from capital outlay and has reduced that to 1. Estimated replacement of the courthouse chiller towers is \$175,000 of which \$100,000 will be from his budget. Replacement of the chiller towers at the Administrative Building is \$160,000. The roof for the Administrative Center will need to be done in 3 phases. The full cost is estimated at \$845,000. The cost of phase one is estimated at 282,000. Remodel of Area D has been put into this budget. He originally requested one custodial position and he would like to upgrade one position. Commissioner Corn asked where we stood on the courthouse elevator. Mr. Riggs stated Bill Williams was currently on a conference call in reference to the elevator. It is still in motion and the money is coming from CDBG and a Legislative Appropriation. Commissioner Corn stated he would like to see the elevator and window project finished at the courthouse.

Mark Willard stated they have had calls in reference to the economy, property values and lack of business. This will affect us next year. It could even affect hotel values. At this time it is hard to tell what the affect will be.

IT Director, Alfredo Garcia stated his biggest project in this budget would be the wireless access point for the jail and the courts. They need a reliable internet connection because even the phone system relies on this connection. There will be upgrades to an outdated switch and server at the jail. The new wireless access points are integrated with the new network security system. The laptops in his department need to be replaced. Mr. Garcia reviewed the email software, security and training for all employees. The remote connection into the County had to be upgraded for all those working from home during the virus.

Louis Jaramillo gave an overview of the census funds, how they were being used and how much they had left. The Census was extended to October 31st. There is an event this weekend in Dexter and Hagerman to assist them with filling out the census forms.

OTHER ENTITIES

Executive Director for the EDC, Mike Espiritu thanked the County for their leadership. We will focus on forging ahead and helping people get back on their feet. The growth of our communities will require opportunities. He introduced Melissa Juarez as the newest member of the EDC team. He

mentioned a shift in goals due to the virus. He sees more time on helping businesses and people that have already invested in and created jobs in Chaves County. We hope to see the \$5 million dollar capital outlay legislative appropriation for the Roswell Air Center. Commissioner Corn stated Mr. Espiritu has been a breath of fresh air for the EDC since he has been here. We will see how fast we can get back on track and he appreciates him staying on top of it. There was some discussion about expos, conferences, local dairy producers and a focusing on local businesses re-opening.

Executive Director for the Roswell Chamber of Commerce, Candace Purcell thanked the Finance Committee for the opportunity to present to them last Tuesday. The virus has created difficult times for businesses globally. We are working hard to stay in contact with and be a resource for our businesses. They are working on a calendar of events that will hopefully be available July 1st. The Chamber held over 72 different events this past year. They are anxiously waiting to reschedule their Annual Rise with Roswell Event that got canceled in March. If it cannot happen this Fall, it will probably occur in March of 2021. The Annual Legislative Luncheon also had to be rescheduled. We have been working from home, but our doors will be re-opened this Monday. She stated she appreciated the partnership with Chaves County. Commissioner Dana asked if she knew how many businesses would not come back. Ms. Purcell stated there are 5 to 6 unconfirmed closures so far. She has also heard of some of the businesses moving to an online operation. Commissioner Dana stated we will have to be creative moving forward. Chairman Cavin stated he missed Rides with Roswell and Business after Hours.

Executive Director of the Hispano Chamber of Commerce, Marcos Nava stated they were asking for \$19,500 to support the Chambers efforts assisting our local community. This will help assist both members and non-members to reopen their business due to Covid-19. They are scheduling 4 free financial workshops that will include lunch. The workshops are Getting Your Business Started; Managing and Running Your Business; Social Media for the Beginner, Intermediate and Advisor; and Six Keys to Staying in Business. The Hispano Chamber is assisting with the 2020 Census. Commissioner Corn stated the Hispano Chamber used to receive funds from Chaves County. Mr. Nava stated they have new leadership and a new board. They felt it would be a good opportunity to reestablish the connection with the County. Commissioner Corn mentioned the Hispano Chamber requesting assistance from the County to stop. Mr. Nava stated they have new leadership, new goals and they wish to work with everyone. Mr. Riggs stated the only thing received from the Hispano Chamber was a letter. Commissioner Corn stated there are procedures that need to be followed. We require certain documents to be disclosed, timelines and details in order to access funds. Mr. Nava stated he will follow any and all guidelines necessary. Commissioner Corn stated Mr. Riggs or Mr. Sedillo would be happy to show him examples of what the County is looking for. Commissioner Corn explained that we just don't give money. We must negotiate a contract for services provided. Commissioner Dana thanked Mr. Nava for coming and thanked him for his assistance with the census. Commissioner Dana stated that money we provide is an investment in the community.

UNSCHEDULED COMMUNICATIONS

Alys Klein stated she received an email from Rita Kane-Doerhoefer and was asked to thank the Commission for all they do. She also asked Alys to say "Go Cubs".

Dave Kunko shared some early vote and absentee voting numbers with the Commission. He stated to this point 2,000 ballots have been mailed to voters and 500 had been returned. Early vote has had 900 voters. He believed it was a very good start in a Primary Election.

MANAGER COMMUNICATIONS

Stan Riggs thanked everyone for taking part in this budget workshop. As you can tell a lot of time has been spent on this budget. We need to be aware that some of the 2020 Capital Outlay will not survive. The courthouse chillers and security upgrade package is not in this budget. There are a number of rooves that need to be done in the next 2 to 5 years. We must stay ahead of these projects. He thanked George Libby for setting up the Treasurer's Office for collections. It has worked very well. We opened last week, and we are wearing masks when dealing with the public. We will have a Regular Commission Meeting next Thursday at 9:00a.m. and there will be a special meeting in June to Canvass the Primary Election. If there are any changes to the budget, please let us know so that we can have

that prepared for next week. The budget can always be changed next week, but we do like to have it 99.9% complete. We will need to revisit the budget in December to see where we stand.

COMMISSIONER'S COMMUNICATIONS

Commissioner Corn stated his hat was off to the Budget Committee, Finance Department, Elected Officials and Department Heads. This is a good budget and all my questions were answered yesterday. Hopefully this budget will allow us to weather the storm. He prays opening up business won't cause the virus to be an uncontrollable runaway.

Commissioner Dana had Anabel bring up the slide of the budget showing entity requests. She mentioned the New Mexico Cooperative Extension Service requesting \$108,074. She asked if there was anyone here from the extension service. She mentioned Chaves County 4H and FFA requesting \$25,000 and asked if anyone was here representing this organization. She also mentioned Hagerman and Lake Arthur. She mentioned that we get a lot of requests and she feels it is a common courtesy to tell us why they are asking for money and what they will provide to the community. We are not a cash cow and everyone is hurting right now. Commissioner Dana thanked Charlotte for all they were doing right now. It is difficult for many people to pay all their bills. Mr. Riggs stated Shannon Wooton from the Extension office was scheduled to come in March. She was unable to be here today. They have lowered their request by \$8,000 compared to last year. There are contracts with the Municipalities in the valley and we don't require them to be here. Joe Sedillo stated the USDA is willing to come in but could not make it today.

Commissioner Ezzell stated he would gladly represent the towns or Lake Arthur, Hagerman and Dexter if there are any questions in reference to their funding. He thanked everyone involved in the budget. He expected cuts and was pleasantly surprised how departments are very good about limiting requests during times like these. He thanked the Finance Department and Department Heads stating this budget was incredible and everyone did an excellent job.

Commissioner Bilberry stated he was once again amazed at how hard everyone works together. Chaves County is run like a business and we take care of business. He thanked everyone.

Chairman Cavin stated Chaves County is run like a family business. He felt there were many great comments made during this meeting. We have hope due to the financial position we were put in by past Commissions and staff. We are in a good place and this is a great County. We take care of each other and we are making a difference. He thanked everyone for enduring this 3-hour meeting. He thanked Anabel for showing the slides. He thanked Mr. Kunko for all his office was doing. He asked Mr. Kunko if June 9th at 2:00p.m. would give them enough time to prepare the canvas. Mr. Kunko assured him they would be ready. He told everyone to be safe and closed with "God Bless America".

The meeting was adjourned at 11:32 a.m.

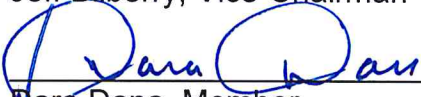
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Dave Kunko
County Clerk