

**MINUTES
SPECIAL MEETING
LUNA COUNTY BOARD OF COUNTY COMMISSIONERS**

Thursday July 26, 2012

BE IT REMEMBERED that the Luna County Board of County Commissioners met in special session at 9:00 a.m. on Thursday, July 26, 2012 in the County Commission Chambers of the Luna County Courthouse, Deming, New Mexico, for the purpose of conducting any and all business to come properly before the Board.

The following staff and elected officials were present:

Kelly Kuentler, County Manager	Joanne Hethcox, Procurement Director
Glory Johnson, Executive Assistant	Danny Gonzales, Human Resources
Karen Smyer, County Clerk	JoAnna Z. Zurinsky, Deputy Clerk
Dora Madrid, Treasurer	Gloria Rodriguez, Chief Deputy Treasurer
Barbara Cobos, Chief Deputy Assessor	Raymond Cobos, Sheriff
Estella Ortiz, Executive Secretary Sheriff's Department	Rheganne Vaughn, Community Health & Welfare Director
Matthew Elwell, Detention Director	Moses Pastran, Security Screener

CALL TO ORDER: Chairman Spivey called the meeting to order at 9:08 a.m. and Commissioner Joe L. Milo, Jr. led the Pledge of Allegiance and the salute to the flag of the State of New Mexico.

ROLL CALL: The roll call was conducted by County Clerk Karen Smyer. The following commissioners, constituting a quorum were present:

Joe L. Milo, Jr., District 1
J. Jay Spivey, Chairman, District 2
R. Javier Diaz, District 3

PUBLIC COMMENT: Chairman Spivey opened the floor to public comment. Fred Williams asked the Board the differences between the Preliminary Budget and the Final Budget. Mr. Williams also asked Budget and Procurement Director Joanne Hethcox about the amount of gross receipt taxes increasing and budget totals decreasing. Ms. Hethcox explained that federal grant funds which were available in the past, no longer exist. Larry Caldwell voiced his concerns about the budget deficit in the Detention Center and what the county will do to generate revenue to make up for the deficit. Mr. Caldwell also asked about the Healthy Start program losing funds, and whether the county was going to contribute funds. He asked about Starmax and revenue generated. County Manager Kelly Kuentler outlined the cost of Starmax rent, and said the contract was up for re-negotiation at the end of the year. Ms. Kuentler explained the scope of services at Healthy Start

were reduced, and the county has lost revenue from the program because the Healthy Start program can no longer afford paying rent or vehicle leases, and the county is contributing by paying for those expenses. Ms. Kuenstler acknowledged concerns with the detention center deficit and the budget will be re-evaluated mid-year after improvements are made. Commissioner Diaz stated that Ms. Keunstler and he have an appointment with the judges regarding adjudication and sentencing timelines in the hopes of cutting back jail expenses. Chairman Spivey pledged diligence and adjustments accordingly in dealing with the ongoing issues associated with the detention center deficit. Shanty Bowman commended the Board on completion of the budget. Mr. Bowman asked about the payment in lieu of taxes (PILT) funds received and total acreage of federal lands in Luna County. Ms. Keunstler stated she will find out the total acreage from the Assessor's Office.

NEW BUSINESS:

- a. RESOLUTION 12-38 APPROVING THE 2012 FINAL QUARTERLY FINANCIAL REPORT YEAR ENDING JUNE 30, 2012:** County Manager Kuenstler explained to the Board this is a new requirement from the New Mexico Department of Finance and Administration (DFA). The purpose of the resolution is to make sure the governing body reviews the quarterly report. Treasurer Dora Madrid is responsible for producing the quarterly reports. Commissioner Milo moved to approve Resolution 12-38 approving the 2012 Final Quarterly Financial Report Year Ending June 30, 2012. The motion was seconded by Commissioner Diaz and carried unanimously following a roll-call vote.
- b. RESOLUTION 12-39 APPROVING THE FINAL BUDGET 2012-2013:** County Manager Kuenstler gave an overview of the changes made from the preliminary budget to the final budget:
- She advised the Board that the preliminary budget was sent to the DFA, and they shared similar concerns for deficit spending regarding the Detention Center.
 - Footnotes were added to the budget to state the fund deficits will be covered by temporary adjustments and the intergovernmental grants will be cleared upon receipt of reimbursement.
 - The deficit regarding the detention activities will continue to be temporarily adjusted as cash-flow allows. Mid-year review of current revenue and expenditures will help determine further and permanent adjustments.
 - The Columbus Stockyards should be corrected by the end of this fiscal year, as an agreement for a minimum amount of cattle to be crossed is now in place. This agreement will put the fund at an acceptable level.
 - DFA will accept the budget with the footnotes.
 - Budget Transfers remained the same with the exception of the 416 Funds. This includes a \$400,000 addition for the Starmax digital equipment upgrade. The upgrade costs have changed again, due to the reduction of equipment costs and adding shipping and handling charges, the upgrade cost is now just over \$390,000. The \$400,000 was inadvertently left out of the preliminary budget. Once revenues are received, they will go back into the 416 category.
 - 415 funds dropped dramatically due to the loss of funding for the Healthy Start program.

- The recap percentage changed to 91 percent from 95 percent due to a reassessment of the collection rate.
- Keep Luna County Beautiful obtained more grants.
- Expenses changed for personnel to provide for salary increases following employee evaluations and a change in duties at the Sheriff's Department.
- 416 expenditures changed to match transfer amounts.

County Manager Kuentler commended Joanne Hethcox for her work with the budget, and for making it an "easy process" and for her ability to get things done right. There was discussion on the investment return on Starmax, and the projected time frame for investment return is about 5 to 7 years. Commissioner Diaz stated he was proud of and comfortable with the budget and the amount of cash reserves. He commended the staff for their work on the budget. Chairman Spivey applauded Community Health and Welfare Director Rheganne Vaughn and her efforts with Healthy Start. He also thanked those involved with putting together the budget. Commissioner Diaz moved for approval of Resolution 12-39 approving the Final Budget 2012-2013. The motion was seconded by Commissioner Milo and carried unanimously following a roll-call vote.

Before the adjournment of the meeting, County Manager Kuentler invited the audience to take a tour of the county's new IT facility, and thanked Moses Pastran for his help with execution of the project.

ADJOURN: The meeting was adjourned by Chairman Spivey at 9:40 a.m.

ATTEST:

**LUNA COUNTY BOARD OF
COUNTY COMMISSIONERS**

Karen Smyer, Luna County Clerk

Joe L. "Oleo" Milo, Jr., District 1

Approved: _____

J. Jay Spivey, District 2

R. Javier Diaz, District 3, Chairman