

## San Juan County Commission Special Meeting May 6, 2014

Chairman Pro-Tem Johns called the San Juan County Commission meeting to order on at 12:00 P.M. in the Administrative Conference room located in the County Administration Building, 100 S. Oliver Drive, Aztec, New Mexico. Those present were:

CHAIRMAN PRO-TEM	Keith Johns
MEMBER	GloJean Todacheene
MEMBER	Margaret McDaniel
MEMBER	Scott Eckstein
CLERK	Debbie Holmes
COUNTY EXECUTIVE OFFICER	Kim Carpenter
COUNTY OPERATIONS OFFICER	Mike Stark
ASSISTANT CEO	Linda Thompson
DEPUTY ATTORNEY	Doug Echols
CHIEF FINANCIAL OFFICER	Marcella Brashear
DEPUTY FINANCE OFFICER	Brooke Quintana
FARMINGTON DAILY TIMES	None
VISITORS	0

### New Business

#### **1. Review of the San Juan County Preliminary Fiscal Year 2015 Budget**

Kim Carpenter, County Executive Officer began the discussion indicating the budget has been built upon presumption to restructure the tax, which means to repeal 1/8<sup>th</sup> of the hospital and impose 1/8<sup>th</sup> of Hold Harmless, also imposing land fill fees.

Marcella Brasher, Chief Financial Officer provided a power point presentation on the Fiscal Year (FY) 2015 with the following key points:

- Balance over (under) the 3/12th reserve \$331,886, the balance includes restructuring tax and the implementation of land fill fees.
- Interim budget is due June 1, 2014 to the Department of Financial Administration (DFA) and the Final Budget will be due July 31, 2014
- Total revenues \$103,690,069, Gross Receipts Tax (GRT) 34%, Oil & Gas Production/Equipment 7%, Property Taxes 21%
- Total expenditures \$117,288,135
- Estimated 3.23% GRT decrease from FY14
- Included FY14 General Fund 1/16th was implemented effective 1/1/2014 four months of revenue in FY14. The FY15 estimates include a full year of revenue from the General Fund 1/16th. It also includes deleting the 1/8th Hospital GRT effective 1/1/2015 and implementing 1/8th Hold Harmless GRT effective 1/1/2015.
- San Juan county has the second lowest mill rate in the State

- Oil & Gas production has decreased from the FY08 by 58.09%
- Oil & Gas revenue has decreased from the FY08 by 55.53%
- Receipts from Sun Ray have decreased by 40.44% since FY09
- 26 Frozen positions saving the County \$1,551,294

Linda Thompson, Assistant County Executive Officer briefed the Commission the GRT revenues do not reflect potential impact of the annexations of Bloomfield and Farmington. There are no estimates available on the potential impact. Mr. Carpenter stated the annexation will affect Franchise fee, Fire Excise tax and Solid Waste.

CEO Kim Carpenter advised the commission of the following future items that will affect the County:

- Power Plant Decommissioning Units- APS/PNM loss of property taxes
- GRT Hold Harmless Repeal
- PILT- unknown funding levels
- Farmington Annexations – loss of GRT
- Bloomfield Annexations-loss of GRT
- Indigent Health Care
- Detention Facilities – Inmate Medical increase using San Juan Regional Medical Center
- Increasing Animal Shelter costs – Overall FY14 to FY15 increased by 9.22%

Options to consider:

- Impose Fees at the Landfill-estimated revenue = \$350,000 - already included in FY15 Interim Budget
- Close Transfer Stations on reservations-estimated savings=\$150,000
- Need Franchise Tax Agreements with Century Link and Gas Company of NM (only have agreement with Comcast)
- Possibly use Water Reserve Fund to cover wage increase in FY15.
- Short Term Solution- Utilize Capital reserve Funds to Cover General Fund Capital requests
- Implement 1/3<sup>rd</sup> mil-estimated revenue = \$1.2 million. County would remain 2<sup>nd</sup> lowest mil rate in the state. Current mil rate 8.5 + 1/3<sup>rd</sup> mil = new rate would be 8.83
- Reduce the 1/8<sup>th</sup> Hospital GRT implement 1/8<sup>th</sup> Hold Harmless GRT- estimate revenue FY15 = \$1.5 million – already included in FY15 Interim Budget
- Estimated Hospital Construction cash balance 2/28/2015 = \$9.5 million
- Implement Business Licenses
- Implement Fees at McGee Park
- Implement Vendor Registration Fees
- Review Compressed Natural Gas Initiative
- Lease Out Huerfano (DZ) Sherriff Substation
- Implement Notary Fees
- Sell Golf Course
- Reservation Animals – require Navajo Nation to cover the costs
- Implement Flood Plain Assessment Fees – Implemented will be effective 7/1/2014
- Mandatory 4-10 Work Schedule – Estimated Savings \$41,000 – Already Implemented 9/2013
- Health Insurance Premium – FY14 Implemented 79%/21% split = \$87,061 savings (GF impact=\$72,801)
- T-1 Data Lines – FY14 savings by changing providers = \$112,533

- Implemented Fees for Fingerprinting FY14

This was an informational meeting only. No action was taken.

**Adjourn**

Being no further business a motion was made by Commissioner Eckstein, seconded by Commissioner Todacheene to adjourn the meeting. Upon voice vote this motion passed unanimously and the meeting adjourned at 2:55 p.m.

**APPROVED THIS 5th DAY OF JUNE, 2014**

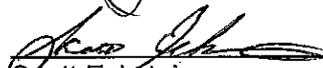
**BY THE SAN JUAN COUNTY BOARD OF COMMISSIONERS:**

  
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Chairman Jack L. Fortner

  
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Chairman Pro-Tem Keith Johns

  
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Margaret McDaniel

  
\_\_\_\_\_  
GloJean Todacheene

  
\_\_\_\_\_  
Scott Eckstein

ATTEST:

  
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Debbie Holmes, County Clerk