

SAGUACHE COUNTY BOARD OF COMMISSIONERS
PROPOSED 2016 BUDGET PUBLIC HEARING
THURSDAY, DECEMBER 3, 2015
SAGUACHE COUNTY ROAD AND BRIDGE MEETING ROOM

MINUTES

CALL TO ORDER

The Public Hearing was Called to Order by Board Chair, Ken Anderson, at 10:05 A.M. with the following present:

Ken Anderson, Commissioner, Board Chairman
Jason Anderson, Commissioner, Vice Chairman
Tim Lovato, Commissioner
Wendi Maez, County Co-Administrator
Lyn Lambert, County Co-Administrator
Renee Hazard, for Carla Gomez, Clerk to the Board

Department Heads Present:

Connie Trujillo, County Treasurer
Peter Peterson, County Assessor
Dan Warwick, County Sheriff
Randy Arredondo, Road & Bridge Department Supervisor

Also Present:

Wyoma Hansen	May Enquist
Lisa Cyriacks	Wolfe Stauffenberg
Pat Miller	Dallas Anderson

Commission Chair, Ken Anderson, opened the Hearing asking for questions:

Question - L. Cyriacks: Will updated Budget be uploaded to the website before adoption?

Response - L. Zimmer: Yes

Question - L. Cyriacks: When will be Budget be adopted?

Response - L. Zimmer: At the Commissioner's meeting, Tuesday, December 8, 2015.

Question - W Hansen: Have you been dating the Budget when you put updated budgets on the website?

Response - L. Zimmer: No

Letter from L. Cyriacks, dated December 1, 2015, read aloud by Ms. Cyriacks.

Reply - R. Arredondo: HUTF can be used for law enforcement and is used in Saguache County for purchase of vehicles for Sheriff's office.

Reply - L. Zimmer: Health insurance is a line item in the budget. County Pays \$475 for full time employees. Cost to the County does not show on the pay stub. Pay stub does not say "Health Insurance", it says "Other Deduction" and includes dental, vision and health insurance.

The Town of Center's budget for law enforcement is an inclusive budget with dispatch and jailer. Title III is restricted and does not fit the Sheriff Department's needs.

Title III is more for Search & Rescue.

Clerk's revenue discrepancy is due to Specific Ownership Tax that was reassigned a few years ago.

Last Year's amount was an estimate and this year's amount is more accurate.

Over the past 12-15 years, the County has had 3 auditing firms. The County asked for bids in 2014 to acquire a new firm, with no response.

Question - L. Cyriacks: Where do the Clerk's fees come from?

Response - L. Zimmer: You will have to ask the Clerk.

Question - L. Cyriacks: The audit says there is no cost to the County for insurance, could I get some clarification?

Response - L. Zimmer: \$55 to \$200 per month is paid for insurance by employees. \$475 is paid by the County for each full time employee. The County has over 50 employees so it has to follow criteria for that size

Comment - L. Cyriacks: The audit needs to address the fact that the County does pay for insurance.

Question - Commissioner J. Anderson: After reflection of the Sheriff's and Town of Center's police budgets, do you think this is an accurate comparison?

Response - W. Maez: Center said that the budget is all inclusive.

Question - L. Cyriacks: If the County gives 100% of SRS to the schools, the PILT to the County increases. Maybe this is a way to fund the General Fund?

Response - W. Maez: Title III has to be funded so we cannot give 100% to the schools.

Response - Commissioner K. Anderson: The paperwork for SRS and Title III was filled out when the County received it. The choice was made in 2014 to lock in the percentages received and distributed for two years, 2015 and 2016.

Question - L. Cyriacks: The cars Road & Bridge buy for the Sheriff's office, is that in capital outlay?

Response - R. Arredondo: There is no money budgeted for 2016 for the Sheriff's office, if there was, it would be under "Traffic". After the accident earlier this year, between insurance and a little money from the County, the Sheriff's office was able to purchase 2 used vehicles.

Question - L. Cyriacks: Maybe you can give the auditors a term of engagement and ask or require they look at other items?

Response - L. Zimmer: The County is going to RFP auditors in 2016 as WSB will have performed the audit for 5 years. WSB does random auditing of employees' salaries, full-time and part-time, New hires and released employees from every department.

Question - L. Cyriacks: I am concerned about the County expense of health insurance on the audit.

Response - L. Zimmer: The County will ask WSB about that.

Question - L. Cyriacks: Can you explain the changes to the budget?

Response - L. Zimmer: The budget is balanced.

Question - L. Cyriacks: There was a \$200,000 shortfall. Were there any particular line items the County adjusted?

- Response - Commissioner Ken Anderson: Health insurance was overestimated in 2015, that was a big adjustment. Then there was operating supplies, contract services like Pueblo County, shared services, WSB, XEROX, and an adjustment to Public Health staff.
- Response - Commissioner Jason Anderson: Commissioner Lovato came with new ideas and way to look at the budget.
- Response - L. Zimmer: Commissioner Lovato brought in a budget trainer, Dennis Hut, which really helped with the budget process.
- Question - L. Cyriacks: When will the budget be adopted?
- Response - W. Maez: Tuesday, December 8, 2015.
- Question - L. Cyriacks: Peter, are there changes countywide to the assessments?
- Response - Assessor Peterson: Cow Town went from commercial to residential, so there is a loss. The poultry businesses should go on for next year.
- Question - L. Cyriacks: How many County held lots are there?
- Response - Treasurer Trujillo: There are approximately 343 lots for sale and 196 reverted to the County. 94 to 98 percent of those are from the Baca
- Question - Commissioner Jason Anderson: Peter, what about the B&Bs and lodges that aren't easily seen? Do we have any and are they on the tax rolls?
- Response - Assessor Peterson: We have a list of B&Bs, mostly in the Baca. We have found them through ads placed. We will be assessing the square footage of the property that is being used for a business.
- Question - L. Cyriacks: Peter, how do you handle the spiritual centers that sell rooms for their functions? Are they exempt?
- Response - Assessor Peterson: I will have to look into that at the State level.
- Question - Commissioner Ken Anderson: Peter, is all the new construction on the tax rolls?
- Response - Assessor Peterson: this is an ongoing process. As we get the building permits, we track them and when it is appropriate, we put them on the tax rolls.
- Question - Commissioner Ken Anderson: Have the poultry farms been put on the tax rolls?
- Response - Assessor Peterson: Yes.
- Question - Commissioner Ken Anderson: The process has to work between you and Land Use.
- Response - Assessor Peterson: It is working and will work better when we have implemented the new Tyler Technology software.
- Response - Commissioner Jason Anderson: The State fiscal model is not sustainable. With the State Constitution being so easily changed, it sets up fiscal failure. As part of the State, this will and is affecting the County.
- Question - W. Hansen: During the budget process, what consideration was given to the future needs of the County, such as the jail? Has a savings fund been set up?
- Response - Commissioner Ken Anderson: Not really. We need to do something for the jail.
- Response - Commissioner Jason Anderson: At the State level, any proposal with a fiscal note will be denied.
- Comment - Stauffenberg: As it stands, the County is dependent on grants and needs to find alternatives.
- Question - Commissioner Ken Anderson: Could the next budget have page number and a little larger print?
- Comment - Commissioner Jason Anderson: Gunnison County has a good template.
- Question - W. Hansen: Could drafts be dated when updated versions are released?
- Comment - Sheriff Warwick: I just really want the County to move forward and not stagnate.

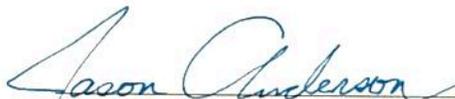
There being no further discussion, the Hearing was adjourned at 11:15 a.m.

MINUTES PREPARED BY:


Carla Gomez, Clerk & Recorder

MINUTES APPROVED: December 15, 2015


KEN ANDERSON, BOARD CHAIR


JASON ANDERSON, COMMISSIONER


TIM LOVATO, COMMISSIONER


ATTEST
CARLA GOMEZ
CLERK & RECORDER

Lisa A. Cyriacks
PO Box 754
Crestone CO 81131
719-256-4140

December 1, 2015

Saguache County Commissioners
PO Box 655
Saguache CO 81149

Re: 2016 budget

Dear Ken, Jason, and Tim,

I am objecting to the proposed 2016 budget published in October. The basis for my objections revolve around these issues:

According to the 2014 and earlier audits: *"The County also offers its employees a cafeteria plan organized under section 125 of the Internal Revenue Code, which includes the following benefits: medical, disability, accident, and/or term life insurance, and health expense reimbursement. No cost to the County is recognized, as the plan is a salary reduction plan."* At a meeting early in October when discussing alternatives to health insurance for county employees, April Quintana reported that "the county currently pays \$475 employee insurance premiums in a month with the cost to the employee being \$100". The budget includes line item expenditures for health insurance as an expense to the county - totaling over \$325,000 annually. One employee I asked reported that their paystub received did not show a deduction for health insurance. So is the \$325,000+ reported actually wages and mis-stated and not really an expense?

This might be a good time, given the changes under the Affordable Care Act for the county to conduct an audit as a thorough review of the benefits package and ensure that wages and benefits are being reported accurately.

At recent meetings the public's concerns about adequate law enforcement coverage for the county and its smaller towns have been discussed. Clearly, law enforcement is an important service that people want, yet in this budget it only makes up 18% of the General Fund expenditures or \$665,930. The jail, of course, is budgeted separately. As an alternative point of reference, the Town of Center budgets \$502,000 for its police force. It is time for this item to be revisited and for additional funds to be found in order fulfill this service to the public. Maybe the answer to the first question could provide some funding towards law enforcement. Another alternative to be explored, every auditor and I also believe CTSI indicated that transfer between funds were prohibited except that some HUTF can be used for law enforcement. I assume this would be for traffic control? I would also like to remind the commissioners that Title III funds could be set aside to reimburse the

Sheriff for certain expenditures, freeing up limited funds to go directly to deputy salaries and associated expenses.

One other item I noted was the decline in Clerk's revenue from 2014 budget of \$247,000 to \$110,000.

Budgets serve as the primary public transparency document for local governments, and presently information as accurately as possible is critical to the public's understanding of use of funds. As the county faces the need to consider possible alternatives to funding, public trust that funds are correctly reported and spent according to published financial reports becomes more critical for the success of any fund increases requiring a public vote. Again, I encourage the board to consider a forensic audit or a more thorough review of the financial picture utilizing another firm.

Sincerely,

Lisa Cyriacks

CC: Ben Gibbons, County Attorney
Lyn Z. Lambert, County Co-administrator
Wendi Maez, County Co-administrator

SAGUACHE COUNTY BOARD OF COUNTY COMMISSIONERS GUEST FOR: 12/3/15
Budget Hearing

NAME PLEASE PRINT	ORGANIZATION	EMAIL
Wynne Hansen		
Lisa Lyriacs	Citizen	lyriacs@rocketmail.com
J Miller		
Mary Sengquist	citizen	
W/fe Staflenberg	the-gro.com	wbs@the-gro.com
Dallas R Anderson		