

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF APRIL 16, 2010
BOARD OF DIRECTORS REGULAR MEETING**

CALL TO ORDER.

The regular meeting of the SSCAFCA Board of Directors was called to order by Mark Conkling, Chairman, at 9:00 a.m.

ROLL CALL OF DIRECTORS.

Directors in attendance were John Chaney, Mark Conkling, Steve House, Donald Rudy and Dub Yarbrough. Bernard Metzgar, SSCAFCA's attorney and David Stoliker, Executive Director, were present.

PLEDGE OF ALLEGIANCE.

The Board was led in the Pledge of Allegiance by Mark Conkling.

APPROVAL OF AGENDA.

A motion was made by John Chaney to accept the Agenda as presented. It was seconded by Steve House and passed unanimously.

ANNOUNCEMENTS.

Announcements were made by Mark Conkling that all electronic devices needed to be turned off during the meeting.

STAFF REPORTS.

Fiscal Services Director:

1. Recognition/Acknowledgment of the Fiscal Services Report for March 31, 2010.

Ms. Debbie Casaus stated that the operating property tax revenue after nine months remains at 31% higher than last fiscal year and debt service property tax revenue is 6.7% higher. Those rates have not changed since last month. General fund expenditures to date amount to 58% and SSCAFCA is currently 75% through the fiscal year. Interest continues to be low on the investments in the state treasurer's local government investment pool. Staff is working on implementing the investment policy that the Board adopted at the last meeting. They have not reached the point of getting the documents to or from the banks yet.

2. Receipt/Approval of Fiscal Year 2011 Preliminary Budget.

Ms. Debbie Casaus stated that the general fund property tax revenue is estimated at \$2,048,000. This is the first time the \$2 million mark was hit. This assumes an operating mil levy of .753. This is the same mil levy as the current fiscal year. The total assessed value of taxable property is estimated at \$2.8 million. This assumes 6% over the current year's assessed valuation. There is also an assumed collection rate of 97%. There is not a cost of living adjustment in this budget because the inflation was measured and it was .4% lower than the last calendar year. Three staff directors' salaries were increased by 5% and that completes the transition to their new position. Mr. Conkling stated when the new positions were created; the increase in salary was approved at that time and was to be implemented at two different times. Mr. Stoliker stated that last November is when the approval was given for the raises, which were to be implemented ½ at that time and ½ now.

Ms. Casaus stated that the health and dental insurance benefits are budgeted at the same rates they were in the past fiscal year, 83% for the employer and 17% for the employee. Insurance rates are about 10% higher this new fiscal year than the current year and all providers remain the same. A full time administrative services director position was created and is to be hired in the last quarter of fiscal year 2011, which will be some time in March 2011. Operation and maintenance is funded at \$550,000.00, which includes all sediment removal, trash and dumping, improvements in fencing and addition to general O & M costs. The fiscal year 2010 budgeted O & M costs was \$360,000.00, so this is an increase of about 53%. The general reserve is proposed to be \$750,000.00, which is the same as fiscal year 2010. SCAFCA is required by DFA to have 1/12 of its budgeted expenditures, which is about 8% in its reserve. SCAFCA's reserve is about 30% of its expenditures.

Ms. Casaus stated that property tax revenue is estimated to be \$2,366,000.00. The debt service mil levy remains the same at .87, and the same assumption on the assessed valuation is at 6% with a 97% collection rate. The construction fund budget assumes that approximately \$4.4 million will be carried over from the current year. This is basically made up of the new bond issue in March.

Mr. Conkling stated that as SCAFCA celebrates the City's welcoming of the new photovoltaic manufacturing company, with its location adjacent to the Sue Cleveland school on Paseo del Volcan, he asked if SCAFCA would be called upon to implement part of its drainage plan now in anticipation of the construction of that building and, if so, does the budget allow for that. Mr. Stoliker stated that SCAFCA has already been called upon for this. The location they have picked for that building is great for SCAFCA from a drainage standpoint because there is a drainage plan for that location. The school has built half of the pond that is required. The outlet structure will stay the same. Everything downstream should stay the same. All the new development has to do is complete the other half of the pond and abide by the normal DPM requirements. All the costs will be borne by the developer.

Ms. Casaus stated that this year the presentation of the budget is a little different. Each department head will be responsible for overseeing its costs.

Comments were taken from the Board and the comments were mostly positive regarding the proposed budget. Ms. Casaus stated that history has shown that expenditures don't match revenue. The current year's budget shows revenues of \$2,051,000.00 and expenditures of almost \$2.5 million. SCAFCA has always relied on cash carryover to balance the budget. The shortfalls in the budget are the cash carryover, into which part of SCAFCA's savings goes. The projections they have made with regard to the cash carryover is that it will dry up in about four or five years. She stated that the centrally assessed division of the state came out to SCAFCA and looked at the boundary maps to see if SCAFCA's assessed valuation can be bumped up further because it is not sure whether SCAFCA has been getting credit for the centrally assessed properties within the SCAFCA boundaries. Bond counsel is comfortable with the 6% number in the budget.

A motion was made by Steve House to approve the Preliminary Budget as presented. It was seconded by Donald Rudy. Mr. Yarbrough stated that he would move to approve the Preliminary Budget but with the salary increases deleted from it at this time. It was seconded by John Chaney. Mr. Stoliker stated that when the directors were given their new titles, they were given the authority and charged with their new duties immediately. SCAFCA is probably saving about \$90,000.00 per year by increasing their salaries and by not hiring a new person to serve as the Technical Services Director. Mr. Conkling would like to defer the discussion of a design engineer to the Personnel Committee because the issue is whether or not those two increases would be forthcoming as previously approved.

Mr. Conkling called the question on the motion to amend the motion to delete the salary increases. The motion failed 1-4. Mr. Conkling called the question on the motion to accept the Preliminary Budget as presented. The vote on the motion was 3 in favor, 1 against and 1 abstention. The motion passed.

3. Action/Acceptance of Resolution 2010-9, Fiscal Year 2010 Budget Adjustment.

Ms. Casaus stated that Resolution 2010-9, Fiscal Year 2010 Budget Adjustment is to adjust appropriations in the construction fund budget from the bond sale. It is also to allow SCAFCA to spend the \$4.5 received from the bond sale. There is also a slight adjustment in the debt service fund to reflect that accrued interest on the 1999 series bonds was paid.

A motion was made by Steve House to accept Resolution 2010-9 as presented. It was seconded by Donald Rudy. Roll call vote: John Chaney, yes; Mark Conkling, yes; Steve House, yes; Donald Rudy, yes; and Dub Yarbrough, yes. The motion carried 5-0.

Executive Engineer:

1. Action/Acceptance of Resolution 2010-10, Board of Directors Election.

Mr. Stoliker stated that Resolution 2010-10 is the Board of Directors Election Resolution. This is the same every election year and the only things that change are the dates and the number of directors that will be elected and the places where voting will occur. There is a change in the precincts where people will vote. Other than that, it is the same as in the past.

A motion was made by Steve House to accept Resolution 2010-10 as presented. It was seconded by Donald Rudy. Roll call vote: John Chaney, yes; Mark Conkling, yes; Steve House, yes; Donald Rudy, yes; and Dub Yarbrough, yes. The motion carried 5-0.

2. Action/Acceptance of contract renewal with Tierra Right of Way Services for ROW Acquisition/Negotiation Services.

Mr. Stoliker stated that this is the first renewal of the contract with Tierra Right of Way Services for right-of-way negotiation services. This is an on-call contract so it is unknown how much the company will be used. A motion was made to renew the contract. It was seconded by Donald Rudy and passed unanimously.

CHAIRMAN'S REPORT.

Mr. Conkling stated that with regard to the completion of the building and the LEEDS certification, he recommended putting off the dedication until the July meeting, which will allow for the photovoltaic's changes to be completed. It would also give time for any questions to be answered with regard to the building. It was the consensus of the Board to put off the dedication of the building until at least the July meeting.

Mr. Stoliker stated that the contractor has signed the final change order on the solar and it has been approved. PNM is going to do the inspection on the meter. The big deal was getting the meter installed. There are only two people at PNM who handle the solar applications for the state, so it took a long time to get one of those people to the building. They came out on Tuesday; they will inspect it today at 2:00 p.m. Once they have PNM's approval, everything can be torn down because they won't need more approval by PNM.

BOARD OF DIRECTOR'S COMMENTS.

None.

COMMITTEE REPORTS.

None

ACTION/APPROVAL OF THE MINUTES OF:

- 1. JANUARY 20, 2010**
- 2. FEBRUARY 19, 2010**
- 3. MARCH 19, 2010.**

A motion was made by Donald Rudy to approve the minutes of January 20, 2010, February 19, 2010 and March 19, 2010 as presented. It was seconded by Steve House and passed unanimously.

ATTORNEY'S REPORT.

None.

FOR YOUR INFORMATION.

Mr. Stoliker stated that the following was for Board information only and/or contained in the Board's packets:

1. Correspondence on April 5, 2010 from Mackie, Reid & Company, PA regarding Proposed Audit Contract Amendments.
2. April 23, 2010 correspondence from the Sandoval County Bureau of Elections regarding the use of SSCAFCA's office as a polling location.
3. Event Schedule for Board of Directors Election.

PUBLIC FORUM.

None.

OTHER BUSINESS.

BOARD OF DIRECTORS REGULAR MEETING

APRIL 16, 2010

The next Regular Board Meeting is on Friday, May 21, 2010 at 9:00 a.m.

ADJOURNMENT.

A motion was made by John Chaney and seconded by Donald Rudy to adjourn the meeting. It was carried unanimously. Meeting adjourned at 9:50 a.m.



MARK CONKLING
CHAIRMAN



STEVE HOUSE
Secretary

DATE APPROVED: 4/18/10

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