

FINAL COPY
Torrance County Board of Commissioners
Special Commission Meeting
May 22, 2025
2:00 PM

Commissioners Present:

RYAN SCHWEBACH-COUNTY CHAIRMAN
KEVIN MCCALL –COUNTY VICE-CHAIR
LINDA JARAMILLO – COUNTY COMMISSIONER

Others Present:

J. JORDAN BARELA – COUNTY MANAGER
MISTY WITT – DEPUTY COUNTY MANAGER
MICHAEL GARCIA – COUNTY ATTORNEY- Zoom
SYLVIA CHAVEZ – COUNTY CLERK
GENELL MORRIS – ADMINISTRATIVE ASSISTANT III
DONALD GOEN – PLANNING & ZONING DIRECTOR

1. **Call the Meeting to order.**

Ryan Schwebach-County Chairman: Calls the May 22, 2025, Special Commission Meeting to order at 2:02 PM.

2. **Pledge led by:** Ryan Schwebach– County Chairman

Invocation led by: Linda Jaramillo – County Commissioner

3. **Changes to the Agenda:** Defer item 4A

4. **ADOPTION OF RESOLUTION:**

A. FINANCE: Request Approval of Resolution No. 2025-_. A Resolution Authorizing Budget Adjustments to the Fiscal Year 2025 Budget. **Deferred**

B. FINANCE: Request Approval of Resolution No. 2025-20. A Resolution Authorizing 56.25% Pick-Up of PERA Member Contributions.

Misty Witt - Deputy County Manager: This is a required resolution that PERA needs for us to activate the 56.25% PERA pickup for employees. The resolution does state it'll be effective July 1st.

Action Taken:

Ryan Schwebach-County Chairman: Motion to approve Resolution No. 2025-20.

Kevin McCall-County Vice Chair: Seconds the motion.

Roll Call Vote: Linda Jaramillo – County Commissioner: - Yes: Ryan Schwebach – County Chairman: – Yes: Kevin McCall – County Vice Chairman: - Yes:

MOTION CARRIED

5. APPROVAL/ACTION ITEMS

A. FINANCE: Request Approval of Torrance County's Interim Budget for Fiscal Year 2026.

Misty Witt-Deputy County Manager: This item is for approval of the 2025 County Interim Budget. I provided another summary of what was included for the Capital request that the Commission approved, as well as the recurring expenses. In your packet is a copy of the budget recap for your review. Everything should be in line with what we discussed previously. The only change since we individually met was that I added the vehicle lease to the Manager's Office budget for three vehicles, plus the maintenance was about \$36,000.

Kevin McCall-County Vice Chair: We're going to send the three blades back and buy three new ones. What is the net gain or loss between the two transactions?

Leonard Lujan-County Road Superintendent: Around \$100,000 to \$103,000 for the lease for three blades each for the year.

Kevin McCall-County Vice Chair: You're saving \$300,000.

Leonard Lujan-County Road Superintendent: Yes, when we pay everything.

Kevin McCall-County Vice Chair: You're spending \$900,000, the net loss of \$600,000.

Ryan Schwebach-County Chairman: As far as the budget is concerned, is that \$100,000 and a lease being applied to this capital?

Misty Witt-Deputy County Manager: Correct.

Ryan Schwebach-County Chairman: That's what we did last year. We pulled that lease fund, applied it towards the purchase of these blades. Now we're at a \$200,000 drop in the Road Department budget.

Misty Witt-Deputy County Manager: Correct.

Ryan Schwebach-County Chairman: Next year, I want to put a savings fund in the Road Department to get it up to the cost of a blade, where we have replacement costs. That was the original talk. When we do this again next year, we're going to be out of the leases. Do you like that?

Kevin McCall-County Vice Chair: Yes.

Ryan Schwebach-County Chairman: We are giving you an additional \$100,000 for the crusher fines.

Linda Jaramillo-County Commissioner: I wanted to say that this is the first budget I've approved since being Commissioner. I listened to your discussions during the last meeting and went over the budget with Misty and Jordan. They're very thorough, and they guided me through the process. I know everybody can't be happy with everything that we decide. Overall, I feel that this is the most economical way to do this, and we are still thinking of building a building for everyone. Let's try to save for that in the future too. I appreciate everybody who works for the County, and I did my best to make this fair.

Misty Witt-Deputy County Manager: Each of the Commissioners has seen the same spreadsheet individually.

Ryan Schwebach-County Chairman: We had talked, and you had shown us the projected increase. I want to see the projected increase in gross receipts and property taxes.

Misty Witt-Deputy County Manager: I will make you a copy.

Ryan Schwebach-County Chairman: While we are waiting for the copy. What's happening at the fire department?

Gary Smith- County Fire Chief: The Valencia Fire Chief gave us a 2008 diesel motor with 80,000 miles. We just got to get radios in it and a gurney, and get the title transferred over to us. The \$100,000 we're going to have to use for maybe a used one.

Linda Jaramillo-County Commissioner: They had a nice dinner last night. There were a lot of people there to honor all the EMS personnel. Thank you very much.

Kevin McCall-County Vice Chair: How can Valencia County be in a position to essentially give us a unit, and we are in such dire need where we need it? I'm not looking for an answer. I want to have that conversation.

Gary Smith- County Fire Chief: I don't know, but maybe three, four years ago, Santa Fe County had this rescue. They did a trade. It saves us some money. Now we can get what we want to get our fleet rolling.

Ryan Schwebach-County Chairman: Firstly, this is in the Interim Budget, meaning it is not finalized. I've had a lot of people, both employees, residents, talking to us, asking What are you guys looking at? Why don't you do this? Why don't you do that? I think it's important to understand, speaking for myself. Capital requests are pretty simple. Those are one-time expenditures. The Road Department is a perfect example. He's getting the equipment he needs, he's getting the material, more importantly, that he needs, and you're seeing stuff done. Is he where he needs to be totally? No, but we're improving. That's where this Capital Improvement comes in. I anticipate the same thing with the Fire Department. When we move over to these recurring expenses, that's where it gets tricky, and that's where I struggle. When we put in a new position, we're not going to get rid of that position. When we add a new position, I need to know the why. How does it work? Is it fully functioning? Is it short-staffed? Is it a knee-jerk reaction? What are the reasons? I don't take it lightly. What we see here is that we're looking at new positions or restructuring positions. It's been thought out, and some expenses go with it. Those expenses are what I have to figure out, where are we going to get that year in and year out? The PILT money is not guaranteed. It's been a lifesaver for the County in getting what is needed. There's no guarantee it's going to be down the road. That's how I managed to figure out that paying for that new

building was through PILT money, because it's a one-time expense. We're looking at a \$714,000 increase in costs, just what we're putting to the budget, not increased cost of living, like insurance, fuel, everything else. That's not here, that's coming, just like the cost of living. These are projected increases in revenue. Recurring general fund revenue of \$238,000. Where do you get that money from? Where does the rest of the money come from? When is that growth of income and expenses crossing the line, and all of a sudden, we're upside down? That is what I'm looking at. It's not going to happen during my term. We have enough money to cover costs. I try to explain this to where Department Heads understand where I'm coming from. I had some individuals ask, "Why are you sweeping the budgets? Why are you cutting the budgets?" We're not cutting budgets. We're looking for any money that wasn't spent. If we don't have accurate numbers on what's going on in the departments, we don't know how to make that decision. With that being said, it doesn't mean I don't want Department Heads not to come to this Commission and say, Look, I have this need. If we don't know the real numbers, we don't know how to balance, we don't know where to spend the money. That's critically important. It's also important that this Commission sees that the Department Heads are using their money efficiently and wisely. Part of that is budgeting. I understand, put an extra \$1000 in here because you don't have what it's going to cost. Pull it out, return it to where we can track it, to where finance can show the Commission, that's my reasoning here. There's a \$285,000 reduction in departmental operating expenses. In our reality, I think we're going to go through the year, and we're going to have some departments say, Hey, I need some of that money. Come to the Commission. Don't hesitate. Don't feel like you're locked to this. We still have some extra money to come up with. It's in there. We're pulling it out of the General Fund to do it.

Kevin McCall-County Vice Chair: The department heads who are here and listening. When you see an increase to the General Fund of the County, we're only up \$238,000, yet what we're approving, or about to approve, with recurring expenses, is \$714,000 alone. That's the increase in wages and the PERA pickup, and then everything else that's in the budget. It's got me spooked quite a bit, too, to know that we're adding half a million dollars more in expenses without the income. As Commissioner Jaramillo said, it's hard to make everybody happy, and we never will. The one-time capital request is okay, I can handle that, because I know today we can do it. It's these recurring, adding positions, adding raises, and I'm not saying it does not need it. What you've got to keep your finger on is that we don't get so upside down that your expenses way outpace your income. I'd love to try to put some more money towards economic development. You've almost got to start something where you can start making more money. Jordan made that comment

the other day. What if we took a bunch of money and put it towards economic development, just for job growth and business growth? What will that look like in this County in another five years? He's right, but we don't have it today.

Commissioners, do you feel comfortable with the proposed increase in expenses versus the income?

Ryan Schwebach-County Chairman: I don't feel comfortable with it, because anytime you're spending more than you're taking in, it's dicey. I also foresee more income coming in various areas. Can we withstand this for one year? Yeah. Can we withstand it for two years? Possibly. The reality is, when you look at raises, full disclosure. When it was the Commissioners, we were looking at a percentage raise. We were looking at clear across the board percentage. If we were looking at the dollar figure of \$3, it would be about 1.2 million. I always have to put things in perspective. Yes, employees need fair compensation. They need cost-of-living wages. However, we have to remember that these dollars need to get back to the residents one way or another. How do you balance that? I feel that the Fire Department and our EMS are critical when we have an aging population. We've had a department that has been underfunded for a long time in which has more of an impact on multiple things, in my opinion, than any other one thing. That's where my focus is, and I think you see it in the finances.

Linda Jaramillo-County Commissioner: I depended on Misty and Jordan, and we sat down for a long time. I wanted to make sure that we had the money in the budget. It's going to be a year, and it's going to be a different way of doing it this year from what we've done in the past; it's one year. It's one year of doing it this way, and then if it's not suitable, we'll change it. Like Commissioner Schwebach said, if you do need something from the Commission and you fall short, then I guess we would work with the departments. There is a safety fund there that we can draw from for this purpose.

Kevin McCall-County Vice Chair: I think the PERA pickup cost the County \$23,000.

Misty Witt-Deputy County Manager: I think it was \$19,000 and some change.

Kevin McCall-County Vice Chair: Where the dollar an hour was \$377,000. The PERA pickup, in the grand scheme of things, wasn't a huge cost to the County, as opposed to the dollar. They should take more because it's picking up their portion of it.

Ryan Schwebach-County Chairman: The County picks up 70%, the employees pick up 30%, so 53% is on 30%.

Sylvia Chavez-County Clerk: As an elected official, I have five years to retire. I can say that the PERA pickup I appreciate, but if I were one of my staff members, the pay would be what I would need. I understand where you're coming from. I know I had to deal with the budget when I was the Mayor, and it's never fun, and you're never going to make friends whenever you have to make those hard decisions. I know that. With that being said, I think if you look at the current employees that you have, I will tell you that we probably have more new employees who don't understand the value of what PERA will do for them. I think if we had a better understanding of what PERA is and what PERA will do for them in the long run, they may be a little bit more up to saying, okay, I'm good with the PERA and the dollar. I'll be honest, because when I first worked here, I didn't know what PERA was. I knew it was a retirement, but I didn't really know the importance of what PERA was until I got later in my career. The caveat behind that, maybe we need to educate our employees a little bit more. Maybe we need to get a PERA to do a presentation so that these employees understand. We didn't get the \$2 raise. We got a \$1 raise, plus we got an additional PERA pick-up. Let them see what that additional pickup will do for them in the long run. Yes, it does give me a little bit to take home more, but the COLA also goes up. I think by making those hard decisions and by doing ultimately what is correct for the County's budget, not just for the overall employee. I understand, but you also need to let your employees understand what that value is. I think that that is what's missing is that these new employees don't understand what PERA is and what the benefits of it are.

Ryan Schwebach-County Chairman: It's a valid point.

Misty Witt-Deputy County Manager: We have PERA coming out in June to do a workshop.

Ryan Schwebach-County Chairman: When you look at the dollar, when you tied 2% increase, and correct me if I'm wrong, it ranges on our pay structure, its rating the lowest was 3%, that would have been the higher paid positions, while the rest of it was just a touch over eight. That's why I went with the dollar. Those lower paid in positions or brought up on a higher percentage versus the top one. I think when you start looking around the state, a lot are doing a straight 3% cost of living.

Kevin McCall-County Vice Chair: Santa Fe did a 3% cost-of-living increase. I think we hit that and exceeded that greatly for those who have lower incomes.

Sylvia Chavez-County Clerk: I think if you explain that, it probably helps. Like I said, when I was Mayor, I knew that I was always able to tell my employees, we're going to cover the COLA increase. You may not take extra home, but we're going to help you compensate for the COLA increase. I think it's just a matter of education for our employees. I do the best I can to educate my employees. I'm a vetted employee. I've worked for, soon to be 20 years, in the Clerk's Office. My entire career has been in the Clerk's Office. I have tried to let my employees know the value of a career, but they're trying to provide for their families, so they don't know that. I think not just hearing it from me, but hearing it from the Commission as a whole, to educate them. I think they would understand the decisions that you're making.

Ryan Schwebach-County Chairman: That's what I was attempting to do, you said it well.

Linda Gallegos-Chief Deputy Assessor: At one of our last meetings, Jordan and Misty put together a presentation. This is a very well put-together Torrance County budget presentation that was provided to the Department Heads contained all the information that I think I was trying to address in the last meeting when I created some enemies with my comments. If we have this before going into the budget process, it will make it a whole lot easier. When we came to our requests, to where our priorities should be there as well. Jordan said they were going to implement it. Also, when you mentioned what your priorities were, Fire, EMS, and so on. I mentioned that if we knew ahead of time what the priorities are for the County. I look at my budget when I see those numbers come in, I'm not paying attention to the other departments, budgets, or their needs. If we were given a heads up about what the priorities are in the spirit of cooperation and the need for them to be in the General Fund, that needs to be there for those services, so that we could cooperate fully, and not make our request so padded. For example, for me, when I'm doing the budget, and you'll see, or probably saw, in my budget that there was a lot of extra in there, because I noticed that there was more slash than I requested to be decreased. I'm willing to give it a try for a year and see what happens. But you also need to know that I do this very conservatively throughout the year, so that I know if the money is there, if we need it. For example, we need scanners in our office, but it's going to cost between \$1,600 and \$2,000 for the ones that we need. I'm thinking, well, the line item that we have may not necessarily support if we have someone who needs a chair or a monitor. I've been very conservative with our

spending. If it looks like I'm being selfish with my budget, please understand it's for conservative purposes.

Ryan Schwebach-County Chairman: I would like to expand on that, when you start looking at just quarter reports, and you have certain departments that are only 30% spending, and I think I'm guessing yours was one of them. The way I approach this budget, and this entire County, is that each department has a set of tasks, a set of chores. I was under the assumption that Department Heads had a better concept of the overall way money flows within the County and how it's distributed. I'm not sure that's the case. I've talked to Jordan, yes, you have your department, you've got a handle on the money that is going to this department has the potential to affect this department. When you start talking about anything with labor, anything with PERA pickup, salaries, insurance, that's a blanket on every department. What one department might want multiplied by that, if you got 10 employees, well, you'd have to apply that to 120. That's what we're looking at as a Commission. I can make more sense of a department saying we're right there in 90% of what we budgeted. That tells me that the department knows what's coming. They can plan, and they see what's happening. It doesn't mean that if we have a power surge and your computers blow up, it doesn't mean we're going to ignore it. When I have a Department Head come to me and say, "Look, we're slammed. Look at my overtime. Look at what's happening, right? Guys, we need another position." I'm more inclined to listen. I'm looking for the real numbers. For the next budget cycle, we are planning a zero budget. Let me be clear, because that scares me a little bit, too. That puts in the concept of, if I don't spend the money, I won't get it back. That's not what we're looking for either. I'm looking for explanations on why it wasn't spent or why it was overspent. That's all I'm looking for to just common sense. That's how I run my business.

Linda Gallegos-Chief Deputy Assessor: I want to say thank you for approving what we requested. I don't have a complaint about it, but in our property valuation fund under contract and other services, I had budgeted \$197,445, and the budget came through at \$267,589. I think that might have been a simple mathematical error. Or do you know why this extra \$40 was added?

Misty Witt-Deputy County Manager: That is your beginning fund balance. On special fund, year to year, those funds stay in that budget, in that 610 fund. The \$40,000 was money that was not spent from previous years. That's your beginning fund balance from each year.

Linda Gallegos-Chief Deputy Assessor: I thought it was the \$33,000 plus that I had spoken to you about another time when I asked for the balance.

Misty Witt-Deputy County Manager: I don't know that you're beginning fund balances off the top of my head, ma'am, but I do think that's where the difference would be versus what you requested. I wanted to make sure you had access to all of your funds in your 610.

Linda Jaramillo-County Commissioner: This is the same concept as the Clerk's Fund.

Misty Witt-Deputy County Manager: Yes.

Linda Jaramillo-County Commissioner: We were always iffy about how much we had. It was always a guessing game until the budget came around.

Linda Gallegos-Chief Deputy Assessor: I didn't expect an increase on that line item. I want to be sure that you're not giving us more than what we're asking for.

Misty Witt-Deputy County Manager: You can't put it back in the General Fund; that's got to stay with you.

Kevin McCall-County Vice Chair: I wanted clarification on the Department Heads who put a savings plan out. What are we going to do with those? Are you putting them back? You asked the Department Heads to volunteer funds.

Misty Witt-Deputy County Manager: That's part of the \$285,000.

Linda Jaramillo-County Commissioner: Is that savings that we did by cutting on the budget? Is that going to be put aside in case we do need to supplement?

Misty Witt-Deputy County Manager: What happens with that is, it stays in the General Fund.

Ryan Schwebach-County Chairman: In this budget, we talked about a reset. Essentially, it's those funds that were not spent that are not needed. We brought them in. When I go back to the \$714,000 additional expenses and recurring expenses, that money I'm applying to that. I'm also applying our increase in projected revenue. When you put those together, decreasing road fund expenses, it almost covers that \$714. We're using some interest right from the one-time

expenses. That's how I'm trying to keep everything balanced. Unless something changes in income, it's safe to assume we're going to have an increase in income, just like everybody has an increase in the cost of living. That's how, when we start talking, we'll meet down the road next year. That's where that comes in, because there's going to come a point where things get unbalanced, that's what I'm looking at.

Kevin McCall-County Vice Chair: I'd like to address the road for just a little bit. I think you are the most susceptible to the act of God, whether it be rain, floods, or so on. Know that the Commission is here when you need us. Department Heads come to us with needs. Rest assured, we will get you if the act of God gets you.

Ryan Schwebach-County Chairman: That is a perfect example, because all of a sudden, we get five big storms. Instead, you're budgeted three. Your budget shot. I expect you to come here. We get it. We fund that budget.

Action Taken:

Ryan Schwebach- County Chairman: Motion to approve.

Kevin McCall-County Vice Chair: Seconds the motion.

Roll Call Vote: Linda Jaramillo – County Commissioner: - Yes: Ryan Schwebach – County Chairman: – Yes: Kevin McCall – County Vice Chairman: - Yes:

MOTION CARRIED

6. EXECUTIVE SESSION: None

**7. Announcement of the next Board of County Commissioners Meeting:
May 28, 2025, at 9:00 AM.**

8. Signing of Official Documents.

9. Adjourn.


Action Taken:

Ryan Schwebach-County Chairman: Motion to adjourn.


Linda Jaramillo-County Commissioner: Seconds the motion.

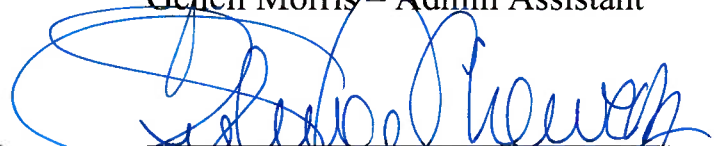
Roll Call Vote: Linda Jaramillo – County Commissioner: - Yes: Ryan Schwebach
– County Chairman: – Yes: Kevin McCall – County Vice Chairman: - Yes:
MOTION CARRIED

The meeting adjourned at 12:58 PM.


Ryan Schwebach – Chairman


Genell Morris – Admin Assistant


Date


Sylvia Chavez – County Clerk

The video and audio of this meeting are available upon request.