



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
FEBRUARY 16, 2015 – 5:00 P.M.

CITY CLERK'S OFFICE

2/13/15 TIME 9:25am
Yolanda Speer
Helene Hausman

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES:

Regular Finance Committee – January 20, 2015

Regular Finance Committee – February 2, 2015

INFORMATIONAL AGENDA

6. Status of the City's Cash and Investment Portfolio as of December 31, 2014.
(Helene Hausman)
7. Follow-up on Open Audit Findings Report. (Liza Kerr)
8. Monthly Financial Report. (Oscar Rodriguez)

CONSENT AGENDA

9. Bid No. 15/12/B – Microfilming Services and Professional Services Agreements for Land Use and City Clerk Departments; Portable Micrographics, Inc. (Yolanda Cortez and Carmelina Spears)
10. Request for Approval of Grant Application – 2014/2015 Santa Fe Trails Ridefinders Program; U.S. Department of Transportation, Federal Transportation Administration. (Jon Bulthuis)
11. Request for Approval of Amendment No. 1 to Fiscal Agent Agreement – Wells Fargo Payment Gateway Services for On-Line Payment for Parking Tickets; Wells Fargo Bank, N.A. (Helene Hausman)
12. Request for Approval of Budget Adjustment to Add the Annual Debt Service Expense and Interest Earned to Fund 5406 for the NMFA Transit Loan. (Helene Hausman)
13. Request for Approval of Budget Adjustment to Add the Debt Service Expense and Property Tax Revenue Budgets to Fund 4152 for the 2014 General Obligation Bonds. (Helene Hausman)



Agenda

**FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
FEBRUARY 16, 2015 – 5:00 P.M.**

14. Request for Approval of Budget Adjustment to Add the Annual Debt Service Expense and Interest Earned to Fund 4127 for the 2014 GRT Bonds. (Helene Hausman)
15. Request for Approval of Procurement Under State Price Agreement – Medical Oxygen for Fire Department EMS Operations; Airgas USA, LLC. (Greg Cliburn)
16. Request for Approval of Procurement Under State Price Agreement – Three (3) Replacement and Expansion Vehicles for Public Utilities Department; Various Vendors. (Nick Schiavo)
 - A. Request for Approval of Operating Budget Adjustments – Water Utility \$211,630 and Wastewater Utility \$24,640 Funds
17. Request for Approval of Grant Award and Agreement – State Grants-in-Aid to Public Libraries for Santa Fe Public Library Division; New Mexico State Library. (Patricia Hodapp)
 - A. Request for Approval of Budget Adjustment – Grant Fund
18. Request for Approval of Budget Adjustment for DWI Forfeiture Lot on Camino Entrada for Services to Install Lighting and Security Camera. (Mario Salbidrez)
19. Request for Approval of Agreement – 2014 State of New Mexico Capital Appropriation Project; State of New Mexico Department of Finance and Administration. (David Chapman)
 - A. Request for Approval of Budget Increase – Grant Fund
20. Request for Approval of Agreement Between Owner and Architect – Southside Transit Center and Police Department Renovations (RFP #15/19/P); Huitt-Zollars, Inc. (LeeAnn Valdez)
 - A. Request for Approval of Budget Adjustment – Alarm Enforcement Fund
21. Request for Approval of Professional Services Agreement – Advertising for Tourism Santa Fe (RFP #15/17/P); Fuseideas, LLC. (Randy Randall)



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
FEBRUARY 16, 2015 – 5:00 P.M.

22. Request for Approval of Revised and Restated Joint Powers Agreement – Santa Fe Metropolitan Planning Organization Planning in Compliance With All Federal, State and Local Regulations and New Provisions of MAP 21, the Current Federal Transportation Funding Act; County of Santa Fe, Tesuque Pueblo and State of New Mexico Department of Finance Administration. (Mark Tibbetts)
23. Request for Approval of Amendment No. 2 to Agreement – Juvenile Justice System Services; State of New Mexico Children Youth and Families Department. (Richard DeMella)
24. Request for Approval of Budget Adjustment to Fund Implementation of NCRTD Santa Fe National Forest/Ski Santa Fe Shuttle Pilot Project. (Jon Bulhuis)
25. Request for Approval of an Ordinance Authorizing the Execution and Delivery of a Loan Agreement By and Between the City of Santa Fe (The "City") and the New Mexico Finance Authority, Evidencing a Special, Limited Obligation of the City to Pay a Principal Amount Not to Exceed \$37,375,000, Together With Interest Thereon, for the Purpose of Defraying the Cost of Advance Refunding the New Mexico Finance Authority Convention Center Loan Dated March 28, 2006 and to Pay Costs of Issuance and Processing Fees Associated With the Loan Agreement; Providing for the Payment of the Principal of and Interest Due Under the Loan Agreement Solely from the Revenues of the City's Lodgers' Tax and Convention Center Fees; Approving the Form and Other Details Concerning the Loan Agreement; Ratifying Actions Heretofore Taken; Repealing all Action Inconsistent With this Ordinance; and Authorizing the Taking of Other Actions in Connection With the Execution and Delivery of the Loan Agreement. (Oscar Rodriguez)
 - A. Request for Approval of Loan Agreement – Convention Center Refunding; New Mexico Finance Authority.

Committee Review:

Finance Committee (approved)	01/20/15
City Council (request to publish) (approved)	01/28/15
City Council (public hearing)	02/25/15

Fiscal Impact – Yes



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
FEBRUARY 16, 2015 – 5:00 P.M.

26. Request for Approval of an Ordinance Approving a Lease Between the City of Santa Fe and Jet Center at Santa Fe Real Estate, LLC for Three Parcels of City Owned Land Totaling 2.77 Acres, More or Less, Located at the Santa Fe Municipal Airport for Development of Such Property for the Purpose of Providing Fixed Base Operation Services and Other Related Purposes. (Councilor Ives) (Jon Bulthuis)

Committee Review:

City Council (request to publish) (approved)	01/28/15
Public Works Committee (approved)	02/09/15
City Council (public hearing)	02/25/15

Fiscal Impact – Yes

END OF CONSENT AGENDA

DISCUSSION

27. Discussion on Budget Follow-up:
- A. Budget Calendar
 - B. Human Resources. (Sandra Perez)
 - Benefits Plan Savings Options
 - Health Fund Projections
 - Current Vacancy Report
 - Position Changes
 - C. Council Budget Discussion Review – Strategic Priorities
28. OTHER FINANCIAL INFORMATION
29. MATTERS FROM THE COMMITTEE
30. ADJOURN

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6520 five (5) working days prior to meeting date.

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, February 16, 2015**

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<u>APPROVAL OF MINUTES:</u>		
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REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO FISCAL AGENT AGREEMENT – WELLS FARGO PAYMENT GATEWAY SERVICES FOR ON-LINE PAYMENT FOR PARKING TICKETS; WELLS FARGO BANK, N.A.	Approved	8-10
REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT TO ADD THE ANNUAL DEBT SERVICE EXPENSE AND INTEREST EARNED TO FUND 5406 FOR THE NMFA TRANSIT LOAN	Approved	10-11

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REQUEST FOR APPROVAL OF OPERATING BUDGET ADJUSTMENTS – WATER UTILITY \$211,630 AND WASTEWATER UTILITY \$24,640 FUNDS	Approved	11
REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT FOR DWI FORFEITURE LOT ON CAMINO ENTRADA FOR SERVICES TO INSTALL LIGHTING AND SECURITY CAMERAS	Approved	11-13
REQUEST FOR APPROVAL OF AGREEMENT BETWEEN OWNER AND ARCHITECT – SOUTHSIDE TRANSIT CENTER AND POLICE DEPARTMENT RENOVATIONS (RFP #15/19/P); HUITT-ZOLLARS, INC.	Postponed to 03/02/15	13
REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – ALARM ENFORCEMENT FUND	Postponed to 03/02/15	13
REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ADVERTISING FOR TOURISM SANTA FE (RFP #15/17/P); FUSEIDEAS, LLC.	Approved	13-20
REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT TO FUND IMPLEMENTATION OF NCRTD SANTA FE NATIONAL FOREST/SKI SANTA FE SHUTTLE PILOT PROJECT	Approved	20-27
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<u>DISCUSSION</u>		
MONTHLY FINANCIAL REPORT	Information/discussion	27-29

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<u>DISCUSSION ON BUDGET FOLLOW-UP</u>		
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BENEFIT PLAN SAVINGS OPTIONS	Information/discussion/direction	30-41
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**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, February 16, 2015

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, February 16, 2015, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Signe I. Lindell
Councilor Joseph M. Maestas
Councilor Ronald S. Trujillo
Councilor Christopher M. Rivera

OTHERS ATTENDING:

Oscar S. Rodriguez, Director, Finance Department
Yolanda Green, Finance Department
Melessia Helberg, Stenographer.

There was a quorum of the membership in attendance for the conducting of official business.

NOTE: All items in the Committee packets for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

Mr. Rodriguez said Item #16 should be changed to reflect that 4 vehicles were purchased, noting that all the documentation has 4 vehicles, only the caption is incorrect.

Chair Dominguez said he will pull item #16 to make that correction.

Mr. Rodriguez said the MPO has requested to pull Item #22, and postpone it to the next meeting of the Finance Committee on March 2, 2015.

MOTION: Councilor Maestas moved, seconded by Councilor Trujillo, to approve the agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Lindell, to approve the following Consent Agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT AGENDA

A copy of a proposed amendment to Bill No. 2015-4, Exhibit A – Item #26, submitted by Councilor Peter N. Ives, is incorporated herewith to these minutes as Exhibit “1.”

9. ***[Removed for discussion by Councilor Maestas]***
10. **REQUEST FOR APPROVAL OF GRANT APPLICATION – 2014/2015 SANTA FE TRAILS RIDEFINDERS PROGRAM; U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL TRANSPORTATION ADMINISTRATION. (JON BULTHUIS)**
11. ***[Removed for discussion by Councilor Lindell]***
12. ***[Removed for discussion by Councilor Lindell]***
13. **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT TO ADD THE DEBT SERVICE EXPENSE AND PROPERTY TAX REVENUE BUDGETS TO FUND 4152 FOR THE 2014 GENERAL OBLIGATION BONDS. (HELENE HAUSMAN)**
14. **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT TO ADD THE ANNUAL DEBT SERVICE EXPENSE AND INTEREST EARNED TO FUND 4127 FOR THE 2014 GRT BONDS. (HELENE HAUSMAN)**

15. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – MEDICAL OXYGEN FOR FIRE DEPARTMENT EMS OPERATIONS; AIRGAS USA, LLC. (GREG CLIBURN)
16. *[Removed for discussion by the Chair]*
17. REQUEST FOR APPROVAL OF GRANT AWARD AND AGREEMENT – STATE GRANTS-IN-AID TO PUBLIC LIBRARIES FOR SANTA FE PUBLIC LIBRARY DIVISION; NEW MEXICO STATE LIBRARY. (PATRICIA HODAPP)
 - A. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – GRANT FUND.
18. *[Removed for discussion by Councilor Lindell]*
19. REQUEST FOR APPROVAL OF AGREEMENT – 2014 STATE OF NEW MEXICO CAPITAL APPROPRIATION PROJECT; STATE OF NEW MEXICO, DEPARTMENT OF FINANCE AND ADMINISTRATION. (DAVID CHAPMAN)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.
20. *[Removed for discussion by Councilor Lindell]*
21. *[Removed for discussion by Councilor Maestas]*
22. REQUEST FOR APPROVAL OF REVISED AND RESTATED JOINT POWERS AGREEMENT – SANTA FE METROPOLITAN PLANNING ORGANIZATION PLANNING IN COMPLIANCE WITH ALL FEDERAL, STATE AND LOCAL REGULATIONS AND NEW PROVISIONS OF MAP 21, THE CURRENT FEDERAL TRANSPORTATION FUNDING ACT; COUNTY OF SANTA FE, TESUQUE PUEBLO AND STATE OF NEW MEXICO, DEPARTMENT OF FINANCE AND ADMINISTRATION. (MARK TIBBETTS) This item was removed from the agenda and postponed to the Finance Committee meeting of 03/02/15
23. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO AGREEMENT – JUVENILE JUSTICE SYSTEM SERVICES; STATE OF NEW MEXICO, CHILDREN, YOUTH AND FAMILIES DEPARTMENT. (RICHARD DeMELLA)
24. *[Removed for discussion by Councilor Rivera]*

25. REQUEST FOR APPROVAL OF AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN THE CITY OF SANTA FE (THE "CITY") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE CITY TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$37,375,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST OF ADVANCE REFUNDING THE NEW MEXICO FINANCE AUTHORITY CONVENTION CENTER LOAN DATED MARCH 28, 2006 AND TO PAY COSTS OF ISSUANCE AND PROCESSING FEES ASSOCIATED WITH THE LOAN AGREEMENT; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE REVENUES OF THE CITY'S LODGERS' TAX AND CONVENTION CENTER FEES; APPROVING THE FORM AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT. (OSCAR RODRIGUEZ)

A. REQUEST FOR APPROVAL OF LOAN AGREEMENT – CONVENTION CENTER REFUNDING; NEW MEXICO FINANCE AUTHORITY.

Committee Review: Finance Committee (approved) 01/20/15; City Council (request to publish) (approved) 01/28/15; and City Council (public hearing) 02/25/15. Fiscal Impact – Yes.

26. REQUEST FOR APPROVAL OF AN ORDINANCE APPROVING A LEASE BETWEEN THE CITY OF SANTA FE AND JET CENTER AT SANTA FE REAL ESTATE, LLC, FOR THREE PARCELS OF CITY OWNED LAND TOTALING 2.77 ACRES, MORE OR LESS, LOCATED AT THE SANTA FE MUNICIPAL AIRPORT FOR DEVELOPMENT OF SUCH PROPERTY FOR THE PURPOSE OF PROVIDING FIXED BASE OPERATION SERVICES AND OTHER RELATED PURPOSES (COUNCILOR IVES). (JON BULTHUIS) Committee Review: City Council (request to publish) (approved) 01/28/15; Public Works Committee (approved) 02/09/15; and City Council (public hearing) 02/25/15. Fiscal Impact – Yes.

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE – JANUARY 20, 2015
REGULAR FINANCE COMMITTEE – FEBRUARY 2, 2015.

MOTION: Councilor Maestas moved, seconded by Councilor Rivera, to approve the minutes of the Regular Finance Committee meeting of January 20, 2015, as submitted.

VOTE: The motion was approved unanimously on a voice vote.

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve the minutes of the Regular Finance Committee meeting of February 2, 2015, as submitted.

VOTE: The motion was approved unanimously on a voice vote.

INFORMATIONAL AGENDA

6. STATUS OF THE CITY'S CASH AND INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2014. (HELEN HAUSMAN)

Helene Hausman presented information from her Memorandum of February 16, 2015, to the Finance Committee, regarding December Cash & Investment Report, which is in the Committee packet. Please see this Memorandum for specifics of this presentation.

Ms. Hausman said on the bottom of page 6 of her Memorandum she dropped a paragraph that goes to the top of page 7, which talks about the Local Government Investment Pool loss, noting we will get \$8,200 back, and the balance of a little over \$100,000 will be declared as a loss from the Pool's problem with the reserve when it crashed in September 2008. She said, "We initially were on the hook for almost \$9.6 million, and the fact that we only lost a little over \$100,000 is a big relief. The LGIP worked hard on this and they have made major changes in the way they manage the pool. I'm far more comfortable with it and there's a lot less risk involved. Standard & Poors watches them every week to maintain their AAA pool rating. So I'm comfortable with what they are doing. We attend the stakeholders meetings with all members of the pool and hear what we have to say and we have discussions and they listen. And they're always moving to answer any questions. I'm very comfortable with the leadership they have on the pool, and it's very nice to put a period on this problem that came up unexpectedly."

Mr. Rodriguez said this issue serves to point out our strict policy to collateralize our investments, and in this case it was with the State, and the thinking at that time that was as safe as we could get. He said, "Can you imagine where would have been if we had waited until now to get back that \$9 million. As a result, we have a very strict policy collateralizing the money we have invested out there, so we wouldn't face this again."

Ms. Hausman said she invited Scott McIntyre, First Southwest, to talk about the State Auditor's in-depth review and report on Bernalillo County's investments, and it provided a very useful tool to look at the terms and conditions of our portfolio.

Scott McIntyre, First Southwest reported on the Bernalillo County Report, noting Bernalillo County does not have the controls in place the City has, noting the City's trace procedures are very very solid, and these should be written for future preservation. The County had issues with broker dealers, and the status isn't shown and he is unsure the reason. He said the City does its due diligence on those, noting they work with two dozen, all on a very competitive basis. *[inaudible]* He said, "I feel like, from my perspective, the City is in very good hands, and the situation, as far as investment is concerned, is very strong."

7. FOLLOW-UP ON OPEN AUDIT FINDINGS REPORT (LIZA KERR)

Ms. Kerr presented her report from the information in the packet, which is a follow-up dated February 2015. She said this is basically a presentation on the follow-up procedures that were done on Lodgers' Tax that we had earlier, noting that audit was for July 1, 2010 through June 30, 2013, which is a three year audit. She noted of the 40 findings in the report, and since this Report was issued last week, 37 of those findings have been cleared with 3 open findings. She received an email today from David Tapia who is charge of the particular program and said, "I think we've cleared 2 more of those findings."

Ms. Kerr said she just wanted to let the Committee know that the Finance Department is working hard to resolve this issue and to provide a summary of the information.

Chair Dominguez said on 2 of the open items, it is "basically the same response from you regarding the reconciliation process."

Mr. Kerr said yes.

Chair Dominguez said so you're working with Finance to make sure that process is in place.

Ms. Kerr said yes, commenting that those are the two findings that were cleared up today. She said, "I do have a couple of follow-up questions for him, being this is going to be a monthly process and I'd just like to take a look at the reconciliation he's doing before I mark this off, but it looks pretty good."

Chair Dominguez said Ms. Kerr categorizes the last finding as short term, and it has to do with collecting Lodgers' Tax from entity number 4.

Ms. Kerr with this series of audits, this is the first time the City of Santa Fe had ventured into looking at the people that were short term lodgers. She said, "Typically before, it had been only the long term lodgers, the EconoLodge, the Hilton and the larger entities, so this was going to focus on people that had posted on the website, rented space out and yet were not paying Lodgers' Tax. It was really a fishing experiment to see what's out there. We will be doing more of those this year to try to begin sending the message that if you're posting and you have short term lodgers, you are liable for Lodgers' Tax. It would be good to do a little bit of marketing around this to let people know that they do owe Lodgers' Tax. I think there may be some misconceptions around that."

Chair Dominguez said then there are more than the 500 we have.

Ms. Kerr said, "Absolutely. We just picked a small sample. There was a sample of 10 that were chosen, and of the 10 we had several findings in the Short Term Lodgers' Tax, but only one was open."

Chair Dominguez asked the amount.

Ms. Kerr said she can get him an amount if it's not in the Report, and get back to him.

Councilor Maestas said he had a concern about the finding about the short term rental that was apparently not permitted. He asked how many short term rentals there are without permits, noting the Realtors want to increase the cap on the short term permits, citing an inability to collect Lodgers' Tax. He asked if her office could look at the internet and try to identify short term renters that are active and/or whether this is proliferating throughout the City, or if it is 20-30 above the allowed permits. He said he thinks Councilor Ives is going to try to address this. He said when it is a loss of revenue to the City it gets his attention.

Ms. Kerr said that's part of what the auditors are looking at right now, and they have expanded their scope on the short term Lodgers' Tax audit this year to do a more comprehensive look. She will touch base with them, noting this was contracted to Barraclough & Associates. She will talk to David to get a list of short term renters and ask if he has any idea of that number, and she will get that information back to the Committee.

Councilor Maestas said if/when we decide to address this, it would be good to have that data in consideration of adding to the cap and if so, how much should be added to address the market demand and that we are getting that revenue.

Ms. Kerr said that would be good statistics to put into the report, and she'll contact them and see if we can add that information.

Chair Dominguez said it is going to require the City Manager to get staff to enforce the Ordinance in place. The idea was, originally, that we would hone the number of illegals and find out who wasn't paying Lodgers' Tax, noting we need to do some work at Land Use as well.

8. MONTHLY FINANCIAL REPORT (OSCAR RODRIGUEZ)

*Chair Dominguez exercised the prerogative of the Chair and
moved Item #8 to the end of the agenda
to be heard just prior to Item #27*

CONSENT CALENDAR DISCUSSION

9. BID NO. 15/12/B – MICROFILMING SERVICES AND PROFESSIONAL SERVICES AGREEMENTS FOR LAND USE AND CITY CLERK DEPARTMENTS; PORTABLE MICROGRAPHICS, INC. (YOLANDA CORTEZ AND CAMELINA SPEARS)

Yolanda Cortez, Director, Building Permit Division, Land Use Department, said she is here to request the award of Bid #15-13/B to Portable Micrographics, Inc., for Land use and the City Clerk.

Councilor Maestas said they are doing this at his work and when they scan documents, they make sure it is done with a software that prepares optical character recognition so you can search the document on any kind of text or characters. He asked if this is straight scanning to a pdf file.

Ms. Cortez said it is scanned to a pdf file, but it also is searchable by permit numbers and addresses for characters.

Councilor Maestas asked if it has optical character recognition.

Ms. Cortez said she doesn't know, but she will check.

Councilor Maestas suggested they try to do that, and Ms. Cortez said she would.

MOTION: Councilor Maestas moved, seconded by Councilor Trujillo, to approve this request.

DISCUSSION: Chair Dominguez would like Ms. Cortez to provide the information requested by Councilor Maestas before this item goes to the Council, and Ms. Cortez said she would do that.

VOTE: The motion was approved unanimously on a voice vote.

11. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO FISCAL AGENT AGREEMENT – WELLS FARGO PAYMENT GATEWAY SERVICES FOR ON-LINE PAYMENT FOR PARKING TICKETS; WELLS FARGO BANK, N.A. (HELENE HAUSMAN)

Councilor Lindell asked if this is all we need to upgrade so people can pay their parking tickets on line.

Ms. Hausman said this piece of the pie is between the City and Wells Fargo, and allows Wells Fargo to reach in and pull money into our account and credit it as appropriately. She said there are other kinds of programs that provide on-line service, such as with Pay Pal and others, and make payments on line. This is just the bank piece. She said, "Parking has been working on this project for some time, and this the access to money that needs to come into our account. It is the first piece of the puzzle. Other departments that want to move into this direction would plug into this gateway with whatever company they need to do business with to serve their needs, whether it's Land Use, or Business Licences or utilities, this is the piece we need at the bank to facilitate access to the cash that goes with it. We have other systems in place, but they don't work in this fashion. This is, in essence, an upgrade."

Councilor Lindell said, "It looks like, depending on how much we collect per month, we pay them \$230 a month to access our money."

Ms. Hausman said it is to handle the transactions, the transaction fee to have Wells Fargo handle these payments through Parking. The \$500 is a one-time set-up fee that won't be charged again, but we will continue to have transaction fees.

Councilor Lindell asked if she is reading correctly, that on \$1,800 per month we would owe \$230 per month.

Ms. Hausman said the 1,800 number is the monthly volume of transactions, and it isn't a dollar amount, so that's 1,800 payments, and there is a flat fee per transaction and that is the projection of what this system could handle with parking once it's up and running. If it is less than 1,800 transactions per month, the fee will be less.

Councilor Lindell asked if we shop this to other banks to see if other banks have smaller transaction fees.

Ms. Hausman said, "We could, but we have a Fiscal Agent Agreement with Wells Fargo and so much of our banking is at the bank, that this will wind up being cheaper, because they're already set up for our accounts. If we went to a third party, we would still have to pay a fee to Wells Fargo to get the money into our account."

Councilor Maestas asked if there are plans for an all eGovernment website, like a one stop shop, where there is a tile for eServices, and if you wanted to apply for a building permit or pay a utility bill it takes you to a separate program. He said, "I think this is fine for now, but I hope what we will do eventually, is have our own eGovernment portal for everything." He said he is bringing this up for us to consider down the line and approve services to our constituents, commenting he thinks this would be a beneficial investment. He said perhaps we can have this discussion when IT comes before this Committee. He said, "The whole concept of eGovernment and a one-stop shop web portal started about 10 years ago."

Councilor Maestas asked, if we approve this, if anyone who were to come onto our website will be able to add that option to pay the tickets on the eServices web page, and asked if they currently can pay electronically.

Ms. Hausman deferred to Jacqueline Lucero from Parking to answer that question.

Jacqueline Lucero said, "Right now, there is no way to pay parking tickets on line. The only way a person can pay is to walk it in, send it through the mail, or a phone call with a credit card, so right now it's on there. What it would mean is that a customer would get on the website, request they look at parking tickets under our parking software and then move it to a confidential software system where the person could pay any or all of the parking ticket on line."

Councilor Maestas said then once they are past the deadline to pay, they no longer will have the option to pay on line through this bank portal, and Ms. Lucero said that is correct.

Chair Dominguez said this speaks to what we have said before, that we are way behind with regard to technology. This is an opportunity moving forward to collect revenues we might not get, as well as providing a service to our citizens..

MOTION: Councilor Lindell moved, seconded by Councilor Maestas, to approve this request.

DISCUSSION: Ms. Hausman said they meet 2-3 times annually with the Wells Fargo people who administer the basic overall fiscal agent contract. She said this year's meeting is next week and Renee Martinez of IT has been invited to attend.

VOTE: The motion was approved unanimously on a voice vote.

12. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT TO ADD THE ANNUAL DEBT SERVICE EXPENSE AND INTEREST EARNED TO FUND 5406 FOR THE NMFA TRANSIT LOAN. (HELENE HAUSMAN)

Councilor Lindell asked how this transaction is working.

Ms. Hausman said, "We had this loan and two bond issues that closed after the beginning of the fiscal year, so there is no budget for them. When I got the closing documents, I put in that we were going to receive a certain amount of money, but now I need to put in the debt requirements and interest earnings for that bond issue and this Transit Loan which we're talking about, because I have debt payments to make this year."

Ms. Hausman continued, "So this puts in the debt payments she will be making, and recognizes she will be distributing interest to the fund. So basically, it catches up on the fact that because this was after the start of the fiscal year there was no budget for this, and could not be until we, in fact, closed."

MOTION: Councilor Lindell moved, seconded by Councilor Rivera, to approve this request.

DISCUSSION: Councilor Maestas said this has a 2026 payoff for rolling stock, and asked, "Realistically, will these buses be around in 2026."

Ms. Hausman deferred to Jon Bulthuis to answer this question.

Councilor Maestas asked if some of the new buses he has seen were purchased with this \$3.5 million loan.

Mr. Bulthuis said, "Let me correct you on that. We are ordering the same style buses with the \$3.5 million loan, but they have not arrived yet. We went through the financing at NMFA to place the order, but it takes about 1.5 years to actually have delivery of those units."

Councilor Maestas said, "Is this typical of what we do for rolling stock like buses. When the payoff arrives in 2026 those buses will be in the scrap heap typically."

Mr. Bulthuis said, "No. It's not typical. Typically, we receive federal money in order for capital acquisition to take place, but that funding source has dried up in recent years, so we had to do this financing maneuver in order to keep our fleet current."

Councilor Maestas said he brings this up because it is an example of Transit and Transit funding in Santa Fe such that we have to take out a loan for rolling stock and these buses will be long gone by the time they are paid off. He said when he was Mayor, he had to do this and he didn't like it. He said we shouldn't have to do this and when possible, we should identify funding for Transit so we don't have to take out loans like this for rolling stock with such a far-out payoff. This is an example of how the drying-up of federal funding is hitting the City very hard."

VOTE: The motion was approved unanimously on a voice vote.

- 16. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – THREE (3) FOUR (4) REPLACEMENT AND EXPANSION VEHICLES FOR PUBLIC UTILITIES DEPARTMENT; VARIOUS VENDORS. (NICK SCHIAVO)**
A. REQUEST FOR APPROVAL OF OPERATING BUDGET ADJUSTMENTS – WATER UTILITY \$211,630 AND WASTEWATER UTILITY \$24,640 FUNDS.

Chair Dominguez said he pulled this item so we understand it's for four vehicles and not three.

MOTION: Councilor Lindell moved, seconded by Councilor Maestas, to approve this request, with the correction to the caption.

VOTE: The motion was approved unanimously on a voice vote.

- 18. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT FOR DWI FORFEITURE LOT ON CAMINO ENTRADA FOR SERVICES TO INSTALL LIGHTING AND SECURITY CAMERA. (MARIO SALBIDREZ)**

Councilor Lindell asked if there have been problems at this lot.

Deputy Chief Salbidrez said there have been no issues as far as he knows.

Councilor Lindell asked if all of these are these local vendors.

Deputy Chief Salbidrez said they are from Santa Fe and have been running security for this lot and the Police Department.

Councilor Lindell asked the reason this was not put out to bid.

Deputy Chief Salbidrez said he would have to yield to the person in charge of this project.

LeAnn Valdez, Facilities Division, Public Works Department, said the procurement used for this project was the State Price Agreement.

Councilor Lindell said we haven't had problems at this lot, and she is unsure why we would want to spend \$100,000 to put up lights and cameras in a lot where we haven't had problems.

Deputy Chief Salbidrez said the lot has had no problems in the past, but that doesn't mean we won't have problems in the future and having lighting will help to prevent that. He said there are cameras in the current lot and sensors on the fence were set off regularly. He said, "To not protect the vehicles we're taking and we may end up giving the vehicle back, these lighting systems and cameras will help improve that."

Councilor Lindell yielded the floor for comment.

Chair Dominguez noted there is a BAR for landfill tipping fees, and asked what that was to pay for.

Nancy Jimenez, Santa Fe, Police Department, said there was condensing of the old lot to what we're increasing for the new lot, so there was equipment, and pieces of trash in the current lot that needed to be cleaned out. She said they shared that lot at one point with the State Police and said we moved their items into a different area, so it was the cleaning, flattening of the land, and the weeds and build-up of trash that needed to be removed.

Chair Dominguez said then it was our cost to take some of that stuff to the landfill and Ms. Jimenez said that is correct.

Chair Dominguez asked what is Fund No. 2227.

Ms. Jimenez said it is the DWI Forfeiture Program Fund, to be used specifically for anything having to do with the DWI Forfeiture Program.

Chair Dominguez said then that program is paying for this, and Ms. Jimenez said yes.

Chair Dominguez asked the balance of the fund.

Councilor Maestas said there is \$520,000 in the fund.

Councilor Lindell asked if there are specific things for which these funds are targeted – programming associated with that fund.

Ms. Jimenez said it needs to pay for itself, so employee salaries and benefits, the administration of the program, towing of automobiles for a DWI comes from these funds, commenting it is a self sustaining fund.

Councilor Lindell asked if any of these funds are being used for education.

Ms. Jimenez said yes, for brochures, bumper stickers, and such.

Councilor Lindell said, "I'm not going to support this, because I think that the \$100,000 being spent on that lot for lights and cameras could be better spent for education and these kinds of activities, particularly that amount of money for a lot that, in your memory, which I bet is good, we haven't had problems. I just think we can have a better use of those monies, so that's my comment on it."

MOTION: Councilor Maestas moved, seconded by Councilor Rivera, to approve this request.

DISCUSSION: Councilor Maestas noted for staff that in the future they should explain the fund and where the funds are coming from, noting the balance of the fund was handwritten on the BAR. He said staff usually are fantastic about giving us all the information we need, but when we identify the fund it's always good to have the policy that lays out the allowable expenditures and uses for that fund. He said this is just a note for the future.

VOTE: The motion was approved on a voice vote, with Councilors Maestas, Trujillo and Rivera voting in favor of the motion, and Councilor Lindell voting against.

20. **REQUEST FOR APPROVAL OF AGREEMENT BETWEEN OWNER AND ARCHITECT – SOUTHSIDE TRANSIT CENTER AND POLICE DEPARTMENT RENOVATIONS (RFP #15/19/P); HUITT-ZOLLARS, INC. (LEEANN VALDEZ)**
A. **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – ALARM ENFORCEMENT FUND.**

Mr. Rodriguez said he would like to postpone this item to be sure we have crossed our "T's" and dotted our "I's," noting that "Finance didn't do as good of a job on this as they should have done."

MOTION: Councilor Lindell moved, seconded by Councilor Trujillo, to postpone this item to the next meeting of the Finance Committee on March 2, 2015.

VOTE: The motion was approved unanimously on a voice vote.

21. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ADVERTISING FOR TOURISM SANTA FE (RFP #15/17/P); FUSEIDEAS, LLC. (RANDY RANDALL)**

Councilor Maestas said there is no BAR in the packet. He asked if the plan is to use the \$250,000 in this fiscal year in the current budget.

Cynthia Delgado, Director Marketing, Tourism Santa Fe Department, said this is correct. She said the Budget Adjustment Request [BAR] will come at the beginning of the next fiscal year.

Councilor Maestas said, "You are going to use \$250,000 of the \$900,000 in this fiscal year. So my question is, is it in the budget. Is it in the current 2015 budget."

Ms. Delgado says, "Yes it is. The contract with TKO ended at the end of January, leaving that additional budget from the contract with TKO. So they didn't fulfill the contract."

Councilor Maestas said it doesn't say specifically what fund the \$900,000 is coming from, noting he is looking at the Summary of Contracts, Agreements and Amendments, and presumes it is all Lodgers' Tax revenues.

Ms. Delgado said, "Yes, it is."

Councilor Maestas asked if we typically have a BAR showing where the money is coming from, commenting he would think it would come from the Lodgers' Tax fund into the operational budget for contracts.

Chair Dominguez said, "Yes and no. it almost seems.... and I'm not sure what the timeline for this is, but I imagine there is some urgency because we need to make sure we continue what...."

Ms. Delgado said it is so we can continue to do the advertising and the marketing.

Chair Dominguez asked, "And you can answer this better Oscar. Wouldn't the better process have been to take that money from the contract that was in place, move that money into Lodgers' Tax and then move it back out. That type of action."

Mr. Rodriguez said, "It's more the other way around. The Council appropriated money for this type of activity, this kind of contractor. They're just going to change vendors mid-stream, and take the other resources to make sure that it is tied off."

Councilor Maestas said, "I just want to make sure. I think we have been tracking some of the revenues, and I think we're at a net plus in Lodgers' Tax, relative to what we anticipated."

Ms. Delgado said, "That's my understanding."

Councilor Maestas said, "And I want to make sure we're not committing, I'm not going to call it a windfall, the unanticipated increase, so I wanted to make sure this was budgeted. In your memo it says that budget is available, and I'm looking at page 2 of the Memo, it says, '*Budget is available in account number 22108.561850 (Marketing Lodgers Tax - Advertising) in the amount of \$25,738...*' I think we're probably missing a zero there."

Ms. Delgado said she will check that, because she doesn't know.

Councilor Maestas said, "You want to use \$250,000 in FY 2015 and the remainder in FY 2016, so is that a typo Mr. Rodriguez."

Ms. Delgado said this memo was from Purchasing.

Mr. Rodarte said, "That is what is showing currently on their budget. When I close the TKO purchase order that still has the \$250,000 in there, it's going to immediately make it a \$250,000 plus \$25,000. So we still have the open PO for TKO. On their actual budget right now, it's just showing \$25,000. Once I close that PO and everything is finalized in TKO, it will immediately move that money right back to the budget that was budgeted for 2014/2015. Again back to what you mentioned a while ago, Councilor Dominguez, it reverts right back to the budgeted amount for this fiscal year, and so that is where it is going to go. But right now, that's correct – the \$25,000. When I close that thing off next week, or whenever they say they're done completely with "TKO, it will be at \$250,000 or \$275,000, whatever it is."

Councilor Maestas asked if we have the budget for that, and Mr. Rodarte said yes.

Mr. Rodriguez said, "If I may, if I may explain a little budget-speak here. The way our system works is that when a purchase order is open, it obligates the cash, it takes the cash out until that contract is done. And what Robert was explaining to you, when he looked into that account after taking out that cash, there's another \$25,000 still there. What he is saying is when he closes it out, then that cash that is bound up will be released and that cash will be put back into this. All of this money is from previous Council appropriations as part of the budget, and it is not coming from that other amount there. And by the way, there's other areas it could come from without us having to go back. I heard you loud and clear from the last meeting that you want to bring that issue here. And in the meeting we can discuss the amount of extra revenues that's coming in there."

Councilor Maestas would like a better understanding of the evaluation process. He said there were scores based on the written proposal and then you had an interview score, and apparently Blackboard Company had the highest score in the written proposal, but they didn't score so high on the interview, and in fact lost out in the interview. In reviewing the criteria, he said he can see how it's better applied to a written proposal, but he doesn't know how they factor in and apply the same criteria in an interview. He asked the relative weight of the written proposal score and the interview score and how you apply the criteria in the interview. He said this is a significant contract and 120 points separated the top company and the second company.

Mr. Rodarte said if we choose to change the criteria, we need to make sure that's publicized in the beginning. He said, "In this particular case, you'll see there are 6-7 different type of criteria. Some of them will remain constant throughout the interview process. But when you bring the individuals in for an interview, things change. You really can't judge a book by it's cover with the written. Once they come in, there is a different perspective of the company that you're looking for or you're trying to interview. But if we decide to change the criteria, we have to publicize it at the time we send it out publicly. We can do that. 9 times out of 10, it's nice to keep it the same criteria because cost factors will change as we talk with them or whatever, but we do make a lot of changes, depending on what it is. But this particular one, kind of reserved the right to really go forward, using the same criteria on both."

Councilor Maestas said so you use the same scoring system for the interview as for the written proposal.

Mr. Rodarte said, "On this particular one we didn't. We changed.... we left out a couple of criteria. We're looking more for the creative element during the interview process, so we did change it."

Ms. Delgado said, "During the interview, we are looking for, and did look at the finalists to bring ideas in terms of really applying their criteria to Santa Fe branding. In addition, we ask them to dive deeper with regard to their capability on digital marketing. And so they came for media plans regarding what they would propose in terms of our digital marketing. So in the conversation at the interview, the committee, which was a community-wide committee, really was sitting down and having a discussion with their creative focuses, their creative ideas, any research. Some companies did a better research in terms of where we stood against competitive DMO's, so it was a little more of a conversation and creative discussion."

Councilor Maestas said keep in mind, we typically only see scoring based on a written proposal, and we never see an interview score, so he was curious to see we included an interview score in the combined scoring and it was quite prominent. He asked, "Robert, under what conditions do we include an interview score when we're evaluating RFP's for professional services."

Mr. Rodarte's said, "It depends on the initial scores. If we send it out and there is a company that sits out there, way outstanding, as a majority of the individuals on the committee, there is no sense really moving forward if the picture is clear if someone that is really out above everybody else. We'll make that decision at that point whether or not to interview."

Councilor Maestas said then all of the offerors could be subject to an interview, depending on how they score, so that's always an option.

Mr. Rodarte said, "Definitely. I want to mention one thing, on this particular one. We made the decision to send out the criteria to interview the top 4 companies. They got that information far in advance to be prepared to come in. There were 4 major factors we were missing in the written process that we thought were important during the interview process. So they all got the same information at the same time, equally, so they could compete on a nice, level basis."

Councilor Maestas complimented Mr. Rodarte on having a very large and well representative selection committee which speaks to the importance of this contract.

Ms. Delgado said it was their goal to reach out across tourism related businesses to get their input.

Chair Dominguez said then, if this is approved, these monies already have been budgeted for this current fiscal year we're in."

Mr. Rodarte said, "Yes. When we terminated the contract with TKO, \$250,000 was left on the contract. So basically, what we're doing as of March 1, if this goes through, we're utilizing that money to finish the fiscal year."

Chair Dominguez asked for clarity, to what the \$900,000 refers.

Mr. Rodarte said, "The \$900,000 refers to the negotiated amount for a one year contract with this company. \$250,000 to 06/30, which is the money we currently have. The \$650,000 will take us into next year at this time."

Chair Dominguez said so that means we are obligating some of this money for next year's budget already. We're obligating part of your budget with this action.

Mr. Rodriguez said there is the Bateman Act, and what is obligated here is conditioned on Council approval of the funds for next year.

Responding to the Chair, "Ms. Delgado said there are 2 pieces, one of which Oscar pointed out. But in the actual contract there is a 30 day release for the City as well – in the actual contract itself."

Mr. Rodriguez said, "It's the same for this contract and any contract that spans the end of the fiscal year, by law."

Councilor Lindell said, "Just going through these numbers as close as this was, I was wondering, do you do this like Olympic skating, where you throw out the highest and lowest and you don't just add them up. You know, you had one score in the interview evaluation that sticks out like a sore thumb. The company that came in second, was ranked so low by one person that it knocked them out of winning this, and the score really stands out."

Ms. Delgado said in the process, the Committee evaluates the written. She said, "We then have a committee meeting, so all the committee members come in and we look at the scores. We look at.... when we see a score like that, we'll have a discussion of what did you see that really created that uncomfortableness for you, or for that matter, why did you love this one, everybody likes them, but you loved them. So we do have that conversation. We do not, in any way ask people to change their minds, but we have the conversation so we are sharing. Because, by the way these documents are thick. So it is also everyone talking about what they saw, what they liked and if they had questions. So we try to accommodate that swing back and forth by having those conversations."

Councilor Lindell said okay.

Ms. Delgado said it isn't uncommon for someone to decide to change their scores, but that is up to that individual and the conversation.

Councilor Rivera said City staff are bound by a Code of Ethics, and asked if we go through that process with these people who aren't City employees to make sure they didn't have a conflict of interest with any of the businesses submitting a proposal or were part of the interview process.

Mr. Rodarte said they did that. He said, "When I start an RFP whether it is for \$1 million or \$50,000, that question always comes up. I ask each and every one of them if there is a conflict, and whether or not they are able to do an independent ethical analysis of what is front of them>

Councilor Rivera asked if they sign something before going through the process.

Mr Rodarte said no.

Councilor Rivera said, "Cyndi, on packet 6, page 2 of the contract, (8) it says, '.... *including attendance at special events and coordination, travel and attendance at industry events.*' He asked if this is for the contractor.

Ms. Delgado said, "It is for the contractor. For example, it could be that they come in and we ask them to present at the Western Association of *[inaudible]*. They would come in and they and myself would present, for example, our green chile cheeseburger snack-down. They'd talk about the digital ad buy, and I would talk about the community outreach component and we would do a presentation."

Councilor Rivera said on that same page, (9) says, "*Meeting with TSF staff in scheduled meetings, retreats and strategy sessions.*" He asked what kinds of retreats and strategy sessions are planned.

Ms. Delgado said, "For example, come the end of this month, we'll be having stakeholder meetings with the community. We have 6 set up that will happen the 2nd and 3rd of March. They will come in and be part of those facilitated sessions where we're talking to the community about the branding of Santa Fe as well as target visitors, so they would come in and participate. In addition to that, on an ongoing basis, twice a month we have creative meetings that include City staff as well as our contractors who support all of our marketing efforts, to be sure the voice and the work is being coordinated in a focused fashion. They would probably attend those via a conference call."

Councilor Rivera said they would have to pay their own travel and lodging costs with that, and Ms. Delgado said yes.

Councilor Rivera asked when they come to Santa Fe is lodging up to them, or do we put them up in certain places.

Ms. Delgado said, "We do a variety of things. One, we want them to really experience a variety of our properties, so we encourage them and work with them to get the best price, and they stay in different properties."

Responding to Councilor Rivera, Ms. Delgado said, "Particular to this contract which is an advertising contract, we measure each of the campaigns. Print is a little more difficult to measure, but all of our digital campaigns are measured with click-throughs, and then they're measured on our website. We have those reports on an ongoing basis with all of our campaigns. The bottom line is more visitors tell us all of what we're doing is more successful."

Councilor Rivera said then there is no change in TKO and the new company, and Ms. Delgado said that is correct, the contract is the same.

Councilor Rivera said he agrees with Councilor Lindell that the low scores really stuck out with this contract and really made a difference. He said, "I know they're all important, but when you look at throwing out the really highs and really lows, it makes sense to get a middle ground look at who is interviewing and what's being done, so again the low really stuck out on that one which I understand made a difference. It will just be a recommendation for the future."

Councilor Trujillo said he doesn't want to be a thorn, but it is amazing to him that there is not one company in Santa Fe or New Mexico that can do this, and said Texas was more a neighbor, commenting he wonders what a company in Massachusetts knows about Santa Fe. He isn't in the advertising business.

Ms. Delgado said they advertised in *The Albuquerque Journal*, and *The Santa Fe New Mexican*, and distributed it to as many advertising companies as they could both in state and out of State, and looked at other demos and who their agencies were. She said, "We got 10 responses back, 3 from New Mexico and 1 made it into the final interviews. We, in no way, believe that there isn't any firm in Santa Fe that could do it, but we didn't receive one through this process."

Councilor Trujillo said the low score stood out, commenting he doesn't know the scoring process and that that may be something we have to look at which is of concern to him. He said they hold stakeholders meetings and asked who are the stakeholders.

Ms. Delgado said, "We had representation from the Downtown Merchants Association, the Lodgers' Associations, the galleries, restaurants plus our own staff. So we reached out to our stakeholders."

Councilor Trujillo asked if the stakeholders are from all parts of the City and not just from District 1.

Ms. Delgado said, "We had someone from Lodger's, the Doubletree from down south and we had properties in the downtown area, but we wanted to get that perspective from a variety of tourism related businesses."

Chair Dominguez said one thing for sure, is you don't want Governing Body evaluating these criteria. He said, "Rather than drawing straws or picking numbers from a hat, we're talking about really rewriting the Procurement Code, and I suppose improvements can be made, but that's not an easy undertaking."

Ms. Delgado said, "This particular type of RFP has a creative element that has to be evaluated and that can be a bit subjective, and I have seen that swing from that."

MOTION: Councilor Lindell moved, seconded by Councilor Maestas, to approve this request.

DISCUSSION: Chair Dominguez asked Councilor Lindell if she has discussion, and she said she has no more discussion.

Councilor Maestas said Councilor Trujillo could be onto something here. He said, "I commented about the MRC consultant contract. It was a Santa Fe company, but all of the subs, I think only one of the nine or ten subs were from Santa Fe. And you know, Robert, maybe we should come up with some incentive to hire local subs on these. This is a pretty specialized area Councilor Trujillo, but I think it would be beneficial to incentivize them to hire a small marketing company that could do some portion of the broader contract, and then they learn from the prime contractor, and who knows, maybe they can expand and find out more about the market that they're in. I think we always have to think about that, but if you could talk to your staff and see how we can come up with providing another incentive, not just for the prime, but for subs. That way if the prime is not from Santa Fe, he would still realize maybe a lesser bump in the score. It's 10% now for primes only."

Councilor Maestas continued, "It's clearly up to them, they can do the work themselves, or they can decide what they want to farm out to subs, and for the larger contracts, maybe we ought to encourage them to hire local subcontractors, and it would be explicit in the contract that they will get additional scoring points if they hire local consultants. Just a suggestion. I think it was a good point, Councilor Trujillo."

Chair Dominguez said he is working on the taxpayer *[inaudible]* agenda and actually staff has been working on that and that is exactly what that is supposed to help identify. He said, "I will say I'm having flashbacks of my former colleague, Councilor Chavez, who said the exact same thing for years and years and years. I think it's definitely work that needs to happen. I will say, if there is a way to get the word out to our local businesses about a contract that is in place, or that is coming up, I think maybe we can do a better job at that. But at the same time, we can't go out and say, hey I know a guy who owns this company, you should apply or try to get this contract. I think that violates a number of things."

VOTE: The motion was approved unanimously on a voice vote.

24. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT TO FUND IMPLEMENTATION OF NCTRD SANTA FE NATIONAL FOREST/SKI SANTA FE SHUTTLE PILOT PROJECT. (JON BULTHUIS)

Councilor Rivera asked if we are doing anything up to the ski basin now.

Mr. Bulthuis said, "We are not."

Councilor Rivera asked what this request is for – to start or...

Mr. Bulthuis said it is new service, it's a service expansion operated by the NCTRD under a pilot project structure for a limited period of time during the year, an 8 month service period.

Councilor Rivera asked that timeline.

Mr. Bulthuis said we are not at the point where a start date has been selected, but the idea was to have it begin early in the Fall season so people could take advantage of the changing of colors and continue through the ski season, into the next fiscal year.

Councilor Rivera said he was hoping for something strictly for the ski basin – getting people up and down to the ski basin and getting our youth to take advantage of skiing opportunities.. He said the changing of tree colors is in September, and the ski basin won't open until December. He would like the timeline to be narrowed by the time it goes to the Council to see the exact timeframe.

Mr. Bulthuis said he can bring that to the RTD Board, but the project in which we are speaking of participating is really governed by that Board. The proposal on the table right now does have that 8 month window in terms of how the finances are structured. He said he certainly can talk to the Board about that and let them consider that recommendation.

Councilor Rivera asked how much is being paid by the City.

Mr. Bulthuis said the City's component is in Exhibit B in the packet, and the total amount is \$28,549. A similar amount would be provided by Santa Fe County under the financing plan the RTD has forwarded.

Councilor Rivera said we're paying for roughly half, and we will have a say in the time frames we can or would like to provide the service. He doesn't know if the other Councilors agree with paying strictly for getting services to the ski basin and back which is his thought.

Councilor Trujillo asked if there are other cities doing this kind of transportation to the ski basin, or if this will be the first.

Mr. Bulthuis said we will be the first. He said a service is provided to the Sipapu Ski Area that is not as intense as what we're discussing here.

Councilor Trujillo said then the service is strictly to take people to Sipapu to ski. He said the NCTRD is a service throughout Northern New Mexico to pick up employees and gets them to and from their place of work and home and that helps a lot of people. He said he doesn't want the other cities in the NCTRD coming back and saying Santa Fe is doing this for tourism and recreation. He asked if this is in the realm of something we actually are able to do, because it is State funded.

Mr. Bulthuis said Stacy McGuire is here from the NCTRD and she can help to answer that question. He said there has been discussion at the Board meetings about this service being somewhat different than the typical service that the NCTRD provides. It would potentially offer employees of the ski area and other locations along Hyde Park Road, the opportunity to use this service to get to work, but it is really being designed more as a carrier of skiers, getting youth and other tourists to the ski area.

Stacy McGuire, Projects & Grant Specialist, NCTRD, said they have been working on this request for service for about 15 months. She said, "With regard to whether it is in our purview, we typically look to bring people to employment, to essential services. We also look at ways to stimulate economic development, so in that context, we do think there would be a potential tie-in for employment as well as the economic development aspect. It's not fitting the traditional route setup we've had thus far, but we are in the process of going through some pretty significant route modifications system-wise that will be implemented in March. And we are looking at ways to further maximize all the different aspects we're looking at, whether it be employment, the medical, essential service, access to education and schools as well as the economic development factor."

Councilor Trujillo said when he and Councilor Rivera were in school there was a great ski program where kids would go, commenting they would have to do an agreement with the Santa Fe Public Schools. He just doesn't want, for example, for Taos to come back and say, well Santa Fe is using this service, how come we're not.

Ms. McGuire said, "To speak to Taos Ski Village and the Ski Valley and the arrangement they have there, they do have a contracted service with The Chile Line, so there is something in place that, service-wise is similar, but the setup in the contract is going to be a little different than what has been requested of us. In speaking about Sipapu, that was an addition to an existing route, the Penasco route, and one of the specific emphasis for that service was to increase access for employment. As you're probably well aware, the Penasco area and Taos County and the eastern side has a pretty significant level of poverty and we looked at that as an opportunity to try to expand access to employment."

Councilor Trujillo said, aside from that, it's a fantastic program and it helps a lot of people in this part of the State to get to and from work, and "I comment you on the jobs you guys do with that."

Councilor Maestas said, "We've already gone through one pilot shuttle, so I'm a little gun-shy. So Jon, are there some metrics you intend to use to gauge whether or not it is successful, or is that the RTD's responsibility and they'll do it, if this deal is successful."

Mr. Bulthuis said, "That's exactly the plan. I think they're looking for a commitment to be able to get the ball rolling, get the project started. There has been some discussion about how we would evaluate whether it's successful or not, so there hasn't been a decision on that, but that topic has been kicked around at the Board meeting."

Councilor Maestas said there's still a shortfall.

Mr. Bulthuis said, "The shortfall, as he understands it, in the financial plan the RTD has put forward, is just the City and the County committing matching amounts.... I forgot the total already."

Councilor Maestas said so getting some commitment now will help to secure the commitment from the County, and asked if they are waiting to see what we're going to do.

Mr. Bulthuis said, "That was the indication that was provided when the item was brought to the Commission meeting, and I don't know, Stacy, if you have any more information about that."

Councilor Maestas said, "Why can't they ever commit first and ask us last, right. Okay. I noticed that Ski Santa Fe is not going to pony up any cash, and are offering a discount on lift tickets." He said he would think, as a skier, he already is realizing the benefit of taking the shuttle, and then "I get a double benefit by getting a discount on my lift ticket. Why can't we just tell Ski Santa Fe, you know what, just give us the cash. Just charge the regular lift ticket. Again it's a double benefit."

Mr. Bulthuis said, "That request was made early on. As Stacy mentioned, we've been talking about this project for better than a year. And that request was made to Ski Santa Fe and their counter was that they would keep it cost neutral to the skier by discounting the past, but they weren't willing to write a check."

Councilor Maestas commended him on trying to squeeze out some of his existing budget for the City's portion, noting Mr. Bulthuis has managed to get Tourism Santa Fe to use some Lodgers' Tax funds. He said his issue is that the Lodgers' Tax funds that were committed were unbudgeted. He said we just had a discussion about the unanticipated additional revenues from Lodgers' Tax. He doesn't want us to start creating a grab bag so that by the end of the fiscal year it's all taken. He wants to talk about what to do with those funds in proper context. He also doesn't want to commit those funds to recurring expenditures, because we don't know if we will sustain this level of Lodgers' Tax revenues. He said this is unbudgeted, Lodgers' Tax revenues, and he thinks budgeted Lodgers' tax revenues should be committed as match to what Mr. Bulthuis is making available from his existing operational budget, noting Transit really is hurting, and it is taking a lot for them to come up with these funds.

Councilor Maestas continued, "So I support the project. I want to make sure that we have some performance metrics." He said he is concerned with the belief that you will get an equal amount of revenue in the Summer and in the Winter. He would think you would get more in the Winter and less in the Summer. He said you don't want us in there and doing math and meddling, but making an equal assumption revenues between Summer and Winter is too idealistic." He isn't willing to support the use of unbudgeted Lodgers' Tax and would like to modify the request that it be budgeted Lodgers' Tax revenues. He said, "That would be my suggestion to my colleagues."

MOTION: Councilor Maestas moved for approval, "on the condition the match from Jon's budget be from budgeted Lodgers' Tax Revenues. **THE MOTION DIED FOR LACK OF A SECOND.**

Chair Dominguez said he agrees with Councilor Maestas that when we talk about these unfunded pieces, it's changing the way we do business in the City, and we're working on that in terms of the FIR and making sure we have funds for a certain project and such. He said we hope to have those mechanisms in place for next year. He said this is based on a Resolution both Councilors Bushee and Wurzbarger supported back in 2013. He said he isn't comfortable with Exhibit B, and asked if there is a better way to articulate what some of it is saying. It talks about possible funding scenarios, and questions marks on revenue, noting a lot depends on the action we take today or the Governing Body takes in general. He doesn't understand the back stop exposure. He said it says there will be a deficiency of \$189,000 which

will need to be made up. There needs to be more clarity on Exhibit B so we can better understand where the money is coming from, who is going to pay and how we will measure the success. He asked what is meant by Pueblo Considerations.

Mr. Bulthuis said he is uncertain about the \$15,000, noting that was in a larger scale proposal which is not being carried forward. He said we are looking at the right half of the sheet. He certainly can work with the RTD to clarify that. He said he knows the Pueblos have expressed concerns about expansion of activity in the ski area, and a meeting is scheduled at the end of the month with the Pueblos to which Councilor Bushee and the City Manager have been invited to dialogue with Pueblos, but he isn't certain what the \$15,000 refers to. He said Ms. McGuire might know.

Ms. McGuire said the said \$15,000 in the discussion is related to providing ski lessons for the youth of the Pueblos. She said, "As John alluded to, we've been in conversations with the Pueblos of Tesuque and Nambe. And they have some concerns about what could be perceived as expansion, or additional usage on the mountain. A couple of things that have come up also in the discussions, are having access for the youth to be able to ski at Ski Santa Fe, as well as the educational aspect. So there would be opportunities to educate the folks riding on the bus. It would be sacred and cultural aspects of the mountain and also to impress on those that are riding the sacredness and the need to respect that mountain as well."

Chair Dominguez said, "But that's not something that already has been determined."

Ms. McGuire said yes.

Chair Dominguez said, "So that \$15,000 isn't necessarily to go specifically for transit. It's not due or NCRTD won't be getting \$15,000 from the Pueblo, it's kind of an in-kind amount. Is that correct?"

Ms. McGuire said, "Yes. At this point that's what is listed."

Chair Dominguez said, "I think there is some more work that needs to be done to this. I certainly don't have a clear picture."

Councilor Trujillo said, "I want to look at the \$15,000 to promote Ski Santa Fe. That's where I have a problem. They want us to put up all this money, to get their skiers up there. This was to be a partnership. He said I see the Pueblos, the Rail Runner, but the entity, the one that's going to benefit, Ski Santa Fe, they don't want to put into it. I don't know if there's going to be more discussion with them. Because until that discussion takes place, I'm voting no. And if they don't play ball, I'm not going to play ball either. They've got to put up something in. I'm going to vote no on this Mr. Chair."

Councilor Lindell said, "Any revenue that Ski Santa Fe does get from this benefits all of us. Certainly, we benefit by the skiers that are here. And I think in a very large way, we hugely benefit by having a youth ski program."

Councilor Lindell continued saying, "You guys said when you were kids you had a ski program that operated. I grew up in a ski town, and it was ridiculous, we didn't have a ski program, so none of the locals learned to ski. I find that very very sad, and I think this program is very valuable to us, for our kids to live in a town that has opportunities to be able to ski. It does say here youth ski lesson discounts. We don't know exactly what that is do we Jon."

Mr. Bulthuis said, "No, I do not, but that's something I can ask for clarification from Ski Santa Fe, if directed by the Committee."

Councilor Lindell said, "The value of this program, first and foremost is to get our youth ski program back on track and operating again. That they are willing to give anybody that rides up the mountain a \$5 discount. They're throwing in something. They have no idea how many people are going to ride this and really what that means to them. Whether it's double dipping or not doesn't really matter to me, I just want to see more people on that mountain skiing. It benefits all of us."

MOTION: Councilor Lindell moved, seconded by Councilor Rivera, to approve this request.

DISCUSSION: Chair Dominguez asked, on Exhibit B, if the \$15,000 from the Rail Runner is committed from the Rail Runner.

Mr. Bulthuis said, "I believe that is the case. That there was a commitment from the Rail Runner. And again, I think clarification of the right side of ledger does need to take place. And I can work with the RTD staff on that, but it is assuming that revenues that are shown on the left side, are carried over on the right side. So we're missing both the City and County at this point, but the other contributions, I understand are firm and in place."

Chair Dominguez said, "Councilor Rivera talked a little bit about the clarification of whether or it was not solely for skiing. I think it is a valuable service provided, not only to people coming from out of town to see the colors, but for the local folks as well. Councilor Rivera, are you comfortable with the motion, or is there specific direction you want to give staff for clarification before this gets to the next level."

Councilor Rivera said, "I think my question to staff was to get clarification before this moves forward, as to what actually would be the service up there. So is it from September through December, or October through whatever – so really to get specifics on dates and times."

Chair Dominguez said, "So are you okay with that, Jon, and can you get us that as well."

Mr. Bulthuis said he can work with the RTD for clarification.

Ms. Helberg asked if Councilor Rivera's direction is a friendly amendment.

Chair Dominguez said no, he doesn't want to go there.

Councilor Maestas asked the duration of the pilot program.

Mr. Bulthuis reiterated, "The actual start and end dates haven't been identified, but the discussion was Fall 2015 through the ski season 2016. And that's why it's on the agenda at this point, so that we can make a commitment and the RTD can work on ordering vehicles and do the things they need to do to be ready to have things roll out this calendar year."

Councilor Maestas said you are assuming there will be 5,000 riders in winter and 5,000 in summer, and asked what is the basis of that assumption. He said this is heavy in assumptions, it has a lot of players and he is unsure who is committed to all the funding, and how definite the funding is. He thinks the State Parks Department should be a partner, because there's a State Park up there, and it might behoove them to reduce the vehicular traffic up there. He realizes some people camp, but some people are there just for day use, and it might be pleasant just to take the bus and enjoy the State Park.

Councilor Maestas said, "This thing is still gelling, and I'm not sure it's ready for prime time. So, despite even the Lodgers' Tax issue, I just think this deal is still kind of percolating. It's not ready yet, it's not fully cooked, so I'm not sure I can support this at this point."

VOTE: The motion was approved on the following Roll Call vote:

For: Councilor Lindell and Councilor Rivera

Against: Councilor Maestas and Councilor Trujillo.

The resulting vote was a tie and Chair Dominguez voted in favor of the motion.

Explaining his vote: Councilor Dominguez said, ""Okay, so I'm going to vote yes, but I just want to make a clarification that unless.... I have some of the same concerns that Councilor Maestas has, and so unless some of this clarified by the time it gets to the Council, I would be very reluctant to be supporting it at that time."

Chair Dominguez asked if this goes next to the Council.

Mr. Bulthuis said it is scheduled to go Council next. He said, "I think, given the nature of the questions and the time it's going to take to respond to those adequately, I would recommend that we not try to schedule it for the next Council meeting, but have it happen at the subsequent Council meeting. "

Chair Dominguez said, "I'll leave that to staff. Just know, unless there is more clarity to this... I'll support it for now, but by the time it gets to Council if it's not there, I don't know where I'll side."

Councilor Maestas said with 5,000 riders, and you take the savings from the lift ticket, that's \$10,000 that Ski Santa Fe can put up in hard cash, rather than the lift ticket discount. That \$10,000 would help a lot for this project.

Mr. Bulthuis said he is happy to take that request back to Ski Santa Fe again, noting it has been some time since that's taken place. He said when they discussed that some months ago, their counter-offer is what was presented in the packet. He said, "However, I can certainly make that ask again."

Chair Dominguez said, "A lot of people would benefit from this, not just the City of Santa Fe or the County for that matter, so I think it would behoove us to reach out as far as we can. And so you have a piece of legislation that has been approved. I'll leave it to staff to decide when and if they want to bring it to the full Governing Body. I'm open to hearing it again at this Committee if somehow, or for some reason, you see other players wanting to change the agreement, or maybe to contribute a little bit more, but we'll see how things go. Thank you Jon for all your work."

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

8. MONTHLY FINANCIAL REPORT. (OSCAR RODRIGUEZ)

Items #8, and Item 27(A) were combined for purposes of discussion and presentation

A copy of *City of Santa Fe Fiscal Year-to-Date Financial Performance Report as of December 31, 2014*, is incorporated herewith to these minutes as Exhibit "2."

Chair Dominguez said we can meld this somewhat with Item #27, and the budget calendar because we do need to have the discussion from Human Resources.

Oscar Rodriguez, Finance Director, presented information from Exhibit "2." Please see Exhibit "2" for specifics of this presentation.

Mr. Rodriguez said there is nothing in the report to make us be concerned about major shortfalls or over-expenditures, noting the revenue streams are coming in strong and it appears that the shortfall in GRTs will be made up.

Chair Dominguez thanked Mr. Rodriguez for this report, and thanked his staff for getting the information, noting it is a good way to give a monthly picture of the City's finances. He said this report tells us things as we prepare for the budget. His questions relate to Human Resources, so he will reserve those. He said one of the things he would like to see is how we take some of the burden from the GRT and move it to the property tax. He said, for example a 1% decrease in GRT and a 1% increase in property doesn't equal out. He would like to have discussions about what that might look like. He said the GRT is less dependable than property tax.

Chair Dominguez continued, "I would like to see what it looks like to make sure the property tax rate doesn't go down and stays where it is. I know that some of that is direction from us to the State, believe it or not, so I would like to kind of look at that a little bit."

Chair Dominguez continued, "The other thing too, in terms of direction, not as it pertains to the Report, but that the report kind of shows, when you look at the 22% decrease in expenditures from Housing and Community Services, more particularly housing. The question is, generally speaking, do we really need these contracts, and I think you talked about that a little bit in your report. Do we really need them. That's direction we need to give to the City Manager."

Chair Dominguez continued, "The other was clarification on the Civic Center, the last page, Rental and Concessions, what is that 100% variance of less revenue. There's nothing in there, so if we could get some clarification on that."

Mr. Rodriguez said, "I can answer that now. All that revenue again, was a matter of how it was budgeted and entered into our system."

Chair Dominguez said, "When you look at the specific Santa Fe County Other Grants line, the approved budget is at \$6.1 million, but actually it was \$6.9 million, and it looks like we've only received \$5 from the county."

Mr. Rodriguez said, "Well actually it wasn't from the County, it was from a separate grant."

Chair Dominguez said, "That speaks to the need to collect from not only the County, but everyone else I guess. That's all I have on this. Are there any other questions or comments on this."

Chair Dominguez said, "I think there's going to be stuff that this shows is relative to our budget, so we can have that discussion when we get there. The next item is the calendar. Is everyone clear about the calendar. It looks like we will be having our budget hearings the last week of April, the first week of May."

Mr. Rodriguez asked the Chair when he talks about hearings, if this is the term for both meetings with the departments and for presentations as well to the public.

Councilor Dominguez said, "However we want to do it. I'm open to changing it a little this year, but typically the Finance Committee has those budget discussions with each Department and ultimately it is a budget that hopefully will get approved."

Councilor Lindell said, "I'm seeing that as scheduled for the very last week of April. Is that correct."

Chair Dominguez said, "That is how I understand it, and it looks like everyone is available then."

Councilor Trujillo said he will be out of town April 28, 2015 through May 2, 2015.

Councilor Rivera said, "For clarification, the calendar says, I think as Councilor Lindell pointed out, the end of April, beginning of May, and then the next page said budget hearings the week of March 23 to April 2, 2015. So I guess I'm a little confused as to what time frame we're using."

Chair Dominguez said we are looking at April.

Councilor Rivera said, "So the week of March 23, 2015, to April 2, 2015, with all our availability is null and void."

Chair Dominguez said, "March 23rd through April 2nd were possibilities, but I don't think they are going to be ready for it by then. It's really internal Councilor."

Councilor Rivera said, "When they asked my availability for meetings, I was under the impression that was the hearings with the City Manager and the departments, and those days were my availability for that time frame. I haven't even looked at my calendar for April to May."

Chair Dominguez said, without making any commitments, to look at the last week of April, the first week of May, to have our formal budget hearings. And he would like staff to get from the Committee their availability at that time.

Councilor Rivera asked if we send that to Yolanda Green, and Mr. Rodriguez said yes.

Mr. Rodriguez said it's the same format as usual, the departments kind of make a presentation. Our goal at the beginning included direction that the departments, given the direction they got, would come prepared to answer questions.

Chair Dominguez said, "I'm still hoping through the next few weeks and months, we'll be able to get to a point where we're not going to have the same kind of budget hearing exercises that we've had in the past. But nonetheless, I think we need to reserve adequate amount of time to be able to have budget hearings in case we're not there y et."

Responding to Mr. Rodriguez, Chair Dominguez said, "Keep moving forward. Hopefully, we'll get to a point where everything will all kind of fall into place."

Councilor Maestas said he will be out of town the week of April 20, 2015.

27. DISCUSSION ON BUDGET FOLLOW-UP

A. BUDGET CALENDAR

Items #8, and Item 27(A) were combined for purposes of discussion and presentation

B. HUMAN RESOURCES
1. BENEFIT PLAN SAVINGS OPTIONS
2. HEALTH FUND PROJECTIONS

Sandra Perez, Director, Human Resources Department, presented information from her Memoranda of December 29, 2014 and December 31, 2014, with attachments, which are in the Committee packet, presenting an overview of the process to get to this place where we are today. Please see these Memoranda for more specifics of Ms. Perez's presentations.

Ms. Perez said the group met, after creating a safe place for the unions to discuss possible cuts and plan design, and after comparing our plan with the City of Rio Rancho, the State, the State's HMO Plan, and talking about those plan design in comparison to our own, it was easily determined we could achieve similar results just by tweaking our own plans, based on information we had on our own claims. At the end of the working session, the group was able to identify variations to save the \$500,000, there were two variations to save \$1 million and one variation in which to save \$2 million. They asked Ann, at the end of the meeting to further crunch numbers on the massage therapy benefit, and if that were eliminated and we stuck with only acupuncture, chiropractic and those kinds of services, and not the massage therapy benefit. It turns out that option would save about \$750,000, so we actually have 4 different options.

Chair Dominguez said the numbers in the handout on massage therapy are the numbers from the latest analysis done by AON, and Ms. Perez said yes.

Ms. Perez said the last thing discussed was shifting costs of premiums from the City's percentage to an employee borne share, and AON has been able to identify that. For every 1% shifted from the City's share to the employee's share in premium changes, the City would experience \$150,000 in savings. She said that is a general, broad number, noting it wasn't factored into any of the options they were discussing. She said, "The options in front of you are just about redesigning different aspects of the health plan itself."

Ms. Perez continued, "I would also like to say that what these are not here tonight for you to approve one option or another, and they are not being presented as a request. It's not being presented and asking to go forward to the Governing Body to have that be a request, and which one should we now go pursue. It is to really demonstrate that if we really put our minds to it and we get down to it, if you give us the number and you tell us this is what we want to save, or we don't want to spend as much this next year, or we want to tier it out this year to the next year to the next year, and build to some point, a plan design can be crafted around the number you give us to budget."

Ms. Perez continued, "We've gone ahead and put out the RFP like we said we would. We've cast the net wide and far. We've put it out in line with the way the plan design sits today. We've also identified to all the carriers, we had a meeting with them last Friday, that we are considering a variety of different options to the plan design and that changes could be coming. And when they submit their RFP's to us, they should include in that if there's any effect on administrative fees, how we process claims, and if there would be any change, they need to submit it at the time. We gave them an idea of some of the things we were looking at that could possibly change in plan design. So expect when they come in to have a variety of options from the different carriers as well."

Chair Dominguez asked when the RFP's are due.

Ms. Perez said, "They are due in on February 23rd. Then we will have our initial analysis. Aon is doing an analysis, my staff is doing an analysis. Then we will be meeting with the Group Insurance Advisory Committee to go through the analyses and all of the RFP submittals. There will be a week of interviews with each of the carriers that have submitted through the RFP process. We have put out the medical, the basic life, dental as well as all the voluntary benefits. So we have 4 really big RFP's out right now. We were under the same impression that the budget hearings were going to be the last week in March, early April, so we built the RFP timeframe around that. So by the time we would have sorted through and gone through all the RFP proposals, you would be in the budget hearings and we would be having discussions about what's the budget line item going to look like for the health fund so we know what to start negotiating for the contract for the plan design."

Ms. Perez continued, "So, depending on what you do with your budget hearing schedule, we may be back before the Committee asking for that direction pre-budget hearing time. Because we have to negotiate that contract, get it in place for the plan design that will take effect July 1, 2015, because we have to have open enrollment all of May in order to get everything in and processed, because everything is hand entered. We manually data enter all of the information and then upload it to the carrier. That has to be done in July so they can get new cards out, they can get all the enrollment packets out. Everyone can have their plans in place July 1, 2015, when the Plan starts. And we'll be doing education seminars with the City employees all around the City. We'll be having open enrollment through the entire month. We've booked rooms at the Convention Center for the entire month to have this and make it happen. We doing that shift in May. And so we need to know who we will be writing the contract to in April."

Chair Dominguez said, "So I'll work with the City Manager on the timing of this a little bit, because maybe it comes down to the point where approve something as it pertains to this that fills in some of the gaps in our budget as we move forward any way, so keep going on your presentation."

Ms. Perez said, "And just keep in mind that whatever decisions are made, regarding the plan design, whether we start small and grow over the next 3-4 years, all the carriers have been informed that may happen as well, so they 're standing ready to give us information, if we start off this way. But then the plan design changes and their administrative fee has an effect, we will know that, and we would put out the contract, well it would be every year we would revisit what those administrative fees look like if the plan has taken a design change. So we've built it in from every which angle that we can so we can have all the options still available until we make those hard decisions."

Ms. Perez continued, "So I think what we would be asking primarily from this Committee and then ultimately from the Governing Body is to approve the budget by dollars and then we will design the plan and come back with options for you to choose from among that meet those dollars. And what this exercise was good about was showing us and showing the Committee members it can be done. When we start with the dollar amount and we have a goal in mind in what to get to, you can design a plan to come up with that. We're also informed the carriers and we will again during their interviews that we are looking to them, as much as we're looking to Aon to help us identify other ways that the plans can be tweaked and/or redesigned in order to save money, in order to increase the sustainability of the self insured fund."

Ms. Perez continued, "So with that, Mr. Chair, that in a nutshell, summarizes what the Benefits Committee did. I know the packet is really detailed. I know everyone has gone through it, I'm not going to repeat it here. Todd can go through the effective of what those saving options have on the sustainability of the fund, and he can go through those here quickly, because for every dollar saved, we increase the sustainability. So I'll turn it over to him, and then I'm back to you for questions."

Todd Burley, AON, said, "If you look at the Memo dated December 31, 2014, it has the various five-year projections we've all seen before in numerous iterations. There is a sheet about halfway through health fund projections for possible saving option scenarios. I'm not going to go through each of these, but there's really no trick to this. If you choose the option that saves \$500,000 in 15/16, your starting point for claims is \$500,000, while the other four projections follow that same scenario for \$750,000, \$1 million, \$2 million, whatever the savings are."

Mr. Burley then continued reviewing the Scenarios, beginning on packet page 37. Please see this document for specifics of this presentation.

Ms. Perez said, "One thing we need to focus on during our education piece with all of the employees is helping people understand the plan design is the plan design. That is the design the City has chose, that the Governing Body has approved for the benefit packet for it's employees and that's what the design looks like."

Ms. Perez continued, "When you're going through this at the same time that we're going through the RFP, it'll all roll out about the same time, so it could very easily look like.... let's say, for some reason, United Health Care isn't the successful carrier and we go with somebody different. It could start to feel like, oh, look we went with them and look what they did to my benefits, which really, the carrier doesn't have anything to do with it. It's the decision we're making about the design and then which carrier are we choosing through the RFP process to deliver that design. So we're being cognizant of that as we put our education materials together and working with the employees to really understand what those are and how we come through it. And the RFP is going to go a lot of different ways. We have no idea who we're going to get bids from, how those bids are going to look, how we're going to come back to you all withy options to choose through those RFP's and whether we end up with one carrier, multiple carriers. Who knows. It's wide open at this point."

Chair Dominguez thanked Ms. Perez, the staff, the Committee, and to the City Manager for some of his work on this. He said it is obvious that what we have now is not sustainable, and so that's why we're here to discuss some of these. He opened it to the Committee for discussion.

The Committee commented and asked questions as follows:

- Councilor Lindell said, "I looked at the \$500,000 savings Options 1 and 2, and then I went over on packet page 4, additional savings option and it's with 2, it says, 'This option was developed after the working sessions ended.' Okay. I guess the question I have on that is, why on that one. And there's a total savings on that one of \$745,000. I'm just curious on that one what the thinking was to not go ahead and realize the entire \$75,000 savings on the chiropractor/acupuncture, which

would throw another \$55,000, if I use the previous numbers, which would take it to an \$800,000 savings. Was there a real specific reason for that."

Ms. Perez said, "There was. When the Committee was talking through that particular benefit piece, it got separated into the two parts purposely. Because the massage therapy were discussed at other Committee meetings has really kind of morphed itself into this benefit unto itself. It started as part of the acupuncture/chiropractic/naprapathy series, because there's certain massage pieces that come with those treatments, to enhance those treatments, and make them better at what it is they're doing. And then, there's been opportunities when we went through and the plan design ended up separating them into two categories, that you ended up with separate massage therapy treatments that didn't necessarily go along with the chiropractic, naprapathy and the acupuncture. So, because we've seen in the last year or two the escalation in the cost back to the City."

Ms. Perez continued, "Copays have been very low, are still low, but the cost to the City of paying those claims became extremely high, the Committee looked at it and said we want to preserve this one piece where the chiropractic/acupuncture/naprapathy is a popular piece of the benefit. It has shown that it has helped in lowering some extremes to go to surgery. It has extended the amount of time before someone has had to have some surgeries. It's a good benefit that works and a lot of people use it very pro-actively in their health care. More and more primary care physicians are actually doing referrals to some of that, and so they wanted to preserve that piece of it, but they also wanted to look at what had gotten out of hand and out of control. And if they had to give one or the other up, what would the massage therapy benefit do. We didn't have the numbers at the working session that day, and that's why the Committee tasked Aon to find that number after we broke up, and then once we found it to roll it into what that option would look like if it had been eliminated."

- Councilor Lindell said the previous examples take it from a \$10 to a \$30 copay and this option just takes it to a \$15 copay.

Ms. Perez said that is correct, and if you look at the second option, that also took the chiropractic/acupuncture per visit copay. She said, "The instructions was back to Aon if you find out how much the massage therapy costs all together, let's see what that savings is, take that, and replace taking the massage therapy up to \$30 per visit, replace it with just taking it out completely leaving the chiropractic at \$15. So actually, that extra additional savings option became Second Option A."

- Councilor Lindell said, "Just so I'm clear about this, on the chiropractic, it's a maxim of 24 visits a year, not 24 chiropractic, not 24 acupuncture, it's a total of 24."

Ms. Perez said this is correct, and you could have 24 all in one category, or not..

- Chair Dominguez said, "What I'm hearing you say is that we can mix and match. Let's say we do the \$500,000, or we come up with our own, we could take parts of each one."

Ms. Perez said that's correct.

- Chair Dominguez said, "It almost seems to me that taking the massage therapy one away completely, and the chiropractic one in along with everything else in the first option certainly is a possibility."

Ms. Perez said, "To further enunciate that point, if you look at pages 22-23, you have what we spread out on all of the right pages, all around the room, are all these little different items. That is kind of our *a la carte* menu, and so, from the *a la carte* menu on pages 22 and 23, we pulled in individual pieces, what you ended up with in option 1 and option 2, were those that seemed the most palatable overall – I guess we could get our head around that. If we had to start somewhere, and that's one thing you as a Committee asked us to do. Where did they have the most consensus and where did they the most opposition. So that's what we tried to get our heads around and do that. So options 1 and 2 from the *a la carte* menu became their buffet table that they would find the most palatable."

- Chair Dominguez said he is hoping we can give some direction to staff on where we want to move with regard to this.
- Councilor Maestas asked how the Health Fund is trending right now, noting we had projected an ending fund balance of just over \$4 million at the end of this fiscal year. He asked if it is on target right now.

Ms. Perez said, "We are on track with the trend. We're halfway through the fiscal year. We've been watching, we get the claims in, and we pay claims out every week, and they're holding the course. There's none that have been astronomically high and there's not anything that has taken quite a dip and we wrote a little bitty check we didn't expect to. It's been holding the course steady, so we're on track."

- Councilor Maestas said he thinks we should come up with a solution that takes us through 2018. He said, "And based on the escalations in the fund balance, health care cost and in the claims, I think it's 8% each, I don't think we should pick a scenario where we have a fund balance under \$2 million in 2018. I realize it looks real heavy in 16/17, but it quickly evaporates based on some of these projections. That would be my first preference on a broader level, that we come up with a solution where we have a projected balance of not less than \$2 million in FY 2018."

Councilor Maestas continued, "I think all the copays need to be addressed. I really think they all need to go up. I think I highlighted every single one, but I did so in comparing it to other plans. I believe the Committee doesn't want to touch premium share at this point." He said he agrees that is a top tier issue in the union contracts – the firefighters and the non-union employees have a different pro-rata than the AFSCME and the Police Officers Association. He said his direction is,

we ought to leave the premium cost share ratio alone, and work on resolving the copays. He said, "I don't know you can tally enough savings to give us the projected balance in FY 2018 of at least \$2 million on copays alone."

Ms. Perez said, "We're going to turn some pages and see. I think the copays became so large that it was going to be hard to get to \$2 million on just copays along with the deductibles and coinsurance."

- Councilor Maestas said there are some areas and services where we have no copay and we pay 100% , and I think we need a copay for the MRI's and the CAT scans. Some of the other comparable ones have \$100 copays. The platinum plan in the Health Exchange has a \$100 copay, so I would recommend we add a copay for those tests. They're very costly."

Ms. Perez said, "Back to the *a la cart* menu on pages 22 and 23, we were throwing all these on the white boards and coming up with the differences in some of the copays, we did talk through a lot of those different tests. And what we were able to find that day is the number of claims we're paying for those tests, even increasing the copays to something that high, the number we're actually paying, it just didn't make a huge difference. So for this exercise, we were going after get some of the bigger dollars that total up to the \$500,000. It doesn't mean we couldn't start where we were and then continue to build up from there. Just as Councilor Lindell noticed, if you take a little bit of this one and add it to that one you're at \$800,000 just like that. We could do the same thing. We could add a bunch of these together and see if we get to the \$1 million or the \$1.5 million savings, and I'm sure we probably can, we just have to rebuild the menu in different areas."

- Councilor Maestas said, "To add to your *a la carte* menu, can you add the potential savings of changing the plan payment from 100% to \$100 copays on the MRI, the PET and CAT scans."

Ms. Perez said yes.

- Chair Dominguez said, "Councilor Maestas you're talking about a \$2 million balance, and you're talking about \$2 million in savings."

Ms. Perez said that is correct.

- Chair Dominguez asked if we're all on the same page.
- Councilor Lindell said, "You're talking about a \$2 million balance at the end of 17/18. Correct, Councilor."
- Councilor Maestas said, "That's the scenario that I like, the \$1.7 million, so about \$2 million."
- Councilor Maestas said, "You guys stopped numbering the options at the summary sheet, which confused me. You went from Option 1 and 2, and then you had these others."

- Councilor Lindell said she likes the \$750,000 when it goes to \$800,000.

Ms. Perez said, "Right and you could do that. And that would be... so really Councilor Lindell when we look at that, even though it said the \$75,000, it would really be the \$55,000, right."

- Councilor Lindell said, "If the copayment was increased to \$30, it would be a \$75,000 savings which would be a net increase of \$55,000 which would take us to \$800,000, which I'm just kind of extrapolating here, would get us almost to the \$2 million fund balance that Councilor Maestas is asking about, on page 39, which is a \$750,000, so we take it to \$800,000, and we should end up at \$2 million."

- Councilor Maestas asked, "Did you all look at deductibles. Because when I look at all of the union contracts there's no specific language on deductibles."

Ms. Perez said, "We did, particularly in the \$1 million savings options and definitely in the \$2 million savings option. So the \$1 million savings option is on page 28 of your first packet, Attachment D, and \$2 million savings is on page 30 of Attachment E, and that's deductibles, coinsurance, maximum out of pocket. And we were talking about the premiums and not touching those if you're recall. Really at the split we're at now, it's not an unusual split for most plans out there. It's just a big split when you've got a really rich plan like we had. So if we start working with the plan design, the premium split isn't out of the ordinary, it's okay."

- Councilor Maestas said if he had to give additional direction he would say, "leave no copay unchanged," and see if we can reach that goal through appropriate changes in deductibles, because it has no consequences to the union contracts, and we're not going to touch the premium cost share ratio. I'm not sure if you look at any scenarios regarding the covered benefits, but the two that come to mind, I think the low hanging fruit are the changes in the copays and the deductibles. So that would be my suggestion."
- Chair Dominguez said it looks more and more as though, if you look at page 39 on the Aon spreadsheet, that gets us as close as we can to that, aside from the no copay, your comment about leaving no copay unchanged.

Ms. Perez said, "That would be the page to start from I think. And I think that's the one thing that Todd has said to me several different times, for them, that's really easy. If you tell them the balance you want or the fund balance you want, how much you're giving us for a budget, then we can back into anything with plan design. Not touching the premiums, not touching member eligibility, right. Because right now, we're still covering employee, spouses, family. Many employers, as we talked about before, are not covering spouses, having them go to their own employer, or charging a higher premium if you take ours, even though yours is available. They're doing that. Many of the carriers own plans, them, as employees, are only for themselves. Many people are not covering spouses and the others, and we wanted to not displace the population at this point. But at some point, we may have to talk about eligibility as well."

- Councilor Maestas said we had a scenario where we had a zero balance in 2018, and he doesn't think that's responsible, and we should maintain some kind of buffer amount.
- Chair Dominguez said, "What that does, is it spreads the pain a little bit across the Board."

Ms. Perez said she has one clarification to be sure we're all on the same page.

Mr. Burley said, "If we look at that same scenario, the one that ends in the \$1.7 million, I just want to make sure that everyone is clear, if you look at line 22, that assumes a \$750,000 increase from the City's budget for the next 3 years."

- Councilor Maestas said he wasn't clear on that.

Mr. Burley said, "I just want to make clear that this is not keeping the City budget flat, that this scenario assumes an increase of \$750,000 a year to the City's share of the cost."

- Councilor Maestas said then we need that in the form of savings, because his assumption is that the City's participation is a flat budget.
- Responding to the Chair, Mr. Burley said, "If you look at line 2, row 2, columns C, D and E, you can see the City's share would be \$15.4 million up to \$16.1 million up to \$16.9 million in 17/18.
- Chair Dominguez said, "Regardless of whether we take one of these plans or come up with any other plan, I think it is going to have to be an increase either way."

Mr. Burley said that is correct, and if not, the City would have to come up with an additional \$750,000 in savings each year.

- Councilor Maestas said, "Maybe we should tie the City's contribution to the projected escalation of health care costs, that way we're at least doing our fair share to keep pace with increasing health care costs. Thinking about keeping it flat, we're really not helping to pay for the escalating cost of health care. So I want to be responsible, but I want to be fair and make sure that our contribution does keep pace. And maybe we can index the City's contribution to the estimated escalation cost of health care and then whatever shortfall, because I know we're using a fixed amount here for the City's contribution. So if you could do a scenario where we calculate the City's contribution and apply that health care cost escalation to it and see what we need to come up with in savings. Maybe we can make up the savings there."
- Chair Dominguez said, "I would say do 5 years, because I think that is kind of consistent which is part of the next item, which is long multi-year budgeting kind of thing. In a way, I see this kind of buys us a year. It give us a pretty good picture of the next 3 years. But beyond that, we have to look at multi-year budgeting in order to address some of that for the long term. So I would say 5 years."

Ms. Perez said, "And that's just with the natural health care change, the trend. I want to make sure I've got it right."

- Chair Dominguez asked if there is an index to which she can refer.

Ms. Perez said yes, and it actually is on line 24, it is projected out – that's what line 24 tells you.

- Councilor Maestas said, "Maybe if our contribution at least keeps pace with the escalating cost of health care."

Ms. Perez said that gets back to the plan design change, and at some point, eligible covered employees, eligible covered members, where does that start to trend. These are also trends that everybody is watching. Then you have to build in all of the fees that still continue to come in from The Affordable Care Act, and then the different penalties or not, that might be there. We're on a good place here by starting to talk about a plan design so we don't have that extra fee come 2018. You want the balance at \$2 million, so we want to make sure we avoid the excise tax for that as well, so we have to factor all those things in.

- Councilor Maestas asked if there typically is a decrease in claims with an increase in co-pays.

Mr. Burley said that is correct. He said, "There are two components when I calculate the dollar changes you saw on all these sheets. The first is just a straight reduction in cost, the members paying additional X dollars in copay, which decreases the City's contribution by the same X dollars. The other component is a reduction in utilization which there certainly would be for some services – physician visits, pharmacy, emergency room which we've seen the effect of that with the decrease in emergency room payment."

- Chair Dominguez said we went through that exercise in the past when we increased the copay for the emergency room.

Mr. Burley said, "So there are decreases in utilization that already are built into those numbers that I presented. Yes, they are. Some services there won't be a decrease in utilization. In-patient hospital, it's rare that someone voluntarily checks themselves into the hospital. Out-patient surgeries, you won't see much of a reduction in utilization, it's simply an increase in co-pay, but those are already built into the numbers I've presented. Sorry."

- Councilor Maestas said there are many variables, but he is learning.

Ms. Perez said, "As a reminder, all of the wellness visits, the preventative care benefits, all of those are at 100%, because that is what is guaranteed with The Affordable Care Act. So even in increasing the copays, if somebody needs to go in for that preventative care and those annual physicals and all of that, those are still covered at 100%, because we have to. So, hopefully, what will increase, even if the copays increase, is people are paying attention and they are doing more on the preventative care side and the wellness care."

Ms. Perez continued, "The other thing we emphasized in the RFP was our wellness program, and what are you going to do as carriers that help compliment and take our wellness program to the next level as well. So we're also focusing on some of those things, and ultimately a few years down, if we have a premium level set and people are really participating these others, what discount do they get to that premium because they're doing all of these things that are helping us on the claims side. If you quit smoking you get a discount. If you start smoking you los the discount. Things like that. It gets us started down the path."

- Chair Dominguez said, "The infamous benefits plan, I love that one."
- Councilor Trujillo said he was on the State Plan which isn't a bad plan, but the City plan is the *Taj Mahal* of City plans. He said the Legislature says this is what the State is going to pay and the employees have to deal with it, and have no say-so. He said that was one thing that bugged him as a State employee. He asked if these scenarios have been sent out to our employees to ask them for their input, because they are the ones who will be affected. He said the bottom line is the City employees will be paying for this.
- Chair Dominguez said he thinks these scenarios have come from the employees.
- Councilor Trujillo asked if it is coming from the Committee or from input from the employees.
- Chair Dominguez said the difference between us and the State is that we care about our employees, so much so that we have included them in the process, and they have one of the best, if not the best, health care plans in the State.
- Councilor Trujillo agreed, saying this is the best plan he's ever seen.
- Chair Dominguez said the question Councilor Trujillo is asking how much buy-in there is from the employees.

Ms. Perez said, "The Group Insurance Advisory Committee that the City has, is set up by Ordinance, Resolution, and it prescribes what that is, and so each union has a representative and they are there representing their membership. And they are very clear when they have talked to the membership about things and when they haven't. We have non-union represented and we have management represented and then you have the HR staff. So, these scenarios, after the discussion, we didn't say don't go talk to anybody. We know people went out and started talking to their folks because we started hearing the kickback of, oh my gosh did you see what they 're doing to our copays and did you see this or that. We have not surveyed the individual employees, because we didn't know what we want we wanted to be survey about. When we know a bigger dollar amount, and then we say, we're down to these 3 options, A, B or C, we could easily do that."

- Councilor Trujillo said that's what he hopes we do, and it gives feedback to the Council. He said to him, that is showing respect to our employees, and not just say, here, this is it, this is what the Council says. He wants that outreach to the employees once we come down to the final 3 and have them have a say-so in it as well.

Ms. Perez said, "What we can do, now we know the timeframe when the RFP is closing, when we're going through the analysis, and the interviews and score, so we're getting together this week to build this calendar of our own, what has to happen by when, when we have to be back before this Committee, when we have to be before the Governing Body for approval. We will build in feedback groups from employee bases. We'll send you the calendar we come up with, so you have a general idea, knowing it could move a little here and there, but we'll send you our general idea and plan for how those will go out, what we'll be talking about. And then that way you know what is coming back before you. As always, yours would be an open forum if you wanted feedback, but we'd like to gather it for you, summarize it, and let the people see that. And I think you're right. That's a big difference between what we have with the City. And having sat on the Group Benefit Committee at the State level, it's not employee oriented."

- Councilor Lindell said, "I want to make sure I'm clear on some of this, back on pages 39 and in that area. So what I'm seeing is that no matter what we do, no matter which one of these we select, we're facing over a \$1 million contribution in 14/15, and then in 15/16 and the next 3 years, no matter what our savings is, we're still facing an increase of a \$750,000 contribution. So, if using Councilor Maestas' \$2 million figure as a reasonable amount for an ending fund balance, we essentially need to come up with a plan that has a total savings of about \$800,000."

Mr. Burley said, "Councilor Lindell, yes, if I follow your logic, that's correct. This scenario assumes the increased copays, the massage therapy benefit which I believe was \$700,000, plus."

- Councilor Lindell said, "I'm just extrapolating on page 39 from the \$1.7 million to try to get that to \$2 million, that's a \$750,000 savings we were looking at. We need to go to at least \$800,000, maybe \$850,000. So if we accepted Councilor Maestas' \$2 million figure, we need to come up with a couple of different scenarios that get us to an \$850,000 savings, which would take some change."

Ms. Perez said, "I think you're right."

- Councilor Lindell said, "Maybe we could see a couple of scenarios that show us \$850,000 in savings. I appreciate the work the Committee did very much in asking different groups to come in and check their coat at the door, sit down and let's work through this. My preference would be that we work through this now, the sooner the better, and that we stretch ourselves as far as we possibly can, so we aren't doing this again in 3 years. These are painful exercises to go through, and not just the exercise but the implementation. Even with the savings, we're facing an increased cost of \$750,000 a year. So that would be my recommendation that we proceed that way."

- Chair Dominguez said, "I think there's consensus from the Committee to go in that direction. We also want to make sure we capture the idea of leaving no copay unchanged, and you need to think about that a little bit as well. So are you clear on the direction."

Ms. Perez said, "Yes, I am. If we get started with it and we find ourselves scratching our heads, we're not going to be afraid to email or call any of you for clarification."

- Chair Dominguez asked, "Okay, Brian [Snyder] are you okay with that."

Mr. Snyder gave a non-verbal indication that it is.

- Councilor Maestas asked the deadline to take action on this to go to the Governing Body, saying, "I really want to reach a point of closure here. I think this is our last working session, right. This is our last workshop, because I'm with Councilor Lindell, all these variables are just like...."

Ms. Perez said, "Todd makes a good point. The RFP's will be in on the 23rd, so depending on what we're seeing in the RFP's as they come in, there might be some savings that we can experience as those come in, we just won't know until they get here. I would tell you very honestly, by the next Finance Committee, this would be more of a workshop because we wouldn't have it really hammered out, so the earliest we can get back to you is two Finance Committees from now. I know that's a month. It would be March 16th, which would be halfway what we're doing with the RFP, we should have the interviews underway, if not almost done, so that could be a very doable meeting. It would be a good time for us as part of the RFP discussions as we're getting ready to go into final decisions on that. That's probably the meeting. That's probably got to be it, because then we have to do Governing Body after that, right."

- Councilor Maestas said, "If we take this up again, could we limit it to 3-5 options no more, a combination of options given the direction we've give, so that way we're super focused on the package."
- Chair Dominguez said, "We will set March 30, 2015, for final approval by this Committee, and then to the City Council at its first meeting in April."

Ms. Perez said, "What we discovered is, if we would get on your agenda for March 16, 2015. We have the packet to Yolanda by March 6, 2015, so that is only two weeks away and isn't going to work. "

- Chair Dominguez said, "Maybe we can get an update on March 16, 2015, and then action on March 30, 2015, which will take us to April 8, 2015, for Council approval."

Ms. Perez said that is the original idea. She asked Ms. Green what date she has to have the packet to her to be on the agenda for March 30, 2015. *[Ms. Green's response was inaudible]* Ms. Perez said it will be a verbal update on the 16th, noting any handout would be minimal.

3. **CURRENT VACANCY REPORT**
4. **POSITION CHANGES**

C. COUNCIL BUDGET DISCUSSION REVIEW – STRATEGIC PRIORITIES

Chair Dominguez said we have got some of this done with this direction here. He said, "One of the things I think we need to look at, as we look at multi-year budgeting and long-term scenarios, we're looking at every year there's a 4% vacancy savings. And so I'm wondering if we don't look at trying to eliminate the number of FTE's by maybe 1% one year, and another percent the second year, so we can bring the vacancy savings down and realize some long term balanced budget. It seems like we're balancing our budget every year by taking the vacancy savings, using those one-time expenses to make up some of the cash we need to have. And then next year, we do the same thing. And 4% seems to be the trend each year. I'm not prepared to go as far as say we need a policy that mandates a vacancy savings ever year, but it's something we need to look at. Is there anything else the Committee wants to discuss with regard to Item 27(C). No."

28. OTHER FINANCIAL INFORMATION

There was no other Financial Information.

29. MATTERS FROM THE COMMITTEE

A copy of "Bills and Resolutions scheduled for introduction by members of the Finance Committee, for the Finance Committee meeting of February 16, 2015, is incorporated herewith to these minutes as Exhibit "3."

Chair Dominguez, on behalf of Councilor Ives, introduced a Resolution supporting proposed State legislation, Senate Bill 498 ("SB 498"), relating to public utilities – limiting costs that can be charged by certain public utilities without notice and hearing. A copy of the Resolution is incorporated herewith to these minutes as Exhibit "4."

Councilor Lindell introduced an Ordinance Amending Subsection 23-6.2 SFCC 1987, to permit the sale and consumption of alcohol at the Railyard Park for the Bike and Brew Event. A copy of the Resolution is incorporated herewith to these minutes as Exhibit "5."

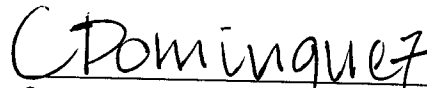
Councilor Lindell said has been brought to her attention that SB 101 has a different way of dealing with the Hold Harmless funds, and she would like information that by the next Finance Committee meeting.

Mr. Snyder said there will be an update from Mark Duran at the next Council meeting. He said you should have a weekly update from Mark tomorrow morning, as well as a verbal update at the next Council meeting on February 25, 2015. He said Senate Bill 101 will be included in the weekly and verbal update.


Councilor Maestas said he will be introducing a Resolution requesting support for State Legislation to assist us in the new interpretation of statutes by the State Engineer that have been adverse to our supplemental well project and other issues.

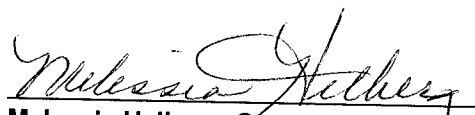
30. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 8:30 p.m.


Carmichael A. Dominguez, Chair

Reviewed by:


Oscar S. Rodriguez, Finance Director
Department of Finance


Melessia Helberg, Stenographer

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO BILL NO. 2015-4, Exhibit A
Santa Fe Jet Center Lease

Mayor and Members of the City Council:

I propose the following amendment(s) to Bill No. 2015-4, Exhibit A:

1. On page 10, of the Finance packet, *delete* paragraph E., and *insert* the following, in lieu thereof:

"E. Lessee may not commence any construction, erection, installation, alteration or maintenance (except routine maintenance) work (each such undertaking, a Project) on the Premises without first obtaining the written approval of Lessor and the Federal Aviation Administration. Each request for Lessor's approval for a Project shall include, at a minimum, a master development plan for the Premises showing each Project, a schedule for commencement through completion of all the work of the Project, construction drawings and specifications for the Project, proof of required insurance, the names of all contractors (general and subcontractors) who will be working on the Premises, with license numbers, performance and payment bonds, if required, and such other reasonable submittals as the Lessor may require."

2. On page 13, of the Finance packet, *delete* paragraph K., and *insert* the following, in lieu thereof:

"K. Fees Deferred; Credit for Rent. All fees required by this Paragraph 6 shall be deferred for a period (the Deferral Period) of the later of (a) six (6) months from the Effective Date of this Lease or (b) the date the Lessee has received \$350,000 in "adjusted gross receipts", as that term is defined in Paragraph 6.C.2 above. At the end of the Deferral Period, the accrued but deferred fees (the Deferred Fees) shall be calculated and such sum shall then be amortized, together with interest at the rate of Three Percent (3%) per year over the remaining first ten (10) years of the Initial Term and be paid in monthly increments upon the same schedule as Annual Rent is paid, provided that Lessee may at any time prepay any or all such Deferred Fees remaining due. Lessee shall receive a credit for prepaid rent for that portion of Parcel B that was not available for Lessee's use until the Landmark Lease was terminated and the parcels reconfigured."

3. On pages 16 and 17, of the Finance packet, *delete* paragraph 9., and *insert* the following, in lieu thereof:

"9. **INDEMNIFICATION.** To the fullest extent permitted by law, Lessee agrees to defend, indemnify and hold harmless Lessor, its directors, officers, employees and agents from any loss, liability, claims, suits, actions, regulatory proceedings, or expenses, including attorney's fees for injury to or death of any person, or any loss or destruction of any property arising out of or attributable to Lessee's negligent use or occupancy of the Premises, except any loss, liability, claims, suits, actions, regulatory proceedings or expenses caused by the negligence or willful misconduct of the Lessor, its agents or employees. Lessee expressly waives any and all claims against Lessor for any compensation for any and all losses or damage sustained by reasons of any defect, deficiency or impairment of any electrical service system or electrical appliances or wires serving the Premises. The defense and indemnification obligations of Lessee under this Lease Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained herein. It is agreed that if

Exhibit "1"

any part of this indemnification is found to conflict with applicable laws, such part shall be unenforceable only insofar as it conflicts with said laws, and that this indemnification provision shall be judicially interpreted and rewritten to provide the broadest possible indemnification legally allowed and shall be binding upon Lessee. This indemnification agreement shall survive the termination of this Agreement."

Respectfully submitted,

Councilor Peter Ives

ADOPTED: _____

NOT ADOPTED: _____

DATE: _____

Yolanda Y. Vigil, City Clerk

CITY OF SANTA FE
FISCAL YEAR-TO-DATE FINANCIAL PERFORMANCE
REPORT

As of December 31, 2014

Presented to the Mayor and City Council

February 25, 2015

Exhibit "2"

FINANCIAL PERFORMANCE REPORT: DECEMBER 2014

GENERAL FUND SUMMARY & PROJECTIONS

DESCRIPTION	FISCAL YEAR 2013/2014 ACTUAL	FISCAL YEAR 2014/2015				
		APPROVED BUDGET	AMENDED BUDGET	YEAR TO DATE*	PROJECTED YEAR-END	PROJECTED VARIANCE
BEGINNING BALANCE	8,121,688	9,305,512	9,305,512	9,305,512	9,305,512	
<i>Revenues:</i>						
Gross Receipts Tax	52,621,883	53,836,678	53,836,678	27,509,782	53,241,123	-1%
Property Tax	3,288,358	3,262,577	3,464,591	1,092,096	3,814,489	10%
Franchise Tax	2,873,554	3,145,000	3,145,000	533,652	3,684,714	17%
Other Taxes	468,660	490,000	490,000	236,687	592,950	21%
Licenses & Permits	2,346,669	2,628,000	2,628,000	1,154,058	2,596,444	-1%
Ambulance Fees	3,511,498	2,000,000	2,000,000	776,704	1,787,577	-11%
Planning/Land Use Fees	207,451	271,400	203,900	152,226	323,774	59%
Recreation Fees	467,169	490,000	490,000	215,881	476,725	-3%
Reimbursed Expenditures	5,944,541	5,397,995	5,397,995	2,632,752	5,397,995	0%
Other Fees/Services	206,804	235,800	235,800	65,472	174,388	-26%
Fines & Forfeitures	506,527	544,700	544,700	222,038	517,967	-5%
Miscellaneous Revenues	62,904	149,000	149,000	21,357	56,506	-62%
Interest on Investments	49,918	29,038	29,038	13,344	32,661	12%
State/Other Grants	73,578	-	109,840	51,952	108,245	-1%
Transfers In	3,155,921	3,291,762	4,141,762	1,720,881	4,141,762	0%
Subtotal - Revenues	75,785,437	75,771,950	76,866,304	36,398,883	76,947,320	0%
TOTAL RESOURCES	83,907,125	85,077,462	86,171,816	45,704,395	86,252,832	
<i>Expenditures:</i>						
Community Development Department	1,188,575	1,295,819	1,398,325	832,294	1,097,256	-22%
Community Services Department:						
-Administration Division	424,594	593,537	660,501	515,117	516,611	-22%
-Library Division	2,586,901	2,603,177	2,603,203	1,388,859	2,496,634	-4%
-Senior Services Division	2,224,573	2,374,548	2,374,548	1,187,486	2,374,760	0%
-Youth & Family Division	675,405	754,120	754,216	394,651	753,964	0%
Finance Department	5,551,101	3,986,326	3,992,931	2,066,581	3,820,023	-4%
Fire Department	14,829,280	14,614,959	15,464,959	8,168,263	15,220,133	-2%
General Government	5,568,378	5,547,392	5,750,682	2,889,630	5,312,710	-8%
Human Resources Department	834,723	831,127	831,127	490,578	880,812	6%
Information Technology and						
Telecommunications Department	3,198,547	3,349,676	3,418,088	1,848,295	3,238,195	-5%
Land Use Department	3,811,855	4,049,442	4,051,230	1,913,570	3,865,678	-5%
Police Department	20,392,955	22,977,918	23,067,553	10,847,180	21,505,785	-7%
Environmental Services / Graffiti	147,121	299,723	299,723	127,332	270,234	-10%
Public Works Department:						
-Administration Division	82,565	31,625	31,625	26,774	36,498	15%
-Facilities Maintenance Division	2,689,873	2,615,200	2,611,448	1,456,398	2,573,239	-1%
-Parks, Trails & Watershed Division	5,221,566	5,956,498	5,998,839	3,122,022	5,826,456	-3%
-Recreation Division	2,285,419	2,596,169	2,600,819	1,365,927	2,413,540	-7%
-Streets & Drainage Division	422,654	496,926	496,926	226,836	461,562	-7%
-Traffic Engineering Division	2,465,529	2,566,274	2,566,770	1,671,176	2,268,407	-12%
TOTAL EXPENDITURES	74,601,613	77,540,456	78,973,513	40,538,970	74,932,496	-5%
ENDING BALANCE	9,305,512	7,537,006	7,198,303	5,165,425	11,320,336	
City Council-Mandated Minimum General Fund Balance [†]	6,136,549	6,050,312	6,169,630		6,169,630	
General Fund Ending Balance - Equivalent # Days of Operation	46	38	35		59	

* includes year-to-date actuals plus encumbrances

† minimum balance defined as 1/12 budgeted annual General Fund expenditures excluding transfers (30 days)

FINANCIAL PERFORMANCE REPORT: DECEMBER 2014

SUMMARY & PROJECTIONS: FUNDS WITH NEGATIVE PROJECTED BALANCES

DESCRIPTION	FISCAL YEAR	FISCAL YEAR 2014/2015				
	2013/2014 ACTUAL	APPROVED BUDGET	AMENDED BUDGET	YEAR TO DATE*	PROJECTED YEAR-END	PROJECTED VARIANCE
MUNICIPAL RECREATION COMPLEX FUND [5600]						
BEGINNING BALANCE	(1,149,920)	(1,168,973)	(1,168,973)	(1,168,973)	(1,168,973)	
<u>Revenues:</u>						
Recreation Fees	965,545	1,012,237	1,012,237	576,465	1,272,991	26%
Reimbursed Expenditures	4,847	4,000	4,000	2,505	5,559	39%
Parks & Recreation Rentals	45,006	25,200	25,200	14,036	41,986	67%
Other Rentals	22,858	23,000	23,000	11,990	28,099	22%
Miscellaneous Revenues	43,074	47,000	47,000	18,192	50,825	8%
Transfers In	95,306	197,605	297,605	98,802	297,605	0%
Subtotal - Revenues	1,176,637	1,309,042	1,409,042	721,990	1,697,065	20%
TOTAL RESOURCES	26,717	140,069	240,069	(446,982)	528,093	
<u>Expenditures:</u>						
Salaries	273,504	364,553	364,553	165,873	349,606	-4%
Benefits	119,105	141,132	141,132	62,978	129,745	-8%
Contractual Services	146,288	185,978	185,978	76,683	145,109	-22%
Utilities	172,350	152,067	152,067	150,683	161,972	7%
Repairs & Maintenance	19,027	33,926	40,480	18,841	35,426	-12%
Supplies	45,955	50,671	144,671	21,331	86,047	-41%
Insurance	1,976	2,334	2,334	1,167	2,334	0%
Other Operating	187,199	219,172	218,618	151,307	213,002	-3%
Capital Purchases	147,519	159,209	159,209	149,681	159,209	0%
Debt Service-Interest	-	-	-	184,226	184,226	100%
Transfers Out	82,766	-	-	-	-	0%
TOTAL EXPENDITURES	1,195,689	1,309,042	1,409,042	982,769	1,466,676	4%
ENDING BALANCE [5600]	(1,168,973)	(1,168,973)	(1,168,973)	(1,429,752)	(938,584)	
AIRPORT FUND [5800]						
BEGINNING BALANCE	(159,552)	(418,538)	(418,538)	(418,538)	(418,538)	
<u>Revenues:</u>						
Airport Fees	690,959	825,268	856,759	106,471	198,272	-77%
Airport Rentals	44,093	14,140	14,140	5,067	13,055	-8%
Other Rentals	139,129	170,000	170,000	49,929	128,647	-24%
Miscellaneous Revenues	15	-	-	-	-	0%
State Grants	-	10,000	10,000	-	10,000	0%
Transfers In	400,001	582,646	582,646	291,323	582,646	0%
Subtotal - Revenues	1,274,198	1,602,054	1,633,545	452,790	932,619	-43%
TOTAL RESOURCES	1,114,646	1,183,516	1,215,007	34,252	514,082	
<u>Expenditures:</u>						
Salaries	772,000	623,006	623,006	332,306	646,298	4%
Benefits	368,408	309,305	309,305	167,144	313,470	1%
Contractual Services	88,990	90,650	114,556	59,369	89,353	-22%
Utilities	68,018	62,680	62,680	61,157	50,004	-20%
Repairs & Maintenance	18,471	37,737	38,101	22,155	32,992	-13%
Supplies	30,354	34,786	34,222	19,893	28,864	-16%
Insurance	32,933	50,992	50,992	24,777	37,773	-26%
Other Operating	154,010	163,139	163,339	79,804	165,047	1%
TOTAL EXPENDITURES	1,533,184	1,372,295	1,396,201	766,604	1,363,802	-2%
ENDING BALANCE [5800]	(418,538)	(188,779)	(181,194)	(732,352)	(849,720)	

*includes year-to-date actuals plus encumbrances; excludes CIP funds

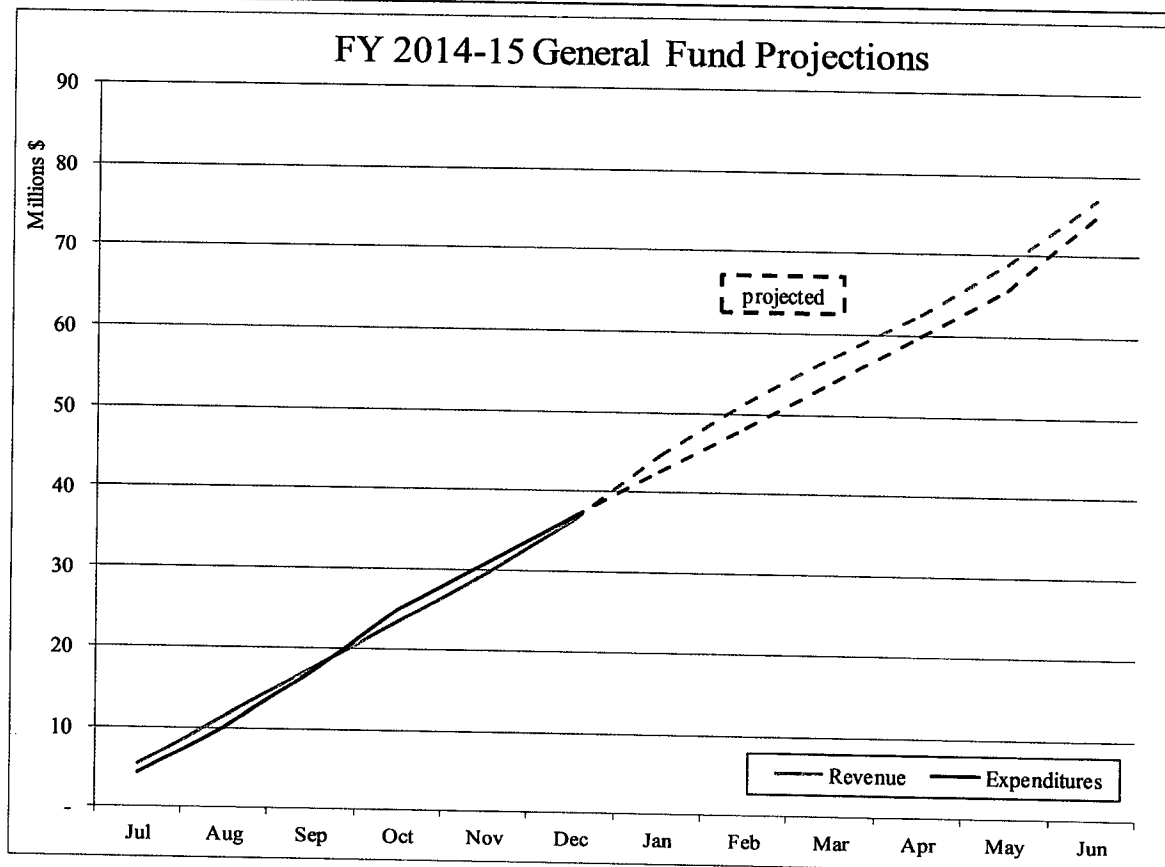
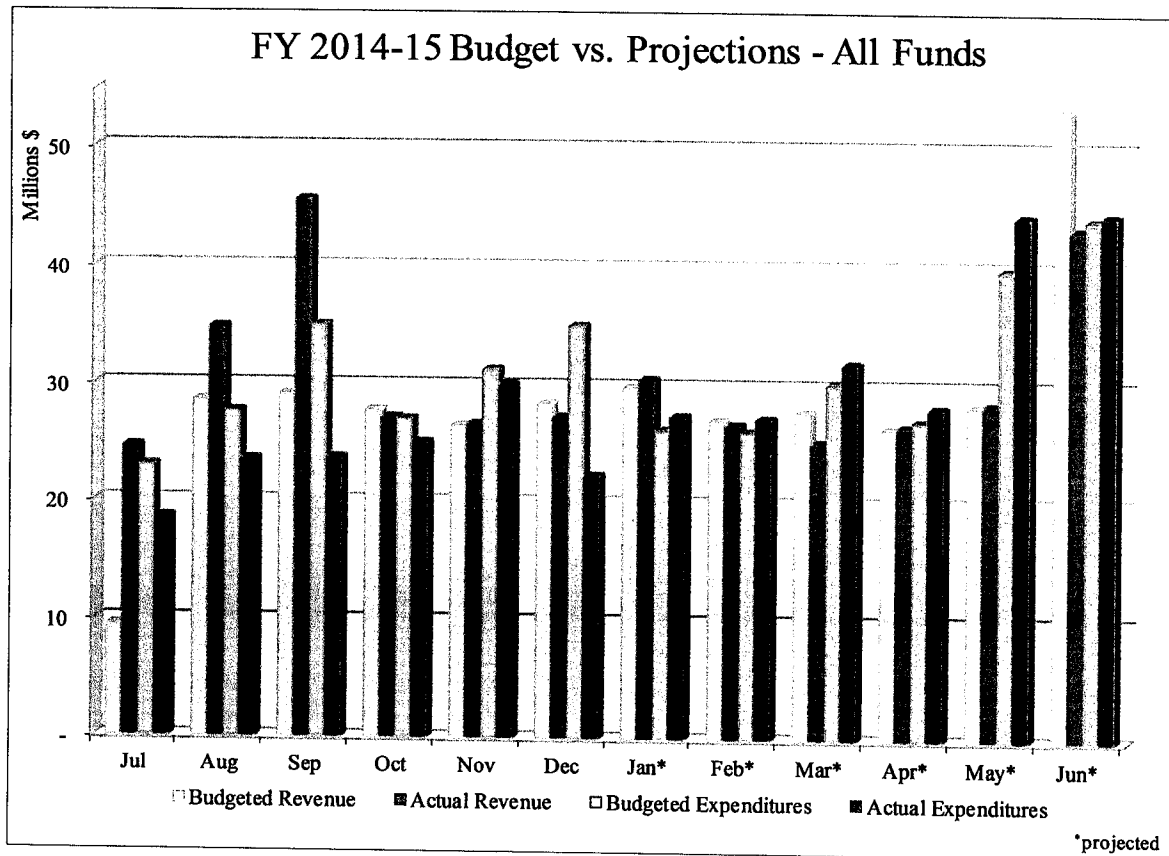
FINANCIAL PERFORMANCE REPORT: DECEMBER 2014

SUMMARY & PROJECTIONS: FUNDS WITH NEGATIVE PROJECTED BALANCES

DESCRIPTION	FISCAL YEAR 2013/2014 ACTUAL	FISCAL YEAR 2014/2015				
		APPROVED BUDGET	AMENDED BUDGET	YEAR TO DATE*	PROJECTED YEAR-END	PROJECTED VARIANCE
SF CIVIC CONVENTION CENTER FUND [5100]						
BEGINNING BALANCE	1,715,482	544,979	544,979	544,979	544,979	
<i>Revenues:</i>						
Civic Center Fees	185,318	-	-	142,657	314,134	100%
Reimbursed Expenditures	-	-	-	8,223	18,250	100%
Other Fees/Services	18,418	-	-	7,765	16,034	100%
Rentals & Concessions	917	420,000	420,000	-	-	-100%
Sales Revenue	84	-	-	2,450	2,947	100%
Miscellaneous Revenues	13,218	-	-	6,701	18,721	100%
Interest on Investments	15,229	7,199	7,199	4,344	10,633	48%
Transfers In	3,428,571	3,794,793	3,794,793	1,897,397	3,794,793	0%
Subtotal - Revenues	3,661,755	4,221,992	4,221,992	2,069,536	4,175,510	-1%
TOTAL RESOURCES	5,377,237	4,766,971	4,766,971	2,614,515	4,720,489	
<i>Expenditures:</i>						
Salaries	351,226	382,574	382,574	181,088	373,903	-2%
Benefits	173,732	190,262	190,262	99,262	189,272	-1%
Contractual Services	250,772	149,638	149,638	118,549	149,218	0%
Utilities	310,421	238,500	251,500	236,118	264,346	5%
Repairs & Maintenance	60,607	232,189	232,189	87,781	145,758	-37%
Supplies	50,753	92,599	92,599	69,740	68,832	-26%
Insurance	31,676	19,815	19,815	9,908	19,815	0%
Other Operating	111,048	134,080	121,080	65,473	102,982	-15%
Land & Building	-	3,900	3,900	-	3,900	0%
Debt Service-Principal	1,175,000	1,235,000	1,235,000	-	1,235,000	0%
Debt Service-Interest	2,179,500	2,123,187	2,123,187	1,061,594	2,123,187	0%
Transfers Out	137,522	137,522	765,248	646,487	765,248	0%
TOTAL EXPENDITURES	4,832,258	4,939,266	5,566,992	2,575,998	5,441,461	-2%
ENDING BALANCE [5100]	544,979	(172,295)	(800,021)	38,517	(720,971)	

*includes year-to-date actuals plus encumbrances; excludes CIP funds

ANALYSIS





FINANCIAL PERFORMANCE REPORT: DECEMBER 2014

City of Santa Fe Second Quarter Cash Balance Comparisons

Fund Type	Type of Account	Audit Cash Balance 06-30-2014	Restricted State Mandated *minimum balance'	Restricted for Debt Payment/ Actuarial Reserve/ miscellaneous	Committed- Accts Payable & Escrows	Total Cash Available 06-30-2014	Cash Balance General Ledger 09-30-2014	Cash Balance General Ledger 12/31/14
Major Government Funds								
	GEN - General Fund	9,305,512	6,136,549		3,079,917	89,046	7,847,609	6,852,766
	GRT - 1/2% Gross Receipts Tax	2,356,377	-	-	33,574	2,322,803	2,810,957	3,089,715
	DBT - Debt Service Funds	5,144,335	-	3,509,669	40,015	1,594,651	29,336,830	31,232,635
Special Revenue Government Funds								
	General Government							
	CAP - Capital Equipment Reserve	129,598			4,352	125,246	122,286	113,370
	MTG - Mortgage Refund Residual	8,361			-	8,361	8,373	8,382
	FEE - Franchise Fee	1,938			8,137	(6,199)	(24,635)	(23,771)
	LNS - Economic Deveopment	31,962			31,275	687	(133,486)	(284,434)
	LDG - Lodger's Tax Funds	2,983,884			558,641	2,425,243	3,884,808	4,162,174
	SPL - Other Special Revenue Funds	451,541				451,541	483,387	515,182
	SFB - Santa Fe Business Incubator	32,937				32,937	32,988	33,024
	GRT - 1/2% Gross Receipts Tax	1,298,770				1,298,770	1,460,027	1,692,783
	CHD - Child Care Center	-				-	(1,282)	-
	Public Safety							
	ANM - Animal Services	147,189			323	146,866	153,567	150,964
	EMG - Emergency Services Funds	717,277			5,203	712,074	1,146,440	1,004,282
	ENV - Environmental Services	180,932			-	180,932	52,805	291,034
	LAW - Law Enforcement Grants	2,249,599			125,088	2,124,511	2,449,801	2,662,356
	HOS - Affordable Housing Program	(0)				(0)	(0)	
	Public Works							
	CON - Resource Conservation	1,810				1,810	1,810	1,810
	DRN - City Drainage Projects	25,736			5,110	20,626	22,766	(67,538)
	IFP - Impact Fee Projects	1,481,147			-	1,481,147	1,635,915	1,754,219
	TRN - Transportation Grants	219,406			5,315	214,091	191,362	193,558
	Community Development							
	COM - Community Development Grants	1,032,982			60,049	972,933	1,228,262	1,017,487
	SEN - Senior Grants	184,358			9,105	175,253	52,841	372,863
	Culture and Recreation							
	HIS - Historic Preservation Grants	157,639			-	157,639	161,697	156,782
	LIB - Library Grants	401,177		250,000	60,250	90,927	430,966	450,969
	NEA - NEA Grant	(77)				(77)	7,423	(77)
	PLA - Plaza Use Fund	96,162				96,162	114,186	98,065
	PUB - Public Facilities Purchases	56,262				56,262	56,349	56,410
	QUA - Quality of Life Project	141,426			7,705	133,721	169,062	219,773
	REC - Recreation Grants	846,282			121,318	724,964	755,618	824,654
	TEA - Land Development	1,572,971			-	1,572,971	1,575,045	1,574,090
	SRL - Special Recreation League	130,102			1,029	129,073	127,465	127,454
Total Special Revenue funds		14,581,371	-	250,000	1,002,900	13,328,471	16,038,380	17,105,865

FINANCIAL PERFORMANCE REPORT: DECEMBER 2014

Fund Type	Type of Account	Audit Cash Balance 06-30-2014	Restricted State Mandated 'minimum balance'	Restricted for Debt Payment/ Actuarial Reserve/ miscellaneous	Committed- Accts Payable & Escrows	Total Cash Available 06-30-2014	Cash Balance General Ledger 09-30-2014	Cash Balance General Ledger 12/31/14
Capital Projects Government Funds								
	General Government							
	CIP - CIP Re-allocation	181,433			-	181,433	202,420	218,839
	CON - Resource Conservation	2,505,509			-	2,505,509	2,500,800	282,203
	RNV - Building Renovation Projects	291,283			67,815	223,468	676,619	343,661
	PRJ - Other CIP	(512,948)			-	(512,948)	(512,948)	(513,028)
	Public Works							
	ARL - Beautif. of Major Arterials	106,715			5,395	101,320	63,022	61,389
	BND - Bond Aquisition Funds	79,494			-	79,494	79,494	79,494
	DRN - City Drainage Projects	134,366			4,125	130,241	127,177	122,513
	PAV - City Paving Projects	3,831,198			391,416	3,439,782	3,282,684	2,253,267
	RVR - Santa Fe River Channel	32,507				32,507	32,507	32,507
	SIG - City Signalization Projects	406,011			77,670	328,341	235,285	140,572
	STR - City Street Constr. Projects	3,530,931			14,818	3,516,113	3,464,491	3,457,390
	WLK - City Sidewalk Projects	508,785			134	508,651	401,811	392,970
	ZIA - Zia Road Street Lighting	151,301			-	151,301	142,746	109,129
	Community Development							
	HOS - Affordable Housing Program	1,000				1,000	1,000	1,000
	PUC - Public Care Facilities	1,687,156				1,687,156	1,678,025	1,537,412
	Culture and Recreation							
	ART - Art for CIP Projects	339,984			17,018	322,966	302,156	275,638
	PRK - City Parks Imprvmt.	9,853,803			724,839	9,128,964	7,765,732	5,772,742
	SPC - Open Space Acquisition	146,307			-	146,307	246,345	239,289
	LIB - Library Grants	57,119			-	57,119	39,560	39,560
Total Capital Projects Funds		23,331,953	-	-	1,303,230	22,028,723	20,728,928	14,846,546
Enterprise Funds								
	WWT - Wastewater Enterprise	20,646,606	180,312	206,292	673,603	19,586,399	21,782,262	22,685,599
	WTR - Water Enterprise	90,334,614	-	6,017,797	2,337,114	81,979,703	98,466,559	102,354,281
	SLD - Solid Waste Management	6,849,406	171,616	108,990	70,505	6,498,295	6,965,540	7,710,882
	UTL - Utilities Administration	3,676,216	-	-	-	3,676,216	2,962,610	1,341,810
	RRL - Railyard Properties	972,392	-	118,386	104,426	749,580	1,138,619	1,078,906
	SWY - Santa Fe Convention Enterprise	3,126,762	-	49,366	475,489	2,601,907	4,443,330	4,008,368
	CSF - College of Santa Fe	2,160,852			-	2,160,852	2,738,170	1,974,204
	MUN - Municipal Recreation Complex	(841,334)			34,132	(875,466)	(386,507)	(171,564)
	PAR - Parking Enterprise	1,216,488			9,932	1,206,556	1,417,689	1,235,451
	BUS - Transit Bus Enterprise	4,059,993			120,939	3,939,054	6,969,827	6,508,707
	AIR - Airport Enterprise	(92,036)			119	(92,155)	(421,298)	(672,467)
	GCC - Genoveva Chavez Community Ctr	1,684,691			117,928	1,566,763	1,600,931	1,478,478
Total Enterprise Funds		133,794,650	351,928	6,500,831	3,944,187	122,997,704	147,677,731	149,532,656
Internal Service Funds								
	RSK - Risk Management	2,288,404		2,167,549	69,726	51,129	1,134,185	1,575,350
	SFH - Santa Fe Health/dental	5,776,720		2,465,974	563,959	2,746,787	4,954,761	5,572,634
	WRK - Workers Compensation	5,456,164		4,134,729	8,800	1,312,635	5,540,518	5,797,747
	SLB - AFSCME Sick Leave Bank	214,690				214,690	200,584	179,187
	FUL - Fire Union Sick Leave Bank	-				-	(7,401)	(13,004)
	NUL - Non Union Sick Leave Bank	-				-	(363)	9,758
	PUL - Police Union Sick Leave Bank	-				-	(1,255)	10,118
Total Internal Service Funds		13,735,978	-	8,768,252	642,485	4,325,241	11,821,030	13,131,790
Overall Totals		202,250,176	6,488,477	19,028,752	10,046,308	166,686,639	236,261,465	235,791,972

FINANCIAL PERFORMANCE REPORT: DECEMBER 2014

City of Santa Fe Lodging Tax Report Fiscal Year Ending June 2015

4% Lodging Tax

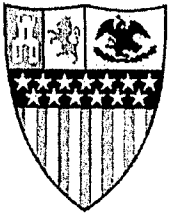
Month	Fiscal Year 2010-2011	% Gain/Loss	Fiscal Year 2011-2012	Monthly % Gain/Loss	Fiscal Year 2012-2013	Monthly % Gain/Loss	Fiscal Year 2013-2014	Monthly % Gain/Loss	Fiscal Year 2014-2015	Monthly % Gain/Loss
July	\$ 466,349	-2%	\$ 429,660	-8%	\$ 541,735	26%	\$ 468,946	-13.44%	\$ 481,652	2.71%
August	\$ 559,878	-3.18%	\$ 584,497	4%	\$ 536,103	-8%	\$ 517,387	-3.49%	\$ 621,466	20.12%
September	\$ 621,818	-5.07%	\$ 587,900	-5%	\$ 608,861	4%	\$ 527,862	-13.30%	\$ 672,318	27.37%
October	\$ 417,264	-12.58%	\$ 457,746	10%	\$ 461,151	1%	\$ 557,971	21.00%	\$ 548,857	-1.63%
November	\$ 489,309	34.20%	\$ 447,667	-9%	\$ 450,359	1%	\$ 489,805	8.76%	\$ 358,944	-26.72%
December	\$ 234,852	-37.23%	\$ 223,558	-5%	\$ 261,800	17%	\$ 195,314	-25.40%	\$ 434,235	122.33%
January	\$ 260,667	41.00%	\$ 275,908	6%	\$ 345,975	25%	\$ 399,718	15.53%	\$ 416,999	4.32%
February	\$ 201,287	-9.70%	\$ 184,248	-8%	\$ 193,829	5%	\$ 198,194	2.25%	\$ -	-100.00%
March	\$ 198,305	-15.91%	\$ 167,482	-16%	\$ 211,949	27%	\$ 240,976	13.70%	\$ -	-100.00%
April	\$ 285,430	27.07%	\$ 276,748	-3%	\$ 320,760	16%	\$ 342,814	6.88%	\$ -	-100.00%
May	\$ 265,120	-10.44%	\$ 263,949	0%	\$ 298,822	13%	\$ 310,324	3.85%	\$ -	-100.00%
June	\$ 349,553	-14.59%	\$ 481,800	38%	\$ 427,960	-11%	\$ 478,706	11.86%	\$ -	-100.00%
Fiscal Year Totals	\$ 4,349,832		\$ 4,381,163	0.72%	\$ 4,659,304	6.35%	\$ 4,728,017	1.47%	\$ 3,534,472	
Cumulative Months										
July - January Totals	\$ 3,050,137		\$ 3,006,936	-1.42%	\$ 3,205,984	6.62%	\$ 3,157,003	-1.53%	\$ 3,534,472	11.96%

Convention Center 3% Lodgers Tax

Month	Fiscal Year 2010-2011	% Gain/Loss	Fiscal Year 2011-2012	Monthly % Gain/Loss	Fiscal Year 2012-2013	Monthly % Gain/Loss	Fiscal Year 2013-2014	Monthly % Gain/Loss	Fiscal Year 2014-2015	Monthly % Gain/Loss
July	\$ 349,762	-2%	\$ 322,245	-8%	\$ 406,301	26%	\$ 351,709	-13.44%	\$ 361,239	2.71%
August	\$ 419,908	-3.18%	\$ 438,373	4%	\$ 402,077	-8%	\$ 388,040	-3.49%	\$ 466,099	20.12%
September	\$ 466,364	-5.07%	\$ 440,925	-5%	\$ 456,646	4%	\$ 395,896	-13.30%	\$ 504,239	27.37%
October	\$ 312,948	-12.58%	\$ 343,310	10%	\$ 345,863	1%	\$ 418,479	21.00%	\$ 411,643	-1.63%
November	\$ 366,982	34.20%	\$ 335,750	-9%	\$ 337,769	1%	\$ 367,354	8.76%	\$ 269,208	-26.72%
December	\$ 176,141	-37.23%	\$ 167,668	-5%	\$ 196,350	17%	\$ 146,487	-25.39%	\$ 325,676	122.32%
January	\$ 195,500	41.00%	\$ 206,931	6%	\$ 259,482	25%	\$ 299,790	15.53%	\$ 312,749	4.32%
February	\$ 150,965	-9.70%	\$ 138,186	-8%	\$ 145,372	5%	\$ 148,646	2.25%	\$ -	-100.00%
March	\$ 148,729	-15.91%	\$ 125,611	-16%	\$ 158,962	27%	\$ 180,732	13.70%	\$ -	-100.00%
April	\$ 214,072	27.07%	\$ 207,561	-3%	\$ 240,570	16%	\$ 257,110	6.88%	\$ -	-100.00%
May	\$ 198,840	-10.44%	\$ 197,961	0%	\$ 224,117	13%	\$ 232,743	3.85%	\$ -	-100.00%
June	\$ 262,165	-14.59%	\$ 361,350	38%	\$ 320,970	-11%	\$ 359,030	11.86%	\$ -	-100.00%
Fiscal Year Totals	\$ 3,262,376	-3.28%	\$ 3,285,871	0.72%	\$ 3,494,478	6.35%	\$ 3,546,015	1.47%	\$ 2,650,854	
Cumulative Months										
July - January Totals	\$ 2,287,605		\$ 2,255,202	-1.42%	\$ 2,404,488	6.62%	\$ 2,367,755	-1.53%	\$ 2,650,854	11.96%

Fiscal Year Comparison Combined Total 4%-3% Fiscal Year Total

	2009-2010	2010-2011	2011-2012	2012-2013	2014-2015
Current Year to Date Comparison to Prior Year to Date					
July - January 2015	\$ 5,337,742	\$ 5,262,138	\$ 5,610,473	\$ 5,524,758	\$ 6,185,326
		-1.42%	6.62%	-1.53%	11.96%



FINANCE COMMITTEE MEETING OF
February 16, 2015
BILLS AND RESOLUTIONS SCHEDULED FOR INTRODUCTION
BY MEMBERS OF THE GOVERNING BODY

Mayor Javier Gonzales		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Patti Bushee		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Bill Dimas		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Carmichael Dominguez		
Co-Sponsors	Title	Tentative Committee Schedule

Councilor Peter Ives		
Co-Sponsors	Title	Tentative Committee Schedule
	A RESOLUTION SUPPORTING PROPOSED STATE LEGISLATION, SENATE BILL 498 ("SB 498"), RELATING TO PUBLIC UTILITIES - LIMITING COSTS THAT CAN BE CHARGED BY CERTAIN PUBLIC UTILITIES WITHOUT NOTICE AND HEARING.	City Council - 2/25/15
Councilor Signe Lindell		
Co-Sponsors	Title	Tentative Committee Schedule
	AN ORDINANCE AMENDING SUBSECTION 23-6.2 SFCC 1987 TO PERMIT THE SALE AND CONSUMPTION OF ALCOHOL AT THE RAILYARD PARK FOR THE BIKE AND BREW EVENT.	City Council (request for hearing) - 2/25/15 Public Works Committee - 3/9/15 City Business Quality of Life Committee - 3/11/15 Finance Committee - 3/16/15 City Council (public hearing) - 3/25/15

Councilor Joseph Maestas		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Chris Rivera		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Ron Trujillo		
Co-Sponsors	Title	Tentative Committee Schedule

Introduced legislation will be posted on the City Attorney's website, under legislative services. If you would like to review the legislation prior to that time or you would like to be a co-sponsor, please contact Melissa Byers, (505)955-6518, mdbyers@santafenm.gov or Rebecca Seligman at (505)955-6501, rxseligman@santafenm.gov .

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2015-_____**

3 **INTRODUCED BY:**

4
5 Councilor Peter Ives
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10 **A RESOLUTION**

11 **SUPPORTING PROPOSED STATE LEGISLATION, SENATE BILL 498 ("SB 498"),**
12 **RELATING TO PUBLIC UTILITIES – LIMITING COSTS THAT CAN BE CHARGED BY**
13 **CERTAIN PUBLIC UTILITIES WITHOUT NOTICE AND HEARING.**
14

15 **WHEREAS**, the 60 day session of the 2015 Legislative Session began on January 20, 2015;
16 and

17 **WHEREAS**, SB 498, has been introduced for consideration by the 52nd Legislature - State of
18 New Mexico - First Session, 2015; and

19 **WHEREAS**, SB 498 would require a hearing involving an increase in rates or charges sought
20 by a public electric utility; and

21 **WHEREAS**, the burden of proof to show that the increased rate or change is just and
22 reasonable be the responsibility of the public utility.

23 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
24 **CITY OF SANTA FE** that the Governing Body hereby supports SB 498, relating to utilities –
25 limiting costs that can be charged by certain public utilities without notice and hearing.

1 **BE IT FURTHER RESOLVED** that the City Clerk is directed to forward a copy of this
2 resolution to the City of Santa Fe lobbyist and the City of Santa Fe State Legislative Delegation.

3 PASSED, APPROVED, and ADOPTED this ____ day of _____, 2015.
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6 ATTEST:

JAVIER M. GONZALES, MAYOR

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8 _____
9 YOLANDA Y. VIGIL, CITY CLERK

10 APPROVED AS TO FORM:
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12 _____
13 KELLEY BRENNAN, CITY ATTORNEY
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1 C. The Marty Sanchez Links de Santa Fe (golf course).

2 D. The area of the Forty Marcy Ballpark designated for concessions and seating
3 shall be used for the sale and consumption of only beer and only at professional baseball games.

4 (1) A special dispenser permit shall be used to dispense alcohol. The alcohol
5 dispenser shall comply with all state and local laws and regulations for dispensing
6 alcohol pursuant to the special dispenser permit.

7 (a) Persons desiring to consume beer shall be required to wear a
8 wristband that restricts consumption to a maximum of three (3) twelve (12)
9 ounce beers during the course of a professional baseball game.

10 (i) The wristband shall be nontransferable and shall be
11 issued to verify age and to indicate the number of alcoholic beverages
12 purchased.

13 (ii) The purchase of alcoholic beverages shall be limited to
14 one (1) purchase per person at one (1) time.

15 (iii) Twelve (12) ounce beverage containers shall be used for
16 beer.

17 (iv) Alcoholic beverage containers shall be distinguishable
18 from nonalcoholic beverage containers.

19 (b) The sale of beer shall terminate at the end of sixth inning of the
20 professional baseball game.

21 (c) In addition to alcoholic beverages, food and non-alcoholic
22 beverage drinks shall be sold. Water shall be provided at no cost.

23 (d) A manager of the alcohol vendor shall be present at all times in
24 the concession area. A photograph of the manager and his or her name shall be
25 posted at the point of sale of alcoholic beverages. At all times, the manager shall

1 wear a nametag that identifies him or her as the manager.

2 (e) Alcohol servers shall not drink alcohol during baseball games.

3 (f) The vendor shall place signs in the concession area and outside
4 the concession area that indicate the illegality of selling, serving and providing
5 alcohol to minors and intoxicated persons.

6 (2) Any professional baseball league games subject to this section, shall not
7 take precedence over the scheduling of local youth baseball leagues using Fort Marcy
8 Ballpark.

9 E. An area of the Railyard Park, designated as a drinking area and permitted in
10 accordance with all city and state requirements, including Subsection 23-6.3 SFCC 1987, may be
11 used for the sale and consumption of beer and wine only, during the annual Bike and Brew
12 Festival, if a valid permit is acquired from the Santa Fe Railyard Community Corporation. This
13 section shall be reviewed by the governing body within one (1) year from the date of adoption.

14 F. Buildings owned by another party located on land owned by the city.

15 [F]G. On land or buildings owned by the city for which the city has entered into a lease
16 with another party for six (6) months or more except for the Railyard Park, Plaza and Alameda
17 (as defined in the Deed of Conservation Easement dated October 1, 2004) where alcohol is
18 prohibited, unless specifically permitted under Subsection 23-6.2 SFCC 1987.

19 [G]H. In or on railroad cars located on railroad tracks except as prohibited by state or
20 federal law.

21 All other applicable approvals required by state or city laws and regulations shall be
22 obtained prior to the sale or consumption of alcoholic beverages on the property described in this
23 subsection 23-6.2.

1 APPROVED AS TO FORM:

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KELLEY A. BRENNAN, CITY ATTORNEY

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24 *M/Legislation/Bills 2015/Alcohol at Railyard Park*