



Agenda

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**SPECIAL FINANCE COMMITTEE MEETING
FY 2016/17 BUDGET HEARINGS
CITY COUNCIL CHAMBERS
MAY 12, 2016 – 4:00 P.M.**

ALL MEMBERS OF THE GOVERING BODY ARE WELCOME TO ATTEND

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

BUDGET HEARINGS TO RECONVENE:

5. DEPARTMENT REVIEWS CONTINUED:
 - a. Community Services – Library Division
 - b. Housing & Community Development
 - c. Land Use - Fees
6. ENTERPRISE FUND REVIEW:
 - a. Parking
7. PUBLIC HEARING
8. Request for Approval of Resolution Adopting City of Santa Fe's Operating Budget and Organizational Chart for Fiscal Year 2016/2017.
9. Request for Approval of Resolution Adopting City of Santa Fe's Capital Outlay Budget for Fiscal Year 2016/2017.
10. MATTERS FROM THE COMMITTEE
11. ADJOURN

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6521.

**SUMMARY OF ACTION
SPECIAL FINANCE COMMITTEE MEETING
FY 2016-2017 OPERATING BUDGET HEARINGS
May 12, 2016**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	2
APPROVAL OF CONSENT AGENDA	None	2
<u>BUDGET HEARINGS RECONVENED</u>		
<u>DEPARTMENT REVIEWS CONTINUED</u>		2-4
COMMUNITY SERVICES – LIBRARY DIVISION	Approved reduced hours	4-9
HOUSING & COMMUNITY DEVELOPMENT	Org. Chart and budget approved	9-16
LAND USE FEES	No vote necessary	16-24
<u>ENTERPRISE FUND REVIEW:</u>		
PARKING	Approved w/amendment	24-30
PUBLIC HEARING		30-32
REQUEST FOR APPROVAL OF RESOLUTION ADOPTING CITY OF SANTA FE'S OPERATING BUDGET AND ORGANIZATIONAL CHART FOR FISCAL YEAR 2016/2017	No action	32
REQUEST FOR APPROVAL OF RESOLUTION ADOPTING CITY OF SANTA FE'S CAPITAL OUTLAY BUDGET FOR FISCAL YEAR 2016/2017	No action	32
MATTERS FROM THE COMMITTEE	Information/discussion	32-33
ADJOURN		33

**MINUTES OF THE
CITY OF SANTA FE
SPECIAL FINANCE COMMITTEE MEETING
FY 2016/2017 BUDGET HEARINGS
Thursday, May 12, 2016**

1. CALL TO ORDER

A Special Finance Committee Meeting – FY 2016/2017 Budget Hearings, of the City of Santa Fe Finance Committee was reconvened by Chair Carmichael A. Dominguez, at approximately 4:00 p.m., on Thursday, May 12, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Mike Harris
Councilor Signe I. Lindell
Councilor Renee Villarreal

MEMBERS EXCUSED

Councilor Peter N. Ives

OTHER GOVERNING BODY MEMBERS IN ATTENDANCE:

Mayor Javier M. Gonzales

OTHERS ATTENDING:

Brian K. Snyder, City Manager
Oscar S. Rodriguez, Director, Finance Department
Kelley Brennan, City Attorney
Adam Johnson, Finance Department
Teresita Garcia, 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

Chair Dominguez said he didn't mention last night at the Council meeting that we probably won't get to the public hearing until the next Finance Committee meeting on Monday. He said there is the possibility there will be some public comment tonight, which will be continued on Monday.

MOTION: Councilor Villarreal moved, seconded by Chair Dominguez, to approve the agenda, as presented.

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

4. APPROVAL OF CONSENT AGENDA

There was no consent agenda.

BUDGET HEARINGS RECONVENED

5. DEPARTMENT REVIEWS CONTINUED

A copy of *Operating Budget for the City of Santa Fe, Fiscal Year Ending 2017*, is incorporated herewith to these minutes by reference as Document #1.

A copy of the Agenda for the Operating Budget Review Hearings, FY 2016/2017, for April 25, 26 and 28, 2016, is incorporated herewith to these minutes by reference as Document #2.

A copy of *FY16/17 Operating Budget Errata Sheet*, is incorporated herewith to these minutes as Exhibit "1."

Adam Johnson, Budget Officer, noted he provided an updated Errata Sheet [Exhibit #1"]. He said the new information on the sheet are Items #9 and #10. Please see Exhibit "1," for specifics of this presentation.

Chair Dominguez asked if the \$650,000 left for Transit in the capital account to assist in the purchase of buses will be reflected in the capital budget.

Mr. Rodriguez said yes.

Councilor Harris said he recalls that we ended up with \$1.5 million in Land Use Fees and asked about a discount that was an assumed contingency.

Mr. Johnson said the \$1.5 million was what we felt comfortable accepting as a forecast for Land Use Fees moving forward.

Mr. Rodriguez said Land Use said they thought it would be \$2.8 million, but we felt \$1.5 million was a more realistic number.

Councilor Harris asked, referring to #9 on the Errata Sheet, if what we are anticipating is "\$220,000 to restore Police overtime, and, with Council approval \$300,000, to the Verde Fund. He asked Mr. Rodriguez to review (c) with us one more time. He said approximately \$650,000 remains in the General Fund to offset the current transfer from the 5th 1/4% MGRT, and that transfer would not occur.

Mr. Rodriguez said that is correct.

Councilor Harris asked if he is talking about the \$650,000 that will remain in the General Fund, or the Transit line item, or it doesn't get transferred over.

Mr. Rodriguez said it wouldn't go to the General Fund. He said currently, \$650,000 is left after paying for Transit operations and then it goes into the General Fund, noting there is a formula for which it is distributed. He said staff is recommending the \$650,000 be put to capital purchases at Transit to buy buses. He said the \$650,000 from excess Land Use Fees will make up what the \$650,000 would have gone to in the first place.

Councilor Harris said 9(d) is straightforward, and asked if that \$330,000 will be allocated to the CIP Reallocation.

Mr. Rodriguez said that is correct, noting almost \$1 million will be allocated for capital purchases for Transit for buses.

Councilor Harris said he now understands what is being proposed.

Chair Dominguez said there will be discussion on Land Use Fees later on the agenda as well.

Chair Dominguez, referring to #8, said some of that is intended to make sure that we are monitoring the attrition rate. He would like for it to be a little more explicit and to articulate that. He understands part of the intent and what is proposed, but he wants to be a little more detailed, so everyone knows.

Mr. Rodriguez said he will do so, noting they actually will mention attrition.

Chair Dominguez said that will be fine.

Mr. Rodriguez said they will make sure to run that by this Committee so you are okay with it, and sign-off on it, and from that point forward, he will make it a part of the Monthly Report.

Chair Dominguez said if the 3 of you aren't sitting there in 3 months, it needs to be in policy, so someone else can continue the policy.

Mr. Rodriguez said they will get it right.

a) COMMUNITY SERVICES – LIBRARY DIVISION

A copy of a sheet entitled, *Reduced Hours due to Vacancies – Santa Fe Public Library*, submitted for the record by Pat Hodapp, Director, Library Division, is incorporated herewith to these minutes as Exhibit "2."

Chair Dominguez asked for an update on the situation with LaFarge Library.

Brian Snyder, City Manager, said as directed by the Council, he moved forward to renew the lease at LaFarge, and sent that to the Superintendent 2 days ago. He spoke with the Superintendent earlier today, and he is aware of the lease, but he hasn't received the lease renewal. So it has been sent to with him and it is in process, noting we just needed to notify him that we were going to be extending the lease for an additional 40 years.

Brian Snyder said the Library is on the agenda as requested in earlier budget discussions. The overall budget was approved, but \$115,000 was her attrition rate, and there was discussion of opening late, closing early and such. He said the direction given by this Committee was to do with the lease impact to the community as a whole. He said Ms. Hodapp has passed out an option for saving the \$115,000 [Exhibit "2"]. He has held back from filling some positions over the past 2 months, so the Libraries are at full operational hours as established by the Council. It is not sustainable. He said we have supervisors working 6 days a week, and different people are covering just to make ends meet, because some of these positions are not being filled. He said, "With Pat's proposal, and I'll let her get into the detail, the existing positions we would cut, currently are vacant and have not been filled. So they wouldn't affect people at this time, it would be a true attrition. Pat can give you more details."

Chair Dominguez asked Ms. Hodapp, before she provides this information, to list the current hours of operation.

Ms. Hodapp said the Main Library is open from 10:00 a.m. to 8:00 p.m., Monday through Thursday, it is open Friday and Saturday 10:00 a.m. to 6:00 p.m., and 1:00 p.m. to 5:00 p.m., so it is a 7 days a week Library. LaFarge is open 10:00 p.m. to 8:00 p.m., Monday-Wednesday, Thursday-Saturday it is open 10:00 a.m., to 6:00 p.m., and it is closed on Sunday. The Southside Branch is open 10:30 a.m. to 8:00 p.m., Monday-Thursday, Friday-Saturday 10:30 a.m. to 6:00 p.m., and Sunday 1:00 p.m. to 5:00 p.m. She said, "If the public had their choice, we would be open 24 hours a day."

Ms. Hodapp said the charge was to look at the hours the libraries could be closed, if the current positions aren't filled, noting these are current vacancies, and she said management staff works almost every Sunday and some are working 6 days a week. She said, per Councilor Ives, to look at the hours when the libraries are used the most, when there are the most programs at the libraries, and would be the least harm in changing some hours. She said they did an analysis of library checkouts by hour for month, and came up with the times as shown [Exhibit "2"] for several reasons. She said no matter what time we closed at most of the branches, we were affecting 200 to 250 people who would be visiting the libraries during those hours. For example, the slowest hours at La Farge are 7:00 p.m. to 8:00 p.m. At the main library, there are no time that is less than another. At Southside they looked at closing 2 days a week at 6:00 p.m., opening Monday at noon. They find that most students are ready to leave by 6:00 p.m., after they've done their homework, and families are going home. She said opening Monday at noon was an option to try to find some time that we had less usage.

Ms. Hodapp continued, saying they looked closely at the morning hours, because they have programming for children at all 3 libraries every Monday through Wednesday and sometimes Friday. They tried hard not to interrupt those times since there are ongoing programs and the families have come to depend on them in their schedules on a certain day. She said they are a union shop, and La Farge is closed on Sunday, so the optimum to close at LaFarge would be closed on Monday so staff had 2 days off in a row. She said it's very hard to come up with the kind of schedule that also meets union rules. They are not open 7 days a week like the other libraries, so there is more flexibility in scheduling.

The Committee asked questions and commented as follows:

Mayor Gonzales said this goes back to a broader issue we discussed when this was first brought before this Committee two weeks ago, and that is the future of Library system in the City and how we were able to plan and prepare to continue to support libraries in a way that remained relevant to our families. He said there has been discussion of doing a strategic plan, or a roadmap of where the libraries will be in the next 5-10 years, so we don't find ourselves every year pulling mandates together to keep them open and available to families. He is interested in Mr. Snyder's or Mr. Rodriguez's point. It's more money, but minus a strategic plan or future visioning plan, it becomes a challenge for the Governing Body and the community to know where the City is going on our library system. He was disappointed because a lot of people were writing us about their concerns that La Farge was going to be closed, but he doesn't think we ever had that conversation. He asked Mr. Snyder his thoughts about figuring out what it would cost and to develop strategy on the library system over the next 5-10 years.

Mr. Snyder reiterated that he thinks the City going through a strategic planning process is critical to any discussion. He said we will arrive at a plan that discusses the needs of the community, if we are meeting or exceeding them, or underserving the community. He looks at libraries as facilities that are old, have deferred maintenance needs that aren't being met. He thinks the strategic plan is the starting point, with segments regarding how we serve the community. He has heard the term "New Age Library," and asked what that means, and how we can meet the needs of an every changing technological community and the world we live in. He said books are important. He asked how we meet the community needs. He said the overarching goal should be getting the strategic plan, and to get community input on what's

important, and quantify the areas of town where we need them. Do we need 3 libraries, do we need 3 recreation centers and pools. He said once we have that conversation, we use the boards in place, Friends of the Library and such, to hone-in on collecting more data and working with staff on what a New Age Library look like, what the community needs, and get specifics on that to feed into the Strategic Planning process. He thinks step one is the strategic planning process – between staff, Council and the public.

Mayor Gonzales said he hopes in the process of strategic planning there is the ability to address the issue of revenue sources. He said in looking at the current and future needs of the City in deferred maintenance, clearly the current revenue systems in place aren't sufficient. He thinks the conversation needs to center around what pathways we have for new revenue sources, property taxes or gross receipts. He said he held 6 community meetings preparing for this budget, noting people are opposed to any increase in taxes to support libraries and recreation centers. He was told, "Don't raise our taxes, but we want money to come into the system." He said this has to be reconciled with the Governing Body and the community and the sources of revenue. He said this is his suggestion as you prepare for the strategic planning process, as well as the capital planning process.

Chair Dominguez said this Governing Body and previous Governing Bodies, and this community think libraries are special and important to our community. He said the City provides a lot of services that are important and special to the community. This is the reason we need strategic planning, because it isn't just libraries, noting libraries are different from other departments or divisions or functions because they don't generate revenue while serving a whole lot of people. He said the Governing Body and the City thinks libraries are important and we need to do everything we can to fund them. He said there is another player regarding LaFarge which is Santa Fe Public Schools, which makes it more complicated. It's not something over which the City has full control.

Chair Dominguez asked if the Security cost of \$23,000 is for all libraries, and Ms. Hodapp said that is correct, noting there would be savings with the reduced hours.

Chair Dominguez asked if it is necessary to renegotiate contracts with security contracts.

Ms. Hodapp said that would be up to the City. She reiterated that people feel safe at the libraries, and Security has helped them to make this so, noting they have helped with several serious incidents.

Chair Dominguez asked who manages that contract.

Mr. Snyder said this based on hours worked at a facility, and Security arrives before the libraries open, and leave after they are open. He said, "So I believe what Pat is saying is, based on the reduction in hours as proposed, we would reduce the hours for the security company. From a negotiation standpoint, I don't believe that needs to be renegotiated. Our contract with the security company is flexible.... if we have more of an interest in parking because of something that's going on, we can shift responsibilities, and have that flexibility."

Chair Dominguez wants to make sure that there will be \$23,000 in savings, when in reality we will have to dedicate funds to a security company that is going to be providing security to a library that may not be open. He wants to be sure we are clear about the expectations.

Mr. Snyder said it isn't his intention to shift those costs elsewhere in the City, or to have security at the libraries when the libraries aren't open. "It is to be scaling back the hours of the security officers that are at these facilities during open hours, to match hours of service when the facilities are open."

Councilor Harris said he attended the Library Board meeting on Tuesday night. It was a good discussion, with most of the focus on La Farge. He heard different and interesting things. He heard that 20% of the services provided are to people from the County. He said the last strategic plan was 15 years ago, and there has been a lot of discussion by the Library Board about what happens next. He said there's been a lot of uncertainty, most dealing with La Farge – facility condition, the lease that we know is going to be renewed, and there may be a major capital improvement on land the City doesn't own, and there are a lot of issues about that.

Councilor Harris said he asked the Library Board to consolidate its thinking about what a 21st Century library and library services will look like, to be in a fully condensed document. He said that is just to summarize the thinking that has occurred at the Library Board over the last 2 years. He said the Board sees a need for the 3 locations. This is an important discussion, noting we have seen that there is a lot of misunderstanding about what was being discussed. He said the result has been that LaFarge has gotten a lot of attention which he thinks is a positive. He thinks what is being proposed probably is the most satisfactory response to what is required by the Library Board. He said at the Library Board he said that people have to understand it is shared suffering, noting the attrition rate runs across all departments and divisions in differing degrees. He thinks this proposal is appropriate to move forward.

Councilor Villarreal thanked Ms. Hodapp for the handout, commenting it is an easier read than the other scenarios she provided. She said she never saw Librarian Assistant on any of the other documents, mostly just Library Tech she had added to position titles currently vacant. She asked her to explain how Librarian Assistant was added, noting it is a higher salary than most of the Library Tech positions referenced in the last documents.

Ms. Hodapp said these are current vacant positions, and the Librarian Assistant became vacant about 3 weeks ago, and the reason it was added. She said this is very much a moving target as to what positions are open. She has requested to fill this position, commenting it's a very key position in the Finance Technical Services area. She said she has heard there is another position they might lose before the budget hearings are over, and they would have to talk with Brian about filling any such position.

Councilor Villarreal asked Mr. Snyder if there was discussion about that Librarian Assistant previously.

Mr. Snyder said, "I think Pat answered why it appeared when it did, about 3 weeks ago. I strategically have been holding off filling positions as we move forward with these conversations. When some of the previous scenarios were completed, versus when the person resigned, I can't speak to those

timeframes. I'm guessing that those scenarios were completed prior to those. As Pat said, this Librarian Assistant is a critical operational position to maintain operation for the currently run then. But with these scenarios she feels they can lose that position, and meet the needs within the revised hours. We are also.... I also gave staff direction to look at temporary employees, or probationary employees as first cuts from the standpoint of not having to deal with union contracts and following the union rules. That also could be the reason there was more focus on Library Techs and/or whether they are temporary or probational."

Councilor Villarreal said she is bringing this up because she feels that position is critical, and Ms. Hodapp just mentioned it is. She is wondering why it was never on any of the previous scenarios. She asked Ms. Hodapp to comment. She doesn't think it makes sense to cut a full time position is we're already spreading the staff thin.

Mr. Snyder said also keep in mind, moving forward that we've talked about the attrition rate City-wide and what it means, and we're honing in on libraries. He said Ms. Hodapp has said there may be an additional vacancy at some point. He said City-wide, he still has \$3.9 million he needs to cut through attrition. He said, even with this, we're going to have to look at the way we operation and fill some positions and not fill some positions. He said in looking the current, existing vacant positions, and how we can structure our operations to meet the needs of the community within reasonable hours is Ms. Hodapp's approach. And based on their conversations, he feels Ms. Hodapp knows how she needs to schedule and the staffing for scheduling around these hours.

Mr. Snyder continued, saying a lot of it comes down to positions dollars associated with the positions, but more importantly, it's related to the service and how we deliver that service within the hours of operation. He thinks that is the focus here.

Ms. Hodapp said the original efficiency savings they did were based only on the branches and those who served the branches. She said this position is a Financial Library Assistant who helps to prepare all of the Purchase Orders and bill paying for the entire Library system – State, federal, local and County funds. It's a very key position within the technical services.

Councilor Villarreal asked who picks up that slack, and Ms. Hodapp said at this point, the Department Director is picking up the slack, because all they have in that department are Library Techs, one Financial person and the rest of the people catalog books, prepare the books, open up boxes and get them ready to go on the shelves. This is such a key position.

Councilor Villarreal said perhaps there were other Tech positions it made sense to cut, versus a Librarian Assistant.

Ms. Hodapp said to make it clear, we were asked to come up with \$115,500. And based on vacancies, these are our vacancies that we need to fill to be able to run the library, but it came up late. I can't help that. If that vacancy would be taken away, as you can see, it would be a much lesser number. "What we were basing it on was the actual need at the library and the vacancies. Tomorrow there could be another Library position open and we would want to add it to this also."

Councilor Lindell thanked Ms. Hodapp for the clarification on some of this, noting there has been a tremendous amount of talk and concern on this. She appreciates the way Ms. Hodapp has gone about this, there is much more clarity. She said there's not one of these sheets that any of us embrace. We're just dealing with the situation as we have it right now. She thinks the proposal of this is what we asked for, what we have to have. She said she isn't in any kind of a knowledgeable position to talk about what positions are where and that type of thing. She said, "I trust your expertise and judgment on that implicitly."

MOTION: Councilor moved, seconded by second Councilor Harris, to accept the *Reduced Hours due to Vacancies* sheet, as presented.

DISCUSSION: Chair Dominguez said we made the initial move to keep La Farge open by getting that lease on the table, and something the public needs to know.

Councilor Villarreal said she hopes there should be a way to save the 40 hour position, even if it was part time. However, she understands the complexities, and agrees with Councilor Lindell that we don't know what's best because we're not on the ground daily trying to figure the best way to keep services as efficient and effective as possible.

Chair Dominguez said, "What I mean by 'on the table,' is that the ball is in the court of the Santa Fe Public School District with regard to La Farge Library."

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

Mr. Snyder said, with regard to LaFarge Library, "The renewal, just so we're on the same page, is that the renewal that we sent and following the lease, with the option to renew the lease for another 40 years, and we took that option. So from the legal reading, from the City's perspective, it's just us extending the lease and renewing it for 40 years at \$1 per year. From the legal perspective the City's perspective, we're moving forward in that direction, and at any point, we can cancel the lease or move forward after the strategic planning process, or expand the lease and those kinds of things. So that's a possibility too, but this time, we've renewed the lease for a period up to 40 years."

b) HOUSING & COMMUNITY DEVELOPMENT

A copy of a revised *Proposed Organizational Chart*, entered for the record by Brian Snyder, is incorporated herewith to these minutes as Exhibit "3."

Mr. Snyder said Mr. Rodriguez is passing out a revised proposed Organizational Chart reflecting changes last week regarding Economic Development and Affordable Housing. He said previously he looked at moving Economic Development and Affordable Housing to the Tourism Santa Fe Department on an interim basis. He said the goal was to address the Resolution adopted by the Governing Body to move people from the General Fund, save money, reduce positions, and to use Lodgers' Tax to fund Economic Development and reduced staffing. He said based on feedback from this Committee, he has revised his proposal.

Mr. Snyder said the proposal before the Committee creates an Office of Economic Development and an Office of Affordable Housing, both of which would report to the Deputy City Manager. He said regarding the span of control from his standpoint, he has 22 direct reports, so his span of control is 22. He said the Deputy City Manager would have a span of control of 7 direct reports which is within the target he would like to see, which is 5-7. He has also put in place that no supervisory position will be filled if they supervise less than 5 people through this budget process and moving forward.

Mr. Snyder reviewed the revisions to the Revised Proposed Organizational Chart which relate to Economic Development and Affordable Housing. Please see Exhibit "3," for specifics of this presentation.

The Committee asked questions and commented as follows:

Chair Dominguez said, "Some of this is contingent on two things before we get the Deputy City Manager in place. One is an evaluation of the City Manager and the second would be hiring a Deputy City Manager, assuming we go in that direction."

Mr. Snyder said this is correct, all of these people report to him currently, other than Affordable Housing, so he would go from 22 to 23 direct reports without a Deputy City Manager. With a Deputy City Manager he will go to 17 direct reports.

Chair Dominguez asked Mr. Snyder the timeline for doing this.

Mr. Snyder said at one of the previous budget meetings, he agreed he would go through a review process, and he feels it is important to get feedback from his direct report staff to put into the review process that you will be reviewing him, as well as looking at his performance metrics and how he met or didn't meet them, and he committed to get the review well under way by the end of the current fiscal. He said his target is the last meeting in June to have his review, if he doesn't meet that, then he would have it the first meeting in July.

Chair Dominguez asked the timeline for hiring a Deputy City Manager.

Mr. Snyder said he can start hiring on a parallel track to be ready to initiate the process quickly once his review is complete, and 2 months after that he would hope to have a Deputy City Manager in place.

Chair Dominguez said we have had Deputy City Managers in the past. He can't remember what the policy is that the Governing Body has. He asked if it is purely a City Manager employee.

Mr. Snyder said he understands the Deputy City Manager is an employee hired by the City Manager, and is not the same as the Council appointed employees.

Chair Dominguez asked if the Office of Economic Development and Office of Affordable Housing positions, as contained in the Organizational Chart, are all existing and funded positions.

Mr. Snyder said yes.

Chair Dominguez asked which positions are vacant.

Mr. Snyder said there is an E-90 in one of the positions.

Chair Dominguez asked which one is that.

Mr. Snyder said it is the Project Administrator for Economic Development, which he believes is filled by an E-90 focused on broadband.

Chair Dominguez said then that isn't the Project Specialist.

Mr. Snyder said no.

Chair Dominguez asked if these are all of the employees under the Office of Economic Development – 6 people.

Mr. Snyder said yes there are 6 people in the Office of Economic Development, 3 people under the Office of Affordable Housing.

Chair Dominguez asked if that is as it exists today.

Mr. Snyder said there are 7 positions under Economic Development currently. One is an E-90 filling that position function, and the reason that position isn't on the Organizational Chart.

Chair Dominguez said then none of the other positions are vacant.

Mr. Snyder said that is correct, and the person assuming the E-90 role isn't filling a position. In this there is an E-90 filling the Project Administrator role, but not the position itself. He said, "So simply, all these positions are filled currently."

Chair Dominguez said then that Project Administrator is an E-90 is what you're saying.

Mr. Snyder said, "Currently, yes."

Chair Dominguez said with this reorganization, that position will no longer be an E-90.

Mr. Snyder said they haven't worked out the details, but that position most likely will be a term position and the primary function will be based on broad band due in Phase II, as the Council moves forward with approval. The funds used for the broadband project planning, design, construction delivery.

Chair Dominguez said then in the Office of Affordable Housing there are 3 positions currently.

Mr. Snyder said that is correct.

Chair Dominguez asked if all the positions are existing and funded.

Mr. Snyder said that is correct, they all exist, are funded and filled, and there are no E-90s.

Councilor Harris said the assumed attrition rate for Economic Development is \$88,000. He said the proposed budget for Economic Development is \$1.5 million, and last year it was \$1.676. He asked if the \$1.5 million is based on the reduction of an FTE. He said we talked so much about the Organizational Chart he lost track of how we would get to this number. He asked if the listing just reviewed in the Organizational Chart is still responsive to the \$1.477 million listed on page 63 of Document #1.

Mr. Snyder said the proposed budget excluded one position, salary & benefits of \$140,000. He said since the proposed option now includes that position, no positions would be eliminated. So the attrition rate would have another \$144,000 added to it.

Councilor Harris said so the proposed budget is just a little more than \$1.6 million – \$1.477 million plus \$140,000.

Mr. Snyder said this is correct.

Councilor Harris said so the assumed attrition would be about \$220,000. He said we've said in the past that is basically for the department to manage. He asked, since there is such a major change, how would the department anticipate getting to the \$220,000 attrition, noting it is a significant number percentage-wise.

Mr. Snyder said he agrees it is a significant percentage. However, taking a step back to the attrition rate, the Police has an attrition rate of \$800,000 for its budget and asked if that is manageable. He said similarly here, the departments are going to be responsible moving forward, but the bottom line is that some areas will have more attrition than others.

Mr. Snyder said he may have misspoken earlier when the Chair asked him a question. He said currently there is one vacant position in the Office of Economic Development. He said currently, Kate Noble is the Interim Director, and her fallback position would be the 3rd position down, Communications Administrator on the current chart. He said from a vacancy standpoint we have one vacancy. Moving forward, he doesn't know that it is realistic to burden the Office of Economic Development with \$220,000 in attrition. He said City-wide, he sees it as the \$3.9 million target will go up \$144,000, to \$4.1 million that we have to manage. He said, "As we fill positions or don't fill positions in the Office of Economic Development, and somebody leaves the Office of Affordable Housing, do we fill it at the level it is, or not. Those are the questions we will be asking City-wide, not just putting it on the Office of Economic Development."

Councilor Harris said he understands and thinks that is a good approach, but this is an unusual case, organizationally, it's moved around a little, which has driven personnel changes, and as a percentage, it's a 'harder nut to crack.'

Councilor Harris, referring to the Summary by Fund, asked if the broadband funds referenced for the Project Administrator are listed there.

Mr. Johnson said, "It's not."

Councilor Harris said then potentially, the money to fund the Project Administrator position.....

Mr. Snyder said it isn't in the Operating Budget because it's a capital project, so the funds are in the capital budget which we will be reviewing later for the broadband project.

Councilor Harris asked if that helps to lessen the \$220,000 attrition mark.

Mr. Snyder said no, because that position currently is an unfunded position in the operation budget currently, filled by an E-90. He said it is fully funded in the capital budget, so it doesn't go toward the attrition. He said right now, the Project Administrative position is funded from the operations budget as an E-90 out of the capital budget. He said next year, we will reclassify that position from an E-90 to a term for the life of the broadband project, funded from the capital budget.

[Councilor Harris's question here is inaudible because his microphone was not turned on]

Chair Dominguez said that is practice we're trying to avoid across the City, generally speaking.

Mr. Rodriguez said it would be considered as a work force account, and would be working solely on capital projects, doing capital project.

Chair Dominguez said then it would be part of the workforce account category.

Mr. Rodriguez said the problem isn't that we're paying employees with capital money, it's what they're doing, and in this case that person is carrying out or completing a capital project.

Councilor Harris said then you're saying the Project Administrator position isn't in that number.

Mr. Snyder said that is correct.

Councilor Lindell said, "I want to say to City Manager Snyder, that I really, very much appreciate this new Organizational Chart. We clearly asked you for something different last week, and you brought us something completely different. And I actually think that it's much much better. It makes so much more sense to me, and I appreciate you spending the time and effort in a pretty short window of time to come up with something like this. This Organization Chart makes much more sense to me than where we were before. And Councilor Harris has gone into the numbers deeper than I would have been able to go into the numbers, so I'm not going to be doing numbers."

MOTION: Councilor Lindell moved, seconded by Councilor Harris, to approve Organizational Chart and the budget, as presented for the Affordable Housing Office and the Economic Development Office and asked if more is needed in the motion.

Chair Dominguez said no, we'll have to make sure we clarify the funding and the budget for that division will be on the Errata Sheet.

Councilor Harris said he thinks we also have to clarify that the attrition rate is approximately \$220,000.

Mr. Snyder said that is correct.

Chair Dominguez said the motion needs to recognize that part in terms of the numbers, but it's obvious that they are going to have to re-run the numbers to be sure it adds up.

Councilor Lindell asked Councilor Harris what he said the attrition rate would be.

Chair Dominguez said he doesn't know that we want the attrition rate in the motion.

Councilor Lindell agreed, saying it needs to remain fluid.

Mr. Johnson said it's been about 2 weeks since we started the attrition conversation. He said if you recall, it was applied on a percentage basis across the General Fund. The budget is balanced using that percentage basis across the General Fund. He wouldn't want to make the mistake of setting anything in stone about certain dollar figures here, because we want to hit the \$3.9 million throughout the whole system. He said acknowledging the changes to personnel needs to happen for reorganization, and then the positions that will be available to contribute toward that total credit, whether that hits the percentage that they contributed to it, and we will continue to work on that sum. However, to say it is a certain number right now, would not be an accurate approach.

Chair Dominguez said Councilor Lindell is correct that we don't need to make that part of the motion.

Councilor Lindell said the motion needs to include the approval of the Housing and Community Development budget.

Chair Dominguez said in the E-90 list you provided, there is one listed for Affordable Housing.

Mr. Snyder said he is aware of two E-90s, one has been eliminated from this organizational chart, one is the Project Administrator and they both sit under Economic Development.

Chair Dominguez said there is a Fund number and an ID number.

Mr. Snyder said the project specialist was under Affordable Housing, and that was shown incorrectly, so we moved it under the Office of Economic Development.

Chair Dominguez said there is another on the next page as well. He said, "I am unclear and I am unsure if you all are clear about the information we have and whether or not it is reflected in this Organization Chart. We want to approve an Organizational Chart that is crystal clear, that we understand every position, where and how they are funded, what department they are in and not in – all of that information."

Mr. Snyder said, "Under the Office of Affordable Housing the 3 positions shown, the Housing Special Project Manager, Senior Housing Planner and Contracts Administrator positions are filled currently, and funded in the current FY budget as well as in the new FY budget, and they are not E-90 status. So the Organizational Chart we're presenting right is representative of the current makeup of Affordable Housing, in this year's FY budget and moving forward. He said staff is not proposing any new positions or positions to be eliminated from the Office of Affordable Housing.

Chair Dominguez said to go back to his original questions, there are 2 positions on the list you gave us of E-90s, and at least 2, maybe 3, that are coming out of Affordable Housing.

Mr. Snyder said, "What I can speak to, I am aware of two E-90 positions in the Office of Economic Development in our current fiscal year. One is the Project Administrator which I'm showing under the Office of Economic Development, the last position, and that's going to be made into a term position funded by the Capital Program. There is one E-90 position in the current fiscal year budget, not shown on the Organizational Chart which I'm elimination. So the positions you are shown here in the upcoming fiscal year, 16/16, under the Office of Economic Development and the Office of Economic Development will all be funded positions, funded in the budget as proposed, with Operating and Capital budget as proposed, and will be filled without E-90 status.

Chair Dominguez asked if someone can tell him why these positions are on the E-90 list as Affordable Housing.

Mr. Rodriguez said, "To be really clear, you approve this, these are the only positions....."

Chair Dominguez said he understands, "But the whole attrition rate thing, and the bomb that was dropped on us regarding the E-90s, the amounts, the way it was brought up, we have to feel confident that you all are confident in the data you're proving us. And I understand we can get a refined list, but we need to make sure and know that you guys know exactly where all those positions are and how they're being funded, and all of the other things that are part of getting a budget approved. I think that's really the message."

Mr. Rodriguez said their strategy for cleaning all of that up is asking for authorization only for these positions. So, from that point on, this is the control list, the E-90 list, and the other list that exists out there we will have to tie to this, "so that's our approach for cleaning it all up."

Mr. Snyder said additionally, a lot of the E-90s are not in positions, in a true position you would see on an organizational chart. They are E-90. He said the Project Administrator in this case, is in a position, but a lot of the E-90s across the City aren't in a position. They were just hired to survey certain functions, but they're not in an existing position previously approved by the Council. He said these are the positions

we're funding, and we are doing away with the practice of hiring E-90s if they don't reside in a position approved by the Governing Body.

Chair Dominguez said he thinks the Committee understands the message we're trying to deliver and the exercise we've gone through for the last 1½ year or so, and trying to get a better handle on things, and he can see how it would be an easy mistake to make. He said it also speaks to the need for the departments and divisions need to understand the role of E-90s and what the Governing Body expects and how monies are intended to be spent. He said this was a great discussion, and hopefully, we have a much cleaner list next year.

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

c) LAND USE FEES

Chair Dominguez said he asked staff to put this item on the agenda, only so we were clear about the projected revenues, the expectations regarding Land Use Fees and how those Land Use Fees are intended to be spent, with or without the projected revenues.

Mr. Rodriguez said, "Just to be real clear as we understand it, and our recommendation to you about the \$1.5 million extra revenues from Land Use, we are proposing using that as you see in #9 [Exhibit "1"], with \$980,000 going to the capital budget, and we are recommending that primarily so we can take out the Transit tax to the General Fund so that \$650,000 can be used for buses at this time. When we go to the Capital budget you will see the money there, but there was not a request for the buses, at least at this point, so the money is set aside for buses, but it hasn't been allocated to buses, I guess I'll put it that way. So it is money in the Capital Budgeted it hasn't been appropriated for any project. Councilor Harris pointed out earlier that in the report, what was reported as projects or revenue that are in the pipeline, not yet realized, but are in the pipeline and it's good enough for them to feel confident to report it is a higher figure. We were discounting a certain part of that, and the consensus was about \$1.5 million could be considered legitimately, at least for next year. If anything else comes above that, we are recommending you don't consider it as revenue to increase our total projection. I'm not sure what else I could add for you. Anyway, it is clear this is where you make a decision about where it actually is spent."

Chair Dominguez said we've already approved that budget, but "I think we just mean to make sure we have some clarity about that it was somewhat of a moving target, and we need to bring that up."

Chair Dominguez continued, referring to the Impact Fees, said he sees it captured in the spreadsheet.

Mr. Rodriguez said it goes to Capital.

Chair Dominguez asked if that is the \$1.8 million, and if Public Works has had that discussion.

Mr. Rodriguez said it's more like \$2.1 million. He said, "One of the things we will point out in the Capital budget is that those projects are not in the capital budget, as there were no projects proposed for them. There is a Resolution circulating to include the Southside Transit Center in the list of eligible projects, and that's how it would come in. But at this point, the vast majority of the money that is already in and is projected to come in with this report is not spoken for in the Capital Budget."

Chair Dominguez asked what other revenue do we anticipate being collected, outside of Land Use that maybe Economic Development can account for – can anybody answer that question. He doesn't imagine you have calculated increased GRTs during the construction period.

Mr. Rodriguez said the \$1.5 million is the GRT piece, the \$2.058 million, is one-time money.

Chair Dominguez asked if he is speaking of indirect revenue.

Mr. Rodriguez said no they haven't calculated that number, commenting that would be well beyond what we rely on to project our revenues.

Chair Dominguez wants to make sure we're not capturing that anywhere in this.

Mr. Rodriguez said it isn't included. He said in projecting revenues would represent going far afield to say there is going to be an extra multiplier from these sorts of project. We would recommend that you be as conservative as possible.

The Committee asked questions and commented as follows:

Councilor Harris said in Mr. Rodriguez's opening remarks just now, he started to make him a little nervous. He thought Mr. Rodriguez was saying the projected revenue was based on, in part, the proposed Land Use Fee Increases. He said clearly that isn't the case. He said we were handed 'this' document just two weeks ago when Ms. Martinez was before the Committee, and it represents a whole series of fee increases that total a little more the \$800,000, if all were accepted. He said hadn't heard anything about this before. He had a couple of follow-up conversations with Ms. Mortimer about this. He said furthermore, he has taken it upon himself to talk to people in the private sector about how they would respond to this. He would like to ask Ms. Martinez how she intends to approach the discussion of fee increases, most of which are related to development plans as opposed to Building Permit Fees.

Lisa Martinez, Director, Planning & Land Use Department, said early on in looking at the budget for opportunities to cut part of the City's deficit, one of the things they looked to were our fees, particularly because Santa Fe County is doing a fee study. And in following what they were doing, we noticed there were a number of services with fees attached, and the City has similar services but we don't charge anything for a lot of those services. So that prompted them to start looking very closely at what the County is doing, other local governments in the State, and at surrounding states, to see how their fees compare with ours. In some instances our were higher, and in a lot of instances they were lower.

Ms. Martinez continued saying, studying primarily what Santa Fe County was doing, they came up with proposed fees based on an estimated number of the services we provide, and came up with the proposal. The proposal has not been vetted by the industry, and was prepared for preliminary budget discussions. If the Governing Body decides to move it forward, they would need to form a task force, work with the homebuilders, developers, Realtors and others in our industry to make sure we're not going too far off base, but they would seek input before submitting a final, formal proposal for approval.

Councilor Harris said he would be willing to discuss that, but it took him by surprise when it was presented in these budget hearings. He wants to clarify that the proposed increase isn't built into 'this' spreadsheet, and we have heard that is not the case. He said for now he wants to let it lie and have a follow-up discussion about what might be appropriate, although he doesn't know how that would come about.

Chair Dominguez said no motion is needed on this item, but you can give some specific direction to staff in preparation of the budget. He said he thinks this is part of strategic planning.

Councilor Harris said he would like to drop back speak with Ms. Mortimer and Ms. Martinez and then bring something forward at the appropriate time and venue.

Councilor Villarreal asked Mr. O'Reilly if there was a task force or committee of the industry where people would talk about how to support and improve the Land Use Department, as well as to make suggestions.

Mr. Snyder said he recalls when we were making revisions to the Land Use Code, there was a working group of people from the industry to look at the changes, noting he believes that group may have been utilized for other fee evaluations and conversations from contractors, to developers, to builders – it was a good cross section.

Matthew O'Reilly said about 10 years ago in 2006, before he came to the City, and he was a member from industry, there was talk that perhaps fees in Land Use should be raised. He said he was part of a group that got together and they produced a set of recommendations and things they thought needed to be done, efficiencies and such, that they recommended. The group asked those things to be done if they were to sign off on the City increasing their fees. So, in 2008, the City did increase its fees by Resolution, and increased its Land Use fees substantially at that time. He said the group, based on the work done, expected certain things to happen. However, in 2008 the money wasn't there to do some of the things this group wanted, things he looked into, and Ms. Martinez is looking into, such as electronic permits. He said he, and now Ms. Martinez are looking at ways to do everything we can to make things move more quickly and efficiently, given the fiscal constraints.

Councilor Villarreal said the same recommendations made then, are still pertinent today, based on efficiencies, commenting she thinks Jack Hiatt was part of that. She suggested perhaps we reconvene that committee to help going through the process of fee increases. She is curious as to how we look at this pot of money and how it can be utilized. She asked if there was thought or discussions about how to use those funds for Land Use in terms of staffing. She said now that things are picking up, does that mean

everybody works double-time to pick up the slack, because we're not looking at the Land Use Fees as another way to support that. She understands some of the things we've talked about that we want to use those fees for, but there are still ways to think about using those fees. She does know it is not guaranteed revenue every year. She asked Mr. Snyder's thoughts in this regard.

Mr. Snyder said he looks at this as a multi-pronged challenge. He said, as Councilor Villarreal said, we can't count on some of the fees as recurring, so it's one time money and how we manage those funds is critical. He said there are ways around that, for example we can hire a term positions that is similar to what we discussed previously – the term is based on the economic upswing. He said fees collected go into the General Fund and aren't segregated to be used where the fees were generated to support the operations of that group. He is in favor of looking at that.

Mr. Snyder continued, saying other areas we discussed are utilizing technology to improve work flow and to make the jobs easier for existing staff. And it's investing in that technology, noting he is a proponent of that, rather than hiring additional workforce when technology can help existing staff to do their jobs better and more efficiently, as well as to communicate better with the public. There are a lot of opportunities to look at recurring revenues and how we can use them to support staff. He thinks there are opportunities of utilizing existing staff in a different way, and not just in Land Use, but City-wide. He said he and Ms. Martinez discussed this. He said the Governing Body has discussed how, moving forward, the new ERP is going to do this for City, and that we would need to look at business processes and flows to feed into the ERP. He said we need to look at this.

Mr. Snyder continued, saying he and Mr. O'Reilly discussed this recently. And when "I was Utilities Director and he was Land Use Director," we discussed a business flow process, and it's complicated. He said we need to ask questions about why we do what we are doing so we can answer questions. He said when he hears "we've always done it this way," his sensors go up immediately, and we need to address this, because the person performing that function doesn't know why he or she is doing it. He thinks there are opportunities to work internally in reshuffling and refocusing of staff on functions, there are opportunities with technology, noting the internal reshuffling is a minimum cost, but could be a heavy lift from the standpoint of retraining. One-time purchase of technology, or hiring additional staff could be one-time or recurring. However, currently we aren't organized to collect revenue in terms of revenue. However, as we move forward with our systems and business flows he would like to do that. He said as we generate revenue, we need to reinvest within Land Use and make that priority of some sort, maybe not 100%.

Councilor Villarreal said that is what she would like to see happen, commenting that she doesn't understand the new items that came up, because it isn't something we discussed previously – using Land Use Fees for the \$650,000 for Transit and the remaining \$330,000 to be allocated to the CIP Reallocation Fund. She asked if we are going to discuss these further tonight. Or can we do this now.

Chair Dominguez would like to do that, because he has questions about it as well, commenting he wants a clear understanding and clarification on both 9(c) and (d).

Councilor Villarreal said, "The reason I'm bringing that up is because if we didn't know about the \$1.5 million, what would the scenario be..... what was the original plan for these items if we didn't have the \$1.5 million to draw from."

Mr. Rodriguez said the funds under 9(c) would have been made up by the excess GRT from the Transit Tax, noting it is a 1/4% municipal tax. He said there is an Ordinance allocating excess funds from that tax to Quality of Life and other things. He said the \$650,000 goes to backfill that, so there is no allocation of money from the Transit Tax to any other activity other than Transit.

Councilor Villarreal asked, "Is that excess, the \$650,000, would it have been excess."

Mr. Johnson said, "No. So the way it currently works is that the 1/4% is captured and distributed to the Transit Fund, then the Recreation and Quality of Life Fund, and after those funds are made whole for their operations, and in the case of Transit, the funds are supposed to help with their Capital Plan, and the excess returns to the General Fund. In this year's budget, that excess is returning to the General Fund, as presented, is \$650,000. The \$1.5 million represented an opportunity to invest in Transit, and not take that transfer back into the General Fund. The Land Use Fees would stay in the General Fund, and the transfer would not occur into the General Fund, and that's how that happens. And it's certainly up to this body to decide if that's what's they would like to do with that."

Councilor Villarreal asked, "On that point, if we keep it in the Transit Fund, does it go back into investment. I don't understand."

Mr. Johnson said, "Currently there are a few different funds related to Transit, one of which is a CIP Fund for Transit, and we would put that money in that fund to be ready to be a match for the federal grants for the bus system."

Mr. Johnson continued, "And then on 9(d), this is simply following that we are working hard to take what we believe to be non-recurring, in this case maybe short term recurring, but not guaranteed as a tax stream devoted for capital projects. So there does exist a couple of funds that haven't been used recently, but we plan to start using, to capture any excess one-time revenue to be used toward projects that are presented in the CIP plan. In this case, the remaining \$330,000 would flow to that fund and then be allocated according to this Governing Body's choice for the Capital Improvement Plan."

Councilor Villarreal asked if the Reallocation Fund is different from the regular CIP Fund, commenting that's what she doesn't understand.

Mr. Johnson said, "Just a technical aspect, the 3000 Series funds or the Capital funds, there is one very popularly known, which is 3102 that captures the Municipal Infrastructure GRTs that we use for capital projects, primarily for operations, salaries and non-personnel operating expenditures for all the folks that manage and carry out all of our projects. And they carry out all the projects that are captured in all of the

other 3000 Series funds which captures all the bone money in which these projects are being carried out. There is a general, sort of catch-all capital fund for this case where we would move every year, this dedicated extra General Fund revenue into there, that we'll talk a lot about as we go through the Capital Budget to be a source of revenue for capital projects."

Chair Dominguez asked Mr. Johnson to "point to me in the proposed budget where those monies are captured."

Mr. Johnson said, "Not in the operating budget, because we don't capture them there."

Chair Dominguez said then they are all in the Capital Budget.

Mr. Johnson said, "That is correct. Actually, you can look in the Operating Budget, I believe it's on page....."

Chair Dominguez asked if there would be a transfer-out on 9(c).

Mr. Rodriguez yes.

Chair Dominguez asked where is that in the budget.

Mr. Johnson said, "No. Currently as the budget is presented, the \$1.5 million was not contemplated. You remember we all discussed it here, when the information became available. And so a back transfer is not reflected as a transfer currently in the form of the General Fund as you see in the book. Should that be adopted, that will be implemented into the final version of the Budget document."

Mr. Rodriguez said that was the point of doing the Errata Sheet, so that 9 is put before you, and if you approve it, then that is how it will go forward. He said, "We learned about that extra revenue at the same time you did." To your question Councilor Villarreal, if some of these resources then can be used to reinforce our effort in Land Use. And so, one way we are recommending that be done, is through capital investment in technology. So then those resources go to the Capital Budget, a technology project, and the resources go to it that way."

Chair Dominguez said there are funds coming in from the GRT.

Mr. Rodriguez said he should look at the \$650,000 as what is left of the money that comes in through the Transit Tax.

Chair Dominguez said then the entire amount is captured.

Mr. Rodriguez said it goes into the Transit Tax, and more goes there than what is needed to cover Transit Operations Cost. He said, by Ordinance, anything not used for Transit operations goes into Quality of Life and various others. He said, "What we're saying is make up those needs through this extra revenue, and that way, this one goes to buy buses, if the Council approves that."

Chair Dominguez said that makes it clear, noting we will have more discussions about what he wants to see when we get to the final budget approval at Council. He said, "For sure, I'm going to want to see some reference from the Errata Sheet to the Budget Book so that there is clarity."

Mr. Rodriguez said the intention is to give you a new budget book with these assumptions baked into it.

Chair Dominguez said we need to be able to capture some of this stuff that is "hanging loose."

Mr. Rodriguez said they will tie it down and we can go over the budget quickly when that time comes.

Mayor Gonzales said when we discussed this last, there was a conversation about the need for a General Plan update, and the fact that these updates are significantly expensive, but critically important in thinking of the future of our City. And particularly, how developments will occur and the kinds of development we want to see happen throughout neighborhoods. He asked, "Is that in the Capital Budget, or what is management's plan to provide a budget request for being able to go out and begin the General Fund process." He thinks we can develop a staffing model that is geared-up in Land Use to meet all the goals, priorities and requirements of a potential General Plan, depending on how it comes out. He said he would like to think we are ready to pivot into a Land Use Department of the 21st Century, noting some of that is about technology, but a lot is about changing business process and systems that allow for greater convenience. He sees that captured in such a way that reflects the values of our community and some of the priorities in terms of community development. He asked how we talk about funding a General Plan update which cost anywhere from \$300,000 to \$500,000.

Mr. Snyder said this is one option of funding it. He said he doesn't look at that as a Capital need, but as a one-time need. He said it sounds like a lot of money to update the General Plan and it is a heavy lift. He said this could be a resource for that.

Mayor Gonzales said the biggest challenge we've had is that we have a General Plan which is out of alignment with where our community certainly is, and certainly out of alignment with where we would like to go. He would encourage this Committee to take up that issue as a priority in this budget so we can move forward, especially as we see the economy start to recover. There are a lot of issues that need to be brought front and center quickly, so we're not in such conflict with neighborhoods or the business and commercial community.

Mr. Snyder said he agrees with the Mayor that there definitely is a need to update the Master Plan. He said two major items he is recommending the Committee focus on is a new ERP system and a strategic plan, both of which are huge, heavy lifts. He said he agrees the General Plan needs to be updated, but he is concerned about us biting off more than we can chew on setting expectations of what needs to be done and the allocation of resources. He said it will take a heavy lift from Land Use staff to work on the General Plan. He said he's not saying we can't do it, but we need to go into this with caution to make sure we can live with the expectations we set. He said we need to pump the brakes and make sure we can deliver on what we want to accomplish out of this budget which are the ERP system and the strategic plan.

Chair Dominguez said there is no doubt we need to get those two things done. He has participated in at least one General Plan update and it is interesting. However, what he has seen come from them is a request for an increase in services that are provided by the City. He agrees it's something we definitely need to look at it, although he is unsure of the cost. He would like to be sure we have a right size staff now, and then we can have those discussions as part of the strategic planning and indicate that "we want this road paved in that direction."

Mayor Gonzales said he appreciates that, but he wants to ask the staff and this Committee to keep the Master Plan update front and center. He said we all have talked about having a City that creates equitable participation in terms of accessing to housing and work opportunities. We've talked a lot about the south side versus the east side, and how zoning tends to favor one versus another, and we will continue to have those battles until we have a General Plan update that is reflective of the values he's heard from the Governing Body and the community that is equitable. He appreciates the City Manager's remarks, and sees how stretched they are. He said many of the General Plan updates are largely consultant driven and managed out of the Land Use Office, commenting that may be an option. He encourages us to think about it as we move forward, and perhaps it doesn't have to be in this budget, and we can discuss it at mid-year. He would be slow to quickly allocate excess funds, because once they go to a certain area it will be difficult to bring back. He thinks it will take 1 year to 18 months to update the General Plan and the longer we put it off, the longer we'll have the debate over a community that is worthy of people to live in and invites new residents from an economic and environmental standpoint.

Mayor Gonzales continued saying, right now we're taking on those policies and trying to deliver services haphazardly and through silos within the administration or any policies we might bring forward to try and address some of these issues. We created a set of values for the budget talking about equity participation, opportunity for individual growth and prosperity, as well as being sustainable and creating a stabilized environment. He doesn't think those values should be limited to our budget, and need to move into how our city grows into the future, and right now we have a General Plan that does not focus on any of those items. The longer we wait, the longer those issues will stay on the sidelines. He said, "I think it's critical we move about it as soon as possible."

Mr. Snyder said the strategic planning process can be a good avenue to focus some of that effort as a first step, as long as we incorporate it into some of the goals of the strategic planning effort. There is an opportunity to have a step in that direction through the strategic planning process and how we deliver services and how they look in the community. He realizes the General Plan largely is Land Use driven, but some of it is how we deliver services equitably across the City.

Mr. Snyder said he wants to make we're all on the same page is 9(d) on the Errata Sheet [Exhibit "1"]. The \$330,000 is not currently in any budget. He said if this Committee or the Council would like to put money toward a General Plan amendment or something else, that's why "we're calling out the \$330,000 in 9(d)."

Councilor Lindell asked, referring to Major Changes, the Engineer Associate for Terrain Management, if we still will have a Terrain Management position, or if it will fold into another job.

Ms. Martinez said that position has been vacant for well over two years. She said, "We do have staff in that area, an Engineer heading up the division, plus 3 additional staff members."

Councilor Harris said he supports Mr. Snyder's approach about the first step for a General Plan discussion to be rolled into a strategic plan. He said the 3 former Planning Commissioners that sit on this Committee, all wrestled with the General Plan, and he was frustrated with staff in trying to provide direction to get a response going back 2 years. He said the impetus probably will have to come from outside. He also agrees with Mr. Snyder that with the anticipated ERP and the strategic plan, that is appropriate for the first step. He said his point is he would not be in favor of allocating any part of the \$330,000 toward the General Plan at this point. He said it was mentioned and this is his opinion.

Chair Dominguez said no vote is necessary, because the budget was approved previously.

5. ENTERPRISE FUND REVIEW:

a) PARKING

Noel Correia said he is here to respond to some of the questions raised the last time he attended the budget hearing.

Chair Dominguez said members of the Committee can ask questions and Mr. Correia can respond.

Mr. Johnson said to put a little context, as we were developing the Operating Budget, it became very clear, as structured, after the Parking Division began taking on its share of the debt service, it simply didn't have the revenue to cover the way it is structured. There were previous conversations about solutions toward that, which had not been implemented. He had quick and frank conversations with Mr. Correia and Mr. Pino and they came to the table with a thoughtful and simple solution. He said there is room to expand on that, but they were very impressed, and thank them for bringing it to us. He said they think the proposal gets us there quickly, noting Mr. Correia can speak to the details.

Mr. Correia talked about the proposal which they hope is approved by the Committee. He said there are some rate increases. He said the on-street parking rate at \$1 an hour and \$2 per hour in parking garages. He said that discourages people from going in parking garages, and driving around looking for space on the street which creates a traffic issue. He said typically in the industry, the rates are set either equal to or higher than the garage rates, which discourage drivers from going around in circles and going directly to the garage. The proposal before the Committee reduces the first hourly rate in the garages from \$2 to \$1. After the first hour, it will go to \$2, which currently is the case. And we also are requesting that the daily maximum, which currently is \$10 in the garages be raised to \$12 per day.

Mr. Correia continued, saying the meter rates will be raised to \$2 per hour for the first 2 hours, and then a price adjustment to discourage people staying longer than 2 hours in those fee zones for 4 hours, by raising the rate to \$3 after the second hour. He said what is happening right now there is a lot of parking by repeat offenders who turn out to be the employees of local businesses who clock spaces between themselves, which means the clock for the 2 hours starts again once the car moves from one space to another. They have mastered the art of how to beat the system. So the rates go up to \$2 for the second hour and we mark those vehicles. They pay \$4 for 2 hours and the third hour is \$3 so now it goes up to \$7. It will be cheaper to park in the garage."

Mr. Correia continued saying, they are proposing that we offer something new. We offer \$25 per month for all Santa Fe business employees, and they have a precision place where they will have to prove they are employees to get the \$25 rate. He said we have a monthly meter parking permit for \$63 per month, while a monthly permit is \$68.25. They are proposing the \$63 go to \$125 per month at the meters. There are a few stalls in the Railyard that are reserved for an individual business. There are only 5 spots at the current time and they currently are paying \$90 plus tax. We are proposing those rates be increased to \$200 per month, because the reserved spot means it for that specific entity to use any time of the day they want, 6 days a week.

Mr. Correia continued, saying the proposal before the Committee will do two things. One is to correct the issues that we have with street parking, and the second is that we do increases badly needed revenues to pay the department's bills, especially the debt service we have inherited.

Chair Dominguez said one of the points that was made on day-1 of these budget hearings was the whole idea of waivers, and your budget anticipates continuing an existing waiver program.

Mr. Correia said it is slightly modified. We are now asking the event organizers to pay for most of the free events that are not free by Resolution. He said they are offering two ways to do that: prepaying \$10 for any day before 4:00 p.m., and after 4:00 p.m., it is \$5 and that has also worked well. He said some event organizers want to pick up the tab, and we work with them and come up with a validation system, such as a coupon issued by the event organizer. When they leave, they surrender the ticket and the coupon to the cashier. The information comes to his office, they calculate the cost and send an invoice to the event organizer. The free parking has been already reduced significantly, "even as we speak."

Chair Dominguez said he recalls when Parking was flush with cash in the mid-to late 1990's, and you couldn't find a parking space anywhere in downtown Santa Fe. We now have a different scenario with debt, 2 new garages, there has been a reconfiguration of parking spaces downtown and the surrounding area so we can provide more parking. It is interesting that we are in the opposite situation, yet there continues to be a request for parking waivers, and things have gone full circle.

The Committee asked questions and commented as follows:

Councilor Harris said he reread the Memo this afternoon, and was impressed. He thinks this is logical, and balances different interests.

Chair Dominguez asked to which Memo he is referring.

Councilor Harris said it was in the supplement, a 4 page Memorandum. The proposal is well constructed, well thought out, makes sense and he would support it as is.

Councilor Lindell said she made suggestions previously on this, but supposes they were found to be not acceptable. She said offering parking for \$1 a day doesn't make any sense, and she can't support this because of that. She thinks it should be \$1.50 a day, \$2 per day. She said she doesn't think being revenue neutral by an enterprise fund is where we want to go. She said the enterprise fund needs to produce revenue, and believes it defeats the purpose.

Councilor Lindell continued, saying she had talked about having some downtown parking enforcement on Sundays, because the same cars are parked in the same place for 8-10 hours. This isn't helpful to us, particularly in the summer and in fact is detrimental. She thinks we need enforcement on Sundays. She thinks on-street should be much more costly than parking in the garage. We're trying to move people off the meters so other can use the meters. She said, "I see several things with this that I don't think are meeting the goals we've set forth. I just don't know why we couldn't increase the \$1 fee per day to \$1.50 or \$2, and why that was directed as a consideration."

Mr. Correia said he has given deep thought to this, and her suggestion was very well accepted. He said, however, in going back and analyzing the whole concept, what he's trying to accomplish is getting those employees off the street that are beating the system. He said they are doing this because they can't afford to pay upwards of \$50 per month. He agrees that \$1 or \$1.50 per day is minimal, but currently we aren't getting the meter revenue we should be getting. He said by offering an attractive rate they can afford, we are hoping they will vacate the meters. Then they start getting the \$25 in the garage, and additionally we are getting meters paid by other users where there is demand, and they are looking for spaces on a continuous basis. So there is the combination of a "plus plus." Rather than a negative and a plus.

Councilor Lindell asked the cost of a parking violation.

Mr. Correia said it is \$35.

Councilor Lindell said they only need to get one parking ticket to make it unattractive to continue to park on the street as opposed to parking in the garage. She said, "I think we just disagree on this and I think \$1 per day isn't serving our purpose."

Councilor Villarreal said they are referring to \$1 per day, and asked if that is on Saturday.

Mr. Correia said that is for the downtown business employees, which is about \$1 per day for a 5 day work week.

Councilor Villarreal said the first two hours is \$2 at the meter. She asked how it changes, and if there is a mechanism in the meter that stops after 2 hours and you have to go back and replenish it, or how does that work.

Mr. Correia said a majority of the meters are antiquated, but we do have some electronic meters which can be programmed to have a certain rate and the rate changes automatically after 2 hours to the next rate. It resets again when a new card payment is made or new coins are put in.

Councilor Villarreal said then after 2 hours you have to put in more money. She said other cities have metered parking where the first 2 hours are free and thereafter it increases considerably, and it brings more people to shop and do commerce downtown and leave. She doesn't know how it is enforced if it is employee parking. She asked if he has experience in this regard.

Mr. Correia said his experience is that they do not provide free parking on street meters. However, there are businesses that may provide a smart card, and we will have that program. He said the smart card is a cash loaded card. As long as the cash is there they insert and pay what time they want.

Councilor Villarreal said more progressive cities do have 2 hours free parking – Boulder perhaps, as an incentive to bring people downtown. After the 2 hours it goes up to \$5.

Mr. Correia said that is in garages, but he hasn't heard of that being done at the meters because that would defeat the purpose, and all meters would be occupied all of the time.

Councilor Villarreal understands this is an issue for downtown merchants, because they want customers. She asked what time the parking garages close.

Mr. Correia said they are scheduled to close between 11:30 p.m. and 12:00 midnight. He said the [inaudible] and Sandoval garages close at midnight. He said the Convention Center closes at 11:30 p.m. He said there have been situations where an individual is sick which can cause problems.

Councilor Villarreal recalls situations where there is nobody at the Convention Center Garage at 8:00 p.m.

Mr. Correia said he has seen that as well, but that is caused by someone calling in sick, and there is only a supervisor to fill in, and they also are doing other supervisor duties.

Councilor Villarreal likes the idea and believes we should try something different. She would like to consider Councilor Lindell's point which has merit. She wants to see how it works, reiterating she thinks we need to try something different. She said the key option is outdated, and we're going to have to update all the meters as well.

Mr. Correia said we are switching from the key which is antiquated and discontinued, to the use of a smart card that does the same thing. It is the size of your credit card, but it has a chip instead of the magnetic strip. You load money on the card from your home via computer. He said we have to upgrade the last 900 meters to accept credit/debit cards. He said this is in the proposed budget. It will pay for itself. He said the drivers want to pay, and then realize they don't have change in their pocket, because most of our meters only accept change and that is a challenge. They decide they will take a chance on not getting cited and do their business. So we give them the opportunity to pay with the smart card and a debit/credit card, the collections will increase drastically.

Councilor Villarreal said on Saturday, the parking at the Railyard is \$1.

Mr. Correia said yes, from 8:00 a.m. to 2:00 p.m., it is \$1. And there also is the daily maximum on any given day which is only \$5. He said they are proposing that all garage rates be uniform across the City, and take away the \$5 discount as well as the \$1 on Saturdays, because it no longer make fiscal sense.

Councilor Villarreal understands the desire to make the fees uniform. However, this is the only place to park on Saturdays for the Farmer's Market and the Arts & Crafts markets on Saturday. She would urge him to look differently at Saturday. She said we're trying to support these markets and the businesses on the Railyard in the morning, and she is not in favor of increasing rates on that day and time period. She said we hear vendors saying they don't get customers because people can't find parking. She said a lot of people don't know it's \$1 at the garage, and they are wanting to promote that, but now we're saying we're going to take that away. She doesn't think it is a smart decision for business support.

Mr. Correia said it is competitive with the cost in other lots around the markets. He said they could look at \$1 an hour on Saturdays, rather than \$2 per hour, from 8:00 a.m. to 2:00 p.m.

Councilor Villarreal said there isn't much parking at Warehouse-21 and Site Santa Fe on Saturdays.

Chair Dominguez said there is a science with parking. He asked if we know what we're not collecting from the Court.

Mr. Correia said after we changed the Ordinance, effective March 1, 2016, no appeals go to the Court. He said citations were decriminalized. He said there is an administrative review by staff, and they look at the evidence and make a fair decision. If they do not like our decision, they can request an administrative hearing before an independent hearing office and resolve the issue. He said about 14 months ago, the collection rate was below 50%. That has been increased to a 67% collection rate.

Chair Dominguez asked the dollar amount.

Mr. Correia said he doesn't have that with him, but he can provide that data to the Committee.

Chair Dominguez said the Committee would like for him to track that. He said one of the themes the Governing Body has embraced is "If you owe you pay." He said this applies to whatever is owed to the City.

Mr. Correia said he has an RFP ready to go out, with final review by the IT Director. He said his experience has been that once we get the new system in place, the collection rate has gone to 84%. He said we want to be at 85-90% collection rate. For those that don't pay, it goes to an outside collection agency and they collect 100% of revenues owed to the City, and charge a fee of \$33 and keep it when it is paid.

Chair Dominguez said then the budget as proposed will maintain a healthy operation.

Mr. Correia said yes.

Chair Dominguez said then it will be a healthy fund, a healthy operation which takes care of debt and operations in the short and long term, and so forth.

Mr. Correia said that is correct, and they hope in 2 years they will have rebuilt reserves, and then he wants to revamp the revenue control systems in the garages, noting ours is about 20 years old and the technology is obsolete. He said once that is done and everything is automated, revenues will increase again.

Chair Dominguez said he has a question to be answered off line, and that is how the industry deals with waivers and those things.

MOTION: Councilor Lindell moved, seconded by second Councilor Villarreal, to approve the proposal, as presented, with an increase of the daily garage rate for employees of local businesses to \$1.50 per day and \$30 per month.

DISCUSSION: Mr. Snyder said the proposal is \$1.25 per day and \$1.50 will be \$30 per month, versus the proposed \$25 per month.

Chair Dominguez said her point is well taken in terms of how much we should be charging. He said the science has been applied, and we need to change habits, train people, advertise. He said there is a lot in getting the public to accept.

RESTATED MOTION: Councilor Lindell moved, seconded by Councilor Villarreal, to accept the proposal as presented, with an increase on local business employees to \$35 per month.

DISCUSSION ON RESTATED MOTION: Councilor Villarreal said we can try the \$35 per month and we can always reduce that amount.

Mr. Correia said to break peoples trends and habits and make it attractive, he would suggest \$25 for the first 6 months and then go to \$35. He wants this incentive to get people off the street and the \$35 might be a sticking point for some. His goal is to get 80% of those people off the street and into the garages.

Mr. Snyder said we could review the amount approved after 6 months and look at how or if the practices and habits have changed, and if not, we can readdress the rest of the time. He said staff would be open to reviewing after a period of time, 6 months, to see how habits have changed and report back to the Governing Body.

Councilor Harris said to reiterate what he said earlier, he thinks this proposal, of all we've heard, is as thoughtful and well constructed as any we've heard. He said on a personal level, as the father of a young man now working downtown, the extra \$10 per month makes a difference, it really does. He said the important thing is changing the behavior and what we're talking about here. He is ready to run with the proposal and would not favor the motion as currently stated.

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

Chair Dominguez asked if there are any lingering, outstanding issues which need to be addressed at the time we approve the budget. He said he wants to know as quickly as possible, because we will be moving quickly on everything.

7. PUBLIC HEARING

Chair Dominguez said he would like to open the Public Hearing, recess and then reconvene with a continuation of the Public Hearing on Monday at our regular Finance Committee meeting. After that, we will move forward with budget approvals and making recommendations to the full Governing Body.

It was the consensus among the membership to proceed as suggested by the Chair.

Public Hearing

Valerie Brooker, Retired Librarian, said she appreciates the recognition of libraries and your commitment to La Farge Branch Library. She is interested in your commitment to strategic planning. She said as a member of the public, this has been an educational process for her to sit through the Committee meeting and to understand more how the process work. She said she finds the process lacking input at certain critical points. She said the process of strategic planning is over due. She said she has two brief points. She wonders about efficiencies in operations and well as attrition as factors for decision. She said in considering library services, an easy target is cutting hours. She said there are other ways efficiencies could be obtained in operations. For example, the way the library acquires and processes books, things that are occurring behind the scenes, line item and budget. She said she feels stressed about the cutback in hours, because once that happens, the hours don't return. She is wondering about the attention to attrition, and once that happens, she feels the least paid people can take on the most work when that

occurs. People in that scenario will keep quitting, and you will begin to lose your continuity. This is the reason she appreciates Councilor Villarreal's concern about losing a full time position in the library. She said, to advocate for the community as a whole, they do use the library and hours well, and perhaps there are other ways efficiencies could be obtained.

Anne Albrink, Retired attorney, said she is a current user of the public libraries. She thanked the Councilors for putting up with all the contacts you have had about La Farge Public Library and the work and thoughtfulness that has gone into it. And we commend the Council for asking for a \$40 renewal of the 40 year lease. She said it obfuscated the issues that Ms. Brooker brought up. She doesn't understand why we are thinking of having 2 instead of 3 libraries, why we are reducing any library hours. She said she isn't a library profession like Ms. Brooker, but she has learned a lot during the past 2 weeks. She said La Farge has 220,000 visitors a year, with a total of 600,000 visitors to all the libraries annually. She said the libraries are well used. Her friend likes and uses the Southside Library, but said she really likes being able to use LaFarge. She understands it will take \$80,000 or \$90,000 to fix the wiring problem for the computers at La Farge. She said, "La Farge is not a functionally obsolete building." She said she checked with some Realtor friends, and La Farge is operating well, it's well used, well liked, but it does need more [inaudible]. She said it is possible than an assessment plan would result in increasing the space at La Farge. She understands a San Antonio firm proposed a fix to LaFarge. She said do not reduce the Library hours and staff. She said Ms. Hodapp said reducing the budget by attrition of librarians who are serving the public. She said she doesn't understand that. She hopes to study this more and be able to give you more information, but she doesn't think that the adoption of the Library proposal as stated is in the public interest. She seconds Ms. Brooker's notion that we've had a lot of public input, but it's been "like pulling teeth to get information." She said, "I spoke to all but one of the School Board members, all of whom indicated they were willing to accept the lease, and yet there are these rumors swirling around. You need public input. Thank you."

Former Councilor Karen Heldmeyer, said she is glad to hear the Committee will be taking public comment on Monday, and hopes it is widely publicized so people know you are taking public comment, noting it has been on the agenda for every one of these budget agendas and you haven't hit that point yet. She said people may have attended meetings and given up in distress. She thinks it is important to get the necessary publication. She has watched all the budget hearings on television and they are very confusing. Part of that is that it is a moving target. She said somebody comes in one day and says we're going to do this, and then we really don't know and they come in with something else.

Former Councilor Heldmeyer continued, saying it would be really good if, by the weekend you could put on the web what has been passed by this Committee, which presumably is what you're going to be talking about with the full Council later on. She said because of the constant changes, a lot of stuff you receive as written, doesn't go out to the public, press or anybody else. And you sit there and talk about it and we're not sure what you're talking about. It would really be helpful to have that a single website where we can go and say, okay, this is what they're talking about and what they are aiming for. She asked if it would be possible to attach a staff phone numbers so if people have questions can get those answered before coming to the meeting. She said, "Right now, people are really confused, even people who have

been following the budget. And thank you for televising the meetings. But people who aren't following the budget will be even more confused. It is going to save you time and effort if you educate the public about what's been going on."

The Public Hearing was Closed

8. REQUEST FOR APPROVAL OF RESOLUTION ADOPTING CITY OF SANTA FE'S OPERATING BUDGET AND ORGANIZATIONAL CHART FOR FISCAL YEAR 2016/2017

No action.

9. REQUEST FOR APPROVAL OF RESOLUTION ADOPTING CITY OF SANTA FE'S CAPITAL OUTLAY BUDGET FOR FISCAL YEAR 2016/2017

No action.

10. MATTERS FROM THE COMMITTEE

Chair Dominguez would like to make all of the information available. He said things are sort of compartmentalized on the website, commenting all of this information is available.

Mr. Johnson said the proposed budget document we've been talking about over many days is available on the website on the Budget Office page as the City Manager's proposed budget. He said, "I will make sure that all of the supplemental information is posted. It currently is available. The first document known as Book 2 is available via the Clerk's site, but I will make sure it is on our site as well. And I would be happy to take questions at my phone number, 955-6171. Sharing this technical information with the public would be my pleasure."

Chair Dominguez asked Mr. Johnson to be sure Matt Ross gets that number.

Councilor Villarreal asked Mr. Johnson to what he is referring when he says supplemental information.

Mr. Johnson said all of the information handed out in the original second booklet [Document #2], but maybe not done as effectively as possible. He has had additional copies available for the public and the press at these meetings and he still has them. He will be sure those are posted as well.

Councilor Villarreal asked Mr. Johnson, when he uploads the supplemental information, if he can somehow indicate that much has changed since then. She said we have gone beyond these proposed budgets.

Chair Dominguez said all of the things that have been approved, however it is captured, need to be provided.

Councilor Villarreal said the document was for discussion purposes because a lot of it has changed, and she doesn't want people to go back to the document and be confused about, for example, the hours at the GCCC which have changed.

Mr. Johnson said, "I certainly hear you. And I actually really appreciate that point, because I would prefer to put out the relevant changes and not of the information. Because a lot of the information has been for use in this meeting in order to come to decisions and understand this and do the research on it. So I will be happy to do the errata and make sure it is clear as to what has changed between "as proposed" to where it stands now which is captured in the Errata."

Chair Dominguez said that will start to wrap-up everything. He said on Monday, we will have our regular Finance Committee meeting, and then I would like to have our regular business done by 7:00 p.m., so we can reconvene the public hearing and wrap up this budget starting at 7:00 p.m. So that kind of answers your question there. That is the goal to convene our regular meeting at 5:00 p.m., adjourn that at 7:00 p.m. and reconvene budget hearings at 7:00 p.m., with public comment.

Councilor Villarreal as if we have a full agenda of items for Monday's meeting.

Mr. Rodriguez said there about 20 items.

Chair Dominguez said he took many off the Agenda and moved those forward to the City Council. He said we have until noon tomorrow to finalize the Agenda. He will look to see if it can be condensed it even more.

Councilor Villarreal asked the Chair if he thinks that will take two hours.

Chair Dominguez said it may not take two hours, but at least the public knows what we're looking at and targeting.

11. ADJOURN

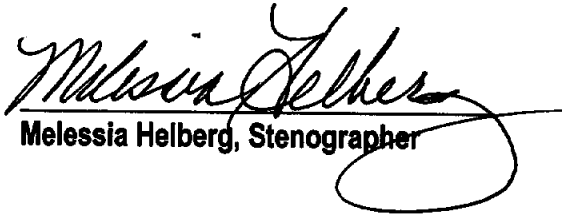
There was no further business to come before the Committee, and the meeting was recessed at approximately 7:15 p.m., to reconvene on Monday, May 16, 2016, at 5:00 p.m.


Carmichael A. Dominguez, Chair

Reviewed by:



Oscar S. Rodriguez, Finance Director
Department of Finance



Melessia Helberg, Stenographer

FY16/17 Operating Budget Errata Sheet

1. Updated Organizational Chart – Original chart did not have the following times correct: interim supervision of Housing and Economic Development Divisions under Tourism, Asset Development direct report to CM; break out of Airport, Transit and Parking
2. Water Fund GRT does not account for lag time – additional \$1.2 million goes Water Utility. No general fund impact
3. If the Youth Program rates are adopted then an additional \$37,500 will go to 2705 recreation fund, transfer from the General Fund will be decreased by the same amount.
4. Further department FTE Count analysis is being conducted
5. Inflation not accounted for in all funds report
6. \$4.3 million is net of closing remaining deficits
7. 2nd page of cash financial report was missing from original Operating budget. To be inserted pg. 95
8. Amendment to 1.D. Budget Control System (pg 5), after the sentence "On a monthly basis, the Finance Director will prepare summary reports that compare actual revenues and expenditures to budgeted....":

This report will also provide a list of all vacant positions and the average vacancy this rate and projected year-end savings they represent.

9. Proposed Land Use fees of \$1.5 million will be programmed in the following purpose:
 - a. \$220,000 allocated to restore Police overtime budget inadvertently impacted by the attrition credit; and
 - b. Upon Council approval \$300,000 allocated to the Verde Fund; and
 - c. Approximately \$650k remains in the General fund to offset current transfer from the 5th .25% Municipal GRT. The \$650k will remain in Transit for capital purposes;
 - d. The remaining \$330k will be allocated to the CIP Reallocation fund for capital purposes.
10. Additional glossary definitions
 - a. Attrition Rate – Staffing vacancy rate occurring in a department above the normal turn-over rate as the result of extra scrutiny by Management.
 - b. Span of Control – The number of employees supervised by a given supervisor, normally expressed as a ratio of supervisor:supervisees. The city has set the ratio of 5.0 as the minimum span of control as a basic criteria for filling any supervisor position.

Exhibit "1"

REDUCED HOURS DUE TO VACANCIES - SANTA FE PUBLIC LIBRARY
May 5, 2016 - City Budget Shortfall
BRANCH HOURS FOR DAY CLOSURE, EARLY CLOSURES/LATE OPENING EACH WEEK

Branch	Hours	Staff hours	Security
Main -Mon & Tues close @ 6:00, Wed open @ 12:00	6	26	
La Farge - Close Mon all day, Tue, & Wed close @ 6:00,	14	60	
Southside - Wed & Thur close @ 6:00, Mon open @ 12:00	5.5	24	
Total	25.5	110	\$ 23,364.12

Current Vacant Position Title	Pos #	Hours	Salary
Librarian Assistant	659	40	\$ 60,702.00
Library Tech	678	20	\$ 14,548.00
Library Tech	1929	20	\$ 15,038.00
Library Tech		20	\$ 14,613.00
Total		100	\$ 104,901.00

TOTAL \$ 128,265.12

- The Library currently has four vacant positions and needs to reduce library hours and services.
- With prior staffing cuts from the last three years, staff have already absorbed additional duties.
- With these vacancies not being filled, current staff can no longer be utilized to fill in.
- If there are further unfilled vacancies, library hours and services will need to be reduced even more.

5/5/2016

Exhibit "2"

