



Agenda

DATE 4/22/16 TIME 11:05

SERVED BY Yolanda Green

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**Special Finance Committee Meeting  
FY 2016/2017 Operating Budget Review  
City Council Chambers  
April 25, 26, 28, 2016  
9:00 a.m. – 3:00 p.m.**

**ALL MEMBERS OF THE GOVERNING BODY ARE INVITED TO ATTEND THIS MEETING**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. CHAIR OPENING REMARKS
5. COLLECTIVE BARGAINING UNIT REMARKS
  - a. AFSCME
  - b. Police
  - c. Fire
6. MANAGEMENT PRESENTATION OF OPERATING BUDGET:
  - Year-End Savings Plan
  - Attrition Plan

**12:00 pm – 1:00 pm LUNCH BREAK**

7. DEPARTMENT REVIEWS:
  - Public Safety**
    - a. Police
    - b. Fire
  - Community Development**
    - a. Community Services
    - b. Tourism Santa Fe
    - c. Planning & Land Use
    - d. Housing & Community Development



# Agenda

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**Special Finance Committee Meeting  
FY 2016/2017 Operating Budget Review  
City Council Chambers  
April 25, 26, 28, 2016  
9:00 a.m. – 3:00 p.m.**

**7. DEPARTMENT REVIEWS CONTINUED:**

**City Services**

- a. Parks and Recreation
  - GCCC
  - MRC
- b. Public Utilities
- c. Public Works

**Administrative Support Services**

- a. Finance
- b. Human Resources
- c. Information Technology & Telecommunications

**General Government**

- a. Mayor & Council
- b. City Manager
- c. City Attorney
- d. City Clerk
- e. Internal Audit
- f. Municipal Court

**8. ENTERPRISE FUND REVIEW:**

- a. Airport
- b. Transit
- c. Parking
- d. Santa Fe Convention Center
- e. Environmental Services (Solid Waste)
- f. Wastewater
- g. Water



# Agenda

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**Special Finance Committee Meeting  
FY 2016/2017 Operating Budget Review  
City Council Chambers  
April 25, 26, 28, 2016  
9:00 a.m. – 3:00 p.m.**

9. PUBLIC HEARING
10. Request for Approval of Operating Budget and Organizational Chart for Fiscal Year 2016/2017.
11. Request for Approval of Capital Outlay Budget.
12. 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 REVIEW  
April 28, 2016**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	See minutes of April 25, 2016	2
CHAIR'S OPENING REMARKS		2
<u>COLLECTIVE BARGAINING UNIT REMARKS</u>		
AFSCME	See minutes of April 25, 2016	2
POLICE	See minutes of April 25, 2016	2
FIRE	See minutes of April 25, 2016	2
<u>MANAGEMENT PRESENTATION OF OPERATING BUDGET</u>		
YEAR-END SAVINGS PLAN	See minutes of April 25, 2016	2
ATTRITION PLAN	See minutes of April 25, 2016	2
GENERAL COMMENT ON 04/25 AND 04/26		2-10
<b>DEPARTMENT REVIEWS (CONTINUED)</b>		
<u>GENERAL GOVERNMENT</u>		
MUNICIPAL COURT	Approved	10-11
<u>COMMUNITY DEVELOPMENT</u>		
Community Services	See minutes of April 26, 2016	11
Tourism Santa Fe	See minutes of April 26, 2016	11
Planning & Land Use	See minutes of April 26, 2016	11
Housing & Community Development	See minutes of April 26, 2016	11
<u>CITY SERVICES</u>		
PARKS & RECREATION	Approved [amended]	11-29
GCCC	Approved [amended]	11-29
MRC	Approved [amended]	11-29
PUBLIC UTILITIES	Approved	30-37
PUBLIC WORKS	Approved	37-48
<u>PUBLIC SAFETY</u>		
Fire	Approved	48
Police	Approved [amended] w/direction	49-59

<b><u>ITEM</u></b>	<b><u>ACTION</u></b>	<b><u>PAGE</u></b>
<b><u>ADMINISTRATIVE SUPPORT SERVICES</u></b>		
Finance	No action	59
Human Resources	No action	59
Information Technology & Telecommunications	No action	59
<b><u>ENTERPRISE FUND REVIEW</u></b>		
Airport	No action	59-60
Transit	No action	59-60
Parking	No action	59-60
Santa Fe Convention Center	No action	59-60
Environmental Services (Solid Waste)	No action	59-60
Wastewater	No action	59-60
Water	No action	59-60
 <b>PUBLIC HEARING</b>	 None	 60
 <b>REQUEST FOR APPROVAL OF OPERATING BUDGET AND ORGANIZATIONAL CHART FOR FISCAL YEAR 2016-2017</b>	 No action	 60
 <b>REQUEST FOR APPROVAL OF CAPITAL OUTLAY BUDGET</b>	 No action	 60
 <b>ADJOURN</b>		 60

**MINUTES OF THE MEETING  
CITY OF SANTA FE  
SPECIAL FINANCE COMMITTEE  
Thursday, April 28, 2016**

**1. CALL TO ORDER**

A Special Meeting of the City of Santa Fe Finance Committee, was reconvened by Chair Carmichael A. Dominguez, at approximately 9:00 a.m., on Thursday, April 28, 2016, 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 Peter N. Ives  
Councilor Signe I. Lindell  
Councilor Renee Villarreal

**OTHER GOVERNING BODY MEMBERS PRESENT**

Mayor Javier M. Gonzales  
Councilor Joseph Maestas  
Councilor Ronald S. Trujillo

**OTHERS ATTENDING:**

Brian K. Snyder, City Manager  
Oscar S. Rodriguez, Director, Finance Department  
Adam Johnson, Budget Officer, Finance Department  
Yolanda Green, Finance Department  
Elizabeth Martin for 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**

See minutes of April 25, 2016.

**4. CHAIR OPENING REMARKS**

Chair Dominguez asked the administration to present information from the last meeting, and said we then will take questions. He said we will begin with Municipal Court, Parks & Recreation and the Police Department after that.

**5. COLLECTIVE BARGAINING UNIT REMARKS**

- a) AFSCME
- b) POLICE
- c) FIRE

See minutes of April 25, 2016.

**6. MANAGEMENT PRESENTATION OF OPERATING BUDGET**

- a) YEAR-END SAVINGS PLAN
- b) ATTRITION PLAN

See minutes of April 25, 2016.

**7. DEPARTMENT REVIEWS**

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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 *Planning & Land Use Permits/Fees Revenue (all accrue to the General Fund)*, dated April 27, 2016, entered for the record by staff is incorporated herewith to these minutes as Exhibit "1."

A copy of *Land Use Department Estimated New One-Time Revenues, Fiscal Year 2016/2017 and Fiscal Year 2017/2018*, dated April 28, 2016, entered for the record by Lisa Martinez, is incorporated herewith to these minutes as Exhibit "2."

A copy of *Total Vacant General Fund Positions*, entered for the record by staff, is incorporated herewith to these minutes as Exhibit "3."

Mr. Rodriguez said there was a lot of skepticism on the figures brought to us yesterday by Ms. Martinez indicating an increase of \$3 million in revenue. He said after looking at the figures, staff is recommending increasing our revenue estimates by \$1.5 million for next year.

Mr. Rodriguez said the estimate is \$3 million, of that \$1.4 million is deemed to be one time money limited to one-time projects. We asked Ms. Martinez to prepare that information in an different format.

Chair Dominguez asked if this is based on things that have been the Planning Commission.

Mr. Rodriguez said yes, and what is in the pipeline as well.

Mr. Rodriguez reiterated the revenue estimates will be increased by \$1.5 million for the General Fund. He said there are recommendations for that increase. He said the Police attrition was applied to overtime, so we cut overtime by \$200,000, so we are recommending that some of the funds be used to put the \$200,000 back into the fund.

Mr. Rodriguez said he is really concerned about how the conversation is going with attrition rate, noting it is a complicated concept. He said the intent was that the attrition rate be considered part of the budget, it occurs over the year, and we would come to you with a plan about how to not fill vacancies and such, and what we can do right now. He said the problem is those vacancies are not there yet. He said their recommendation was that you accept these as part of the budget. He said when they were developing this plan, they thought long and hard on this approach. He said they were thinking there could be critical policy guidance as we move forward, and there may be some time to do quite a bit more strategic planning. He said at all times, they had in hand enough vacancies that if they were to cut all positions vacant currently they could do \$5.5 million in cuts, instead of the \$4.3 million. Mr. Rodriguez distributed a copy of a chart of those vacancies [Exhibit "3"].

Mr. Rodriguez said if the Council is more comfortable in talking about attrition from the standpoint of actual in cuts, then he would strongly recommend we go to that sheet [Exhibit "3"] and say these are now cut, and let's talk about the policy changes that would take place in order to make sure that these cuts and savings are harvested. He said they did ask people if they were going to quit or retire but we could not use that information because people change their plans. He said attrition will happen on its normal course as we move forward. He said there will have to be changes throughout the year because people change their plans and unexpected things happen.

Mr. Snyder said regarding Mr. Rodriguez's remarks regarding the vacant General Fund positions, the message he wants to get out is we have \$5.5 million vacancies on the books now. He said he can't recommend that we eliminate all the positions on the sheet, because he looks at that as the "shocking" approach. He said, "Not only are we not being strategic about the services that we are and aren't delivering, back to the strategic planning process that I'm recommending after we approve the budget, we are haphazardly delivering service and we won't be able to communicate with the public effectively on the service reductions. Whereas if we go through a strategic planning process systemically, as we have talked

about over the past several departments, we can explain to the public what kinds of services are going to be reduced. It is hard to describe what the impact is, and there's going to be a lot of concern and questions from the Committee. That message is, right now we have \$5.5 million worth of vacancies on the book, therefore if we look at it from a strategic plan, we can deliver the cuts this coming fiscal year down to \$4.9 million in a strategic manner."

Chair Dominguez asked if we are anticipating that Lisa will be providing more information.

Mr. Johnson said, before Ms. Martinez presents, the Committee should keep in mind that the new information on revenue that is being discussed for the \$1.5 million is considered recurring which means it would go directly against the recurring deficit. Or the additional one time in her presentation could go to other things that are needed, and in that framework, then the attrition credit would go from 7.8 % to 5.1%.

Chair Dominguez said he will open the discussion to anything, including the attrition rate.

*The Committee commented and asked questions as follows:*

Councilor Harris, referring to Document #1 page 31, asked "Will this new revenue that is now indicated, on 'this' sheet, page 31, obviously the General Fund, will that go against the Planning & Land Use Fees line item."

Mr. Johnson said the answer is that it will show up in the licenses and permits line item, noting the breakdown he provided [Exhibit "1"] shows the subcategories starting all the way from the left. So those permit fees you see, and then broken down to the specific building permits, and then the trade permits actually will show up in the big picture in the General Fund under licenses and permits."

Councilor Harris asked how that number changes. He said, "It is proposed for the coming year at \$2.414 million. Again, page 31, which is the General Fund proposed budgeted, on the revenue side, Licenses and Permits is projected in this document of \$2.4 million. We know there's increased revenue, and what I just heard Mr. Johnson say is that most of the fees on this spreadsheet will go against that. Does that line item go up."

Mr. Johnson said, "To be clear, of the two sheets you have, the one that I provided to you is not the projected, it is the actual programmed in currently, showing the previous to get the trend for what is currently in the budget. The Land Use handout is the one that shows what they think is in the hopper that is going to add not only one-time revenue, but also a new, recurring revenue, or to Mr. Rodriguez's point, a new watermark for an additional \$1.5 million that, to answer your question directly, would show up in that line item. So the \$2.4 million plus \$1.5 million would go to \$3.9 million."

Councilor Harris said then that is the \$1.5 million taken from Tuesday's spreadsheet that was provided by Ms. Martinez, and unidentified indicated it did.

Mayor Gonzales said he is in support of what the Administration is asking. He said, in terms of rightsizing City government, there is money in this budget for an effective strategic planning process. And that process being able to set some priorities that the Council has, that will allow for a ranking to preserve positions or to allow an attrition to take place. He thinks they have established a good framework to allow us to decrease positions that are funded that are not needed to help us meet some of our budget goals. He said also in this budget there for funds for the Council to set priorities into the future. He would think, through that process, it would provide guidance for the administration to continue to evaluate vacant positions which stay in play, versus those that can be mapped out.

Mayor Gonzales continued, saying he would add to Councilor Harris' remarks, he thinks the issue of increased revenues in Land Use is great. However, he wants to a continued word of caution that those are the first to move very quickly with the expansion of economy and the first to decrease rates quickly. He said from a policy standpoint, we may want to be very cautions about treating those as part of on-going revenues, and treat them as one time revenues, so we don't grow long term expenses based on revenues that very quickly could diminish based on world events or anything that might happen to affect construction permits.

Councilor Harris said, to acknowledge Mayor Gonzales's statement, after 40 years in the business he knows how these winds will shift. He is glad to see it now, and hopes we get a decent run, but it won't last forever and he understands that.

Councilor Harris said we really struggled with the attrition rate, and he has a few questions to see if he can understand what is being proposed. One thing he heard is, as the result of the additional revenues we talked about, Mr. Rodriguez said the Police attrition was assumed on overtime, and we need to use about \$200,000 for that. He said there was a discussion about actual vacancies, but the assumed attrition rate we've been discussing at 7.8% is now at 5.1%. He asked if this is correct.

Mr. Johnson said, "If you factor the \$1.5 million of additional revenue against the \$4.9 million in cuts, which is driven by the 7.8% attrition rate, if you lower that to the \$3.4 million in cuts needed, that lowers the needed attrition rate to 5.1%."

Councilor Harris said he also heard a discussion about the vacancies in place right now. He said he said on Tuesday he assumed we are going to be cut to the bone. He said an assumed attrition rate is just that. It is what has historically occurred at least this past year, and there is a certain assumption that kind of activity will be maintained, but it is assumed. He said in response to that, what we heard was a 2% vacancy rate right now. He said he's worried, noting in our packet, we had a 2% vacancy rate. He said this year it is 5.8%, so you are saying we are going to have an assumed attrition rate of 7.8%, and we now know we're talking about 5.1%. He asked if 'this sheet' then represents the 2% that we talked about.

Mr. Johnson said, "No. The sheet only represents the 5.8%. So the 2% budgeted is the average that was budgeted across the board in this current fiscal year. Some departments had zero, some departments had 8%, but on average it was 2% across the board. So when I say budgeted, the personnel costs are in the budget, all the positions approved last year in the budget this year were budgeted at 9%, assuming that 2%. So the 5.8% on 'this' sheet is realized, and are the vacant positions over and above the

2%. So that's where we get the 2% vacancy rate already in the budget, plus what currently is vacant at 5.8% is 7.8%. That's where the numbers come from."

Mr. Johnson said he would add an important nuance that the full sheet of vacancies you're looking at right now is a snapshot in time of 2 days ago. The attrition calculation is a snapshot in time that we took at the beginning of April. When we did that calculation we actually were looking at more than a spend pattern of budget to actuals, which is a reflection of the number of vacancies you see on that sheet. However, that snapshot when he took it at the beginning of April, if I had taken this same one, it may have been slightly different. We may have had different people on this list at that time. Just to clarify so we don't get confused. Because if you look at \$5.5 million, that is slightly higher than the 5.8% plus the 2%. So it's important to remember these are snapshots in time, because this is a dynamic system that is changing. The point being that we believe there is an excess slack in the system that, in order to budget the budget via changes to programs or cuts to services, it's in there. And that's the policy decisions that get made that go against that to make up and get us to where we need to be with cuts.

Councilor Harris said, "Thank you Mr. Johnson, I think that's a clear statement. Again, it's a hard concept for those of us who don't work with and look at the numbers as you do, but I think we're starting to get that, and I'll defer to Councilor Ives."

Chair Dominguez said when it comes to new revenue, as had been said, we have to be very careful about how we look at that revenue, because who knows what happens from one year to the next. It gives us a little bit of a different it's good news for sure.

Chair Dominguez continued, "When it comes to the attrition rate and that whole concept, the way I'm looking at it is that we can simply look at it as a vacancy rate and just say all vacant positions are cut. That's one way. I don't think that's the appropriate way to do it as the City Manager says. What an attrition rate does is it provides us some flexibility. There definitely are measureables we have that we can, and I'm not quite sure how the City Manager's Office would make sure we are within those measureables. It's on a weekly basis, as each position comes through. I imagine that's one way. And it provides us an opportunity to be a little bit more strategic in rightsizing government instead of just lopping positions off. It gives us the opportunity to be a little bit more strategic."

Chair Dominguez continued, "But at some point, and this is kind of the process the administration will go through when we approve this budget with these attrition rates in them, is the position is going to have to be non-existent – not there, non-funded. We don't have anymore unfunded positions or positions that are funded but not filled. And they're going to have to be completely off the books. And so it's kind of scary. I can imagine why staff is really really concerned about that, because it's a huge step. But I think it's a logical step to make. It's a significant step we need to make. And I think that, just like we're trying to ground zero on the overall budget, this allows staff to get to ground zero on personnel and either grow or shrink each department as we go."

Councilor Ives said this reminds him of discussions we have had over the past several years about trying to adopt a policy that if we had not filled a position over the past 2 years to take off the books. It was on the presumption that if people and departments have functioned without it for two years, it's likely not needed. But also with the caveat that a department can make a case for it, bring it forward, we would be happy to look at it. He said a lot of this back and forth is the challenge we have in creating new positions and how that gets done.

Councilor Ives continued, saying a position would seem to be a particular job description within the organization with a particular functionality. He asked staff how to make this process of reallocation of FTEs within the organization a smoother process. We are not going to solve that today, but that is an issue he would love to solve, and adding policy to the effect, "if we're not filling them, don't have them on the books as the Chair is indicating, so when we pass a budget it is because we intend to fill all those positions. He thinks we've used vacancy savings as a contingency fund for unanticipated needs.

Councilor Ives said the 2% that was just explained, made him think he doesn't understand where that 2% savings/attrition is, and asked Mr. Snyder to restate that.

Mr. Snyder said the 2% vacancy savings are all the positions that were approved for the current year. The personnel costs were budgeted at 98%, assuming 2% of those positions will not be filled during that year.

Councilor Ives said whatever we do, there are positions that will be unfilled for some period of time, and that amounts to 2% of the personnel budget.

Mr. Rodriguez said yes, noting we don't spend that money, and as a result there is savings. The attrition rate is where we press beyond that. He said no "wheels have come off," but we are hearing from the departments that it is not sustainable. He said if you will accept that there is that much slack in the system, and as attrition occurs, we can make the necessary changes.

Councilor Ives said 'this' sheet is useful to show that even though we might have a significant number of vacancies which we can liken to attrition, it demonstrates that as an organization we can function at this level of loss at acceptable levels. He appreciates it supports that proposition. He said we opened the days saying if we made all of these permanent, we would have our budget in place. But clearly we haven't been through the decisional calculus to figure out what isn't important, and the reasons we are having these discussions. He said it is good to know we can function down a significant number of staff, but the hard part is figuring how where we can absorb cuts through attrition in way that least impact our capacity to deliver services to the people of Santa Fe.

Councilor Maestas said it sounds like we are a little reluctant to permanently cut positions in the absence of strategic planning. He said there are some positions in Public Safety we decided to hold harmless in the past, and look at other non-Public Safety positions. It seems our past practice of having a 4% vacancy savings didn't seem to have any repercussions. We are now down to 2% and considering permanent cuts. He asked if you looked at continuing the practice of 4% vacancy savings pending having a strategic planning session and determining, strategy, what positions should be cut permanently.

Mr. Snyder said, "No, I guess is the sample answer. No I didn't look at a higher rate. We as the City looked at approaching it from the standpoint of... the way we read the budget and Resolution is trying to figure out what rightsizing means within our organization, so that's for one year. Next year, when we're sitting here having this conversation, what does the budget that you're going to be looking at, look like just on this topic. It looks like, assuming we've done our strategic planning and our hard work today, tomorrow, through the budget process and right-sizing throughout the year, we decreased the City personnel by \$4.9 million. So the personnel you get a year from now, will have a personnel budget down by \$4.8 million and we are delivering services at that level, whatever that feels and looks like across the City. And we've decided through the strategic planning process and we communicate with the public, we're all on the same page with that. We will still have a 2% savings and that allows us some flexibility. So I think that's where I want to head. I heard through the Resolution and rightsizing government, and us having serious conversations the way we do and don't deliver service, and how we can better deliver service. That's the way I look at the benefits of a strategic planning process and making sure we're right-sizing within this."

Mr. Snyder continued, "This sheet [Exhibit "1"] shows that right now, a snapshot in time, as Adam said, we're \$5.9 million down, where we have \$5.9 million in positions not filled. Is that sustainable in all these areas on this list. No. That's why I can't, as City Manager, in good conscience recommend we cut all these positions. Going back to the strategic planning and rightsizing, I believe that at any snapshot in time, we have this extra space in our organization. How and where that extra space is, is constantly shifting. And that's where I want to have the dialogue through the strategic planning process and with the community that talks about the way we can deliver service at the levels we are delivering service where the space may or may not be, and then we align with that while shrinking the raw personnel costs."

Mr. Snyder continued, "The thing we'll hear later today, presumably when we get to Police, the Chief is going to make a passionate plea and I support him 100%, that he is doing his best effort and is going to continue to do his best effort to fill the 23 vacancies they have now. The number is constantly in flux. That being said, I hope he does. That means we are fully staffed. That means we're functioning fully staffed. The reality of the situation is that in the past we have never gotten to anywhere less than 10 vacancies on average throughout the year. So for us to continue budgeting and putting extra in the budget, to me, that doesn't make sense. Why do we keep on putting money in the budget that we're never going to spend."

Mr. Snyder continued, "My position on that is we have included in the budget plan this year which we've never had before, with \$1.2 million sitting there. We have this \$1.5 million in fees that Ms. Martinez is bring forward that is recurring, that I think will help buffer as we move through the strategic planning process and guide us. We don't need to make rash decision throughout the budget on positions that you are cutting. But you can be strategic in the areas that you see right now that will lead into a strategic planning."

Mr. Snyder continued, "It's the long way of saying, no, I don't believe in just doing a 4% vacancy savings. Let's get back to my shotgun approach that hits everybody. Let's have those discussions on what the community expects from our delivery of service, are we meeting them at that level. Are the community's expectations unrealistic or realistic. But have that dialogue in the conversation to be sure we are delivering what the community is expecting, staff knows through the metrics involved in the

performance measures, that we can measure how we are doing. And we can go back to the community on an annual basis at least and ask how we are doing with these metrics. Through his vision of the budgeting process, we can shift our budget around to make sure we're going to deliver better service at a higher level the following year based on the replies we're getting from the community and the interaction we have with the Council."

Mayor Gonzales it would be helpful for all of us, after listening to your last statement, to understand how long some of these vacancies have existed, so that gives us some insight. The other is the issue of prioritizing – how we are going to treat the vacant positions, and maybe that's for the strategic planning. He said, "To your point, the issue of Police and Fire, they have positions mapped to industry standards so you should have one for so many people they are providing for. Whereas, that might be very different on youth specialists, or economic development or some of the items that are here. So somehow, if there is a way to allow this document to come back a little bit, to get a little bit more analysis on the days vacant, and which positions are mapping an industry standard we know we need to meet. I think this could be helpful as we continue to analysis what should be eliminated versus what should be preserved."

Mr. Snyder said we do have that data, but that data is not on this table for a reason. You know the Council, for the budget framework, required staff this year to cut \$3.5 million from the budget, this current fiscal year we're in, \$3.5 million over a 3 month period. And part of my.... and as Councilor Dominguez asked earlier or one of the Councilors asked, how are we receiving this attrition rate right now, and there are a number of factors. One being, I'm not approving positions to be advertised. So it's not for a lack of requests from the departments, part of it is me pushing back and seeing how long it's going to break the organization, that's a harsh way of saying it. What can we move within. In some areas, I get no pushback. They figure out ways to reestablish a conversation on how they perform as well as the services, and how they deliver those services. I believe it is my job to strategically do that and to see if we are bending but breaking, then that's where I'm not filling positions."

Mr. Snyder continued, "I don't know, but I caution, because we can give you the positions and days they've been vacant. But I've been doing that for at least the last year on a larger number of these positions. So on some of it I caution, just by looking at the days they've been vacant. You've got to take a look at the whole picture as to why they've been vacant so long. They haven't been vacant that long because they haven't requested to fill them, but in some cases it's an ongoing dialogue with the division, the department or section on, do you really need this position or what would it look like, how can we morph it into something else. Or in some areas, I'm just flat pushing back and saying, I think can do more within this section of the organization. But I'm doing that strategically across the organization."

Mr. Snyder continued, "So I just caution putting a number on a sheet of days saying 100 days, 30 days, 55 days, whatever days it has been vacant. Because it's not just that number. The other ongoing factor is that the position has been vacated due to retirement, it may be vacated but somebody may be on the books for a year after the position has been vacated. I guess what I'm cautioning is, we can provide that information, I just want to make sure we're going into it eyes wide open. It's not just simply staff can request that, we can do without it."

Chair Dominguez said there are a lot of factors that contribute to that. He said after this discussion we have a much better picture, an idea of how that works together. He thanked Mr. Snyder for that commentary because that is taking a lot of responsibility saying "I have made a decisions not to fill these positions," whatever the case may be. He said that is certainly a performance measurement we can place on the City Manager's Office, and imagines it would be placed on the Human Resources Director as well, because at some point it has to be captured. He said it's not fair to staff to be wanting to hire positions because they think they are critical and the administration not doing it without good enough reason.

Chair Dominguez said, "The final thing Brian, as you contemplate getting these positions filled, or staff brings positions forward to get filled, we just always have to make sure we don't compromise the health and safety of the community." He said this means a lot of things not just Police, lifeguards, it is trash pickup, quality of water. It is a whole lot of things. He said, "I know you're cognizant of that, but just keep that in mind."

Mr. Snyder said it is a point well taken, and this isn't a perfect system. He said in pushing back in Transit last year, he pushed a little too hard. He said you know you have pushed too hard, the routes were being done, but the retirements started creeping up. He said it's a fine balance, but it's knowing the threshold in the system on how we're delivering services and the number of employees to deliver services.

Chair Dominguez noted, regarding Land Use, staff is going to go back and prepare an errata to put into the overall budget, so we can see it more clearly.

Chair Dominguez said the Committee will now move to the Municipal Court.

## **E. GENERAL GOVERNMENT**

### **f) MUNICIPAL COURT**

Judge Virginia Vigil introduced Jacqueline Baca, the Finance Director for the Courts and Arlene Sisneros, Administrative Assistant. Judge Vigil said she has been on board now for 2 months. She said the Committee has Municipal Court budget before you, noting they requested a flat budget which is what they have provided.

Councilor Lindell asked what page the Municipal Judge is referenced in Document #1.

Mr. Snyder said there is nothing the budget book on that, they are loaded in the system.

Mr. Johnson said it is in General Government on page 85, but there is no specific write-up for their operation.

Councilor Lindell said she appreciates the report we get from the Municipal Judge on a monthly basis. She asked, if it isn't too troublesome, if she can add totals on that, so they can see what it looked like 6 months ago and what it looks like now, so we get a little bigger snapshot than just one month. This would give us a snapshot as to whether they are on a significant increase, or decrease. She said she isn't asking for someone to do a whole lot of work to do this.

Judge Vigil said she would be happy to do that. She said she looks at those fees regularly, noting they are dealing with close to 300 cases. She doesn't know if that is a trend or not. She said the Court staff have told her that the case increase is apparent to them as well. She has met with Chief Gallagher and will meet his later today and talked about citations going to Municipal Court, that she is experiencing an increase.

Councilor Lindell said she appreciates the Judge's willingness to see if she can accommodate her request, reiterating that she isn't looking to put a bigger load on anyone. She thank the Court staff and Judge Vigil very much.

**MOTION:** Councilor Lindell moved, seconded by second Councilor Harris , to approve the budget for the Municipal Court, as presented.

**DISCUSSION:** Councilor Ives said they talked briefly on how we have changed some of how we do business as a City when it comes to collections. He thinks that has a significant impact on the Court's day to day business. He would like to hear back from the Judge on the impact on the Court of any new programs, and any change she thinks needs to be made.

Judge Vigil said she is staying on top of those changes and something she definitely will be looking at it, and get that information in addition what Councilor Lindell has requested.

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

- B. COMMUNITY DEVELOPMENT**
  - a) COMMUNITY SERVICES**
  - b) TOURISM SANTA FE**
  - c) PLANNING & LAND USE**
  - d) HOUSING & COMMUNITY DEVELOPMENT**

See minutes of April 25, 2016.

## **C. CITY SERVICES**

A copy of *Parks and Recreation Department Budget Changes to Cover Attrition Amounts, Options #1, #2 and #3*, entered for the record by Rob Carter, is incorporated herewith to these minutes as Exhibit "4."

*A copy of Fee Increase Proposal FY16/17 to be effective September 1, 2016, Genoveva Chavez Community Center, entered for the record by staff, is incorporated herewith to these minutes as Exhibit "5."*

*A copy of Ft. Marcy, Salvador Perez and GCCC Classes Comparison, entered for the record by staff, is incorporated herewith to these minutes as Exhibit "6."*

*A copy of Genoveva Chavez Community Center – Personnel Cost Savings through Reduction of Operational and Pool Hours – Budget Proposal FY 2016/17, entered for the record by Liza Suzanne, is incorporated herewith to these minutes as Exhibit "7."*

**a)        PARKS & RECREATION**

- 1)        GCCC**
- 2)        MRC**

*Items C(a), C(a)(1) and C(a)(2) were combined for purposes of discussion, presentation and voting.*

Chair Dominguez said when we have the general discussions that separate Parks from Recreation and talk about them as two separate entities relative to the Department. When we get to Recreation he wants to separate the General Fund side from the quasi-enterprise site.

**Rob Carter, Director, Parks and Recreation Department**, presented information from Document #1, pages 64-65. Please see pages 64-65 for specifics of this presentation. Mr. Carter introduced Debora Trujillo, Administrative Manager; Richard Thompson, Parks Division Director; Liza Suzanne, GCCC Recreation Complex Manager; Liz Roybal, Fort Marcy and Salvador Perez Recreation Complex Manager; and Jennifer Romero, MRC/Golf Course Manager. He said, "This is our budget not my budget. This is the Department's budget. And this staff that is sitting behind me and next to me has had a lot of interaction and suggestions as we moved forward.

Mr. Carter handed out 3 options on how to deal with the issue of attrition [Exhibit "4"]. He also handed out 2 documents from Ms. Suzanne (Exhibits "5", "6" and "7"). Mr. Carter reviewed these documents. Please see Exhibits "4," "5," "6" and "7."

*The Committee commented and asked questions as follows:*

Chair Dominguez said one of the things he did not see in budget book is strategic planning as part of your work plan and goals – the master planning process. He was a little disappointed not to see that, because that is intended to address all of this as it pertains to Recreation, noting the Committee has been talking about strategic planning goals City-wide. He asked if there is any reason why that is not identified in your work plan in the budget book.

Mr. Carter said there is no reason, noting the Master Plan is in the process.

Chair Dominguez said, "As we talk about measureables Bryan, that's going.... that I think it is important to make sure it happens, because it will be the base we are going to use to create the measurements. So let's just make sure that we get that documented somewhere, somehow in this budget book, see that it's taken care of."

Mr. Snyder said that is understood, noting the Master Plan is paid in this fiscal year, so you won't see it dollar-wise, but it is going to guide the conversation into the service level delivery and how we are aligning services.

Chair Dominguez said a lot of departments put things in their work plan that aren't paid from this budget. It said it is important for us to be able to capture that as a Governing Body this as we move forward, especially in talking about performance measures and such.

Councilor Lindell said she has a fair number of questions and may not get them all done in the first round.

Responding to Councilor Lindell, Ms. Suzanne said Exhibit "7," is for the full facility and the swimming pool.

Councilor Lindell asked the usage at that facility after 9:00 p.m.

Ms. Suzanne said on page 2 of the report, "It's not exactly the answer to your question after 9:00 p.m., because I'm not proposing to change the hours Monday-Thursday. So I don't have those figures, but I put them down for Friday, Saturday and Sunday I was recommending the hours change. We were looking at low-use times and the evening time you're asking about is very popular in the Ice Rink and the Gymnasium and somewhat in *[inaudible]*, but in the pool and not in the youth programs."

Councilor Lindell said then until 9:45 p.m., the pool and the ice rink is busy.

Ms. Suzanne said at night the ice rink and the gymnasium and fitness are busy especially with the sports and hockey leagues. So they were going to reduce hours at night Monday-Thursday, it would make it very difficult for them to continue to run our sports and hockey leagues.

Councilor Lindell asked Ms. Suzanne in determining the usage, how does she determine the number of people and if that is swipes of the membership, or receipts.

Ms. Suzanne said it is kind of complicated. She said their software captures membership swipes for 7 different age categories. There are drop in users that paying a daily fee for 4 age groups for ice, pool gymnasium and fitness. So this report attempted to show the drop-in users for the pool and the membership swipes which go anywhere they want which is one of the benefits of purchasing a membership.

Councilor Lindell, referring to Document 2, page 15, said she sees proposals of decrease, and they are a little much to absorb in two minutes of just having them passed out and no time to study them, but she isn't seeing the associated savings from these proposed decreases. She doesn't "know what this gets me."

Ms. Suzanne said on the second page at the very bottom, if they were to reduce the pool hours, they could eliminate 3 part-time temporaries at \$15,000 each for a total of \$45,000. She said think the revenue loss would be about \$12,000, so we might be looking at a personnel savings of \$30,000.

Councilor Lindell asked where the facility proposals are reflected in the cost.

Ms. Suzanne said in the same place, under the membership swipes for Friday, Saturday and Sunday. These are their slow use times.

Councilor Lindell said she isn't seeing the savings to the facility.

Ms. Suzanne said the 3 positions would be the savings they could guarantee where they cut. In terms of the facility, they don't think there would be savings with utilities, but there might be savings in paper towels and soap. However, they think people will adjust to the hours and the reasons they aren't doing the other costs.

Councilor Lindell asked about the personnel costs of the facility closing early.

Ms. Suzanne said those 7 hours wouldn't allow them to cut additional staff other than the 3 temporary positions shown for the pools.

Councilor Lindell so if we close the entire facility early... noting she is seeing numerous suggestions for closing an hour early on Friday, 4 hours earlier elsewhere. She asked if all of these closures don't add up to any personnel savings.

Ms. Suzanne said there are 7 hours of cuts to the main facility, dropping from 99.75 a week to 93.25, so 6.5 hours. However the pool has the most significant reduction of hours, so they could eliminate some pool staff.

Councilor Lindell asked about other staff on the other decrease of hours. She observed that we're not even bothering to think about closing them, if we're not saving anything.

Ms. Suzanne said, "We were asked just to show different options, and this is one place where we could eliminate 3 positions, for \$45,000. We did present some other options, but they're very extreme. The amount of the revenue we would lose and the impact on the customers. You would get almost \$200,000 in savings if we closed both Fridays and Sundays all year.

Councilor Lindell said, "I don't understand why, if a facility is closed for 6.5 hours a week, that we don't realize any personnel savings from that."

Chair Dominguez said what he heard Ms. Suzanne say that people will adjust. So you will still have a bunch of people in the gym during the time that it is open, and you still need personnel to attend to those people.

Councilor Lindell asked, "What about the hours that it's closed. Who are we attending to."

Chair Dominguez said, "Let me see if I can articulate what I'm hearing. When the facility is closed, no one is in there, employees or patrons. If the pool is closed, but the gym is open with different hours, you still need people in the gym but not in the pool. So if the ice rink is open, other parts of the facility open, regardless whether it is open early or late, those people still need to have the services your staff is providing."

Ms. Suzanne said, "I think I can explain. The swimming pools take 3 certified pool staff to have 1 pool open, where the gym takes one non-certified staff to be open. So the swimming pool, when we reduce the hours of operation it actually needs personnel without having an impact on our revenue and the number of customers we serve. If I cut a gymnasium staff, I literally would cut 1/3 of the entire staff of the Chavez Center. And the ramifications of those cuts would be too significant for customers."

Councilor Lindell said, "I'm sorry, but something is very lost in the translation here. But if the facility is closed and we decreasing the use of that entire facility for 6.5 a week, I've got to see some savings for 6.5 hours a week."

Councilor Villarreal asked, "Could the individual explain, if you can tell us..... if the entire facility is closed for 6.5 hours. What does that mean, the hours the staff is working is less. So doesn't mean they actually.... frankly, I don't see a savings because there is a loss of salary or wages. What I'm trying to understand if there is amount.... there has to be an amount for the number of hours reduced for staff. It doesn't mean we're talking about people that were eliminated, I hate to say that. But there is a time period of 6.5 hours that the staff ends up leaving earlier, so what is that amount."

Ms. Suzanne said, "Now, I understand what you're asking. In the gym and in the ice area, those 6.5 hours don't allow a staff member to leave early in the same way that it does in the pool, because it's 1 staff member per hour instead of 3 or more. And those staff overlap because we're open more than 16 hours a day. There is an 8 hour shift, then there's no one there, then there's an 8 hour shift, so management covers a lot of the gaps. So the facility being closed for 6.5 hours does not end up allowing any of the other staff in those other areas to be reduced, even from 40 hours to 37 hours a week. They're already working their full 40 hours, and not covering all of the time we are open. The swimming pools are different, because you cannot be open without those 3 certified staff for the pool. Does that help."

Councilor Lindell said, "I don't want to say that makes sense to me, because it really doesn't. But I think there's probably a better way to go about doing that so that it would realize some savings." She said she would move forward.

Councilor Lindell said, "To have documents passed with the expectation that we can absorb 6 pages of numbers and calculations and ask intelligent questions about them within 5 minutes... I need remedial work on that to tell you the truth. Councilor Lindell asked, referring, referring to Document #2, page 17, if closing Fort Marcy and Salvador Perez only allows us a \$9,200 savings over the course of a year."

Mr. Carter said that is correct, because they would reduce the temporary staff, and the full time staff would have to work their regular hours during the week. He said, "Just to let you know, those facilities are closed, one on Saturday and one on Sunday right now. What is it."

Ms. Roybal said currently, Fort Marcy is closed on Sundays and Salvador Perez is closed on Saturdays, entirely, and that was a cost savings from a couple of years ago.

Councilor Lindell said then between the two of them, with the 6 temps, we save \$9,200 a year, but the facility can stay open.

Mr. Carter said, "No, you cut those people and we will be closed."

Councilor Lindell said so essentially, that would close the facility for 2 more days.

Mr. Carter said that is correct.

Councilor Lindell, referring to Document #2, page 17 down the page, under Close Salvador Perez \$138,000 on O and M, then a little further down the page, Fort Marcy \$338,000 O & M. She asked the reason for the huge discrepancy.

Mr. Carter said Salvador Perez consists only of a fitness center and a swimming pool. Where, Fort Marcy has a fitness center, a swimming pool, a gymnasium, 2 racquetball courts and a community room. So that building operates more with operations and maintenance than the smaller operation at Salvador Perez, and the reason for the difference in O & M.

Councilor Lindell said that seems very very sizeable to her.

Councilor Lindell, still referring to Document #2, page 17, in the middle you have Adjust GCCC hours for a \$60,000 savings. The proposal is to close one hour earlier for 5 days, and then close 1 hour and 45 minutes early on Saturdays and Sundays. She asked if this gives the savings of \$60,000.

Mr. Carter said he sees a typo on page 17, and the GCCC is actually closing on Saturdays and Sundays at 3:45 p.m., and not 1:45 p.m. And that is the \$60,000 in savings.

Councilor Lindell asked the closing time currently.

Mr. Carter it is 8:00 p.m. on Saturday and it is 6:00 p.m. on Sundays.

Councilor Lindell asked if it is closing 3 hours and 45 min earlier, or it closing the facility at 3:45 p.m.

Mr. Carter said the entire facility would close on both days at 3:45 pm.

Councilor Lindell asked where that is reflected in the sheets we were just given.

Mr. Carter said it isn't reflected on the sheets.

Councilor Lindell asked where are those savings reflected in the sheets we were just given in the options that we were just given.

Ms. Suzanne said there are 3 pages in the handout with several different options, and since the budget hearings began, they went back and encapsulate those into one option for the Chavez Center which was the new page handed out, which was intended to simplify.

Councilor Lindell said, "You are only giving me on this new handout today, you're only giving me \$45,000 in savings. I've got to have more than that, because that's where I started over here. So, we're going backward from where I need to be going. So what you guys are basically saying to me, is that the sheets in this booklet are no longer valid."

Ms. Suzanne said, "Well our understanding of those sheets is that there were several options, none of them had yet been selected, in that they're tied into the personnel savings attrition rate in the budget."

Mr. Johnson said, "I think just a clarification on that. I think the sheet handed out today is a new proposal and the proposed savings is different than the original handed out, which it's intention was to be proposed as options to be considered from a policy perspective."

Chair Dominguez said, "I am going to take a little privilege here as the Chair. I anticipated, that given what we had in Document #2, it was going to be very confusing. So I met with Oscar and Adam, I think you were there, after our meeting on Tuesday. And I said you need to come up with different options or come up with a way to articulate better the options we were provided in Document #2. Also I said, for discussion, the numbers needed to be much more in alignment with what was intended to be the attrition rate, and how we could accommodate the attrition rate. Because, based on our discussions with the Library, we were going to go down that same path and interject more confusion with the sheets that were in Document #2. So I think the new stuff that is given is to simplify some of our options and simplify things a little bit better."

Mr. Carter said, regarding the clarifications on page 18, "We'll spell out the one for what we recommended with reducing ice time and also on Friday and on the weekends. And this includes, we would have to eliminate 3 ice arena staff and 3 lifeguards, all are temporary."

Councilor Lindell said she can see that pretty clearly on page 18, and asked where is that reflected in what she was given today.

Ms. Suzanne said, "What you were given today does not include the ice arena. After the hearing on Tuesday, we realized if we close ice arena as stated, the impact on the services, customers and revenues was too great. Which is why I went back to just 6 hours at the main facility and the 10 hours in the pool, and that savings lasts, even when you subtract the loss in revenue."

Councilor Lindell said, "You show only a \$45,000 savings with this, and we were at \$80,000 over here."

Ms. Suzanne said, "Yes, and the difference is that when we went back and looked at the revenue and how it would impact the revenue, so we can have more savings and less revenue. We could definitely reduce more hours, reduce staffing, increase personnel costs and new revenue."

Councilor Lindell asked Mr. Johnson, "What savings are we trying to get to here."

Mr. Johnson said, "So, I would like to step back on that point for just a second. Because we can look at it as a direct to that Department, but do get concerned about pigeonholing necessarily that we're trying to hit that exact number in that Department. And then another nuance with this is that the Chavez Center is dependent on the General Fund so it should definitely be put into the attrition observation and the way that we execute. Meaning that if we find savings at the Chavez Center, then it would reduce the operating subsidy that is going to them, so it definitely should be on the table as part of the conversation. Because I did not apply the attrition credit directly to the personnel at the GCCC, and it's not provided in the sheet this morning with the vacancies in the General Fund either, so I don't know the exact number that would apply to them."

Mr. Johnson continued, "But I would also just caution strongly that this discussion that I'm hoping to promote is more about a policy discussion for which two of these hours makes sense for services, and then we see where we land and what we get. I definitely understand to want to see the exact figure we need to get.... trying to get to that exact figure through this process, but I think it's more about what makes sense for the facility and what the Governing Body wants to offer to the citizens. That said, I think we're also lacking a lot of other data points which is making this difficult to work with."

Councilor Lindell said, "I totally agree with you, but how am I supposed to make these decisions when I don't know the numbers for each facility, and what numbers would make sense for cutting back hours. And what we were presented with less than a week ago, isn't what we are presented now. I'm going to yield the floor and see if someone else can make sense of this, because I'm not making much sense of it."

Councilor Harris said he would start with page 31 in Document #1. He said under expenditures, we had a budget for this FY of \$8.2 million, and what is proposed in the next FY is \$8.9 million. He thinks this is due in part to the fact that the General Fund is a parent, and that in the future we are going to be acknowledging that we are going to take some money from the General Fund to the GCCC enterprise fund, and the reason we're increasing from \$8.2 million to \$8.9, in part.

Mr. Johnson said, "The number in there is in part... I need to double check whether the transfer to the GCCC goes into that line, the way it's described. There is certainly an impact of \$200,000 to the GCCC [inaudible]. So it certainly includes that, and it also includes a transfer that was originally another fund that goes to the MRC of \$100,000, directly to Operating Expenditures. It also includes moving what had been previously spent as CIP funds that should be recognized as Operating Expenditures into that line item as well."

Councilor Harris asked if it is safe to say, in general, recognizing and stopping the previous practice of transfers into the GCCC and the MRC and the CIP assuming the balance, but for the most part, if we set those aside, would this be pretty close to a flat budget.

Mr. Johnson said there is no request for expansion, with the exception MRC request for staff previously paid by CIP, which they anticipate a revenue increase to pay for that specifically hits their fund.

Councilor Harris said what we see, the \$700,000, is stopping the practice of shifting from one fund to the another, commenting that is what he heard with the last wrinkle of the MRC money.

Mr. Johnson said, "To clarify, it's not just stopping the previous practice of shifting, it's aligning the appropriate and recurring revenue with recurring expenditures that are operating expenditures."

Councilor Harris said he would agree with Councilor Lindell, that getting the information at this point is difficult to absorb. He said this is a cautionary note for all departments. He said rather than talking about the hours of operation and closures, he would rather talk about the other sheet which is proposed fee increases [Exhibit "5"]. He asked if the proposed fee increases are incorporated in the revenue projections for the recreation component of Parks and Recreation.

Ms. Suzanne said in Document #2, on page 4, there is a GCCC rate structure. So you did have the information, and the handout today provides an update in revenue which will be tied to the recommendation plus the increase. The only new information in today's handout is the far right-hand column at the top.

Councilor Harris asked, whether in the handout or Document #2, are the proposed fee increases incorporated into the revenue stream anticipated for Recreation.

Mr. Snyder said, "I believe the answer is no. In the budget, the items in this packet, or for conversation purposes, it had not assumed that the Finance Committee and ultimately the Council would raise the fees for the GCCC or any of the other fees that are in here. So there are fees, based on past revenue projections from previous years without these new fee increases. So the answer is no, we didn't

assume you were going to assume the revenue increases and put them in. So the additional revenue to the GCCC we're talking now would offset some of the expenditures coming from the General Fund."

Chair Dominguez asked if it was intended that somehow we were going to make up the loss of revenue with some of the closures through these fee increases. So if we were to go that route, and wonders if the intent was to try to capture that loss through fee increases, or to eliminate any source of cuts at any of the facilities through increases. Because if the increases aren't incorporated into the budget, I think that's certainly an option then to try to balance the two.

Councilor Harris said, going back to page 16 of Document "1" which is a simple listing of the increased fees and charges that total \$2.1 million, he didn't see anything listed from Parks and Recreation. He said, "So the answer is that the budget that is being proposed does not anticipate fee increases."

Mr. Carter said that is correct, and those were their recommendations to generated some additional interim revenue for Parks and Recreation. I think fee increases should be the focus rather than closure. He asked if it is safe to say that is what the records would see as well. He asked if that is easier for more constituents to accept.

Mr. Snyder said the attrition rate loaded in the budget, is \$122,000 for Recreation and Parks \$244,000. He said they envisioned proposing rate increases or scaling back hours of operation to get to the attrition rate. He said *[inaudible]* looked at how their current rates compare to other similar services provided in the community so as to not drive people away. He said so it is trying to strike the balance, but live within an explanation. He said, "Yes, I think the answer that they feel comfortable with the revenues and they speak directly to those. And if they offset the attrition rate, at the end of the day that's one way of filling the attrition rate. The other way to do it is scaling back of services, and another is a combination of slightly raising the revenues and rightsizing... so it's a combination to get to attrition, so you could do all of one of or a combination of."

Councilor Harris said this document [Exhibit "4"] presents 3 options for the assumed attrition rate. He said the assumed attrition rate for each option is the same, so Recreation is \$122,697, and for Parks is \$244,349.

Mr. Snyder said that is correct.

Councilor Harris said he is inclined to look at fee increases, but Option 1 only represents fee increases, plus an acknowledged savings for water bills from Parks, and Mr. Snyder said that is correct.

Councilor Harris said we've passed the based on this document. This document achieves, if everything was accepted, how the \$173,000 in fee increases assumes part of the assumed attrition rate of \$122,000.

Mr. Carter said that is correct. Actually, that number probably would increase some because it is based only on membership and daily fees. He said they also are recommending increases in class programs and rentals in facilities as well.

Councilor Harris asked Mr. Carter if he has any idea how much that would generate.

Mr. Carter said he would guess between \$25,000 and \$50,000 more a year.

Councilor Harris said, regarding Parks the assumed attrition is \$244,000, and \$200,000 is anticipated from the cut in water use in parks. He said, regarding the MRC, with the increase of golf fees we are anticipated increased revenues of \$144,000, which will reduce the amount to come from the GRT. He said this becomes an offset and reduces the amount of money to come from the General Fund.

Mr. Snyder that is correct. He said any realized revenue increase, noting the revenues are not real until we realize them. He would caution the revenue increases are only as good as the behaviors that exist currently at each of the facilities. He said any revenues above the attrition rate would offset the transfer-in from the General Fund.

Councilor Lindell said on the MRC golf fees to expect an increase in revenue of \$440,000 concerns her somewhat, commenting she doesn't know what increases are being proposed. She said that part of the market is extremely competitive and to have a flat rate, thinking we will bring in \$400,000 more per year, we may find ourselves bringing in less than what we do now. She said a lot of golfers are very value driven, and she doesn't know the increase is.

Chair Dominguez wants to make sure to stay on track. He said the question is how we got that increase, which speaks to the previous discussion that we have to be very careful, whether fee increases or revenue projected at a golf course or a construction industry. He said as Brian said, we have to be very careful about we calculate these questions.

Mr. Carter said he will let Ms. Romero answer the question.

Jennifer Romero said, effective March 1, 2016, the rates were increased, but not across the Board. They looked at rates where we felt they could justify an increase and keep our customers. She said in March they had an increase of \$4,000 over last fiscal year. She said golf is dependent on weather and course conditions.

Councilor Lindell said she would just caution that \$400,000 plus is a huge number to try to hit, especially with the rate increase in and they saw an increase of \$4,000. She said we have to have an increase of \$40,000 to hit that number. Just a strong caution.

Chair Dominguez said it is well taken and speaks to everything we talked about.

Councilor Harris said he is not a golfer but knows a few. He said they have told him that the rates are too low. He thinks it is appropriate to increase the rates, and asked what is a typical rate for the regular golfer.

Ms. Romero said they didn't change the 18 hole rate, so currently it is \$30, and \$17 for a cart. She said they did increase the Senior rate from \$23 and to \$25 per round.

Councilor Harris said he and his friends are seniors and they thought the \$23 was a little too light. He said he wouldn't thin, all these does not come from senior rate.

Ms. Romero said that is correct, noting the Seniors are their core golfers and they didn't want to increase that rate. They looked at several other rates, including the Senior afternoon rate and the 9 holes were affected as well.

Councilor Villarreal said it would have been easier to understand if it had been broken down to the revenues sources if rates are increased. She said it also would have been easier to see the savings for the reduction of hours. She thinks this would have helped all of us to understand the numbers better. She does think the fees are low and a small increase would help. She asked if there is a sliding scale option at any of the recreation centers.

Ms. Suzanne said there is policy that there is a low income discount of 50% for people who present the paperwork who are working and living at a certain income based on the National Poverty Scale, for all services, membership fees, daily drop-ins. She said there is no sliding scale. She said a Veterans discount was adopted this past year.

Councilor Villarreal asked how they check the income level.

Ms. Suzanne said it is based on the paperwork they supply – medicare, medicaid and tax returns. She doesn't remember the exact number that gets them to that rate.

Councilor Villarreal asked if the options you presented to us get rid of that rate.

Ms. Suzanne said, "No. Those still exist as well as the corporate discount open to the business community if they have 5 or more employees and become members, then it's a 20% discount."

Councilor Villarreal asked if there is a reasonable rate for family membership. She said it is hard to digest all of this information because they got it all at once. She was under the impression we were looking at how the rates would support what we were trying to do versus cuts. She said she still isn't sure, in talking about reduced shift hours, that actually saves money. She said when she sees a shift reduced because of less hours, that is less that is being paid in wages and asked if that is factored into the budget.

Ms. Suzanne said, "We're at approximately 100 hours a week, so the sections that require only one employee at a time have 3 employees for the morning, noon and night shifts. So the shifts, especially with the unions... in a sense you have to more staff than you have hours for it, because they work 5 days a week with 2 days off, and there is some overlap. It has to be open 7 days a week and different hours. So they are guaranteed hours is really what we're saying based on union contracts. I think that's the missing link is the required hours, and if it's not the days we closed early, then it would be somewhere down the way."

Mr. Snyder said, "For the AFSCME contract there are no required hours. It is the type of employee, classified, or the way they are. Police and Fire, I want to draw distinction, because Police and Fire are different from the standpoint of manpower, the number of staff responding to a certain type of call, and the things their contract lays out – the number of employees to do certain tasks. Whereas, AFSCME's contract does not do it. So, it's not necessarily the number of hours, it's the scheduling around the hours. And from what I'm hearing Liza say that in an area that has the requirement for one person to be there, for 100 hours that's at least 2 ½ people for 40 hour shifts a week. But there is overlap within that, and then there is flex from the standpoint of sick leave, annual leave those kinds of things, so that's what I'm hearing her describe. But we are not required to staff it a certain way or have a certain manpower level in a certain way."

Councilor Villarreal said, "What you're saying is that there essentially would be a certain number of people to be able to run the facility well."

Mr. Snyder said that is what he is hearing Liza say and he wouldn't pretend to be an expert on that facility.

Councilor Villarreal said, "The hourly thing is confusing. It would be interesting to see how that could save. I thought there would be some overhead savings, that it would actually save some funding."

Mr. Carter said, "Part of the problem on overhead is the utilities have to keep running. The ice has to operate while you're closed, the pool has to operate while you're closed. The chemicals have to be flowing through. The only thing you might save is a little bit perhaps on electricity, everything else basically stays functioning the whole time, heating the pools and such. So that is why you don't see anything really about overhead, is because of the circumstances that are the same at any of the facilities that have to stay operating."

Councilor Villarreal said she appreciates the time you spent to break down what the hours could look like, reduced hours, but she would prefer to look at the rates first and then see where we would go. I'm hoping it fits. She said the attrition thing is confusing for the public, because they look at it and say, oh, we're cutting this amount from this department. They don't understand that it is the vacant rate we have that reduces staff. She asked if this is correct.

Mr. Snyder said, "That's correct. And that what I think Oscar, Adam and I, throughout the last 3 days have tried to caution." The attrition rate for the Police is \$800,000, and if that is a fair way to look at it by personnel and department. His recommendation from looking at it, it's a combination of balancing revenue increases and scaling back of services. If we had the opportunity to right-size services. He said we told some yesterday, especially the libraries, to figure out a way from the options that were presented to minimally impact the consumer, the person using the libraries. Similarly here, if there is an opportunity for a revenue adjustment and/or scaling back to rightsize, for lack of a better term, I see that. But to hone in on \$122,000 for Recreation and hone in on \$244,000 for Parks, and \$800,000 for the Police, personally I think that's the wrong way. We're doing a disservice to the departments as well as the community. The bottom line is \$4.9 million, how to get there. Right now the numbers in the budget are how many vacancies we have in the current basis. And that's the basis for how we get to the \$4.9 million.

Councilor Villarreal said because it is confusing, it isn't quoted exactly right in the media, and it looks like we're cutting in this manner, and it's vacancies that may or may not be filled. The Police is a different scenario, but she doesn't want to go into that. She said it would be helpful for all of you to make a case to say what revenues we generate, especially leagues. I'm always curious about leagues, if it actually is more money for us to run leagues versus a benefit for the operation. She would like to see in the future how that works, because we also could make a case as to why we have the leagues, not just the importance for the community, but that it is a revenue generator for the City.

Chair Dominguez said, "Libraries have service hours just like recreation centers. One of the differences is that libraries don't generate revenue and recreation centers do. The second point is when you read the document of the budget book [Document #1], in the Change Highlights, there is a statement that simply says, increased Parks & Recreation Fees to generate \$200,000. One could presume that means that is build into the budget already. And that was something.... having heard Brian say what he says, it is clear now whether or not that is loaded into the budget and obviously it is not."

Councilor Ives said going back two days to our "hiring freeze attrition" sheet, for lack of a better description, we had suggested our goals were to recognize in the upcoming budget the numbers that appeared here. He said for Parks, Trails and Watershed, that was the \$244,400 and for Recreation the \$122,700. He still is inclined to use those goals, although he understands that is arbitrary to some degree, but he is not getting the complexity across the entirety of the budget that allows him to figure out how to do it otherwise here. His inclination is to do what we did with libraries, which is that we want to realize the two goals of revenue savings for the next year. He said it has been demonstrated that we could talk for hours and days about shifts, and an hour here and there and the impact on the facilities. However, it would take a very long to educate this Governing Body to make clear decision and understand the impacts. He is much more inclination to a broad direction and ask the department to come back to the City Manager as how to get that done.

Councilor Ives continued, saying he concurs that fees are a great place to do that, and figure out how to accomplish the goals from 2/3 in increases of rates and 1/3 in cuts. He said with general direction that we want to impact the people using these facilities as little as possible, recognizing each facility will have impact. There is no alternative to that. He is not in favor shutting down any one of these facilities across Santa Fe. He said to add to that, clearly of these facilities are totally different in terms of size in the community and the budget. He would have loved to have seen is for each of the facilities and its associated revenue and expenses for each facility to see the relationship of the facilities to one another. He is inclined to say the larger the facility, the more it should contribute proportionally to the cuts and revenue increases, to get an equity sense of that.

Councilor Ives continued, saying that is how he would solve this and try to move this discussion forward, rather than have us give you directions for specific facilities. He doesn't understand the usage sufficiently, nor have the information to facilities to what he would describe as the right decision. He thinks the departments and divisions do know that. This would be his direction as to how to proceed forward in a reasonable way, recognizing we want to support increases in fees primarily, but that cuts are also a prudent way to do that and have that impact all of our facilities.

Chair Dominguez said he thinks we are nearing that tipping point on the whole attrition discussion.

Councilor Maestas said he agrees with Councilor Ives. He sees this as a bridging budget. He said this framework got us to zero, and we are going to see a dynamic impact to the budget with the Hold Harmless, and sees us revisiting revenue enhancements or additional cuts. So he sees this as a temporary budget. He said many departments rely on quality of life funds, and we recently made a change to the Transit GRT where we basically eliminated the General Fund Subsidy. However, the quality of life is guaranteed up to 11% of the 1/4% Transit GRT. He said in Document #1, page 33, under Gross Receipts Taxes transferred in, we went from \$700,000 budgeted to \$259,000. He asked reason for that transfer when we can get as much as 11% of that 1/4%, which he calculates as \$860,000 the reduction, assuming the 1/4% generates \$7.8 million.

Mr. Johnson said, "The specifics of those two funds... the discussion we've been having today with Parks and Recreation, the revenues and expenditures we have been discussing are everything in the General Funds and the enterprise funds – 5700 and MRC 5600 and 5605 is not a part of the transfers that are occurring in 2505 and 2705. Maybe that's not helpful because transfers get a little complicated. But, the Quality of Life GRT comes in and goes first to Transit to make its operations whole. The excess goes to this 2705 Recreation Fund which funds the Youth Fund we discussed yesterday, and the remaining balance goes back to the General Fund."

Councilor Maestas said historically, the General Fund was getting \$1.25 million, and Quality of Life was getting 10-11% or \$700,000. He asked, with the \$1.25 million not going to the General Fund, if we are assuming that Transit will need all of the 89% of the 1/4%. Because, if not, then whatever is left over, minutes the 11% cap on Quality of Life, goes to the General Fund. This is the change we made in the Ordinance, and we don't need to discussion now. He said he thinks we should go back and look at the change to the Ordinance, and find if Transit needs the 89% of the 1/4% GRT dedicated to it. If not, did Quality of Life get it's full 11%, and if there was excess, did it go to the General Fund. He said, "I couldn't follow the money from the Transportation GRT and the balance going to Quality of Life. And when I saw the Quality of Life Fund cut on page 33, it made me wonder if we are proper implementing that change to the Ordinance."

Chair Dominguez said some of the Quality of Life is captured in some of the base budgets of departments, such as Outdoor Recreation.

Andy Hopkins, Finance Budget, said, "Most of what you are seeing there is not, in fact, a cut. It is a reallocation of transfers a simple vacation of transfers. What you will see in the current budget and the prior year actual, is that the entire amount of Quality of Life will come into the Quality of Life Fund. And from the Quality of Life Fund it will be transferred to the Recreation Fund. That is why you will see a transfer in from the Quality of Life Fund of \$325,000, and then \$455,000 this year down in Recreation Fund. What Adam and myself decided to do to simplify the budget a bit, was to have that funding, instead of passing through the Quality of Life to the Recreation Fund, to go directly from Gross Receipts Tax to the

Recreation Fund. There is a small decrease in Quality of Life, but it's not nearly what it appears to be, simply because that money was moved from a transfer out of Quality of Life where it had come in, *in toto*, directly allocating to the two funds, rather than passing through Quality of Life."

Councilor Maestas said he understands, he followed that and it is fine with him. He asked, "Did in fact, Public Transit use all of its share of that GRT."

Mr. Snyder said, "Yes. And during our discussion on that Ordinance, reflecting back on that, that \$1.25 million we're talking about does not reside in the operating budget as you had proposed. It goes directly into the capital budget for the sole purpose of buying buses. So Transit has a need to use all 89% of the Quality of Life because of their operations and bus needs. The discussion we had at the time, my recollection is that it would all go into the capital budget. And I just confirmed it is in the draft Capital Budget I will be presenting next week, for the sole purpose of purchasing buses."

Councilor Maestas said he just wanted to make sure we didn't have excess to go into the General Fund after the Quality of Life 11% was met.

Councilor Maestas, referring to Document #1, page 36, under Expenditures under Parks & Recreation, GCC Subsidy is \$44,750, MRC Subsidy \$1.3 million, asked if these are O & M subsidies.

Chair Dominguez said the voters mandated that the 1/4% go to those facilities.

Mr. Johnson said, "In particular, the Chavez Center receives revenue for the services it offers, and then they receive a specific GRT that was passed specifically pledged to them. The practice in the past was to make them whole, by transferring from the 1/4% Capital Improvement GRT, which is the not right thing to do per financial practice. So we left behind a transfer that makes whole their capital outlay purchase, capital purchases in the GCCC, one time stuff such as fitness equipment. Then we applied the difference to the transfer to the General Fund, going back to correctly allocating O&M expenditures with operating revenue, getting to your point that we are no longer in the practice to use one-time money to fund recurring expenditures. Ideally, we would get the Chavez Center off the 3102 money also absolutely. The 3102 money in the future, the goal is that it is to be preparation, design and construction of capital projects."

Councilor Maestas said the dedicated GRT increment is under the Municipal Judge infrastructure category, so that can't be used for O&M, unless it's being used for debt service.

Mr. Snyder said, "The way Adam explained and the way I understand it, is that 3102 money, the GRT is going for one-time capital. It's not O&M. It's one-time capital needs in the Chavez Center.

Councilor Maestas asked why we are calling it a subsidy.

Mr. Johnson said, "It is called a subsidy, and maybe back on one of the points I want to make. It is because the original contemplation of the Chavez Center is that it would stand on its own, with its own revenue plus the 1/4% that is actually dedicated to it. This is above and beyond and should be noticed as

a subsidy, as is the operational transfer from the General Fund also should be noticed as a subsidy. And to just clarify a point is that the Chavez Center is an enterprise fund. It does not have anything to do with that it receives tax revenue, it has to do with it's supposed to stand on its own. He said to Councilor Maestas question, it clearly is not standing on its own. It is a major concern of his and of Finance, and they are interested in watching it closely and looking at any changes that can be made to stop that within a few years. It isn't sustainable, and impacts everybody that relies on the General Fund.

Mr. Rodriguez said we are advising best financial management practices, but the Ordinance does allow these transfers to take place. He said, "You are correct and thank you for noting it." He said this is a significant step where we want to go. The idea is this fund to be the front end of our capital program, but we're not there yet. He said, at this stage, since we couldn't get completely out of it at this stage, we are saying only one time money will be used here. Next year all these resources will be going to design shovel ready projects.

Councilor Maestas, referring to Document #1, page 45, said we are talking about cuts in services and hours, positions at the Chavez Center. He noted a beginning budget of \$1.3 million, and we factored in a carry over budget of \$1.3 million. He asked why are we using the balance of \$1.3 million in this fund.

Mr. Rodriguez said it is because it would violate the principal of using one time money to pay for ongoing operations, and we are recommending the cash be used solely for one-time projects or capital improvement projects, noting the GCCC has significant projects coming forward with the coolers that have to be replaced.

Councilor Maestas reiterated he sees this as a bridging budget, and although it might violate those principles because it is a bridging budget, the \$56,000 to the GCCC would hardly impact a balance of \$1.3 million. He doesn't see why that balance can't absorb these cost reductions for the GCCC.

Mr. Snyder said, "We always are going to have one time money left over at the end of the year. In the past it was for recurring expenditures. He is concerned about calling it a bridging budget, because we're always going to have money left over to carry-over to the next year. What we are recommending is that we use the one-time money for one-time expenditures, not recurring operational needs, for this budget."

Councilor Maestas asked what is the basis of having a constant balance of \$1.3 million in the GCC fund, commenting there has to be some basis for that. If it is a contingency amount. What is the basis for the contingency. He said perhaps we should focus on the funding and try to create some stability in the funding instead of constantly revisiting different scenarios of cutting back hours and staff and closing facilities.

Mr. Johnson said, "One basis, which is on page 6, which are the Revenue Policies as part of the Financial Policies adopted, "i" talks about one-time and unpredictable revenues. He said "i" was a critical segment of the Financial Policies that staff applied to this budget throughout this year. And so what you will see in all the Fund Summaries or the Statement of Municipal Funds, starting on page 26, that recurring revenues will meet recurring expenditures. In the instance it doesn't, it will mean there is a capital

purchase and the capital purchase will hit that balance. To your point, the \$1.39 million in the Chavez Center Fund, could be directed to be used for operations, but then we would arrive at a point next year where whatever amount is left... essentially this money should be left to be used for capital the Chavez Center needs to the point if there isn't a basis, if we don't see a project that requires that on the horizon, it could be applied. It just has to be recognized that it's not recurring and we still have a deficit problem. It was sort of hidden, so what we did is we aligned it and exposed it in the General Fund so we could see the truer cost of the operations of government subsidy or not. That absolutely would be the Governing Body's choice to do that, but that is not the recommendation that we've come forth with."

Councilor Maestas said okay. He thinks we should consider the fee increases. We've already closed certain facilities on certain dates and alternate weekend coverage for weekend coverage. If you can't justify that balance, despite it violates our principles...

Mr. Rodriguez said that would be a bridging strategy, and that is your prerogative to decide as the Governing Body, but it's not ours. He said, "The Governing Body prescribed the financial policies to which we are adhering, and this is our recommendation."

Councilor Maestas said we know we will have \$660,000 less in GRT revenues, and that creates instability in our budget, so we're going to have to do something. He asked if we are going to revisit cuts again next year, or the next budget cycle. He said we're still looking at a place of instability, and so why not do this until we create stability and plug that. For example, the Hold Harmless impacts which are progressive. He knows it's our prerogative, but he doesn't see any justification for carrying over this balance at this time.

Mr. Rodriguez said when you see the capital budget, you will see that the chillers being replaced in capital budget at \$200,000 each. He said we can look at it and say we want to make a decision for what the community wants. And from their standpoint that means recurring revenues covering recurring costs and we're trying to get there.

Councilor Maestas said you're showing an ending balance of \$1.53 million, so obviously you're not going to spend that in this next budget.

Mr. Rodriguez said that will be in the capital budget, noting this is the first time they aren't together. He said next year you will get all the documents at the same time.

Chair Dominguez asked the Committee to start wrapping this up.

Mr. Snyder said, "Just to keep the perspective. We touched on this on Day 1 and Councilor Maestas and others may not have been here. The budget we are recommending is a budget that matches recurring revenues with recurring expenditures, and one time revenue to one time expenses, which gets us to zero. Meaning it fills the \$15 million budget deficit as outlined in the framework and gets us to zero. You are correct Councilor Maestas, that includes the Hold Harmless for this year. It does not include the \$10 to \$11 million Hold Harmless requirements will have over the next 13-14 years. Next year the budget you have before you, already will have been aligned with the current revenues and expenditures, with

everything put into place this year. There will be a budget deficit next year due we know for a fact is going to be the Hold Harmless. I said budget deficit, but we're going to have to find \$660,000 or \$700,000 to cover the Hold Harmless for next budget year, so that conversation will continue throughout the year."

Mr. Snyder continued, "The other thing we've done is to put alignment in funds that have been in the negative, using the one-time money as well as paying off things, as well as to get the funds into the black. This is part of the budget package we're presented. There will be monitoring these funds and report to the Finance Committee so you know how the fund are trending. If trending toward red we will need to make adjustments sometime during next year. Our hope is to simplify the budget, be transparent about it, get it in alignment, eliminate bridging strategies altogether, this is our recommendation on the overall budget."

**MOTION:** Councilor Harris moved, seconded by Councilor Ives, to approve the Parks and Recreation budget, which includes the GCCC and MRC, for Fiscal Year 2016/2017, as presented, which would incorporate the Option #1 strategy for addressing the assumed attrition rate as well as the GCC pool hourly reduction of one hour on Monday through Thursday, which is moving the closing from 9:00 p.m. to 8:00 p.m.

**DISCUSSION:** Councilor Lindell said she probably will support the motion, but she would caution that his budget is now based on revenues we do not have in hand, and we think we are going to have from increased fees. She said it is not an absolute revenue source, and we don't know what the end numbers will be. She said, "I think it's a little bit risky." She said, "The other thing is, that should I sit in this seat next year, I would very much ask that the data that we are presented would reflect usage during time. Because, I'm supporting this, not really know what the usages are. And for me to say I'm going reduce the hours at the pool for one hour, I don't have a clue as to how many people I'm affecting with that. And it's a dart that I'm just shooting out there with no idea. But I think being much more careful with our data is very very important."

Chair Dominguez said, "Thank you for that. I agree that there is some risk to this because we don't know the revenues, but I think, based on the motion, we have a more absolute number on the cuts we're making in the pool and that number is much more absolute than the potential revenue."

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

Chair Dominguez said he likes the shift we're making in the discussion of attrition and said, "Let's continue that momentum, because right now the P.D. is next."

Councilor Villarreal asked the order of hearings following the break.

Chair Dominguez said it will be Public Utilities, Public Works and then after that, Public Safety.

**12:00 P.M. - 1:10 P.M. LUNCH BREAK**

**THE MEETING WAS RECONVENED AT APPROXIMATELY 1:10 P.M.**

Councilor Dominguez said his intent is to get through all of the Divisions in Public Utilities, and then get to the Police Department. He anticipates going past 3:00 p.m., depending on how well the discussion go with Utilities and Public Works, but as soon as we get through with that, we'll move to the Police Department.

**b) PUBLIC UTILITIES**

A copy of *FY 15-16 Budget Water Division*, entered for the record by Nick Schiavo, is incorporated herewith to these minutes as Exhibit "8."

Mr. Snyder said Mr. Schiavo has an overview and then they will stand for questions.

*Councilor Trujillo arrived at the meeting*

Nick Schiavo, Director Public Utilities Department presented information from Document #1, pages 66-70. Please see Document #1 for specifics of this presentation.

Mr. Schiavo reviewed the information in Exhibit "8." Please see Exhibit "8," for specifics of this presentation.

Chair Dominguez asked Mr. Rodriguez if he has anything to add.

Mr. Rodriguez said 18 positions were moved from the Water Fund to be paid from the General Fund. He said the Franchise Fee went from \$4.7 million to \$1.4 million. He said a lot of this was about the 18 positions. He said one of the big bridging strategies the City used to get by was to shift its costs and shift them to the Water Utility. He said the biggest piece was 18 positions that reported to General Fund divisions, but were in the Water Utility's personnel budget. He we moved all of them out this year, and those positions are loaded where they exist within the General Fund. He said he can say very confidently, at this point that only non-utility cost paid by the Water Utility is the \$1.46 million which is about 4% of the rate revenue. He said this is a big accomplishment.

*The Committee commented and asked questions as follows:*

Chair Dominguez asked the reduction in expenditures as the result of the shift of the 18 positions.

Mr. Rodriguez that shift moved \$1.8 million to the General Fund, noting there will be a \$100,000 increase in overhead, and a savings in utilities of \$1.1 million.

Chair Dominguez asked Mr. Schiavo if he anticipates any water rate increases based on some of the changes we have made

Mr. Schiavo said the *pro forma* is showing we shouldn't have to raise rates until after 2020.

Councilor Maestas congratulated the staff, commenting he thinks this is the biggest reform we have made from a budgetary standpoint. He said it addresses so many issues – the high surplus, frees-up the GRT and paves the way to have it repealed, reduced the non-water related transfer. He said, "This is probably one of the crowning achieves for all of us, so we are to be commended.

Councilor Maestas said he thought we have \$2 million Water Trust Board application that is pending, to help us defer costs from the Badger meter system, noting he didn't see it in the budget. He asked we think we are going to get that funding.

Mr. Schiavo said we are not going to get that funding. He said, in part, the Water Trust Board looked for any way possible to exclude us. He thinks it had a lot to do with what they had been reading in the newspaper about our account balance. He said they completed every form and ever 13-15 iteration of questions they had. He said we did everything we were supposed to do, but it is highly unlikely we'll see any funding from them.

Mr. Rodriguez said another reason that they wanted to exclude the City, is because, "I characterize that as funding for poor communities. And here was Santa Fe with a \$95 million surplus asking for to compete for the money."

Councilor Maestas said everyone's expectation with the advent of the new meters is that we would be able to reduce the number of meter readers. He thinks he read a comment that you want to keep the same level of meter readers through this transition for customer service. He said we still have 7 meter readers on the Organizational Chart, and asked if we can expect a reduction in meter readers permanently.

Mr. Schiavo said the number already has decreased. One employee has been transferred to Solid Waste, another transferred to Billing. He said ultimately he will have 3 full time meter readers. He said the system still has to be maintained. He said they get daily reports telling the location and which ones are off-line. He said with 31,000 meters connected, they are seeing about 150 that have not giving a signal. He said that staff will go out to find out what is happening. He said we also have been going out pro-actively on leaks, looking at the top 60 leaks each day, go out and knock on doors to help the people to realize what is happening.

Councilor Maestas said that answers his question.

Councilor Maestas said he thinks we are solid in terms of covering the policy bases to justify a PILOT transfer – the payment-in-lieu of taxes [PILOT], but haven't done that for Wastewater and Solid Waste. He said he doesn't want to get in trouble again by making assumptions, putting in the math and including in the budget without a policy decision. He asked the status of those franchise fees and if we should be counting on those revenues before the policy is enacted.

Mr. Rodriguez said staff is recommending, as a matter of transparency because it is a zero sum, that you recognize the free service the General Fund gets from Solid Waste and Wastewater by imposing a franchise fee. In other words, the General Fund will now pay for those services, and we will impose a franchise fee equal to what that is so everybody can see it and it is really clear and there's no more calculation than that.

Councilor Maestas asked if there is a policy in place for that.

Mr. Rodriguez said the policy we look to is in the policy document that is in the front page of the budget book. He said, "And there's nothing there that is specifically that, other than references to just being transparent. If you feel more comfortable with us amending that to include this it would be easy to do."

Councilor Maestas said it's unique and sets itself apart from the PILOT and even some of the broad principles in the best financial management practices. He said he would feel comfortable if he was ensured there was some kind of policy to justify that.

Mr. Rodriguez said he will draft some language to that effect, commenting it is always better to be clear.

Chair Dominguez asked Councilor Maestas if he is suggesting that we have dollar amounts articulated in that policy.

Councilor Maestas said he thinks the dollar amounts are in the budget, but we don't have the basis for those dollar amounts.

Councilor Ives noted we have had refinancing of water funding, the 2006 bonds that are paid off, the 2009 bonds to pay off in 2019, and the 2 drinking water loans. His understanding is that NMFA had to agree to release the latter 3, because we're not proposing to pay either of the drinking water loans or the 2009 bond. He asked if NMFA is amenable to releasing the GRT pledge from the 2009 bond.

Mr. Rodriguez said the 2 drinking water loans are \$17.5 million, and we applied to NMFA to release the GRT pledge, arguing that as the result of the restructuring we could hand them a much stronger credit. He said they went to the NMFA Board meeting today, and that request was approved unanimously. He said the only portion of the restructuring that remains are the 2009 Series Bonds, and we are going to refinance or defease them, and retire those bonds in 2019. He said it is profitable to do, and they expect that to be completed in mid-June. Once that happens, they will bring forward the Ordinance to roll back the GRT, noting only one piece remains to complete the restructuring.

Councilor Ives, referring to Document #1, page yy, which says on page 66 in budget book it says, *"There are a few significant changes that will affect the proposed Water Division budget next fiscal year. The first is the recently awarded "On-call Engineering Services" contract that will immediate facilitate the implementation of previously identified important infrastructure projects in the approved CIP..."* He said we don't yet have the CIP budget, so he doesn't know if it is fair to ask questions about that. He said again a

little frustration trying to deal with "apples and oranges," and only having the apples in front of us. He asked what we are doing in that regard.

Mr. Schiavo said CDM came on board 6-9 months ago, and they have been helping us with those projects, as an example. He said they are working to expedite the design of the Buckman Parallel Pipeline so we can go out to bid and get it built. He said CDM is helping us with the raw water pipeline that leads to the Canyon Road Water Treatment plant, again bringing in expertise. He said it is a combination of CDM and Bohnnan-Huston, so it's been very successful. It is very helpful to have them to help us to move the projects along.

Councilor Ives said then the CIP funds referenced are the last 2 years that CIP was put into effect, which was in 2014.

Mr. Snyder said what we're talking about here are the major changes, and the On-Call Engineering Services are operational costs. We are paying for CDM engineering services from operational costs. He said you will be getting the Capital Improvement Budget, and there will be no surprises water-wise. It's the same budget you've approved, the same 5-year budget for water that you approved last year, except we've moved forward one year. In addition, we have an ongoing 10 year water plan that mirrors the overall City-wide Capital Improvement Budget you will get next week.

Councilor Ives said he will hold further questions until we get the capital budget, and have an opportunity to wade into the specifics.

Chair Dominguez noted that we almost have a full Council in attendance here. He asked that everyone be mindful of the time and don't get into the weeds too much.

Councilor Trujillo asked about the water budgeted for the Parks.

Mr. Schiavo said, "We will provide the water, and it should have been budgeted in Parks."

Councilor Trujillo said then it's in Parks.

Mr. Schiavo said, "Councilor, honestly it's not that much money."

Councilor Trujillo said he knows that, and that is the reason he is asking.

Mr. Schiavo said the most expensive piece is the water and we will have that piece there for you.

Councilor Trujillo said, "Okay. No problem. That's the only question I have Councilor. I didn't take up too much time."

Councilor Harris, referring to Document #1, page 31, said Environmental Services/Graffiti is at \$280,000, and then on page 70, we see the same General Fund of \$280,266. He said it is such a small part of the budget being proposed. He asked the reason this is necessary and if it is just for the Graffiti program.

*Councilor Trujillo departed the meeting*

Mr. Schiavo said that actually is to fund the four staff people who work on graffiti removal, noting they used to be housed in Parks, and 1½ ago they moved under the Environmental Services Division, so that is the funding for those 4 individuals.

Councilor Harris said then it is charged to General Fund, even though they are Public Utilities, and do you anticipate that will continue to be drawn from the General Fund. He asked, since we will have a \$20 million cash balance, if we can take that out of the Public Utilities budget as opposed to the General Fund.

Mr. Snyder said staff can explore that. He said there was much discussion about this 2-3 years ago, and the way it wound up is that they would be housed under Environmental Services, but would be paid out of the General Fund. He is unsure how it got there and all the details.

Chair Dominguez said it has bounced around, noting some Keep Santa Fe Beautiful funding was going to this, so that's part of the reason.

Mr. Rodriguez said it is a policy decision if it is part of Solid Waste's mission. So if you say that's part of Solid Waste's Mission, then Solid Waste pays for it.

Chair Dominguez said he don't want to get in a big old discussion about which division or department is the best one to do this. He has gone full circle with this being in the Police Department, in Constituent Services. He said if we want later on, we can do that, but it's not relevant in terms of the service.

Councilor Harris said he just wanted to identify why it was coming over, noting it's a relative small amount, and given the balance in Solid Waste, he believes it is worth a future discussion as a policy decision.

Mayor Gonzales asked, regarding the Tier 1 water rates, considering this budget framework reduced the amount of the Franchise Fee that Water would be paying, which was \$4.7 million at the beginning of the budget process and is now \$1.5 million. He asked if it is time for us to do a rate examination by the Governing Body on the Tier 1 rate to determine if it is the correct rate, or if there is an opportunity to reduce it. We're not going to need \$4.7 only \$1.5 million, so there means there might be some extra capacity in there.

Mayor Gonzales continued, saying he notices we pay all of our Capital Plan in cash, but the benefit of the capital expenditures occur over a 15-20 year period. He asked if we could direct staff to bring back options on how to deal with the financing of the Capital Plan so it is more tied to the lifeline of the capital itself, as opposed to using 100% cash, and look at the cash on hand. This goes back to the point about investing a little bit more and looking at the rate that is in place.

Mayor Gonzales continued, saying his final question is to Mr. Schiavo. He said this year the nexus between water and energy, and the need to look at the mission demanded of the Water Division to include the idea of long term water security and the threat climate change has on the availability of water in the future. He thinks is something on which he would like a perspective on how we can develop a capital plan that makes sure we have the best pipes carrying the water, the best systems in place and we're looking 15-30 year down the road and trying to build-in some of the infrastructure to assure water security is in place.

Chair Dominguez said this is a good exercise to separate the CIP from the Operating Budget, but it does pose a challenge, and that is what the Mayor said on the second question. He anticipates a lot of that will get discussed as the Capital Budget moves forward. He said staff can answer the Mayor's other questions. He said it has been some time since he looked at the CIP Budget, noting in the beginning there were some factors that we did not have a clean grasp on, such as the relationship with the Council and that technology has changed. He thinks it is a worthy discussion to have at some point.

Mayor Gonzales asked if he is speaking of the point of whether to finance or pay in cash only, or a budget that includes investment in infrastructure that provides for long term water security.

Chair Dominguez said, "Yes. Yes. Because I don't think, at least from my experience that when that was first created technology has changed, and I don't know what the status is of that in that."

Councilor Maestas said on the point of revisiting rates, the water fund is not still entirely self sufficient, noting the sheet that was passed out [Exhibit "8"] and expenditures exceed revenues by \$4 million. He said we started the year with a balance of \$50 million and an ending balance of \$43 million, so we're burning through that balance at the rate of about \$7 million annually. He said it would seem the only discretionary decision we would have would be in the CIP budget. He said, "So my question to you Nick, is does that need to be sustained or is this an unusually CIP budget to make things balance, to balance expenditures and revenues."

Mr. Schiavo said he has a challenge in spending the CIP allocation of \$16.7 million annually. He said things happen that don't let him do the projects, but those projects have to be done, or we are going to find ourselves against the wall in a few years with respect to crumbling infrastructure. He said are going to spend more than we take in, and if you look at the *pro forma* Hawksley put together, in 2020 we will have a balance of \$27 million and in 2021 it is \$22.5 million if we continue on this path, which is not bad. He said we are required to have reserves of about \$18 mill. He said this will take us to a "nice landing place in 2021," and at that point, we assess where we are with CIP and where we should be with rates, if we need a rate increase.

Councilor Maestas said his point is he feels more comfortable revisiting rates once we establish stability in the Water Fund, but we're not there yet.

Chair Dominguez said we are on that pathway, making sure we move those positions out, paying off some of the debt – the picture is becoming clearer.

Mayor Gonzales said it doesn't make sense to him. He said in looking at our debt service right now, we have Tier 1 water rates established to cover the debt prior to this refinancing, and if we hadn't refinanced, the Tier 1 water rates would be in place. We are going down a budget path where we are paying for the Tier 1 water rate debt, and also provide a Franchise Fee of \$4.7 million. He said, "So it doesn't make sense to me that we were at a point a couple of months ago where we could afford the \$4.7 million debt service, but now that we don't need as much, \$3 million less, that we can't look at how we can turn the available money back to the ratepayer in the form of a rate decrease. It's nothing that needs to be pushed at this point, because this part of something we have to look at over the course of the year."

Mayor Gonzales continued, "But somehow, through this Water Budget, I guess I was hoping to see, and I understand Councilor Maestas' point about us already showing we're in a deficit. And I understand we have some really good years in the Water Company, but it's bad for the community, because those are the drought years. And years revenues are poor for the Water Company, it is good for the community because we have lots of water that's in the downfall. We have some of the highest Tier 1 rates, and need to constantly assess and make sure what came to that rate. And if we have any opportunities of lowering the rates we should. It is a very different conversation from the Tier-2 rates that push conversation. I just want to see, as we go forward, that we do an examination of the tier rates to see how it matches the *pro formas* and try to find a way to get that stabilization so we can determine what that rate really needs to be."

Chair Dominguez said it is point well taken, sooner, rather than later. However, the picture is becoming clearer.

**MOTION:** Councilor Lindell moved, seconded by second Councilor Harris, to approve the budget for the Public Utilities Department, as presented.

**DISCUSSION:** Councilor Maestas, referring to Exhibit "8," said it says there is \$36.5 million but in Document #1, page 39 it is \$33.9 million. He asked the reason in the difference.

Mr. Schiavo these are projected. "On the more positive, I think we're going to see what we've seen in the past, something closer to \$36 million rather than \$33 million.

Councilor Maestas said then this sheet [Exhibit "8"] supercedes what is in the budget book [Document #1].

Mr. Schiavo said the budget book was the budget projection, and this my projection of what we'll see in revenues.

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

Mr. Snyder said just to clarify, the motion is to approve Water, Wastewater and Solid Waste

Chair Dominguez said that is correct.

### c) PUBLIC WORKS

Chair Dominguez reiterated that we should do what we can to be sure we don't get too deep into the weeds, commenting he doesn't mind the discussion, which is beneficial, but, "let's keep ourselves disciplined."

Mr. Snyder said Mr. Pino will lead the discussion, noting Parking and Transit also will be here.

Isaac Pino, Director, Public Works Department, presented information from Document #1, pages 71-73. Please see Document #1 for specifics of this presentation. Mr. Pino noted the Department has been temporarily reconstituted, and also includes the Transit Division, Aviation Division, Parking Division

*The Committee commented and asked questions as follows.*

Councilor Ives, referring to Document #1, page 71, said there is talk about two major changes. First is the reorganization of the Transportation Department into the Public Works Department, resulting in the eliminating of one department director position, which seems relatively straightforward. And the other change is the reorganization of the Roadway & Trails Engineering Division and the Traffic Engineering Division into a single Engineering Division. He asked if that is all the engineering divisions, with the exception of Public Utilities, across all City platforms. Or do we still have engineering divisions within other segments of the City's organizational structure.

Mr. Snyder said he believes it all inclusive, all the engineering functions within the Public Works Department, are now under this new Engineering Division, noting Public Utilities has an Engineering Division in Water and Wastewater. He believes these are all the engineers we have within the City.

Councilor Ives said where we can, combining functions is a smart thing to do from an organizational and efficiency perspective. He asked if the project management teams are affected by this grouping within Public Works, or if that is totally separate from the engineering side.

Mr. Snyder said project management is done all across the City, and not just within one division, and he can speak to these in more detail. The Facilities Division has Project Administrators and Project Managers as well as the Engineering Division also serves as Engineers and Project Managers. He said in Utilities, similarly, there are engineers and other technical staff leading project in project management roles.

Councilor Ives asked, begging the question, if it makes sense to look at project management similar to engineering, assuming many project managers are engineers.

Mr. Snyder said that is correct. He said there are various titles across the City, an engineer or some level of engineer that serves as a project manager. There also are other technically educated staff – architect, planner and such – also could serve as project managers. He said one thing they heard loud and clear during conversations on the Parks Bond audit and other projects coming before Council, is looking to get a project management certifications. He said you'll see that next week as part of the CIP budget. So we'll strive and work toward getting all project managers certified, noting they may have to have continuing education throughout the year, which is a step in the right direction.

Councilor Ives would like to continue those discussions to make sure we are structurally organized as best we can be to facilitated project management and related engineering being accomplished. He looks forward to continuing those discussion.

Councilor Ives said we know employees in the Streets Division have been paid from Stormwater Fees, and we are realigning that. He asked where those employees be paid from now, and are there any issues in relation to that shift across the City.

Mr. Snyder said he is correct and previously those workers were funded by the Stormwater Fund which was a bridging strategy in the past. He said the recommended budget has taken the Streets & Drainage Works from the Stormwater Fund, with the exception of 2 ½ FTEs, one is a position leading Stormwater for the City, a half-time administrative services coordinator as well the River Coordinator will continue to live from the Stormwater Fund. He said at the end of this fiscal year there will be an ending balance of \$1.8 million in the fund. Also, as part of the budget, they are recommending a budget for a study to look at the Stormwater function in the City. He said over the past year, Stormwater funds were used to pay permitting staffing in capital projects. He said the recommendation is to study this, and move forward with a true Stormwater Plan that makes the most sense for the community and is sustainable.

Councilor Ives said he looks forward to using the same lens on the CIP budget when it comes forward. He said making stormwater improvements to the Santa Fe River Corridor might create capacity and eliminate the need to stock the River for an Annual Fishing Derby because the Santa Fe River actually might support a fish population.

Councilor Villarreal said she is trying to map this out as to the current role of the Public Works Director, and the divisions he currently oversees. She said, "And so we're looking at Community Services which is Youth and Family Services, Senior Services, and then Public Works, the way it's set up now, it's Facilities, Engineering, Streets & Drainage, Airport, Parking and Transit. So all of those have division directors, with the exception of Airport and Transit."

Mr. Pino said Airport has a director, Cameron Humphries, and they are working on hiring a Transit Director.

Councilor Villarreal said, "So is the plan to have a Division Director for Transit."

Mr. Snyder said, "As you are well aware we are exploring the opportunities, or feasibility and liability of some partnership with the RTD, and that process has started, since we brought it through Council. One of the areas we've talked with the RTD Director, is on this topic. If we were to fully merge or integrated with RTD as one of the options, he could need a Transit Division Director. They are hard to find in New Mexico because of the way the population is spread out and the skills that are required. So one of the things we are moving forward on is trying to fill that position, no matter if we go with a full integration with the RTD or we would end up somewhere between, or with what we have, we feel our management structure would need that oversight. We had two recent retirements and a defection in Transit that we're working to fill, the key one being the Transit Division Director.

Councilor Villarreal said a feasibility study is one thing, and will take time, and we had talked about this a little. However, in the meantime is that going to be a posted job.

Mr. Snyder said, "Yes, I signed the paper late last week or early this week to advertise the position."

Councilor Villarreal said then that will be a division director, if we can find a good fit.

Mr. Snyder said that is correct. And on one of her earlier points, it is not one department, it is two departments. Community Services is one Department. He said he has mentioned several times that we haven't succession planning for the City in years, as long as he has been around and can remember, as well as sustainability. This budget is all-inclusive in a lot of ways, but it does not get at that. And he would like to have the City and staff to focus succession planning in upcoming budget cycles to be sure we are sustainable moving forward. Because at some point, I'll leave us due to retirement or better opportunities.

Councilor Villarreal said it doesn't seem sustainable with one person overseeing two departments and many divisions, and asked how is it working.

Mr. Pino said, "I would like to address that to give you a little context. Public Works used to have Parks & Recreation in there as well, and Roadways and Trails, and it was eliminated by combining with Traffic. So having 9 divisions is what I have been doing for the last 6 years anyway. So we took out Parks and Recreation, and eliminated Roadways and Trails, but we replaced them with the 3 Transportation Divisions. What makes everything work, Councilor, are the Division Directors who have outstanding professionals in each of the Division Director positions. If you get any lesser performance in those, then we're going to start having problems. But they are knowledgeable, dedicated, have great work ethics, they work well with employees. Considering the number of employees we have in all 9 divisions together, and you consider how few disciplinary actions there have been because of bad relationships at work, it's nominal."

Councilor Villarreal said she doesn't doubt that, because the only way this works is with strong division directors, and the only way she thinks it's working now. She would be curious.... you have to rely on them, but they also rely on you and if you stretched too thin, she doesn't think it's a sustainable model. She said she is trying to figure out if this makes sense, and how this plays into performance measures in the future that we are considering.

Mr. Snyder said he had said Mr. Pino has a unique skill set. He said, "I, for one, could probably step into his Public Works role because I have a technical background, but I don't know if I could step into the Community Services role as easily and do both roles. And I think we're taking advantage of Ike's many years with the City, 30 years on and off throughout his career, and the unique skill sets he's developed over those years. So Ike is not alone from this standpoint, although he's definitely unique in a lot of ways. But we have similar situations across the city, where people have grown into a position expanded their skill sets because of a lot of opportunities, that concerns me. So there's always an opportunity that somebody will leave and we're left with, in Ike's case, two department directors down, versus one down, and trying to fill two department directors with one person, may be a near impossible task moving. It's something I would like to study more."

Mr. Snyder continued, saying this is something that he wants to study more. He hasn't asked each of the 9 division directors if they feel they have access to Ike. And that being said, he knows they are all professionals, commenting he knows them all individually, and they are professionals and would speak-up to Mr. Pino if they had that concern.

Mr. Pino said, "I have to acknowledge that we also need a great Office Manager in the mix, and we have one of those as well."

Councilor Villarreal commented that we know things get done when women are involved.

Councilor Villarreal said these factors are of concern and then it is trickling into the services we provide. She wants to make sure that we aren't compromising services to our residents of the City.

Mayor Gonzales said obviously this conversation can happen when we have the discussion on the CIP budget. He said the issue of facilities maintenance and the cost to run a facility is quite costly because of the amount of deferred maintenance, and the number of builds spread throughout the City. He asked if we are in a position this year where we can have a honest conversation about consolidating facilities and possibly looking at the relocation of the City Hall as discussed several years back, commenting that he is supportive of that now. However, he thinks we can't ignore the cost to maintain facilities will continue to rise as the deferred maintenance on facilities continues to rise.

Mayor Gonzales continued, asking when Mr. Snyder when he feels we actually would be in a position to have the conversation about consolidation of facilities, and secondly, and having the opportunity to create some assessment on facilities, different models that would allow us to reduce our facilities costs.

Mr. Snyder said that is in the CIP budget, and once we wrap up this next week, there is a line item with funds to study that and to have a conversation that is warranted, commenting there is an approximately \$30,000 set aside to evaluate that further. He said we're doing like Ameresco and taking steps in the right direction to really look at our costs, and make sure we quantify what those are for buildings we recommend moving out of. He said from an efficiency standpoint *[inaudible]* costs the City much he believes. He said, from a deferred maintenance standpoint, he has heard many different numbers on the actual deferred maintenance, and doesn't know what number to believe. He does know that is a high number – hundreds of millions of dollars for roofs to HVAC system and on and on. He said deferred maintenance is basics, basic operational features.

Mr. Snyder continued, saying this is a tremendous opportunity for us to explore what it would mean to have a truly one stop shop, a true one City Hall where we have everything largely under one roof other than a Fire Station a Police Substation, libraries and recreation centers, wastewater treatment plant and water treatment plant and libraries and recreation centers. So when you come to City Hall for a service you can go to one place. He said this is better for the community and provides better internal work flows. He noted there are funds identified in the CIP for the study for the coming fiscal year, and he wants to move forward with that study.

Mayor Gonzales said he understands it's part of the CIP discussion, but the Operating Budget reflects costs associated with facilities maintenance that are in huge need of capital investment. He said we can't really disconnect them. The numbers for facilities maintenance will continue to grow unless we do something about either letting go of facilities and figure out how we deliver the same service or how to do facility to house all of city hall. He is concerned that \$30,000 is sufficient to really look at the costs of a new facility, to consolidate all of City Hall versus the operational costs. He wants to make sure there is sufficient data for the Council to make this determination.

Mr. Rodriguez said the Mayor just put his finger on what he considers to be "a big, heavy ball and chain," to be efficient. He said the fact that we are operating from 5 City Halls should be evidence that we won't be able to hit a seaming on efficiencies until we finally crack that, not to mention the economic efficiencies of a lot of these being in places that could generate taxes, etc. He said it is a big discussion, that is even bigger than the straight-ahead costs, but also in terms of economic development. He said he would recommend that we move as quickly as possible on that decision, noting \$30,000 was set aside for the study. He said this body can give direction to him to move faster and more deeper in that question. "And I am glad to increase, or at least set aside more funds to move in that direction."

Chair Dominguez said that is a CIP allocation, so there are opportunities to do that when we do the budget. He has no idea what the study would cost, whether we hired a small firm or a big one, or the "one that has the better colors on the brochure than the other one." He thinks just having that in the CIP means we recognize it, and then we'll just continue to move forward with it.

Mr. Rodriguez said also a big part of the reform this budget represents is that a big part of the facilities needs were paid from bond money, and we voted to stop doing that, which this budget reflects. There are no more capital dollars being spent to provide for operations and maintenance. He said you will see more substantial capital projects where some of this staff working reflected in the capital budget.

Councilor Lindell said her question is nowhere near as big as looking at a new City Hall. She said, with Parking being under this Department, she would like to investigate and look at Sunday parking enforcement. She would like to see if we can do investigation on that for the future.

Chair Dominguez said we can continue that discussion when we get to the Parking Enterprise and hone-in on that if we need to.

Councilor Harris said he is looking at the spreadsheet distributed at Tuesdays session, noting he thinks the final 4 line items are related to Public Works, Engineering Division, Facilities Maintenance, Administrative, Streets and Drainage. He noted those 4 line items total approximately \$540,000. He asked the thoughts of Public Works in dealing with assumed attrition, in thinking about the discussion before lunch with Parks & Recreation and its strategy for dealing with the options we looked at, dealing with assumed attrition.

Mr. Pino said looking ahead, we were asked to consider all the efficiencies that we could use to contribute toward that kind of a shortfall. He said, "We didn't do it in the context of the attrition, so much as just efficiencies which could be experienced immediately. He said, for example, by doing a certain type of consolidation of our custodians, because all weren't in the Facilities Division, they could save \$110,000 annually, and by increasing the street cost permits they could realize close to \$70,000 in revenue we haven't had. He said he said the some positions were eliminated in the shift when we consolidated Roadway and Traffic, commenting he is sure were picked up in the attrition schedule. So we have a fairly good fair round of all of those."

Mr. Pino continued, saying there is a Parking fee increase proposal, the Airport has a proposal to raise its own money, which is a good start.

Councilor Harris noted Document #1, on page 16, lists the increases in fees, Parking at \$1.2 million, and Airport at \$500,000, and those are part of the \$2.1 million in fee increases which are incorporated into this proposed budget. The fee increases are above and outside of the assumed attrition, and asked if that is correct, and staff indicated it is.

Councilor Harris continued, noting the spreadsheet on assumed attrition is about \$540,000, and it took a while to get to what Parks & Recreation were proposing, noting they did propose 3 efficiencies. He asked if that is part of the assumed attrition, and the assumed attrition may get to what Mr. Pino said about the custodian efficiencies and looking at the operation. The assumed attrition that are to be realized are primarily through efforts of the department, City Manager and Finance. He asked if this is a fair statement.

Mr. Rodriguez said yes.

Councilor Harris said, "Again, I just want to make sure that you know, again, from the fee increases I have mentioned we know we have eliminated 2 FTEs by reorganizing departmentally, and we will be looking at assumed attrition that may come close to \$540,000. And again that is an internal exercise of the course of the year.

Mr. Rodriguez said, "Yes sir."

Councilor Harris said that was his understanding, he just wanted confirmation.

Councilor Harris asked how the Railyard fits into this. Councilor Harris, referring to Document #1, page 73, Summary by Fund and Other Expenditures, said at the bottom of the page there are 3 line items totaling about \$2 million. He is unsure what that represents and if it is something we all live with, and asked if someone to speak to that.

Mr. Rodriguez said there is a lot there. In there is approximately \$3.5 of expenditures that help the General Fund, noting there still is a bit of bridge there, but it is a matter of interpretation. He said the debt service for condominium offices at the Railyard is paid through funds from the Railyard. He asked if the \$389,000 for Railyard Market Station is for debt service.

Mr. Rodriguez said, "Yes. The City issued bonds for that and that is the bond payment for the debt service on the condominiums."

Mr. Hopkins said the Railyard Development Fund is where the debt is paid. And the Railyard Market Station is where the operation, maintenance and utilities for the Railyard condos is paid. He said there is Railyard Operations which pays for things like the Railyard Stewards and such. He said basically, all expenditures associated with the Railyard also are paid from the Railyard GRT increment that we set up and dedicated for Railyard debt services and operations and the rest of the project.

Councilor Harris asked what is the amount of Railyard GRT.

Mr. Hopkins said the GRT revenues are in Document #1, page 26, which is about \$2 million in total.

Councilor Harris asked when the bonds will be paid on the Railyard development.

Mr. Rodriguez there is quite a way to go, commenting we are about 4 years into that debt schedule, noting it is on page 86 in Document #1.

Councilor Harris said we still have a small amount of money coming from the General Fund to Airport. He noted the Airport is pretty dynamic right now. He asked what is ahead for the next year in terms of funding and such.

Cameron Humphries, Airport Manager, said he would be happy to talk about that. He said without knowing specifically in what he is interested, he would say the Airport, in general, is receiving some subsidies from the City General Fund. He said it is his intent and goal to eliminate those subsidies. He said FAA provides that we should be as financially self sufficient as possible and he takes that very seriously. He said it doesn't say they have to be financially self sufficient, it just provides "as financially self sufficient as possible."

Mr. Humphries continued, saying after he did a top level review of the Airport, its revenues and expenses, and sat with Mr. Snyder, Mr. Pino and Mr. Johnson. And he feels very confident we can get the Airport off General Fund subsidies within 3 years, and perhaps sooner, but we need support from this Council, the City Council and the City Manager to do that, but he believes firmly this can be done.

Mr. Humphries continued, saying in this budget year they are proposing a subsidy of approximately 146,000 out of the \$2.69 million budget, which is a reduction from past year subsidies, so they have managed to reduce it, but he wants to totally eliminate. He said they will reduce and eventually eliminate it through more progressive rates and charges philosophy at the Airport. This means that we aren't taking advantage of a lot of grants and federally authorized funding sources, which we should be doing, which he plans on doing as we move forward. He will be taking better advantage of some of the property on the Airport which is being used, but from which we are not receiving income. We need to collect on the current leases, commenting we can do all of these things. He is confident, that as we move forward, within the 3 years they will be taking advantage some of the property at the Airport property that is uses and receives rents and leases.

Councilor Maestas, referring to Document #1, page 36, said he remarked on the use of CIP funds for non-related costs. He said he was just reading the allowable purpose for the Municipal Capital Outlay GRT in the Statutes, and we can pay for some administrative costs. He said \$3.7, or 30% of the total revenues, are being used for non-GRT bond expenses, which he thinks is true capital outlay. His concern is if this is sustainable. He asked if Public Works no longer is going to rely on \$1.2 million from CIP for administrative costs and facilities maintenance, pointing out there already is an administration fee under Non-Department which says CIP Administration which he assumes is the overhead associated with managing this.

Councilor Maestas continued, saying we were just audited on the Park Bonds. He wants to make sure we don't get dinged for not using these funds in accordance with State Statutes. He said it seems we're still using a lot of the CIP funds for administrative expenses. He doesn't know whether or not it is related, but 30% or \$4.7 million is a lot of money.

Mr. Rodriguez said it is good to be concerned, and we can look at, and that is the positive direction they are pursuing right now – use that fund entirely for capital. He said to be clear, the administrative stuff is to pay for the Project Managers, which is an allowable capitalizable costs once the projects are done. He said this is best practice and allowable by Statute. He said the Administrative Overhead is also for the share "of you and the Finance Director and everybody else that provides executive management or executive support.

Councilor Maestas said he can see that we used to subsidize other things, such as the Southside Library for almost \$1 million. They stopped the transfer to the General Fund, but it seems we need to go a bit further to align some of these costs to the General Fund that aren't directly related to the CIP.

Mr. Rodriguez said that is the direction....

Councilor Maestas said the question is, if the \$1.9 million for Public Works will be the mainstay, and is that allocation from the CIP fund to Public Works is going to remain consistent with this level of \$1.9 million.

Mr. Snyder said he would say yes, as long as the City has engineers and project managers working on managing the CIPs. He said this is one of the intentions in setting up this fund. He said another thing, is a lot of time is spent by City staff administering State and federal grants which comes out of the Administration Fee. He said we have numerous federal State and federal grants, so it is the administrative costs for that as well as project management of all the CIP projects. He said, "I believe, under the Non-Departmental line under CIP Administration, right now, we have a dedicated person hired in Finance to administer the CIP program, and that is the source of funding for that person. He said, "So to the answer to your question is yes. I see much need as long as we have CIP, which we just developed a 5 year plan, if we are going to administer that CIP in-house with project managers and engineers, and do design, construction management, planning, permitting, administrative fruitions around all those tasks, I see that that number will stay consistent."

Mr. Rodriguez said it is expected that it will go up as part of the capital plan, for example the design of the proposed Fire State.

Councilor Maestas said but the idea would be that non-capital expenditures could be spent only on projects funded with this CIP.

Mr. Rodriguez yes and transfers to it as part of the CIP plan.

Councilor Maestas said he sees this as an opportunity for stimulus, and the more capital dollars and projects we have, the better for our economy, particularly the construction industry.

Councilor Maestas, referring to Document #1, page 27, Fund 3326, Paved Street Rehab for \$2.7 million, noted we were presented a Street Budget of \$1.5 million. He asked the reason we are limiting our Street Budget to \$1.5 million, when we have \$1.7 million for Paved Street Rehab.

Mr. Rodriguez said the only ones listed are those where we are doing one-time expenditures, and we're not capitalizing street repairs and such, so what you will start to see here are capital projects, so that's the big distinction.

Councilor Maestas asked the reason we can't we spend that – add it to the proposed Streets budget for the coming fiscal year.

Mr. Hopkins said actually they are spending a bit of that. In the second to last column, you will see it's negative \$26,644, which represents the spending of cash of that amount, which would limit it to the amounts of capital outlay. He said this is the Municipal Gasoline Tax which is dedicated for Streets & Roads and it must be used for that purpose.

Councilor Maestas said yes, but the ending budget is \$2.6 million.

Mr. Hopkins said the direction we were given was to balance revenue and expenditure, based on the Resolution approved by Council, and to present a balanced budget and "only use one time expenses out of one time revenues out of one-time cash availability as this would be."

Mr. Snyder said you won't see that funding source in the CIP when you get that next week.

Mr. Johnson said what you see here are the operating costs related to the fund, budgeted in the Operating Budget document. You will see that as a source of CIP projects in the CIP document, the remaining balance you are referring to.

Mr. Hopkins said this is correct.

Mr. Snyder said two years ago, we bought 4 dump trucks and snowplows out of that fund, summarily this year.

Councilor Maestas noted in the Organization Chart, the ADA Coordinator is in Finance, and asked if it wouldn't be more logical to have it in the Public Works Department.

*[Mr. Johnson's remarks here are inaudible]*

Councilor Maestas said we need to have some functional alignment here on some of these positions, and there's probably a good reason. He asked Mr. Johnson to explain the reason the ADA Coordinator is in Finance.

Mr. Johnson said, "An update I need to make, a recent change we did, was we found that position actually was funded from a previous fund that had no capital outlay in it. We actually eliminated that position and moved the individual to a grants position that actually is related to Capital that is inside 3102, the Capital Fund.

Councilor Maestas said that sounds much better. He said we have the Mayor's Committee on Disability, that focuses primarily on ADA, so he thinks we should give it the necessary emphasis in the budget and have it aligned logically with an appropriate department. He said it sounds as if we've made a good change here.

Councilor Ives said as recently as last night, once again we were considering the Ameresco report on the 30 year plan for facilities. We know from its presentation at Public Works and Finance, that the amount necessary or identified in that report, to ensure that city facilities are maintained at grade of Fair is \$4.2 million. He knows we don't yet have the CIP budget, so he will resist asking questions about that. He said he hopes we will have the opportunity to address some of those needs in the allocation of CIP funds toward our facilities, noted it was based on what people were thinking. As part of that process he would like to start to evaluate against the Ameresco Report, against the \$40 million in streets improvements discussed in Public Works on Monday.

Councilor Ives continued, saying we're gone out of our way to separate the Operations Budget from the CIP budget and implemented a policy that we don't take CIP funding for general operations and maintenance. He is unsure if we have the other policy in place that we don't use General Fund monies for capital projects.

Mr. Rodriguez said that is correct, and he would never recommend that either.

Councilor Ives said the challenge of the process is we're looking at them separately and then taking up the CIP budget after considering the CIP budget. He said allocating General Fund monies to some degree is forestalled by just the process, or so it appears.

Mr. Rodriguez, referring to Document #1, page 31, said "No, no, no. A part of our recommendations is we recommend that you transfer that amount. That's one place. The other place you have actually in the CIP that was approved in January, we also directed that excess money that used to flow out of the Transit Fund, that excess money be put into the CIP to replace buses, so you all weighed in on that. And just for those new to the conversation, I want to make it clear this is the first year that you had a CIP [budget] in the first place. It has taking a huge effort.... We are a couple of weeks late given that we have been moving heaven and earth to deliver the CIP budget."

Councilor Ives said it is duly noted and really appreciated. He said, "I am certainly convinced that we need to go to understand those two sort of budget components, distinctly. But again, just the process, we're far ahead of where we've been previously, it's still frustrating."

Chair Dominguez said he feels just as frustrated, and believes we all do. However, just the fact that we've taken that leap. He anticipates next year both the Operating Budget and the Capital Improvement Budget will be placed together. He knows the Public Works Committee is doing a lot of work to be sure we move this along the way, and it's been a culture shift. It has been an organizational shift, at least from up here. He said at some point it's going "to have to get married."

Mr. Snyder said this is the first time we've had a CIP in January, 6 months in. He said, "Although we're starting to get the Operational Budget and the Capital Budget submitted at the same time, I will say it's a blessing that we didn't, frankly, because we're all struggling right now enough with the Operations Budget. The Operations Budget and the Capital Budget need to stand alone. They need to focus, to Councilor Ives' point... they need to be two separate documents. Yes they kind of feed off each other, but the funding is separate, and it's good we're going through the Operations and looking at the way we are doing business, and then we focus on the Capital budget. So that was our target, and I think next year we'll be better aligned, not to make any excuses, but next year we'll be better aligned to have the conversation simultaneously with the understanding that Capital stays with Capital, one time money, and you have operational which is recurring which we've struggled to kind of parse out of that Operational Budget for many years into one-time and recurring separate budget. We would like to present it. I think we're well along our way and look forward to having the conversation on the Capital Budget."

**MOTION:** Councilor Villarreal moved, seconded by second Councilor Ives, to approve the budget for the Public Works Department, as presented.

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

**A. PUBLIC SAFETY**

Chair Dominguez asked the Committee if they think they are a lot of questions on Fire, and the Committee indicated there are not. Chair Dominguez said then he would like to take Fire before Police.

**b) FIRE**

**Erik Litzenberg, Fire Chief, Department,** presented information from Document #1, pages 54-55. Please see Document #1 for specifics of this presentation.

*The Committee asked questions and commented as follows:*

Councilor Ives noted the next meeting of the Healthcare & Hospital Study Group this evening, and the Fire Department is kind enough to present some of its innovative thinking at the last meeting of that Group. He asked Chief Litzenberg to elaborate on the steps to the lighter vehicles and how that plays into being more responsive to the needs across the community, given the change of function within the Fire Department.

Chief Litzenberg said the move has been two-fold. The first specifically related to the mobile health office which now has 3 full time positions, to address the high utilizer within the system. Theoretically if we're decreasing the number calls of high utilizers from our system, the system becomes more efficient. The lighter response vehicle is semi-related, in that they are trying to make their EMS/911 system more responsive and put our heavy vehicles on the street less frequently, especially in responding to those people who call them more frequently. He said it is a one-two punch which are inter-related, but two separate topics.

Councilor Villarreal asked Chief Litzenberg to explain the reason that the numbers in Fire Administration jumped to \$16 million, and Operations went down drastically.

Chief Litzenberg that was a consolidation of funds which are going to the same purposes, it's just terminology.

**MOTION:** Councilor Harris moved, seconded by second Councilor Ives, to approve the Fire Department budget, as presented.

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

a) POLICE

Chair Dominguez apologized to Chief Gallagher department for passing on the Police Department previously.

Chief Patrick Gallagher, Chief, Santa Fe Police Department, presented information from Document #1, pages 51-53. Please see Document #1 for specifics of this presentation.

Chief Gallagher noted he has been with the City 9 months today. Chief Gallagher introduced Deputy Chief Padilla, Deputy Chief Salbidrez and Nancy Jimenez, Budget Analyst, and spoke about their duties and roles with the Police Department.

Mr. Johnson said, "The amount that I inadvertently reduced in the overtime line was about \$220,000, and that was based on the number of salary and benefits and our regular expenditures were of all what was looked like when we applied the attrition credit, and we inadvertently did not take that out. It was never intended to do that, obviously being conscious of the fact that in the absence of successful recruiting and hiring they will be very reliant on that budget, which is why we brought it up first thing this morning, in an ongoing intent to add that back in and we apologize to the Police for that, and glad that we caught it."

*The Committee commented and asked questions as follows:*

- Chair Dominguez thanked Chief Gallagher and the Department for all the work they do in the community. He said he feels that Santa Fe is a safe community relative to all the other issues that lots of other communities have in our country and in our State, reiterating that Santa Fe is a safe community. We don't have some of the problems and issues as other communities have. He said it isn't to say we don't have those problems, and we have our share of issues. He believes that come of the increases in crime patience can't be attributed to any of the action taken by the Governing Body, and there are lots of factors to that. The economy is absolutely one of them. He doesn't want to get into the details of political statements that have been made here this afternoon, but it is relative and there are lots of factors to that.
- Chair Dominguez continued, saying Annexation is an interesting topic and something with which he is intimately familiar, because it is primarily and predominantly in District 3 which is the District he represents. He asked, "Is the government short, on many hands could we afford to [cover the newly annexed territory]. No. Could we afford not to. No. So it is something that was discussed exhaustively with the previous administration and the previous Chief. And frankly, your predecessor and the previous administration said that we could do it. And they said that we could afford to do it even. We talked about staffing and those questions came up and the response, generally speaking was, yes, we feel like we can get there."

- Chair Dominguez continued, "Recruitment. I've heard it many times, many different ways that we are enhancing our recruitment efforts. We are doing things different with our recruitment. So the question I have with regard to the vacancy rate, whatever you call it, is what it means. Yes there are peaks and valleys, but the trends is always pretty much the same. There are many many vacancies the Police Department has had over a number of years. It's not just this last year or even the previous year."
- Councilor Dominguez continued, "So the last thing is, quite frankly, without getting into too much detail, the City has been very generous to the Police Department. And even though you haven't been able to fill the positions, we have increased the number of positions the Police Department has had. We approved at one point the creation of a Public Information Officer. We have spent capital monies making sure you have an evidence room that is better than it was before. We have even given raises to the Police Officers. One of the first we did when I was first elected was to give raises to the Police Department, that was a lot of years ago. But there have been things like the creation of a Lieutenant, all the internal things we've done, that provided room for growth in the Police Department among a certain level of officers."
- Councilor Dominguez continued, "Generally speaking, the City has been generous to the Police Department. We have made sure the Police Department has been given many of the resources the administrations have felt they needed for public safety. One of the things I would like for you to break down a little when you talk about vacancies, is exactly where those vacancies are. Because when we talk about the attrition rate or the vacancies, we're not saying that you have to eliminate patrol positions or they have to be gone. When you're allowing a level of flexibility for the Police Department, and this is my personal preference, I don't know that we need a Public Information Officer. I know you feel like you need a PIO, but do we need one, especially when we have to make all these cuts. I would rather have a Patrol Officer not a PI Officer. That is just one small caveat of my own, it's my own personal opinion about it should be organized, so talk a little bit about where the vacancies sit."

Chief Gallagher said, with the regard to the vacancies, we aren't proposing to be fully staffed and the goal is to get to single digits in recruiting vacancies which he thinks is a realistic goals to take it to single digits. He noted the vacancies for Police Officers are in patrol. He said the two civilian vacancies are in the DWI program.

- Chair Dominguez asked how many vacancies are in patrol, commenting he heard Chief Gallagher say there are 26 vacancies.

Chief Gallagher said there are 22 vacancies in patrol. that

- Chair Dominguez said he sees nothing that says the attrition rate has to be applied to patrol staffing, even though that's where the vacancies are.

Chief Gallagher said there is a natural assumption it would be applied to the vacancies.

- Chair Dominguez said we are given flexibility so you don't have to apply it to patrol.

Chief Gallagher said the attrition rate is a new way of looking at things from his perspective and it seems from a lot of peoples' perspective here, but he is getting a handle on it.

- Councilor Ives asked the Chief if he has the resources he needs to decisively and affirmatively remove those who are dealing drugs in our community, out of our community. And if yes, what metrics will he use to say that, and what more does he need.

Chief Gallagher said we will never drive all of them from the community. He said they are doing it now, but because so many vacancies are on patrol, they can't be as proactive as they could be otherwise if the positions were filled. So they are doing it, but just to the lesser degree. If we had more patrol officers, they might be able to staff much more in the Narcotics Unit, noting it is now staffed by 3 people.

Deputy Chief Salbidrez said there are 2 plus the Sgt., and 2 at the *[inaudible]*, and he would like to increase those numbers.

- Councilor Ives said he is hearing the Chief saying he is doing the best he can with the resources he has, and that filling a number of patrol positions and letting them focus on these kinds of issues, could potentially significantly help in the process. He said he is unsure of the metrics, but he will have to have that conversation off-line.

Chief Gallagher said he said he will be doing performance measures, and they are included in next year's budget. He said it is the crime rate, the response to closer service and the number of reports. He said if you notice, our goal is to maintain crime at the current levels, not to reduce it, because we still don't know the full impact of that due to the annexation. He said if he got additional personnel, they could compare it to crime rates and they could make a more educated approach as far as we want to reduce crime by and what kinds of crime.

- Chair Dominguez asked if he is saying he would get additional personnel or hire additional personnel, because he has the positions, or he just hasn't hired them yet.

Chief Gallagher said he would hire them.

- Councilor Ives said he understands the metrics of looking at the statistics at the end of the day or comparing those to higher periods in time. He said he is looking at coming at it from a slightly different angle, which is affirmatively setting some of the goals and figuring out what it takes to get there. He said that allows the people doing the budget to allocate or reallocate resources in such a way that we have a measurable impact. He said this probably is a tough season for that, given our budget circumstances, PERA and any number of factors, but that is certainly where he would like to see this discussion transitioning to, so we are working together to affirmatively affect, i.e. reduce what I think is one of the most significant generators of all crime statistics. He wants to do whatever we can do to make sure you have the resources to rid the community of drugs.

- Chair Dominguez said he would note that Councilor Ives' input will be recognized, even if it is through off line discussions.
- Councilor Maestas said he is a bit disappointed. It seems we have reduced General Fund support to Public Safety. He said in looking at last year's budget, there were Transfers In from the General Fund, in addition to not just from the allocated property tax, but a portion of the property tax allocated for operations. He said on page 53 of last year's budget, in the 14/15 budget there was a transfer-in from the General fund of \$21.7 million, plus \$2.4 million from the Police Property Tax, and yet their only allocation of property tax is about \$1.5 million, so they are getting \$800,000 of additional property taxes. He said if you fast forward to the 2016/2017 budget, they are getting \$20.699 million from the General Fund which is less than they were getting in 2015/16, without the property tax. He asked if are we dinging the Police Department. He said he sees the logic, instead of taking out the allocated property tax for public safety and sending it right to that fund, it's going to the General Fund, and then you are transferring monies out of the General Fund to Police and Fire. He likes that you have docketed them based on historical fund. He said the same holds true for Fire. He asked if he is incorrect.

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**MOTION:** Councilor Lindell moved, seconded by Councilor Villarreal to suspend the rules and go past the published time of recess at 3:00 p.m.

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

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Mr. Johnson said, "You are incorrect. Let me explain and I definitely appreciate the questions, and it's going to get better as we are able to compare years going forward. To explain all we did this year, we took the Property Tax for Fire and Police and we moved it into the General Fund, but we did create that line item so it's accounted for separately as provided by the Resolution. The other thing we did for Police specifically, we moved the personnel expenditures from the GRT into the General Fund and moved their non-personnel operating expenditures into the GRT, so now you can see personnel and non-personnel operating expenditures separately and more clearly. The main distortion you're referring to here on page 53, on the line that says Police Property Tax/Safety Fund \$2.3 million is actually they were spending from cash reserves in that year. The actual revenue, and we would have to produce a historical report to show you, but the actual revenue would have been more in line with a slight reduction from what it is now, \$1.5 on the revenue on the General Fund side."

Mr. Johnson continued said, "So it certainly appears as though we have reduced the resources going to them, but actually what we've done is not spend cash reserves for that. And to the extent those cash reserves have been used over time, they currently remain dormant in the Property Tax Fund awaiting a request for a capital expenditure to the tune of about \$500,000.

- Councilor Maestas said then they were over-spending, but from the Property Tax Fund.

Mr. Johnson said, "Correct. So, it wasn't the Property Tax. The additional Property Tax that was then being transferred, it was that they were spending from 2252, the Property Tax Police Fund in excess of the revenue coming in. And you see that only here, because this page represents only expenditures rather than revenue and expenditures."

*[Nancy Jimenez's remarks here were inaudible because her microphone wasn't turned on]*

- Councilor Maestas said overall he doesn't see any budget growth for the Police Department, yet the demands are increasing, commenting that is a broader issue, but it is of concern to him.
- Chair Dominguez said his frustrations come, not because he is disappointed with the Police Department, nor is it anything against the Police Department. He said his frustrations come from the fact that he has been around for 10-11 years and it seems to him the same stuff comes up and gets regurgitated. So there is growth in the sense that we provided some of that growth. We provided additional positions and done lots of things, we created a career ladder by doing some internal reorganization, and we've talked about vehicle take-home policy. All of that stuff was done in the spirit of making sure the Police Department was able to provide that service. So his frustration comes from the continued discussion and really not gaining anything. He suspects this is an issue around the country for Police Department which aren't fully staffed and there are lots of challenges. He said he wants to make sure when Councilor Maestas says growth, it's not just annexation we're talking about.
- Councilor Maestas said he thinks the ultimate metric in terms of gauging the success of public safety is response time, and what he heard is that our response time is starting to go down. He said he thinks we need to heed that warning, and it's not a trend we want to continue.
- Chair Dominguez said if it was his preference and if there was an ability to do this, he would say let's make sure priority those positions in patrol are filled first, before we start to hire some of the other positions to make sure the response time stays down and even gets lower and that we meet the Annexation requests. He reiterated his frustration is having had lots of these discussions before, and "I ask for your indulgence."
- Councilor Harris thanked Chief Gallagher for the information. He said he thought he heard the Chief say that one result of the Annexation is that the response time went up 34 seconds.

Chief Gallagher said it is hard to directly attribute that to Annexation, but there are less officers on patrol and/or there is a larger service area and the reason it takes them longer to respond. He said it isn't 34 seconds, it went from under 7 minutes to more than 7 minutes so it's gone up just a little.

- Councilor Harris said he has been a businessman here for 40 years, raised his family here. He thinks we have a very good Police Department, commenting it is a tough job and he would congratulate all the work that the men and women of the Police Department do. He also thinks as a result, for lot of reasons, we generally have a safe community.

- Councilor Harris said then the budget anticipates that the 26 vacancies will be filled.

Chief Gallagher said that is relatively accurate.

- Councilor Harris asked again if the budget anticipates filling as many of these vacancies as possible.

Mr. Johnson said, "I think there's a discrepancy between the number of vacancies on this page and their total, because they have a few in some of the other funds, I believe. It's probably that discrepancy between the 26 and the 23 stated here. The attrition credit is applied to their attrition, and not to get into the practice of pigeonholing the value of it. When we took the snapshot in April it was about \$800,000. The total vacancies on this list is about \$1.7 million. They project they need \$1.1 to fulfill their current recruitment rate with the 12 coming in through the school and 4 laterals. So what we anticipate is to see that the attrition credit potentially could take out the additional slack, should the Governing Body choose to do that, and if in the end they hire that 16, and then want to say remove the funding for the others, that would be an option to apply toward the attrition credit."

Mr. Johnson continued, "The other option is that we are looking at the revenue enhancements before that we discussed this morning and that could be a direction to offset the aspects of Public Safety. And again, going back to the end of this conversation, is that's what makes this possible and being flexible. There is nothing in this budget that prevents them from fulfilling their interviews and their schools to get the ones we think should be filled first, filled, and then come back and see what has changed with their natural attrition, and everything that has occurred from turnover in the department. And then hold another, more informed discussion about what is left and what is reasonable and go from there."

- Councilor Harris said he sees 3 lines on the attrition spreadsheet – Criminal Investigations, Police Administration and Patrol totaling not quite \$700,000. "So again, let me make sure I understand. So we've got, just like all departments do, an assumed attrition rate, but the current budget anticipates being able to fill, I heard you say 12 from the Cadet Academy and 4 laterals, so approximately 16 of the current 26 vacant positions."

Mr. Johnson said, "No. The current budget will not prevent them from fulfilling that obligation, and we will then need to assess their contribution. If it were to be by personnel or other positions, how that affects the attrition, and then we need to ensure they have the resources to fulfill what is in the budget plus the laterals and the school they would complete."

- Councilor Harris said, "It would not prevent the Department from filling the 16 positions."

Mr. Snyder said, "This gets back to what I have been trying to put out there for the last 3 days, is consistently across the City, and we talked about it whether it be the libraries, Police or the rest of the Department, the \$800,000 is based on first of all what was expended the past year, I'm going to use 22 vacancies because that's where we are right now. So the budget as applied right now, moving forward, has that in consideration and where you get the attrition rate of some \$800,000. So what Adam is saying is, and this is going to be... we have not solved the attrition rate challenge throughout these 3 days of conversations and this is going to be monitored internally and reported to the Governing Body on a monthly basis. What Adam is saying is there is money in the budget right now to fill the 12 plus the 4 laterals, 16, to pay them. But we're going to have to monitor throughout the year, because we also know they will continue recruiting. We also know there are going to be retirements. So getting back to what Councilor Dominguez was saying is where we are going to balance through the year has to be monitored weekly by the budget sitting right now, so we don't go to the Mayor on the personnel side."

Mr. Snyder continued, "The flip side of doing it is, the way Adam suggested, is we can make an assumption that those 16 vacancies we will be filling shortly, and will be passed down to some number, and these are number 10, we will have to maintain 10 throughout the fiscal year. And we can budget taking from either the \$1.5 million, the contingency fund or some mechanism to budget in their entirety for the full year. My approach to budgeting is, I've got to monitor on a monthly basis and make sure we're not putting too much money into the budget. That's what we've done in years past across the City, that's why we have a 7.8 % vacancy and attrition rate, and that's why we were overloading the budget with personnel costs. We still need to monitor it, but do you want to put money in and assume that the Chief is going to hit the mark, which I hope he does. That's our ultimate goal. But at the same time, based on past history, we haven't been able to get below a certain threshold. Should we budget for it now, or monitor throughout the year and keep these contingency in place earmarked, or if necessary we balance it out."

- Councilor Harris said we struggle with the concept, commenting it's starting to sink in. But he wanted to make sure that he understood what the current budget anticipates, which seems to be 16 patrol positions in the current budget.

Mr. Johnson said, "This is a good example. Because the numbers related to Police are so large, they actually drive the credit pretty directly. If you look at the total value of their vacancies in the General Fund of \$1.7 million, that is almost exactly their reduction to their budget for the current year. So the direct answer is no, there is not money for all of those vacancies in there, because there's a large chunk driving it, but there is nothing preventing going after and fulfilling the goal to get this School and laterals on board, see how it falls with the other changes. Being a student of statistics, I would guess that not all 12 and those 4 make it. It's just the way probabilities work, but this give us the flexibility to see how that works and make an informed decision a few months in if we need to use the contingency funds, or if we have other revenues to cover that. But either way, we can move forward with a balanced budget at this point in time."

- Councilor Harris asked Chief Gallagher, "What do you think."

Chief Gallagher said he thinks he is confused.

- Councilor Harris said this is an important discussion. However, from what he hears, there is a fair degree of confidence that with the flexibility built into the budget, that Chief Gallagher would be able to start to fill the vacant positions he has identified. He asked if this is an accurate statement.

Chief Gallagher said that is accurate. It's not all of them, but it gets us in better shape.

- Chair Dominguez told Chief Gallagher that he can't let anyone in patrol leave.

Ms. Jimenez said we have 10 individuals who can retire tomorrow.

Mr. Rodriguez said it might help the conversation to say this. He said, "We promise we will monitor this monthly and should the miracle happen where they can fill all of the positions and you need the extra resources, he will be the first going to the Chief saying we now need to tap the contingency fund to fund the additional resources. He said it's a pretty good bet that flexibility will probably continue."

- Councilor Harris said he heard Mr. Johnson say the \$1.5 million identified earlier, they are keeping there as a contingency. He said he read an article in the newspaper about 9 individuals going through a screening process, and only one of them made it for different reasons.

Chief Gallagher said it is indicative of the high standards we demand of our applicants.

- Chair Dominguez reiterated that there was an idea a number of years ago to lower the standard.
- Councilor Harris said, "I would never advocate for that."

Chief Gallagher said in his prior time in a Police Department he spent time in Internal Affairs, and he saw the end result of poor hires, commenting that it costs a lot more money in the end.

- Councilor Lindell asked how we stack up and what is our trend in terms of overtime.

Chief Gallagher asked if she is speaking of the amount of overtime.

- Councilor Lindell said she wants to know the trend of overtime, and does it stay steady over the course of the last 2-3 years.

Chief Gallagher said it really can't stay steady because of the dynamic nature of it. He said two weeks ago, when Vice-President Biden came to Santa Fe, it cost us \$7,000 in overtime that isn't reimbursed and they didn't budget for. He said the First Lady is coming next month, and we have the budget for that. He said we have to pay it. He said they manage it – Deputy Chiefs Salbidrez,

Padilla and himself– manage it much more carefully because of those procedures, and the reason they budgeted for it. He said they need 7 days notice to change staff hours or days off due to the union contracts. He said they are doing the best they can.

Chief Gallagher continued, asking about the possibility of being reimbursed for some of the overtime expenditures for some of the larger events we do. He said the Police Department participated in 55 events at a cost of \$166,000 in overtime alone last year. He said they fill some of those positions with current on-duty personnel, but most of the time they have to bring people in on overtime to maintain the minimum personnel required on patrol. He said that can be considerable. He said 5 of the big 8 events over the last 2 years was about \$125,000 in overtime alone.

- Councilor Lindell said she hopes he can work with Mr. Snyder on finding a way to lower some of those costs, which is a goal. She does appreciate him actively managing overtime.
- Councilor Lindell asked where in the budget is funding for the LEAD program.

Chief Gallagher said it is funded through the Community Services budget.

- Councilor Lindell asked the amount of revenue that we used to generate from the camera cars.

Ms. Jimenez said it is about \$500,000 a year.

- Councilor Villarreal asked if there is a correlation between overtime, and our decision about reducing waivers by 50%. She said in the Property Budget description it says the Department overtime budget will be reduced by \$112,000 for this fiscal year, and asked about the correlation between the two.

Mr. Rodriguez said it's largely in the budget, we are making that assumption.

- Councilor Villarreal said so then this is already done.

Mr. Rodriguez said yes, noting the total waivers are \$600,000, with \$300,000 just for Police.

- Councilor Villarreal asked how the overtime budget is reduced by \$112,000.

Chief Gallagher said that is in the recommended budget, and they feel by managing overtime more carefully and more strictly, barring unforeseen emergencies or visit by high profile dignitaries, they can bring it down by at least another \$112,000, although it will be tight. He said with 75% of the budget spent, we've spent 72% of the overtime budget, so we're close this year. He said with better management next year we can survive the \$112,000.

Mr. Snyder said in Document #2 on page 3, it indicates that the 2016/17 Waivers proposed would impact the Police Department in the amount of \$80,000, and the overall impact to the General Fund will be \$168,000, and that number is loaded in the budget "I presented as a balanced budget."

- Councilor Villarreal asked if there is any reimbursement from the federal government when First Lady Obama comes to visit and will you be required to participate.

Mr. Gallagher said, "That's correct. I had the opportunity to visit with Vice-President Biden and I did talk to him about that."

Responding to Councilor Villarreal, Chief Gallagher said because of operational security, they don't let us know far enough in advance to work out the detail, but it is within the 7 day notice requirement.

**MOTION:** Councilor Lindell moved, seconded by Councilor Harris, to approve the budget for the Police Department, as presented, and request that staff do investigation on the cost of overtime for the 8 major events.

**DISCUSSION:** Mr. Snyder said we're already looking at reducing the Fee Waivers by \$80,000, and pay it to the Police Department. He asked what she wants him to investigate further, to make sure we're all on the same page.

Councilor Lindell said then we've already done the waivers.

Mr. Snyder said yes, that's all waivers across the board, so the division would be affected by any other fee waivers in place by 50%.

**RESTATED MOTION:** Councilor Lindell moved, seconded by Councilor Harris, to approve the budget for the Police Department, as presented.

**FRIENDLY AMENDMENT:** Mr. Snyder said he would offer a friendly amendment to the motion to reload somewhere in the range of \$220,000 into to the proposed Police overtime budget, in addition to what has already been requested. **THE AMENDMENT WAS FRIENDLY TO THE SECOND AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COMMITTEE.**

**FRIENDLY AMENDMENT:** Chair Dominguez would like to add to the motion that this Committee is to be updated on the status of all overtime on a monthly basis. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COMMITTEE.**

**CONTINUATION OF DISCUSSION ON MOTION, AS AMENDED:** Mr. Rodriguez said he will include a report on the attrition rate in the Monthly Financial Report.

Councilor Harris said he understood when we approached Annexation that the City Fire and Police ended up responding to calls within the County, in recognition of what the Department already is doing. He asked, now that the Annexation is place, with one more phase to go, if the Santa Fe Police Department has additional responsibilities after the annexation, which could be very draining.

Chair Dominguez said whoever it is that imposes some of the rules on us, required us to also incorporate I-25, commenting it is the right of way of the roadway for which we are responsible.

Ms. Brennan said this is correct.

Councilor Harris asked how that is being handled.

Chief Gallagher said he wasn't here prior to the Annexation, but typically sometimes Santa Fe Police Officers will respond to the areas in the County. Since then there has been a revocation of our crossing into the County, so we can't go into the County anymore, but we are working with the City Attorney to reestablish that relationship. He said there is one high call area in the Annexed area which the Sheriff's Office continues to patrol as a favor to us. He noted there has been a reduction in calls to the call center. He said we have to let some time pass before we can do a good analysis, especially since the annexation was phased in.

Chair Dominguez said policing is a wonderful science and complicated, and thanked Chief Gallagher for his work and for that of his Police Officers and administrative staff. He said, "I have to say when I look at the Police Department organizationally, it's very well organized and put together and 'lean and mean,' should I say. For me, this is just a general comment. It's kind of interesting how things come full circle. And this probably is the first time it has come full circle. He said we're going to have software in place which will make the Police Department more efficient as well.

**VOTE:** The motion, as amended, was approved unanimously on a voice vote.

*The following items were not heard and no action was taken:*

**D. ADMINISTRATIVE SUPPORT SERVICES**

- a) FINANCE
- b) HUMAN RESOURCES
- c) INFORMATION TECHNOLOGY & TELECOMMUNICATIONS

**8. ENTERPRISE FUND REVIEW**

- a) AIRPORT
- b) TRANSIT
- c) PARKING
- d) SANTA FE CONVENTION CENTER
- e) ENVIRONMENTAL SERVICES (SOLID WASTE)
- f) WASTEWATER
- g) WATER

*The aforementioned items were not heard and no action was taken:*

**9. PUBLIC HEARING**

There was no public hearing.

**10. REQUEST FOR APPROVAL OF OPERATING BUDGET AND ORGANIZATIONAL CHART FOR FISCAL YEAR 2016-2017**

No action.

**11. REQUEST FOR APPROVAL OF CAPITAL OUTLAY BUDGET**

No action.

**12. ADJOURN**

Chair Dominguez said following the recess, we will reconvene after the Finance Committee meeting on Monday.

Councilor Maestas asked if the Health Fund has been discussed, because he has comments on that.

Chair Dominguez said Councilor Harris requested information on the Health Fund, so there is information in budget the book on that. He doesn't know how extensive his questions are, but we're bumping on 4:00 p.m. now.

Mr. Johnson said, "I would suggest that you give staff an opportunity to have folks from Human Resources in attendance, and we can do it simultaneously with they are here to present their budget.

Chair Dominguez said we probably will be hearing H.R. on Monday.

Chair Dominguez said the next item we will hear after we reconvene on Monday is Administrative Support Services.

The meeting was recessed at 4:15 p.m., to reconvene on Monday, May 2, 2016, following the regular Finance Committee meeting that begins at 4:30 p.m.

C. Dominguez  
Carmichael A. Dominguez, Chair

Reviewed by:

Oscar S. Rodriguez  
Oscar S. Rodriguez, Director  
Department of Finance

Melessia Helberg  
Melessia Helberg, Stenographer

Planning & Land Use Permits/Fees Revenue (all accrue to General Fund)

Building Permits	420300	Building Permits	1,318,157	1,408,727	1,907,800	1,371,999	1,496,656	1,374,345	1,500,000	1,522,019	(22,019)	-1.45%
Building Permits	420400	Mechanical Permits	95,871	103,533	128,483	91,608	93,391	83,000	87,000	101,452	(14,452)	-14.24%
Building Permits	420500	Electrical Permits	104,471	109,477	124,262	110,130	125,827	108,000	113,400	117,724	(4,324)	-3.67%
Zoning Permits	420600	Zoning Permits	780	1,250	3,260	350	2,435	100	100	1,776	(1,676)	-94.37%
Zoning Permits	420650	Short-Term Rentals - Permits	105,020	100,515	102,745	100,904	102,545	100,000	105,000	102,042	2,958	2.90%
Other Lic/Permits	420250	Water Administrative Fee	24,705	10,940	4,240	2,480	-	4,000	2,000	4,615	(2,615)	-56.66%
Plng/Land Use Fees	431410	Subdivisions	25,900	7,200	5,100	40,850	58,500	65,000	75,000	34,100	40,900	119.94%
Plng/Land Use Fees	431415	Summary Subdivisions	5,200	6,200	6,200	8,550	5,100	4,500	4,500	6,393	(1,893)	-29.61%
Plng/Land Use Fees	431420	Administrative Subdivisions	7,350	6,600	8,250	7,300	6,600	5,000	5,000	7,167	(2,167)	-30.23%
Plng/Land Use Fees	431425	Dedication/Vacation Plats	350	350	350	1,000	-	1,000	1,000	407	593	145.90%
Plng/Land Use Fees	431430	Annexations	4,500	3,922	-	-	-	-	-	823	(823)	N/A
Plng/Land Use Fees	431435	Rezoning	15,800	12,356	5,151	7,060	28,723	15,000	15,000	15,188	(188)	-1.24%
Plng/Land Use Fees	431440	Development Plan	93,082	52,978	17,350	49,600	86,223	80,000	85,000	58,707	26,293	44.79%
Plng/Land Use Fees	431445	Historic Design Review	64,355	92,731	91,293	79,866	96,045	85,000	90,000	88,226	1,774	2.01%
Plng/Land Use Fees	431450	Board of Adjustment	2,680	3,200	2,200	1,750	1,050	2,900	3,000	1,862	1,138	61.12%
Plng/Land Use Fees	431455	PC Amendments	5,600	1,050	3,100	1,600	-	2,500	2,500	1,560	940	60.26%
Plng/Land Use Fees	431470	Appeals	2,030	1,200	810	1,550	1,200	1,000	1,200	1,271	(71)	-5.56%
Plng/Land Use Fees	431475	Notification Posters	9,807	9,955	9,260	8,325	8,000	6,500	7,000	8,720	(1,720)	-19.72%
<b>TOTAL</b>			<b>1,885,658</b>	<b>1,932,184</b>	<b>2,419,853</b>	<b>1,884,923</b>	<b>2,112,296</b>	<b>1,937,845</b>	<b>2,096,700</b>	<b>2,074,051</b>	<b>22,649</b>	<b>1.09%</b>

*Submitted 4/21/16*

## LAND USE DEPARTMENT

**Fiscal Year 2016/2017  
Proposed Projects - Per  
Account Numbers**

Account Numbers	420300	420400	420500	420600	Fire	Police	Roads	Ports	Sub-Total	Affordable	Total	
Permit Fees	420300	420400	420500	420600								
32	39,232.00	950.00	1,425.00	1,500.00	4,800.00	2,016.00	30,240.00	121,731.00	15% (-12,285)	109,446.00	Multi-Family Units - 1200 sq. ft. Average	
240	294,240.00	7,600.00	11,400.00	12,000.00	36,000.00	15,120.00	311,760.00	226,800.00		914,920.00	Road Impact Fee Credits ???	
N/A											12 Commercial and Multi-Family	
N/A											58.5 Acres C-2 Single Family Unknown	
(40)6 Market, 2 Aff.	20,496.00	1,140.00	1,710.00	300.00	1,288.00	544.00	16,512.00	8,080.00	50,070.00	15%(-6,606)	43,464.00	Single Family Lots 1501 - 2000 sq. ft. Homes
6	7,356.00	190.00	285.00	300.00	900.00	378.00	7,374.00	5,670.00	22,453.00		22,453.00	Multi-Family Units
(50)2 Market, 2 Aff.	10,248.00	100.00	318.00	326.00	644.00	272.00	8,256.00	4,040.00	24,204.00	40%(-6,606)	17,598.00	Single Family Lots 1501 - 2000 sq. ft. Homes
138	169,188.00	4,370.00	6,355.00	6,900.00	20,700.00	8,694.00	179,262.00	130,410.00	526,079.00		526,079.00	Multi-Family Units
135M	1,042,453.00	unknown	unknown	unknown	53,540.00	22,742.00	691,748.00		1,810,483.00		1,810,483.00	Multi-Family Units
77	197,274.00	3,850.00	12,243.00	12,274.00	158,928.00	77,770.00	12,397.00	5,236.00	480,249.00		480,249.00	Single Family Lots 1501 - 2000 sq. ft. Homes
Proposed Fees FY 16/17	1,780,487.00	38,200.00	33,936.00	33,877.00	276,800.00	127,536.00	1,268,877.00	410,776.00	3,950,189.00		\$ 3,934,692.00	

Total Permit, Mechanical, Elec., Plumbing Fees

2.053.192.00

**Total Impact Fees**

\$ 1,866,500.00

Fiscal Year 2017/2018 Proposed Projects - Permit & Impact Fees Account Numbers											
	420300	420400	420500	420600	Fire	Police	Roads	Parks	Sub-Total	Affordable	Total
200	\$12,400.00	\$10,000.00	\$1,800.00	\$2,600.00	\$2,200.00	\$3,600.00	\$12,800.00	\$20,000.00	1,247,400.00	158*(14,472)	1,247,400.00
201	49,040.00	1,140.00	1,710.00	6,000.00	6,800.00	5,160.00	32,800.00	32,800.00	151,970.00	158*(14,472)	58,163.00
126	154,476.00	3,800.00	5,200.00	1,900.00	18,300.00	7,930.00	183,570.00	119,070.00	479,558.00		479,558.00
24	29,434.00	760.00	1,440.00	1,200.00	3,600.00	1,512.00	31,776.00	22,680.00	191,492.00	158*(9,828)	42,352.00
(60)28 Market, 4 Aff.	81,984.00	5,320.00	7,960.00	4,584.00	5,152.00	2,176.00	66,048.00	32,320.00	205,544.00	158*(12,407)	193,137.00
(50)40 Market, 18 Aff.	117,832.00	2,000.00	3,600.00	6,500.00	7,406.00	3,128.00	94,944.00	46,460.00	284,670.00	409*(59,454)	235,216.00
(5)14 Sereno - Tierra Concreta	171,650.00	3,350.00	10,653.00	10,921.00	10,797.00	4,556.00	138,288.00	68,680.00	418,899.00		418,899.00
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(5)14 Sereno - Tierra Concreta	171,650.00	3,350.00	10,653.00	10,921.00	10,7						

**Total Permit, Mechanical, Elec., Plumbing Fees**

00-847277-1

**Total Impact Fees**

1 511 294 00

Report includes estimated trade fees (mechanical, electrical and plumbing)  
Report does not include proposed fee increase

Exhibit 12

### Total Vacant General Fund Positions

DEPT	DIV	FUND	BU	NAME	SSNO	COMMENTS	UNION	CLASS	POSITION/TITLE	HOURLY	HOURS	FTE	SALARY	Incent Pay	ICA/ACA	PFA	BHC	Health/Life	Dental	Wompr	TOTAL W/BEN
GG	MUN	1001	12002	VACANT	24		0 NONE	EXMPT	COURT CLERK I	12	2080	1.00	24,960	-	1,909	5,125	498	15,630	790	84	48,997
GG	MGR	1001	12003	VACANT	46		0 NONE	EXMPT	DEPUTY CITY MANAGER	65	2080	1.00	135,200	-	10,343	27,759	2,704	16,409	790	413	193,619
GG	CLK	1001	12006	VACANT	98		0 NONE	CLST	RECORDS/LECTIONS SPECIALIST	15	2080	1.00	31,200	-	2,387	6,406	624	15,810	-	103	58,529
GG	CLK	1001	12011	VACANT	2177		0 NONE	CLST	SEASONAL OFFICE AID	13.5	1040	0.50	14,040	-	1,074	-	-	15,711	790	51	31,666
GG	CLK	1001	12011	VACANT	2178		0 NONE	TMPT	SEASONAL OFFICE AID	11	1040	0.50	11,440	-	-	-	-	15,696	790	44	28,844
Department Total																					559,655
FB	FM	1001	12017	VACANT	70	reclass in fy 16/17 to Budget Analyst	NONE	CLST	ACCOUNTING SUPERVISOR	32.781	2080	1.00	68,184	-	5,216	13,999	1,584	16,023	790	214	103,790
FB	FM	1001	12017	VACANT	918s	20% funded in 22537	AFSME	CLST	FINANCIAL ANALYST	26.957	2080	0.80	44,856	-	650	9,210	897	12,762	632	144	68,152
FB	PLR	1001	12023	VACANT	89		0 NONE	CLST	DATABASE SPECIALIST	18.02s	2080	1.00	37,490	-	2,668	7,697	750	15,846	790	122	65,582
Department Total																					237,554
HR	HRD	1001	12025	VACANT	1570	mv fr finance 52203 to HR	AFSME	CLST	FINANCIAL ANALYST	26.714	2080	1.00	55,565	-	4,251	11,408	1,111	15,950	790	176	89,251
Department Total																					89,251
IT	ITT	1001	12028	VACANT	2316		0 AFSME	CLST	NETWORK ENGINEER	34.161	2080	1.00	71,055	-	5,436	14,589	1,421	16,039	790	222	109,552
IT	ITT	1001	12028	VACANT	2321		0 AFSME	CLST	IT BUSINESS LIAISON	40	2080	1.00	83,200	-	6,965	17,082	1,664	16,109	790	259	125,469
IT	ITT	1001	12028	VACANT	2330		0 AFSME	CLST	ITT END USER SUPPORT TECH	25.875	2080	1.00	53,820	-	4,117	11,050	1,078	15,940	790	171	86,984
IT	ITT	1001	12028	VACANT	2333		0 AFSME	CLST	ITT END USER SUPPORT TECH	29.451	2080	1.00	61,258	-	4,686	12,577	1,225	15,983	790	193	96,712
Department Total																					316,807
PW	FMD	1001	12036	VACANT	153		0 AFSME	CLST	CUSTODIAN	12.067	2080	1.00	25,099	-	1,920	5,153	502	15,774	790	717	49,956
PW	SDM	1001	12040	VACANT	208	mv fr 22403 in fy 16/17	AFSME	CLST	STREETS MAINTENANCE WORKER	13.96	2080	1.00	29,037	-	2,221	5,962	581	15,797	790	735	55,123
PW	SDM	1001	12045	VACANT	194		0 AFSME	CLST	STREETS SUPERVISOR	24.233	2080	1.00	50,405	300	3,679	10,411	1,014	15,920	790	1,277	83,995
PW	SDM	1001	12045	VACANT	195		0 AFSME	CLST	STREETS MAINTENANCE WORKER	10.91	2080	1.00	22,893	-	1,736	4,655	454	15,761	790	577	48,689
PW	SDM	1001	12045	VACANT	204		0 NONE	TMPT	STREETS MAINTENANCE WORKER	13.5	1040	0.50	14,040	300	1,097	2,944	287	-	790	368	19,825
PW	SDM	1001	12045	VACANT	2308		0 AFSME	CLST	STREETS MAINT. WORKER SENIOR	13.96	2080	1.00	29,037	-	2,221	5,962	581	15,797	790	735	55,123
PW	RWT	1001	12048	VACANT	2322		0 AFSME	CLST	ENGINEER	31.059	2080	1.00	64,603	-	4,942	13,264	1,292	16,002	790	203	101,096
Department Total																					601,066
PD	OPS	1001	12059	VACANT	307		0 POLICE	CLST	POLICE OFFICER	19.114	2080	1.00	39,757	-	576	10,893	795	15,859	790	1,949	70,620
PD	OPS	1001	12059	VACANT	308		0 POLICE	CLST	POLICE OFFICER	19.305	2080	1.00	40,154	-	582	11,002	803	15,861	790	1,969	71,162
PD	OPS	1001	12059	VACANT	332		0 POLICE	CLST	POLICE OFFICER	23.009	2080	1.00	47,859	-	694	13,113	857	15,630	790	2,345	81,387
PD	OPS	1001	12059	VACANT	334		0 POLICE	CLST	POLICE OFFICER	19.114	2080	1.00	39,757	-	576	10,893	795	15,859	790	1,949	70,620
PD	OPS	1001	12059	VACANT	346		0 POLICE	CLST	POLICE OFFICER	30.587	2080	1.00	63,621	-	923	17,432	1,272	15,996	790	3,114	103,148
PD	OPS	1001	12059	VACANT	355		0 POLICE	CLST	POLICE OFFICER	29.102	2080	1.00	60,532	-	878	16,586	1,211	15,979	790	2,963	98,938
PD	OPS	1001	12059	VACANT	368		0 POLICE	CLST	POLICE OFFICER	19.114	2080	1.00	39,757	-	576	10,893	795	15,630	790	1,949	70,391
PD	OPS	1001	12059	VACANT	370		0 POLICE	CLST	POLICE OFFICER	27.144	2080	1.00	56,480	-	819	15,470	1,129	15,955	790	2,764	93,386
PD	OPS	1001	12059	VACANT	453		0 POLICE	CLST	POLICE OFFICER	27.144	2080	1.00	56,480	-	819	15,470	1,129	15,955	790	2,764	93,386
PD	OPS	1001	12059	VACANT	1549	MV FR 22210	0 POLICE	CLST	POLICE OFFICER	27.415	2080	1.00	57,023	-	827	15,624	1,140	15,958	790	2,792	94,155
PD	OPS	1001	12059	VACANT	1703		0 POLICE	CLST	POLICE OFFICER	19.114	2080	1.00	39,757	-	576	10,893	795	15,859	790	1,949	70,620
PD	PSS	1001	12059	VACANT	2096	MV FR 22210	0 POLICE	TRMOF	POLICE OFFICER	19.114	2080	1.00	39,757	-	576	10,893	795	15,859	790	1,949	70,620
PD	OPS	1001	12059	VACANT	2187		0 POLICE	CLST	POLICE OFFICER	19.114	2080	1.00	39,757	-	576	10,893	795	15,859	790	1,949	70,620
PD	OPS	1001	12059	VACANT	2200		0 POLICE	CLST	POLICE OFFICER	30	2080	1.00	62,400	-	905	17,098	1,248	15,989	790	3,054	101,484
PD	OPS	1001	12062	VACANT	2357	MV FR 12059	0 POLICE	CLST	POLICE DETECTIVE	27.144	2080	1.00	56,480	-	819	15,470	1,129	325	-	2,764	76,967
PD	OPS	1001	12062	VACANT	2358	MV FR 12059	0 POLICE	CLST	POLICE DETECTIVE	27.144	2080	1.00	56,480	-	819	15,470	1,129	325	-	2,764	76,967
PD	OPS	1001	12062	VACANT	2359	MV FR 12059	0 POLICE	CLST	POLICE DETECTIVE	27.144	2080	1.00	56,480	-	819	15,470	1,129	325	-	2,764	76,967
PD	OPS	1001	12062	VACANT	2360	MV FR 12059	0 POLICE	CLST	POLICE DETECTIVE	27.144	2080	1.00	56,480	-	819	15,470	1,129	325	-	2,764	76,967
PD	PSS	1001	12167	VACANT	439		0 AFSME	CLST	RECORDS TECHNICIAN	12.741	2080	1.00	26,460	-	2,027	5,441	530	15,783	790	89	51,151
PD	PSS	1001	12167	VACANT	2074		0 POLICE	CLST	EVIDENCE & PROPERTY TECH	16.34	2080	1.00	38,147	1,200	571	8,079	787	15,850	790	127	65,500
PD	PSS	1001	12186	VACANT	431		0 POLICE	CLST	ANIMAL CONTROL OFFICER	12.613	2080	1.00	26,235	-	380	5,367	525	15,781	790	1,377	50,387
PD	OPS	1001	12186	VACANT	2276		0 POLICE	CLST	ANIMAL SERVICES OFFICER	12.613	2080	1.00	26,235	-	380	5,367	525	15,781	790	1,377	50,387
PD	OPS	1001	12186	VACANT	2276		0 POLICE	CLST	ANIMAL SERVICES OFFICER	12.613	2080	1.00	26,235	-	380	5,367	525	15,781	790	1,377	50,387
PD	OPS	1001	12186	VACANT	2276		0 POLICE	CLST	ANIMAL SERVICES OFFICER	12.613	2080	1.00	26,235	-	380	5,367	525	15,781	790	1,377	50,387

Exhibit "3"

# Total Vacant General Fund Positions

DEPT	DMV	FLUID	UNIT	GRADE	POSID	COMMENTS	UNION	CLASS	POSITION TITLE	GOVRLY	HOURS	REG	ANNUAL PAY	TECA/MCH	REG	REG W/BEN	TOTAL W/BEN		
LUD	BPD	1001	12079	VACANT	507		0 AF SME	CLSFT	PLANS EXAMINER COORD	30,769	2080	1.00	64,000	13,140	1,280	15,630	790	201	1,763,521
LUD	BPD	1001	12079	VACANT	512		0 AF SME	CLSFT	BUILDING PERMIT SPECIALIST	20,428	2080	1.00	42,480	8,724	850	15,875	790	137	99,936
LUD	LUP	1001	12085	VACANT	493		0 NONE	CLSFT	LAND USE PLANNER MANAGER	36,477	2080	1.00	75,872	15,578	1,517	16,087	790	237	72,116
LUD	LUP	1001	12085	VACANT	494		0 AF SME	CLSFT	LAND USE PLANNER SENIOR	26,739	2080	1.00	55,617	11,419	1,112	15,950	790	176	115,865
FD	FSD	1001	12087	VACANT	540	INV FR 12089	FIRE	CLSFT	FIRE CAPTAIN	23,011	3120	1.00	71,791	24,786	1,436	15,630	790	2,235	89,319
FD	FSD	1001	12087	VACANT	543	INV FR 12089	FIRE	CLSFT	FFPARAMEDIC II	11,417	3120	1.00	35,821	12,298	712	15,835	790	1,113	377,265
FD	FSD	1001	12087	VACANT	576	INV FR 12089	FIRE	CLSFT	FIRE ENGINEER	17,389	3120	1.00	54,254	17,731	1,085	15,942	790	1,691	117,708
FD	FSD	1001	12087	VACANT	607	INV FR 12089	FIRE	CLSFT	FIRE FIGHTER	15,966	3120	1.00	48,814	17,196	996	15,917	790	1,553	66,866
FD	FSD	1001	12087	VACANT	621	INV FR 12089	FIRE	CLSFT	FIRE ENGINEER	19,896	3120	1.00	62,078	21,432	1,242	15,630	790	1,934	93,280
FD	FAD	1001	12087	VACANT	1947	INV FR 22251	FIRE	CLSFT	FFPARAMEDIC I	17,488	3120	1.00	54,563	18,838	1,091	15,944	790	1,701	86,991
FD	FAD	1001	12087	VACANT	1956	INV FR 22251	FIRE	CLSFT	FFPARAMEDIC II	19,218	3120	1.00	59,960	20,701	1,199	15,975	790	1,868	104,002
FD	FSD	1001	12087	VACANT	2249	INV FR 12089	AF SME	CLSFT	HEAVY EQUIPMENT MECH-FIRE	26,195	2080	1.00	54,496	11,187	1,090	15,944	790	1,153	93,717
FD	FSD	1001	12087	VACANT	2250	INV FR 12089	AF SME	CLSFT	AUTOMATIVE MECHANIC-FIRE	15,311	2080	1.00	31,847	6,539	637	15,813	790	678	101,363
COM	LIB	1001	12101	VACANT	659		0 AF SME	CLSFT	LIBRARIAN ASSISTANT	19,635	2080	1.00	40,841	8,385	817	15,865	790	132	88,817
COM	LIB	1001	12102	VACANT	678		0 NONE	TMPTT	LIBRARY TECHNICIAN	10,911	1040	0.50	11,346	2,157	227	15,695	790	43	58,740
PR	PRK	1001	12110	VACANT	756	INV FR 12112	NONE	TMPTT	PARKS MAINTENANCE WORKER	10,911	1040	0.50	11,346	2,157	227	-	-	311	31,127
PR	PRK	1001	12110	VACANT	774	INV FR 12112	AF SME	CLSFT	PARKS EQUIPMENT OPERATOR	16,9	2080	1.00	35,152	7,217	703	15,832	790	944	14,910
PR	SOM	1001	12110	VACANT	798	INV FR 22402	AF SME	CLSFT	PARKS MAINTENANCE WORKER	11,34	2080	1.00	23,587	4,843	472	15,766	790	637	63,328
PR	PRK	1001	12110	VACANT	2254	PREV POS 775	NONE	CLSFT	PARKS SUPERINTENDENT	25,425	2080	1.00	52,884	10,658	1,058	15,935	790	1,416	47,898
PR	REC	1001	12120	VACANT	816		0 AF SME	CLSFT	SWIM INSTRUCTOR	12,741	2080	1.00	26,501	5,441	530	15,783	790	714	86,985
PR	REC	1001	12120	VACANT	822		0 NONE	TMPTT	SWIM INSTRUCTOR	10,911	1040	0.50	11,346	2,330	227	15,695	790	311	51,786
PR	REC	1001	12120	VACANT	823		0 AF SME	CLSFT	SWIM INSTRUCTOR	13,924	1040	0.50	14,481	2,753	290	15,713	790	394	31,567
PR	REC	1001	12121	VACANT	812		0 NONE	CLSFT	REC. SECTION MANAGER ASSISTANT	24,425	2080	1.00	50,804	10,431	1,016	15,923	790	1,361	35,529
PR	REC	1001	12121	VACANT	838		0 NONE	TMPTT	SWIM POOL LIFEGUARD	10,911	1040	0.50	11,346	2,330	227	15,695	790	311	84,210
PR	REC	1001	12123	VACANT	862		0 NONE	SEAS	SWIM POOL LIFEGUARD	10,911	524	0.25	5,717	437	-	33	-	161	31,567
PR	REC	1001	12123	VACANT	867		0 NONE	SEAS	SWIM POOL LIFEGUARD	10,911	524	0.25	5,717	437	-	33	-	161	6,348
PR	REC	1001	12123	VACANT	868		0 NONE	SEAS	SWIM POOL LIFEGUARD	10,911	524	0.25	5,717	437	-	33	-	161	6,348
COM	YFD	1001	12124	VACANT	712		0 AF SME	CLSFT	YOUTH SPECIALIST	12,741	2080	1.00	26,501	5,441	530	15,783	790	89	51,161
COM	YFD	1001	12124	VACANT	716		0 AF SME	CLSFT	YOUTH SPECIALIST	12,741	2080	1.00	26,501	5,441	530	15,783	790	89	51,161
HCD	EDD	1001	12176	VACANT	709		0 NONE	CLSFT	ECON. DEV. & COMM. ADMIN	43,271	2080	1.00	90,002	18,479	1,800	16,146	790	279	134,383
HCD	LRP	1001	12176	VACANT	2284		0 AF SME	CLSFT	ECONOMIC DEV SPEC ASSOCIATE	21,635	2080	1.00	45,001	9,239	900	15,889	790	144	75,406
LUD	EDR	1001	12179	VACANT	2251		0 AF SME	CLSFT	ENGINEER	26,739	2080	1.00	55,617	11,419	1,112	15,950	790	176	89,319
FD	FAD	1001	12087	VACANT	2306	INV FR 22132	FIRE	CLSFT	MOBILE INTEGRATED HEALTH EMT	40,926	2080	1.00	85,126	1,234	29,390	1,703	2,646	120,890	

Grand Total \$ 5,461,490.00

**PARKS AND RECREATION DEPARTMENT**

**BUDGET CHANGES  
TO COVER ATRITION AMOUNTS**

**OPTION #1**

**RECREATION - \$122,697.20**

With the increase in fees and charges at GCCC, Ft. Marcy and Salvador Perez, we estimate that this will increase the revenues of these recreational facilities by:

GCCC-	\$156,000.00
Ft. Marcy/Salvador Perez-	<u>\$ 16,950.00</u>
Total-	\$172,950.00

**PARKS- \$244,349.53**

Parks Division- When we were preparing the budget we had not received our latest water bill and it appears that our water usage is down again this year, so we would like to cut **\$200,000** from our water charge for Parks.

MRC- With the increase in Golf fees we are expecting an increase in revenues of \$434,000 which will reduce the amount of money needed to come from the GRT. This will more than cover the difference of **\$44,349.53**.

Parks-	\$200,000.00
MRC-	<u>\$ 44,349.53</u>
Total-	\$244,349.53

*Exhibit "4"*

## OPTION #2

### RECREATION - \$122,697.20

#### Eliminate:

1- Recreation Section Manager Assistant:	\$68,560.00
1- Water Safety Instructor:	\$47,174.00
New Fees Revenue:	<u>\$16,950.00</u>
Total:	<u>\$132,684.00</u>

### PARKS- \$244,349.53

#### Eliminate:

6- Parks Maintenance Worker TFT:	\$68,078.40	*
1- Parks Supervisor:	\$71,393.40	
New Fees from MRC:	<u>\$104,877.73</u>	
Total:	<u>\$244,349.53</u>	

\* Note: by eliminating these positions (Quick Response Team), we will have to pull staff from other crews to respond to citizen and City Council requests/complaints. This will cause a drop in staff working on mowing, weedeating, medians and trails, as they will need to take care of the request/complaint. This will put duties back, therefore delaying mowing, weedeating, median and trail completion. This will also increase the divisions overtime budget, as staff will need to complete duties.

### OPTION #3

#### RECREATION - \$122,697.20

a.) Close Salvador Perez Community Center:	\$203,000.00
b.) Close Salvador Perez and Ft. Marcy at 6:30 pm	\$ 52,000.00
Close Salvador Perez and Ft. Marcy on Weekends.	\$ 9,200.00
Eliminate Water Safety Instructor Position	\$ 47,174.00
Revenue Increase:	<u>\$ 16,950.00</u>
Total:	<u>\$125,324.00</u>

#### PARKS- \$244,349.53

(Same as Option #2)

Eliminate:

6- Parks Maintenance Worker TFT:	\$68,078.40	*
1- Parks Supervisor:	\$71,393.40	
New Fees from MRC:	<u>\$104,877.73</u>	
Total:	<u>\$244,349.53</u>	

\* Note: by eliminating these positions (Quick Response Team), we will have to pull staff from other crews to respond to citizen and City Council requests/complaints. This will cause a drop in staff working on mowing, weedeating, medians and trails, as they will need to take care of the request/complaint. This will put duties back, therefore delaying mowing, weedeating, median and trail completion. This will also increase the divisions overtime budget, as staff will need to complete duties.

	A	B	C	D	E
	FEE DESCRIPTION	CURRENT RATES FY 15/16	PROPOSED RATES FY 16/17	Remarks	Projected Additional Revenue
1					
2				Recommendation for significant increase to daily rates are based on comparison to other gyms along with motivation to encourage customers to purchase multi-use membership packages with set duration of time.	Figures are based on calendar year 2015 total number of day passes purchased multiplied by amount of increase.
3	<b>Daily Drop In</b>				
4	Child (0-10)	\$1.50	\$2.00	\$0.50 increase (33%) to single use day pass	\$14K
5	Youth (11-17)	\$3.00	\$4.00	\$1.00 increase (33%) to single use day pass	\$40K
6	Adult (18-59)	\$6.00	\$7.00	\$1.00 increase (17%) to single use day pass	\$52K
7	Senior (60+)	\$3.00	\$4.00	\$1.00 increase (33%) to single use day pass	\$16K
8					\$122K
9	<b>10-Visit Punch Pass: Expires after 3 months</b>				Membership figure is based on 7% of the past three FY average in all membership revenues 7% = \$34K
10	Child	\$13.50	\$18.00	10 visits for the cost of 9	
11	Youth	\$27.00	\$36.00	10 visits for the cost of 9	
12	Adult	\$54.00	\$63.00	10 visits for the cost of 9	
13	Senior	\$27.00	\$36.00	10 visits for the cost of 9	
14	<b>1-Month Pass</b>				FY 2014/15 Actual Mem Rev= \$536,434.00 7% = \$37,550
15	Child	\$17.00	\$18.00	7% increase from current fee	
16	Youth	\$34.00	\$36.00	7% increase from current fee	
17	Adult	\$65.00	\$69.50	7% increase from current fee	
18	Adult Couple	\$112.50	\$118.00	15% discount off two Adults	Combined increase in Revenue \$156K
19	Senior	\$34.00	\$36.00	7% increase from current fee	
20	Senior Couple	\$56.00	\$61.00	15% discount off two Seniors	
21	<b>3-Month Pass</b>				
22	Child	\$37.00	\$39.50	7% increase from current fee	
23	Youth	\$75.00	\$80.00	7% increase from current fee	
24	Adult	\$150.00	\$160.50	7% increase from current fee	
25	Adult Couple	\$248.00	\$273.00	15% discount off two Adults	
26	Senior	\$75.00	\$80.00	7% increase from current fee	
27	Senior Couple	\$124.00	\$136.00	15% discount off two Seniors	
28	Family	\$278.00	\$299.00	15% off AC plus 2C	
29	<b>Annual Pass</b>				
30	Child	\$110.00	\$118.00	7% increase from current fee	
31	Youth	\$221.00	\$236.00	7% increase from current fee	
32	Adult	\$442.00	\$473.00	7% increase from current fee	
33	Adult Couple	\$737.00	\$804.00	15% discount off two Adults	
34	Senior	\$221.00	\$236.00	7% increase from current fee	
35	Senior Couple	\$368.00	\$401.00	15% discount off two Seniors	
36	Family	\$726.00	\$884.00	15% off AC plus 2C	
37	<b>Get Fit for Life (Monthly EFT)</b>				
38	GFFL Initiation Fee	\$40.00	\$40.00	one time initiation fee	
39	<b>GCCC-Only Option</b>	Per Month	Per Month		
40	Adult	\$30.00	\$40.00	monthly electronic fund withdrawal for min. of one year	
41	Adult Couple	\$45.00	\$65.00	monthly electronic fund withdrawal for min. of one year	
42	Senior	\$20.00	\$20.00	monthly electronic fund withdrawal for min. of one year	
43	Senior Couple	\$30.00	\$33.50	monthly electronic fund withdrawal for min. of one year	
44	<b>GCCC / FM / SP Option</b>	Per Month	Per Month		
45	Adult	\$35.00	\$50.00	monthly electronic fund withdrawal for min. of one year	
46	Adult Couple	\$50.00	\$75.00	monthly electronic fund withdrawal for min. of one year	
47	Senior	\$30.00	\$30.00	monthly electronic fund withdrawal for min. of one year	
48	Senior Couple	\$35.00	\$43.50	monthly electronic fund withdrawal for min. of one year	

A		B	C	D	E
FEE DESCRIPTION		CURRENT RATES FY 15/16	PROPOSED RATES FY 16/17	Remarks	Projected Additional Revenue
FEE DESCRIPTION		CURRENT RATES FY 16/16	PROPOSED RATES FY 16/17	Remarks	
Ice/Pool/Fitness Program		Per Class/Program	Per Class/Program	Note: fitness classes at full service gyms do not usually have an addition cost- at GCCC the membership fee does not include any fitness classes.	
Youth/Senior Member		\$3.00	\$3.00	Single use pass	
Youth/ Senior Non-member		\$3.50	\$5.00	Single use pass	
Adult Member		\$5.50	\$6.00	Single use pass	
Adult Non-member		\$6.50	\$8.00	Single use pass	
Parent - Tot Swim		\$8.00	\$8.00	Single use pass	
Archery Indoor Range Practice		\$10.00	\$10.00	Single use pass	
Kayak Practice Session		\$10.00	\$10.00	Single use pass	
Ice/Pool/Fitness Program					
11- Visit Punch Pass		9 X full price	9 X full price		
Youth/Senior Member		\$28.00	\$28.00	11 passes for the price of 9	
Youth/ Senior Non-member		\$35.00	\$45.00	11 passes for the price of 9	
Adult Member		\$52.00	\$54.00	11 passes for the price of 9	
Adult Non-member		\$64.00	\$72.00	11 passes for the price of 9	
Ice/Pool/Fitness Program					
25-Visit Punch Pass		20 X full price	20 X full price		
Youth/Senior Member		\$60.00	\$60.00	25 passes for the price of 20	
Youth/ Senior Non-member		\$76.00	\$100.00	25 passes for the price of 20	
Adult Member		\$110.00	\$120.00	25 passes for the price of 20	
Adult Non-member		\$130.00	\$160.00	25 passes for the price of 20	
Pre-Registration Courses		Group Lessons	Group Lessons		
Learn to Swim Lessons		\$60.00	\$60.00		
Learn to Skate Lessons		\$72.00	\$72.00		
Century Training Course		\$125.00	\$125.00		
Fitness Pre-Reg Courses		\$30-\$200.00	\$30-\$200.00	varies on type, length, instructor, etc.	
Facility Rentals		Per Hour	Per Hour		
Community Room Non-Profit		\$65.00	\$75.00	2-hour minimum/rate per hour	
Community Room Regular		\$130.00	\$130.00	2-hour minimum/rate per hour	
Classroom Non-Profit		\$45.00	\$50.00	per hour	
Classroom Regular		\$65.00	\$65.00	per hour	
Conference Room Non-Profit		\$45.00	\$50.00	per hour	
Conference Room Regular		\$65.00	\$65.00	per hour	
Fitness Rentals		Per Hour	Per Hour		
Aerobics Room Non-Profit		\$35.00	\$35.00	per hour	
Aerobics Room Regular		\$50.00	\$50.00	per hour	
Personal Trainer Use of Facility		\$4.50	\$4.50	per half hour (they charge student and pay "rent")	
Gymnasium Rentals					
Single Court Non-profit		\$40.00	\$45.00	per hour	
Single Court Regular		\$55.00	\$55.00	per hour	
All Courts Non-profit		\$175.00	\$200.00	per hour	
All Courts Regular		\$225.00	\$250.00	per hour	
Racquetball Court Reservations		\$2.00	\$2.00	per hour for non-members only	
Natatorium Rentals					
Therapy pool		\$75.00	\$100.00	per hour	
50 Meter pool		\$200.00	\$250.00	per hour	
Lanes - Short Course		\$10.00	\$10.00	per hour/per lane	
Lanes - Long Course		\$20.00	\$20.00	per hour/per lane	
Swim meets		\$75.00	\$500.00	Flat rate for 1/2 day meet all inclusive	
Ice Arena Rentals					
Full Sheet of Ice Rink		\$185.00	\$200.00	full sheet per hour	
Instructor/Coach Use of Facility		\$4.50	\$4.50	per half hour (they charge student and pay "rent")	
One Pair of Skates		\$3.00	\$3.00		
Ice Arena Locker Rentals					
One-Year One Locker On Ice		did not have	\$120.00	new revenue stream!	
Facility Locker Rentals				Offer only annual and reduce price to sell	
Three-Month One Locker		\$30.00	no longer offer		
Six-Month One Locker		\$60.00	no longer offer		
One-Year One Locker		\$120.00	\$60.00	one locker per year	
Ice Arena Services					
Gear Cleaning		\$25.00	\$25.00		
Skate Sharpening		\$7.50	\$7.50	overnight fee	
Skate Sharpening		\$10.00	\$10.00	same day fee	
Skate Oven Mold		\$10.00	\$10.00		
Skate Boot Punch/Rivets		\$5.00	\$5.00		
Skate Boot Stretcher		\$8.00	\$8.00		
Figure Skate Blade Mounting		\$10.00	\$10.00	one blade	
Figure Skate Blade Mounting		\$20.00	\$20.00	two blades	
Hockey Skate Repair		\$25.00	\$25.00	repair or replace blade	

	A	B	C	D	E
	FEE DESCRIPTION	CURRENT RATES FY 16/16	PROPOSED RATES FY 16/17	Remarks	Projected Additional Revenue
1					
118	FEE DESCRIPTION	CURRENT RATES FY 16/16	PROPOSED RATES FY 16/17	Remarks	
119	League Fees Gym & Ice	Per Team	Per Team		
120	Indoor Soccer	\$425.00	\$425.00	per team	
121	Over 35 Basketball Fa & Sp	\$375.00	\$400.00	per team	
122	Youth Basketball Fa & Su	\$330.00	\$350.00	per team	
123	Women's Basketball Su	\$330.00	\$350.00	per team	
124	Spring Co-ed Volleyball	\$350.00	\$375.00	per team	
125	Holiday Hoops 3 on 3	\$50.00	\$50.00	per team	
126		Per Player	Per Player		
127	Jr Volleyball League (7-17 yrs)	\$50.00	\$50.00	per player	
128	PeeWee Basketball	\$50.00	\$50.00	per player	
129	Racquetball League (Fall/Spring)	\$30.00	\$30.00	per player	
130	Curling League	\$200.00	\$200.00	per player, 14 games	
131	Hockey, AB&C Leagues	\$198.00	\$210.00	per player, 14 games	
132	Fitness Assessments				
133	Fitness Assessments	\$30-\$45.00	\$30-\$75.00	fee depends on length and features of test	
134	PlayZone Fees				
135	Daily drop-in (2hr.max.)	\$3.00	\$3.00	per child for maximum of 2 hours	
136	11 visit punch pass	\$30.00	\$30.00	11 visits for the cost of 10 (3X10=30)	
137	25 visit punch pass	\$66.00	\$66.00	22 visits for the cost of 25 (3X22=60)	
138	After School Program	Per Week	Per Week		
139	5 day weekly fee per child	\$50.00	\$50.00	five days per week afterschool hours until 6pm	
140	Day Camps	Per Day	Per Day		
141	Inservice / Winter	\$35.00	\$45.00	full day for one day	
142	Weekly Youth Camps	Per Week	Per Week		
143	Summer & Spring Break Camps	\$135.00	\$145.00	full day for the week	
144	Sports Camps - half day	\$55.00	\$60.00	half day mornings only	
145	Comb w/Sport	\$155.00	\$165.00	full day with morning sport and afternoon day camp	
146	Golf Combo	\$175.00	\$175.00	full day with morning golf and afternoon day camp	
147	Adventure Camp: Outdoor Rec.	Per Week	Per Week		
148	Weekly Fee	\$225.00	\$225.00		
149	Party Packages				
150	Ice & Pool Parties	\$80-\$110.00	\$135	Includes 1hr classroom & 1hr ice/pool for 10 kids	
151	Ice Parties on weekends	\$150.00	\$175	Includes ice arena party room skating for 15 kids	
152					
153	NOTES: Cost Of Living Adjustments: COLA from Social Security 2013=1.7% 2014=1.5% 2015=1.7%				
154	Cumulative COLA since 2012 = 4.7% therefore recommending 5% increase or more				
155					
156	Daily and single use fees go up more to encourage memberships				
157	Multi-use over set duration increase by 7%				
158	Group activities are individually priced by comps and registration capacity				
159	Ticket Sales- If a rental charges entry fee for their event/show they must pay GCCC a minimum of \$2/ticket.				
160					
161	NOTE: in order to keep up with industry trends the GCCC may introduce a new program during the year that has not been identified				
162	in this list- an appropriate fee for the activity, class, camp, program, clinic, etc. will be determined in line with the rates above. The				
163	list above may not include all current fees for each activity and service offered as some are determined on a case by case basis.				
164					

**Ft. Marcy, Salvador Perez, and GCCC Classes  
Comparison**

	<b>FM/SP</b>	<b>GCCC</b>
<u>Water Aerobics</u>		
Adult	\$4.00 (\$3.00) \$6.00 (New Rate) Non Member	\$6.00 (\$5.50) \$8.00 (\$6.50) Non Member
Senior	\$3.00 (\$2.00) \$5.00 (New Rate) Non Member	\$3.00 (Same) \$5.00 (\$3.50) Non Member
<u>Fitness Classes (1 hour classes)</u>		
Adult	\$50.00 (\$39.00) 10 classes [\$5.00 per class]	\$54.00 (\$50.00) 11 Punch Pass [\$4.90 per class] \$120.00 (\$110.00) 25 Punch Pass [\$4.80 per class]
Senior	\$30.00 (\$19.00) 10 classes [\$3.00 per class]	\$28.00 (same) 11 Punch Pass [\$2.55 per class] \$60.00 (same) 25 Punch Pass [\$2.40 per class]
GCCC also has Non-member Fitness Classes		
<u>Pool Exercise Classes (1 hour classes)</u>		
Adult	\$40.00 (\$23.00) 10 classes [\$4.00 per class]	\$54.00 (\$50.00) 11 Punch Pass [\$4.90 per class] \$120.00 (\$110.00) 25 Punch Pass [\$4.80 per class]
Senior	\$30.00 (\$14.00) 10 classes [\$3.00 per class]	\$28.00 (same) 11 Punch Pass [\$2.55 per class] \$60.00 (same) 25 Punch Pass [\$2.40 per class]

GCCC also has Non-member Pool Exercise classes

( ) Indicate old rates

*Exhibit "6"*

**Genoveva Chavez Community Center  
Personnel Cost Savings Through Reduction of Operational and Pool Hours  
Budget Proposal FY 2016/17**

Current Days of Operation	Current Hours of Operation	Proposed Hours	Change
<b>Mondays through-Thursdays</b>	<b>Facility</b> 5:30am-9:45pm (16.25 hrs)	<b>Facility- Remain the Same</b>	<b>none</b>
<b>Mondays through-Thursdays</b>	<b>Pools</b> 5:30am-9:00pm (15.50 hrs)	<b>Pools Close at 8:00pm</b> Total decrease 4 hrs of pool time (14.50 hrs)	<b>Pools to Close 1 hr earlier</b> Close at 8pm instead of 9pm
<b>Fridays</b>	<b>Facility</b> 5:30am-7:45pm (14.25 hrs)	<b>Facility</b> 5:30am – 6:45pm (13.25 hrs)	<b>Facility to Close 1 hr earlier</b> Close at 6:45pm instead of 7:45pm
<b>Fridays</b>	<b>Pools</b> 5:30am-7:30pm (14 hrs)	<b>Pools</b> Close at 6:00pm (12.5 hrs)	<b>Pools to Close 1.5 hrs earlier</b> Close at 6pm instead of 7:30pm
<b>Saturdays</b>	<b>Facility</b> 8:00am-7:45am (11.75 hrs)	<b>Facility-</b> 8:30am-4:00pm (7.5 hrs)	<b>Facility to Open .5 hr later and</b> Close 4 hrs earlier for a loss of 4.25 hrs Open at 8:30am instead of 8:00am – Close at 3:45pm instead of 7:45pm
<b>Saturdays</b>	<b>Pools</b> 10:00am-5:30pm (7.5 hrs)	<b>Pools</b> 8:30am-3:00pm Total decrease 1.25 hrs (6.5 hrs)	<b>Pools to Open 1.5 hrs earlier and close 2.5</b> hrs earlier for a loss of 1.5 hrs Pools Open at 8:30am instead of 10:00am and Close at 3:00pm instead of 5:30pm
<b>Sundays</b>	<b>Facility</b> 9:00am-5:45pm (8.75 hrs)	<b>Facility-</b> 8:30am-4:00pm (7.5 hrs)	<b>Facility to Open .5 hr earlier and</b> Close 1.75 hrs earlier for a loss of 1.25 hrs
<b>Sundays</b>	<b>Pools</b> 9:00am-5:30pm (8.5 hrs)	<b>Pools</b> 8:30am-3:00pm (6.5 hrs)	<b>Pools to Open .5 hr earlier and</b> Close 2.5 hrs earlier for a loss of 2 hrs Pools Open at 8:30am instead of 9:00am Close at 3:00pm instead of 5:30pm
<b>7 total days/week</b>	<b>Facility total</b> 99.75 hours/week	<b>Facility total</b> 93.25 hours/week	<b>Total decrease of 6.5 hours per week</b>
<b>7 total days/week</b>	<b>Pools total</b> 92 hours/week	<b>Pools total</b> 83.5	<b>Total decrease of 8.5 hours per week</b>

*Exhibit "7"*

**Genoveva Chavez Community Center  
Personnel Cost Savings Through Reduction of Operational and Pool Hours  
Budget Proposal FY 2016/17**

Pool Drop-in numbers and Facility Membership Swipes for one year actuals

Fridays from 6:00 to 7:30pm for one year-

- Membership Swipes = 759 (approx. 15 members per day)  
No revenue calculation as members would need to adjust workout time
- Pool Drop-ins = 294 people (approx. 6 swimmers per day)  
Total revenue for the year from drop-ins was \$1,081.00 (approx. \$20.00 per day)

Saturdays and Sundays from 3:00 to 6:00pm for one year-

- Membership Swipes = 3,828 (approx. 40 per each weekend day)  
No revenue calculation as members would need to adjust workout time
- Pool Drop-ins = 2,414 people (approx. 25 swimmers per day)  
Total revenue for the year from drop-ins was \$11,296.00 (approx.. \$113.00 per each day)

Revenue loss might be approximately \$12,000.00 annually, however most drop-in swimmers will adjust their schedules and swim during new hours.

Position Title	Pos #	Hours	Total With Benefits
<b>Part Time Temporary \$10.91/hr</b>			
Swim Pool Lifeguard	1829	20	\$ 15,082.00
Swim Pool Lifeguard	1830	20	\$ 15,082.00
Swim Pool Lifeguard	1831	20	\$ 15,082.00
<b>Total</b>		<b>60</b>	<b>\$45,246.00</b>

**FY 15-16 Budget Water Division**

<b>Beginning Balance*</b>	<b>\$</b>	<b>50,000,000</b>
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### Required Reserves

## Revenues

Water Fees	\$	36,500,000
Other Fees	\$	104,000
Facility Rental	\$	5,000
Interest	\$	111,384
GRT	\$	-

<b>Total</b>	<b>\$</b>	<b>36,720,384</b>
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Capital	\$	5,000,000
Debt	\$	5,110,500
Rate Stabilization	\$	2,000,000
Operating	\$	5,965,176
<b>Total</b>	<b>\$</b>	<b>18,075,676</b>

## Expenditures

Personnel & Benefits	\$	6,492,063
Contractual - BDD	\$	5,757,815
Utilities	\$	1,756,246
Supplies	\$	1,045,305
Insurance	\$	288,605
Utility Billing (40% of Div)	\$	2,658,814
Paid Services to City	\$	3,241,740
Legal Contracts	\$	271,367
Professional Contracts	\$	770,323
Security	\$	354,000
Vehicle fuel & maint	\$	145,290
Capital Purchases	\$	90,936
Landfill Tipping Fees	\$	90,000
Communications	\$	45,000
Uniform Allowance	\$	36,000

9,500.00 acre ft

**325,851 AF to Gal**

**3,095,584,500 Annual Production**

**\$0.0140 Cost/gal**

**\$14.04 \$/1000gal**

## Debt Service

2016 Bond	\$	3,407,000
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### Transfer to Other Funds

Water Conserv Fund	\$	223,300
GF - Pymt in Lieu of Tax	\$	1,500,000

**CIP**

FY16/16	\$	15,281,242
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<b>Total</b>	<b>\$</b>	<b>43,455,046</b>
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Ending Balance	\$ 43,265,338
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**\*Estimated balance**

Exhibit "B"