

City of Santa Fe, NM
Regular Committee
Monday, March 30, 2020 5:00 PM – Finance Committee
Council Chambers
<https://www.youtube.com/user/cityofsantafe>

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF CONSENT AGENDA

5. APPROVAL OF MINUTES

- a. Regular Finance Committee Minutes - March 2, 2020
[Item 5\(a\).pdf](#)
- b. Regular Finance Committee Minutes - March 16, 2020
[Item 5\(b\).pdf](#)

6. EXECUTIVE SESSION (IF NECESSARY) - In Accordance with the New Mexico Open Meetings Act, NMSA 1978, Section 10-15-1 (H) (6), Discussion in Which the Contents of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code and Discussed During the Contract Negotiation Process.

7. PRESENTATION

- a. Second Quarter Financial Update. (Mary McCoy, Finance Director, mtmcoy@santafenm.gov, 955-6171; Clarence Romero, Accounting Supervisor, clromero@santafenm.gov, 955-6547; Andy Hopkins, Principal Budget Analyst, ajhopkins@santafe,nm.gov, 955-6177; Bradley Fluetsch, bjfluetsch@santafenm.gov, 955-6885)

8. CONSENT AGENDA

- a. A Resolution Approving the Design and Installation Plan for Banners Commemorating Veterans Along the Cerrillos Road Corridor Between I-25 and Rodeo Road to be Displayed Every Year Between Memorial Day and Veterans Day. (Councilors Vigil Coppler, Rivera, and Abeyta) (Jesse Guillen, Legislative Liaison, jbg Guillen@santafenm.gov, 955-6518)

Committee Review:

Public Works Committee (scheduled)	4/6/20
City Council (scheduled)	4/8/20

- b. Request for Approval of Amendment No. 3 to Professional Services Agreement In the Total Amount of \$198,590.95 for Increased & Additional Security Patrol Services of Various Parks Locations Throughout the City; Chavez Security, Inc. (Richard Thompson, Parks Division Director, rcthompson@santafenm.gov, 955-2105)

COMMITTEE REVIEW

Public Works Committee (approved)	03/30/2020
Governing Body (scheduled)	04/08/2020

[Item 8\(b\).pdf](#)

c. Request for Approval of Change Order 4 and Change Order 5 to the Contract For the Wastewater Management Division POTW On-Call Repair, Replacement and Extension Contract; Sub Surface Contracting, Inc. (Stan Holland, Engineer, tsholland@santafenm.gov, 955-4637)

1) Request for Approval of Budget Amendment Resolution in the Amount of \$135,547

COMMITTEE REVIEW

Public Utilities Committee (scheduled) 04/01/2020

Governing Body (scheduled) 04/08/2020

[Item 8\(c\).pdf](#)

d. Request for Approval of Amendment to the Wells Fargo Merchant Agreement to Allow BridgePay As a Third Party Gateway to Process all EnerGov Transactions Through the Cashiering Module of the Tyler Munis Financial System. No Fiscal Impact. (Clayton Pelletier, cjpelletier@santafenm.gov, and 955-6626).

COMMITTEE REVIEW

Governing Body (scheduled) 04/08/2020

[Item 8\(d\).pdf](#)

e. Request for Approval of the BridgePay Network Solutions, LLC. (Manuel Gonzales, ITT Program Manager, mmgonzales@santafenm.gov, 955.5531)

[Item 8\(e\).pdf](#)**9. MATTERS FROM STAFF****10. MATTERS FROM THE COMMITTEE/CHAIR**

a. 2021 Budget Planning.

11. ADJOURN

RECEIVED AT THE CITY CLERK'S OFFICE

DATE: March 27, 2020

TIME: 4:33 PM

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
ZOOM CONFERENCE WEBINAR
MONDAY, MARCH 30, 2020, 5:00 PM**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER		1
ROLL CALL	QUORUM	1
APPROVAL OF AGENDA	APPROVED	1
APPROVAL OF CONSENT AGENDA	APPROVED	1-2
<u>APPROVAL OF MINUTES</u>		
MARCH 2, 2020	APPROVED	2
MARCH 16, 2020	APPROVED	2
EXECUTIVE SESSION (IF NECESSARY)	NONE	2
<u>PRESENTATION</u>		
SECOND QUARTER FINANCIAL UPDATE	INFORMATION/DISCUSSION	2-5
<u>CONSENT AGENDA</u>		
A RESOLUTION APPROVING THE DESIGN AND INSTALLATION PLAN FOR BANNERS COMMEMORATING VETERANS ALONG THE CERRILLOS ROAD CORRIDOR BETWEEN 1-25 AND RODEO ROAD TO BE DISPLAYED EVERY YEAR BETWEEN MEMORIAL DAY AND VETERANS DAY.	APPROVED ON CONSENT	5
REQUEST FOR APPROVAL OF	APPROVED ON CONSENT	5

**AMENDMENT NO. 3 TO
PROFESSIONAL SERVICES
AGREEMENT IN THE TOTAL AMOUNT
OF \$198,590.95 FOR INCREASED AND
ADDITIONAL SECURITY PATROL
SERVICES OF VARIOUS PARKS
LOCATIONS THROUGHOUT THE CITY;
CHAVEZ SECURITY, INC.**

REVIEW FOR APPROVAL OF CHANGE ORDER 4 AND CHANGE ORDER 5 TO THE CONTRACT FOR THE WASTEWATER MANAGEMENT DIVISION POTW ON-CALL REPAIR, REPLACEMENT AND EXTENSION CONTRACT; SUB SURFACE CONTRACTING, INC.	APPROVED ON CONSENT	5
REQUEST FOR APPROVAL OF AMENDMENT TO THE WELLS FARGO MERCHANT AGREEMENT TO ALLOW BRIDGEPAY AS A THIRD PARTY GATEWAY TO PROCESS ALL ENERGOV TRANSACTIONS THROUGH THE CASHIERING MODULE OF THE TYLER MUNIS FINANCIAL SYSTEM. NO FISCAL IMPACT.	APPROVED ON CONSENT	5-6
REQUEST FOR APPROVAL OF THE BRIDGEPAY NETWORK SOLUTIONS, LLC.	APPROVED ON CONSENT	6
MATTERS FROM STAFF	NONE	6
<u>MATTERS FROM THE COMMITTEE/CHAIR</u>		
2021 BUDGET PLANNING	INFORMATION/DISCUSSION	6-7
ADJOURN	ADJOURNED	7

**FINANCE COMMITTEE MEETING
ZOOM CONFERENCE WEBINAR
MONDAY, MARCH 30, 2020, 5:00 PM**

1. CALL TO ORDER

The meeting of the Finance Committee, was called to order by Councilor Roman Abeyta, Chair, at 5:03 pm on Monday, January 21, 2020 by Zoom Conference Webinar, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT

Councilor Roman Abeyta, Chair
Councilor Signe Lindell
Councilor Carol Romero-Wirth
Councilor Renee Villarreal
Councilor Jamie Cassutt-Sanchez

MEMBERS ABSENT

OTHERS PRESENT

Councilor JoAnne Vigil Coppler
Mary McCoy, Director, Finance Department
Brad Fluetsch, Finance Department
Carolynn Roibal, Finance Department
Clayton Pelletier, Finance Department
Fran Dunaway, Purchasing Director
Alexis Lotero, Finance Department
Richard Thompson, Parks Division Director
Joe Abeyta, City of Santa Fe
Elizabeth Martin, Stenographer

3. APPROVAL OF AGENDA

MOTION A motion was made by Councilor Lindell, seconded by Councilor Cassutt-Sanchez, to approve the agenda as presented.

VOTE The motion passed unanimously by voice vote.

4. APPROVAL OF CONSENT AGENDA

MOTION A motion was made by Councilor Lindell, seconded by Councilor Villarreal, to approve the consent agenda as presented.

VOTE The motion passed unanimously by voice vote.

5. APPROVAL OF MINUTES

A. MARCH 2, 2020

MOTION A motion was made by Councilor Lindell, seconded by Councilor Villarreal, to approve the minutes of March 2, 2020 as presented.

VOTE The motion passed unanimously by voice vote.

B. MARCH 16, 2020

MOTION A motion was made by Councilor Villarreal, seconded by Councilor Lindell, to approve the minutes of March 16, 2020 as presented.

VOTE The motion passed unanimously by voice vote.

6. EXECUTIVE SESSION (IF NECESSARY)

None.

7. PRESENTATION

A. SECOND QUARTER FINANCIAL UPDATE

Mr. Fluetsch, Mr. Pelletier and Ms. McCoy presented the second quarter financial update, as of December 31, 2019, which is herewith attached to these minutes as Exhibit "1".

Councilor Villarreal said you talked about that it was good to take our investments out of the private market fund and move it to the government market fund. Why is that better.

Mr. Fluetsch said for liquidity.

Councilor Villarreal asked about the percentage of the property tax that had been collected and why it came up short.

Ms. McCoy stated there is a one month lag on the reporting. The month of December had not been received at the time of this report.

Chair Abeyta asked Ms. McCoy to talk to them about what her thinking is regarding making cuts this fiscal year. What role will this Committee play.

Ms. McCoy said we are putting expenses and revenue into two buckets. We know revenue is decreasing so we will have to look at expenses to achieve a balanced budget. Salaries and benefits make us 66% of the budget. We now have 260 vacant positions. We will look at those and fill only mission critical positions. On the benefits side, they are a significant cost to the City. The City plan is very generous at this time. We will work with our consultants to look at that. We have 2,000 POs open. Staff will review those with the Department Directors to look for unspent POs. If they are closed out we will see savings. Also we will look at travel and will proceed with only what is critical if any. The Procurement team will be working on a City wide procurement system to do City wide purchases of like items such as office supplies and key products.

Chair Abeyta asked does the Mayor have the ability to make these short term changes.

Ms. McCoy said the Department of Finance Director is able to adjust the budget through our normal process. Finance and the Governing Body will look at those adjustments and we might also have to run them by DFA. As far as cutting expenses or reducing services the Governing Body will give us guidance on that. The internal steps are for short term only.

Councilor Romero-Wirth said these are tough times. Do you have any sense of where we may feel the greatest impact at the City.

Ms. McCoy said mission critical expenses are direct services, public health and safety, the Police Department, the Fire Department, trash pick up and clean drinking water as a base line. Legally those are the services we are required to provide. For the current fiscal year, we are looking at vacant positions. We can provide you with a list of those and what is deemed as mission critical.

Councilor Romero-Wirth said she felt that learning more about the pending POs would be important.

Ms. McCoy said we can get you that information.

Councilor Villarreal said she would like to understand the POs and projects in the pipeline. What can wait. As to City wide procurement maybe you could share a bit more about what that is.

Ms. McCoy said fleet is an example. That is the kind of analysis we will start doing. We will look at leasing versus purchasing for instance.

Ms. Dunaway said she had a discussion about this with Councilor Villarreal prior to the meeting. We are working on City wide price agreements. We just launched our first one for on call janitorial services. We are looking into fleet, automotive parts and food.

Councilor Villarreal said working on vacant positions and benefits is challenging. We have had to do that before.

Councilor Cassette-Sanchez asked have we looked at other insurance types rather than self insured, which we have at this time, to see if there would be a cost savings.

Ms. McCoy said we have not so far. We can have our benefits consultants attend a Finance Committee meeting so we can look at options.

Councilor Cassette-Sanchez said she was concerned about the 2,000 POs. She would like to have information from the Departments about what those are, where they are in completion and what the priorities are.

Ms. McCoy said we can provide that and ask Regina Wheeler to provide an update as to the status of each project and what is encumbered and what is shovel ready in general. There will likely be a special Legislative Session and part of that will be to look at capital outlay projects and funds given to cities and counties and what is in line to be spent.

Councilor Cassette-Sanchez asked do we see the State pulling back funds in the future.

Ms. McCoy said that is possible that they could sweep back the capital outlay dollars.

Councilor Romero-Wirth said she would like to see the percentage of completion on each project.

Councilor Cassette-Sanchez said we just transferred funds from the Railyard fund to the General Fund. What are the other funds we have available to look at for re-allocation back to the City.

Councilor Lindell said there probably will be a complete reworking of the budget hearings. We might as well be realistic early. Are we looking at 10%, 15% or 20% scenarios.

Ms. McCoy said we have a 2021 base budget established. We have, at this point, looked at priority areas. We do not know yet what the magnitude or duration of

this crisis will be. We are looking at where we are going to see the decreases in revenue. Right now it is a priority to address the FY 20 status and to work as a team to make adjustments.

Councilor Romero-Wirth said it is going to be important to understand the plan for Federal money coming in to the State. It may be a bit of an escape hatch for us.

Councilor Lindell said we have been down this road before when we had to dig out of a \$15 million hole. There is nothing too small to consider. As an example, maybe we don't but new cars for a year. Those kind of considerations we need to look at. Prepare for the worst and hope for the best. Planning for the recovery is also important.

8. CONSENT AGENDA

- A. A RESOLUTION APPROVING THE DESIGN AND INSTALLATION PLAN FOR BANNERS COMMEMORATING VETERANS ALONG THE CERRILLOS ROAD CORRIDOR BETWEEN 1-25 AND RODEO ROAD TO BE DISPLAYED EVERY YEAR BETWEEN MEMORIAL DAY AND VETERANS DAY.**

Approved on consent.

- B. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT IN THE TOTAL AMOUNT OF \$198,590.95 FOR INCREASED AND ADDITIONAL SECURITY PATROL SERVICES OF VARIOUS PARKS LOCATIONS THROUGHOUT THE CITY; CHAVEZ SECURITY, INC.**

Approved on consent.

- C. REVIEW FOR APPROVAL OF CHANGE ORDER 4 AND CHANGE ORDER 5 TO THE CONTRACT FOR THE WASTEWATER MANAGEMENT DIVISION POTW ON-CALL REPAIR, REPLACEMENT AND EXTENSION CONTRACT; SUBSURFACE CONTRACTING, INC.**

Approved on consent.

- D. REQUEST FOR APPROVAL OF AMENDMENT TO THE WELLS FARGO MERCHANT AGREEMENT TO ALLOW BRIDGEPAY AS A THIRD PARTY GATEWAY TO PROCESS ALL ENERGOV TRANSACTIONS THROUGH THE CASHIERING MODULE OF THE TYLER MUNIS FINANCIAL SYSTEM. NO FISCAL IMPACT.**

Approved on consent.

E. REQUEST FOR APPROVAL OF THE BRIDGEPAY NETWORK SOLUTIONS, LLC.

Approved on consent.

9. MATTERS FROM STAFF

None.

10. MATTERS FROM THE COMMITTEE/CHAIR

A. 2021 BUDGET PLANNING

Chair Abeyta said he sent out an email to all of the Committee about what he wants to see in additional information about budget cuts. He does not want Mary or the Mayor to do the cuts before discussing it with us. There needs to be communication with us before decisions are made in final. We need to talk about what we want as a Committee going forward. He does not want to hear about the cuts for the budget on the day we start the hearings. We need to know well before that and have input into those decisions. He wants to make a complete list of issues we want information on. We could set up a subcommittee to look at that.

There was discussion around a subcommittee. It was decided that due to the requirement to notice meetings of three or more (a quorum) of the Committee, it would be better to hold additional Finance Committee meetings to work through the issues given the time constraints.

Chair Abeyta asked the Committee members to review his list and add on any additional issues or information requests they may have so that Mary can send us the information we need.

Ms. McCoy said one of our priorities is to not do across the board cuts. We want to be more strategic and sophisticated in our approach.

Chair Abeyta said we need to be involved in that.

Ms. McCoy said the FY 20 budget is due to DFA on June 1st. DFA has said that we can adjust it as we understand the impact of the current crisis. We can submit adjusted budgets if necessary. There are some set aside funds that have to be spent according to how they were intended such as bond proceeds and the gas tax bond proceeds. We also want to support our small and local businesses with a policy change in procurement.

Councilor Romero-Wirth said that is where it is really important to understand what categories of funds the Federal government will be giving to us.

Ms. McCoy said that is true. The City can align our priorities with the categories to maximize the funds we can get. Another revenue lever is potential help from State government with a focus on sales tax. After the Legislation passed to charge tax on internet purchases it was determined that the City of Santa Fe would get a flat \$62,000 per month. We are working with Taxation and Revenue to make adjustments to that so we can get the true tax due to us for 2021. The flat rate was supposed to go until 2022. Additionally we will look at funds like the Railyard fund to support the General Fund. We also want to look at Legislation to broaden the use of Lodgers Tax. We will work with the City Attorney and the City Lobbyist as we flesh out ideas. We would like to change the State Statute and the City Ordinance.

Councilor Cassette-Sanchez said she was interested in those discussions. She thanked Mary for ensuring that we have our fingers on the pulse of things.

Councilor Lindell said thank you Mary. Our initial focus should be on the categories. We need to work on this immediately. She encourages the Finance Department to keep this Committee and Council informed of what we are looking at. Working together on this is important.

Chair Abeyta asked the Committee to look at his email and add what they would like to request. Mary will put the changes into one document for us. We will look at additional Finance Committee meetings. If we can continue to keep things on the consent calendar we will have more time in our meetings for these kinds of discussions.

Chair Abeyta said thank you for a productive meeting.

11. ADJOURN

There being no further business before the Committee the meeting adjourned at 6:40 pm.

Councilor Roman Abeyta, Chair



Elizabeth Martin, Stenographer