



Agenda

SPECIAL MEETING OF
THE GOVERNING BODY
JUNE 1, 2009
CITY COUNCIL CHAMBERS

AFTERNOON SESSION – 5:00 P.M.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. INVOCATION
4. ROLL CALL
5. APPROVAL OF AGENDA
6. CONSIDERATION OF RESOLUTION NO. 2009-_____.
A Resolution Adopting the Fiscal Year 2009/2010 Operating Budget. (David Millican)
7. ADJOURN

CITY CLERK'S OFFICE

DATE 5-29-09 TIME 1:50

SERVED BY _____

RECEIVED BY [Signature]

*Translator for the hearing impaired available through the City Clerk's Office upon 5 days notice.

**SUMMARY INDEX
SANTA FE CITY COUNCIL MEETING
SPECIAL MEETING
June 1, 2009**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE #</u>
<u>AFTERNOON SESSION</u>		
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
CONSIDERATION OF RESOLUTION NO. 2009- __. A RESOLUTION ADOPTING THE FISCAL YEAR 2009/2010 OPERATING BUDGET	Not approved	2-26
ADJOURN		26

**MINUTES OF THE
SPECIAL MEETING OF THE
GOVERNING BODY
Santa Fe, New Mexico
June 1, 2009**

CALL TO ORDER AND ROLL CALL

A special meeting of the Governing Body of the City of Santa Fe, New Mexico, was called to order by Mayor David Coss, on June 1, 2009, at approximately 5:00 p.m., in the City Hall Council Chambers. Following the Pledge of Allegiance and Invocation, roll call indicated the presence of a quorum, as follows:

Members Present

Mayor David Coss
Councilor Rebecca Wurzburger, Mayor Pro-Tem
Councilor Patti J. Bushee
Councilor Christopher Calvert
Councilor Miguel Chavez,
Councilor Carmichael A. Dominguez
Councilor Matthew E. Ortiz
Councilor Rosemary Romero
Councilor Ronald S. Trujillo

Others Attending

Galen Buller, City Manager
David Millican, Finance Director
Frank Katz, City Attorney
Yolanda Y. Vigil, City Clerk
Melessia Helberg, Council Stenographer

5. APPROVAL OF AGENDA

MOTION: Councilor Wurzburger moved, seconded by Councilor Chavez, to approve the agenda as presented.

VOTE: The motion was approved on a voice vote with Councilors Bushee, Calvert, Chavez, Dominguez, Ortiz, Romero, Trujillo and Wurzburger voting for the motion and none against.

6. CONSIDERATION OF RESOLUTION NO. 2009- ____ . A RESOLUTION ADOPTING THE FISCAL YEAR 2009/2010 OPERATING BUDGET. (DAVID MILLICAN)

David Millican reviewed the information in his Memorandum dated May 29, 2009, to the Finance Committee, regarding Additional Budget Balancing Proposals, which is in the Council packets. He said staff received an inquiry about the funding for the winter homeless shelter, which wasn't included in this year's Community Services budget. He said he had identified two positions coming out of Housing and Community Development, noting the Housing Planner at approximately \$69,000 is from Housing and Community Development, the other Senior Land Use Planner position at \$96,000 which is a vacancy in Land Use, both are in the General Fund and both have the same effect in terms of the summary schedules you looked at.

Councilor Bushee asked what the Senior Land Use Planner position would be called other than Senior Land Use Planner.

Mr. Millican said currently this is a vacant position, which is requested to be funded in the next fiscal year even though it is vacant.

Councilor Bushee asked if this is in the Historic Division and if it is funded with fees.

Jack Hiatt said this is the Neighborhood Planner position.

Councilor Dominguez asked, for clarification, as it pertains to the Children & Youth funding allocation, if staff is making a recommendation to restore funding to the 3%.

Mr. Millican said this is included in the list of possible positions, in addition to those which reduce the budget and the use of General Fund reserves, because staff has heard there is a high degree of Council interest. He said the Council has not acted to include it, noting staff believes we can afford to add that to the budget.

Mayor Coss asked the budget for O&M for books and supplies for the Library.

Mr. Millican said it is \$85,000 – \$55,000 from General Fund branches and \$30,000 restored to Southside.

Councilor Ortiz said one of the reasons this item was postponed was to get a status update on the negotiations with the unions, and asked if anyone has that information.

Mr. Buller said AFSCME TA'd today on its contract, and believes Fire is near doing this, but that wasn't done by this afternoon.

Ms. Kuebli said Chris Ortega is the Management Chief Representative on the management negotiations. She understands this afternoon he was able to come to an agreement and TA on a proposal.

Mr. Ortega said late this morning they agreed on Article 26, which is the compensation article, and Article 15, which is the scheduling article. He said this is subject to ratification by the union membership and Council approval. He said the agreement is, "In exchange for a 4% increase, AFSCME has agreed to an average three hour per pay period work reduction for six months. And, then at the end of six months, an evaluation will be done of the GRT revenue to see if it is 0% or more in comparison to the year before in the first six months. If it is 0% or more, they will continue to get the 4% increase, but the work reductions will stop. If it's less than 0%, then they've agreed to continue the work reductions for the second six months of the fiscal year."

Councilor Ortiz said he understands that the Fire Department agreed on a proposal two weeks ago and asked the status of the Firefighters negotiations.

Dave Huckabee, Firefighters representative, said, "At this point, the last thing left was two financial parts. There's the 1% longevity and a 1% increase, and that was... we got information on that today, and that's all we were lacking on the whole rest of it. There was some cost savings within the contract for overtime and also through a kind of a reorganization of how we would promote Captains in the Fire Stations, and hopefully, some of that will help offset some of that in return. But, other than that, we should be done."

Councilor Ortiz asked if there is an update on the Police Officers Association negotiations.

Captain Johnson, Management Representative, said, "We are still talking with our counterparts across from the table, and I'll let Jose jump in here, if that's okay with you Councilor."

Councilor Ortiz said he wants to hear from the management side.

Captain Johnson said, "Well, from management side, we are still talking."

Councilor Ortiz asked if there is a proposed end in sight for the talks, from management's perspective.

Captain Johnson said, "We just wrapped up the last contract and we're waiting for that union ratification. And, once that contract is ratified, we'll jump into the next contract."

Councilor Chavez said one thing which seems to be quite different between what was suggested at our last meeting and what's being proposed here this afternoon, noting the Memorandum staff prepared which recommends against layoffs to balance the budget. He asked Mr. Buller if this means we are going to consider furloughs even more as we try to work through this critical juncture, and asked him to expand on that.

Mr. Buller said, "The memo that you have in front of you tonight that looks at ways to close that \$1 million gap, that was asked for last Wednesday night, finds ways, other than layoffs to meet those needs. If the Governing Body were to adopt this Memorandum, then that differential can be met without the need for

additional furloughs. If additional cuts, on top of that are needed, then we would have to look at something like a furlough, but right now, that's not necessary."

Councilor Chavez said, "But, I guess it would be in addition to the correction in the Personnel cost calculation that was discovered. Right."

Mr. Millican said, "The recommendation that you get back, does include the full amount of the cost calculation correction, so that is in the form of an estimate correction – reducing the amount of expenditure that we need in the budget, in order to fund the appropriations for employees, assuming that the employee contracts are essentially, or very close to, no net increase to the City. And the contracts that you just heard about either have offsetting savings to basically meet that objective."

Councilor Chavez asked if this would apply across the board to union, non-union management, and it would be a program that would work for all employees.

Mr. Buller said, "Yes. The non-union employees are just not taking any pay raise whatsoever, so there is no need to offset them."

Councilor Chavez said, regarding the Children and Youth funding, the 3% is per resolution and its funding is paid to 3% of the GRT, and the \$166,000 basically replaces and fills that gap.

Mr. Millican said, "Yes, well it's a little bit more complicated than that this year. This year, as we talked to Children & Youth, they came in for early advice, before we were finishing all of our budget proposals, and they budgeted their allocation for fiscal 2010, as though the only thing that they were going to have to deal with was a reduction in the gross receipts tax in total. In the proposals adopted by the Council, we reduced their allocation rate from 3% to 2.55%, and the change that you see described in the memo tonight would restore the funding for Children & Youth from 2.55% to 3%. The division has indicated that their allocation process is done. They've allocated as though they had 3% and used fund balance to do it. So, this money would restore their fund balance, and would let them fund at the same relative level of 3% of state shared GRT in future years."

Councilor Calvert asked for clarification on balancing, that we're shooting for another \$1 million in savings. He said the things outlined in the Memorandum are to achieve that, plus some of the things you have listed as areas of concerns that are add-backs to the budget. He said he doesn't think there would be too much discussion, and hopes we would take advantage of funds from the calculation error. He said we need to make a decision on these. He would like to add the \$30,000 for the winter homeless shelter to this. He asked if we need all of these things listed to balance the add-backs, or is it a combination.

Mr. Millican said, "The list of items that are budget balancing matters in the General Fund are \$800,000. The total amount of add-backs is about \$220,000. If you fund the winter homeless program, you are going to use between \$30,000 and \$50,000 to fund that. So, you're at \$280,000, so you have a net, at the end, a net savings of about \$500,000 maybe some more in the General Fund. In the others ones, those funds are grouped together, but basically the savings would be adequate in the \$444,000, to add the \$155,000 that's listed as possible add-backs, and so you'd get roughly \$300,000 of budget

balancing. So, the total budget balancing with those add-backs across all funds would be about \$800,000, a little bit more.”

Councilor Trujillo said the Memorandum says, “Reduction of the transfer from the Fire Public Safety Property Tax Fund by \$75,000, an amount adequate to fund a new firefighter position,” and asked Mr. Millican to address this.

Mr. Millican said, “Last week we heard suggestions in various motions, or amendments to motions, asking to have enough money back for a new firefighter. The other things that we had heard was concern from you especially, but other Council members about the fact that we were having to tap into the Fire Safety Property Tax in order to be sure that we were able to fund operations at the Airport. So, we identified kind of a blend of those two things by identifying the amount of money that would reduce the funding that was coming out of the Property Tax Fund, and transfer that to the General Fund.”

Councilor Trujillo said he thought that loss was about \$400,000.

Mr. Millican said it was, and this is only a partial replacement.

Councilor Trujillo asked if staff is working to add some of those funds back in, noting Mr. Millican said he found \$600,000 last week. He wants to see a way to find more.

Mr. Millican said, “If you use this funding for that purpose, then the amount of General Fund use would increase relative to this set of proposals, but it is certainly an option that Council could consider.”

Councilor Chavez said it sounds like we’re getting into a lot of the details, and it is hard to know where it will end up.

MOTION: Councilor Chavez moved, seconded by Councilor Romero, “To approve the budget as it has been presented to date, with the amendments, and that would include the Homeless Shelter, it would include the firefighter position and everything that’s on the list, restoring library funding, funding for the Culture Arts & Tourism Planner, but on that position, I think we need to review the job description and be sure that contract meshes with what staff is doing currently, as part of the CAT Planner position. So that would be my motion, Mayor.”

CLARIFICATION OF THE MOTION: Councilor Calvert asked, “Does that include all of the cost savings measures as well.” Councilor Chavez said, “Yes, it’s the Memo as it’s presented, so that would be pages 1, 2 and 3.”

DISCUSSION ON THE MAIN MOTION: Councilor Wurzbarger asked Mr. Millican to clarify, again, regarding the Issue of the Neighborhood Planner. She asked “Am I to understand that that position which was taken out is now, if it is to be funded, would be under the contingency money for critical positions and that would come back to Council, rather than it being re-funded.”

Mr. Millican said, "That's correct. It basically would have to require separate Council consideration amongst the critical positions that staff might propose. And that funding, as you recall, is backed up by a reserve in the... set aside in the General Fund. But, during the course of the year, we made some changes in the underlying assumptions that we think are good changes, but they may result in savings that will absorb that, without hitting the General Fund. Those include going from the 6% vacancy factor to 4% and going from budgeting all positions at mid-point... I mean, at the bottom of the range, to budgeting them at the mid-point of the range. So, I think in the course of the year, what we indicated in our earlier memo is that we think that it's not as likely that we'd actually have to tap those reserves, but it would be a separate process from this one to get them approved."

Councilor Wurzbarger said, "And we don't know yet what that process is, so for those who argue that if we want neighborhood planning, it's not going to happen unless we have a position. Now is the time to look at that, or we don't know when it will be addressed. Is that correct?"

Mr. Millican said this accurate.

FRIENDLY AMENDMENT: Councilor Wurzbarger said, "Then we do need, on that particular item, an amendment to the motion to add the Neighborhood Planner, if that's acceptable to the maker of the motion."

DISCUSSION ON THE FRIENDLY AMENDMENT: Councilor Chavez said he would like to have some discussion on this, because one thing which dovetails with the Neighborhood Planner position is the Neighborhood Conservation Overlay District ordinance, and the two have to work hand in hand. He thinks we should be able to deal with this during mid-year and we have time to evaluate that position, see where we are with the ordinance and move those together at the same time.

Councilor Wurzbarger said this a very clear message to the community that we won't be having a neighborhood planning effort for the next six months, and she disagrees with that, "but if you don't accept it as friendly, you don't."

Councilor Chavez said we've sent the message by postponing the ordinance for a year.

THE AMENDMENT WAS NOT FRIENDLY.

Councilor Wurzbarger said then she wants to make this as a separate amendment.

MOTION TO AMEND: Councilor Wurzbarger moved, seconded by Councilor Ortiz, to amend the motion to restore the position of the Neighborhood Planner to the budget.

CLARIFICATION OF THE MOTION TO AMEND: Councilor Calvert said this is a vacant position, and asked if this is to keep it in the budget, but it won't be filled until we find somebody, as opposed to eliminating that position. Mayor Coss said Councilor Chavez's motion would eliminate funding for that position, and if the Council re-funded it, it would come out of the set-aside for currently vacant positions. But, Councilor Wurzbarger's motion would change that to keep it as a funded position going forward.

DISCUSSION ON THE MOTION TO AMEND: Councilor Bushee said , "You know, maybe I'm just not following this well, David, and the way you put things together. But, I see the Memo says that you have a schedule describing \$1.2 million worth of cuts. And, then I start to go through the Memo, all I see are things that are not going to get cut and things that are being added, so someone help me with the math. I get all of the placating that's gone on, you know, a little here for this one, a little here for that one, but I don't see the across-the-board reduction. I don't see the 5% in contracts. I don't see. Am I just like not reading it right."

Mr. Millican said the first line of the Memo is the correction of the pay increase error discovered in the personnel cost calculation model. After that, everything is a reduction or a savings. He said, "So, we identified that we were going to save by changing the way that we buy insurance, we'll be able to save \$200,000, split roughly between General Fund and other funds."

Councilor Bushee asked if Mr. Millican is saying that everything listed, not in a bullet form she can calculate, in a narrative with a number sometimes beside it, adds up to \$1.4 million.

Mayor Coss said there is a table.

Mr. Millican said, "The narrative basically tracks the table in the order that the items in the table appear."

Councilor Bushee asked, "Did you eliminate the Cultural Arts and Tourism Planner."

Mr. Millican said, "It is eliminated. What is identified here, is it is recommended for elimination, and then down below, it's recommended to be funded... that a fund amount be set aside for providing services like those on a contract basis, so that's the \$50,000 add-back that you see below. And that was one that was identified by the Council during their discussion at the last meeting."

Councilor Bushee asked, "So, what really got cut."

Mr. Millican said, "So, if you look at it. We cut \$200,000 of costs from Liability Insurance, two vacancies, one a Housing Planner, one a Neighborhood Planner were cut."

Councilor Calvert said, "Maybe."

Councilor Bushee said, "And my memory of discussion so far, is everybody up here said please don't cut the Neighborhood Planner position."

Mr. Millican said, "The policy we applied was to take... we had two vacancies that the Council had essentially already given pretty clear direction on. One was the Court Bailiff and we didn't really have clear direction, but we only had a \$6,500 Crossing Guard. So, we, even though that's a vacancy, we didn't want to take the Crossing Guard program down by one. We thought it would be appropriate to leave that program alone."

Councilor Bushee said, "I guess my point is, it's kind of a safe position to say you want to cut two positions, when you know one of them nobody wants to cut, so they'll get put back in and so you're back to sort of a zero sum game of maybe just one position we're willing to cut."

Mr. Millican said, "We just looked at it from a policy standpoint, in terms of the vacancies, because we knew that both of those vacancies, we understand are vacancies that probably different people think should be in there."

Councilor Bushee asked, "Why wasn't the PIO position recommended to be cut. I got the long paragraph explanation from Galen in this Memo, but I heard pretty much up here, everybody was willing to cut. We've got a pretty big media team already in place, so why was that position not recommended to be cut."

Councilor Ortiz said, "That's another motion that's coming up."

Councilor Bushee said she will wait for those.

Mr. Millican said, "The other reductions are the voluntary furlough program that we think will save money, a reduction in the amount of professional services contracts that we think is reasonable. Probably more can be achieved, but it's hard to quantify that right now. We had another cost adjustment because of the change in a retirement date of Assistant Chief Bolleter, and then we had a senior staff 40 hour furloughs required. That got us to the \$800,000 and \$444,000."

Councilor Bushee said she was hoping to see some cuts before we add things back.

Mayor Coss said there is \$1 million in reductions in Councilor Chavez's motion.

Responding to a question from Councilor Chavez, Mr. Millican said the Neighborhood Planner is a Senior Land Use Planner, noting the amount in the Memo is \$96,000 with benefits.

Councilor Romero said the Land Use Subcommittee, at its last meeting, made a recommendation to evaluate this position because a Senior Planner position may not be needed, and it may be a different kind of job and a completely different job description. So, they asked for time to review that position. She noted that she is looking at it as a placeholder with review for a recommendation for, perhaps, another kind of experience and skill set.

VOTE ON MOTION TO AMEND: The motion to amend was approved on the following roll call vote:

FOR: Councilor Calvert, Councilor Dominguez, Councilor Ortiz, Councilor Romero, Councilor Trujillo and Councilor Wurzbarger.

AGAINST: Councilor Chavez

ABSTAIN: Councilor Bushee said she will abstain until she sees what kinds of cuts happen, but she would recommend that if you do hire a Neighborhood Planner that they live in this community.

Explaining his vote: Councilor Chavez said we didn't do that for the last contract that we did for the CVB, noting that person lives in Florida, so he doesn't think we have any ultimate control over that, "I vote no."

CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED: Councilor Wurzburger said, "Two things on the motion, again, so I can properly track what we're doing, and if I'm following it conceptually, the motion applies now to the Neighborhood Planner. Given Councilor Trujillo's amendment, it adds back the firefighter position. Conceptually, until you do the math, if we started off with directing you to give us \$1 million and then you went through this process, and then we add-back these two positions, am I to understand correctly that we now have a savings of around \$400,000, assuming everything else goes as planned with respect to the unions, mas o menos."

Mr. Millican said, "Yes, that's a good estimate of where you are in the General Fund."

Councilor Wurzburger said, "Yes, I understand, just in the General Fund. So, the last question I would have for now, with respect to this motion, has to do with the bigger picture. And it is.. first the comment to thank you for making the changes that you have, and going another step. My question has to do with the contingency plan. Do we have a contingency plan six months from now, if this hasn't come through, since we've only added back \$400,000. What is your opinion on what we do six months from now, before we start moving to the level of more cuts that we recommend."

Mr. Millican said, "The forecast that the budget is based on right now, expects 9% reductions in gross receipts in the first six months of the fiscal year, compared to a year ago. If we're worse than that, and I think we have made realistic estimates of interest income. So, the gross receipts tax, which is of course the dominant income source, is the big one to worry about. If our losses are greater than 9% per month, then I think we're going to be... we have some significant issues. That's one of the reasons we established \$11 million in the Economic Contingency Reserve as a way to buffer that. But, as we move to the next level of reductions, then we have to go past where we've gone, start to consider layoffs and look at what has happened to us in terms of turnover and vacancy freezes during the course of those six months. But, that's the best result we can give you. We've done a lot of thinking about where we would go if we actually ended up in layoffs, but we tried very hard not to go there. And so, we would have to return to those plans, look at how many of those positions were filled, how many were vacant.."

Councilor Wurzburger said, "Okay, and I appreciate that, David. My concern is when we do that, because I'm just trying to get a better sense that... You have been very consistent in your advice to Council and in your policy recommendations to us that we not do layoffs. And, I honor that you have been consistent on that, despite what we've asked for. So, now my question is, at what point in the process between now and six months, because, parenthetically, I don't want to get to six months and then we're 'oh me, oh my what are we going to do.' So, do you have an answer to the process. Are we going to just wait until what point where we will assess that we're not going to make it."

Mr. Millican said, "I think we'll be making regular reports to the Finance Committee. We would expect a first quarter review at the Finance Committee in November, based on information through September 30th"

and an adjustment of numbers at year end, based on the closing of the books. During that process, staff will be looking at structural issues. We are tackling, essentially, we point out in the Memo one of the difficulties we have that the ASD/Finance merger, the Recreation merger, and the fact that we have three new directors in our utilities, puts a lot of organizational change load on the organization right now. It's going to be necessary to look and think deeper than we have so far in order to come up with that next set of services restructurings. And I would say, based on our earlier discussion, that's when you're going to do community outreach in order to find out about services in the community and the impact on the community, but you know that will be your decision certainly."

Councilor Wurzbarger said, "I want to come back to that, perhaps at the end of the meeting, but my only comment is that I find it difficult, again, that we are looking, and I appreciate the information we did get, with respect to how many supervisors we have, and how many people they're supervising, but, the disparities are great. They range from supervising no to one person, to supervising 17 or 18 people, and I'm just concerned that we can take a position as a City that says, we can cut \$13 million and it will have no effect on service, but if we were to cut 2-3 supervisors, it would radically affect our ability to provide service. And I find that, as a conceptual framework, difficult to deal with. And I do want to put that on the record. And I hoped that we do. I believe that because of the information provided us, that certainly some supervisors appear to be much more needed than others, but we're not being allowed to have that debate right now, and I'm uncomfortable with that, but I do appreciate what you've done."

MOTION TO AMEND: Councilor Ortiz moved, seconded by Councilor Bushee, that, "in addition to the cuts being proposed by staff, that we also cut the Public Information position which comes at a salary that's reported to us at \$61,818, that has a total fiscal impact of \$85,078. And I would add, as part of my motion, that there is certainly sufficient expertise on the existing staff to cover for the duties and responsibilities of this PIO officer position. "

Mr. Buller asked to respond, but Councilor Ortiz said he didn't ask a question.

DISCUSSION ON THE MOTION TO AMEND: Councilor Romero said, "I am uncomfortable adding [cutting?] a position with the perception that it is a position that's not needed or that could be covered by other positions, when I don't think we have that information. And I'm uncomfortable with making that kind of decision on a position that we have no information of where all of the tasks could be done. I, as a Councilor, have never seen that information. So, I say I'm not comfortable with moving forward with cutting that position without any evaluation."

Councilor Chavez said, "Councilor Ortiz, I think you could make that same argument regarding the CAT Planner position. A lot of the work that that person in that position was directed to do, is actually being done. That work was shifted to staff even before that position was eliminated. So, I think you could apply that in many different situations. So, if we're going to apply it to one, let's apply it to all of them, or to none."

Councilor Calvert said, "I for one, think I know what that position's been doing, and I've been quite pleased with the work from that position, and I thought the rest of the Council was as well. And, I find it a little

puzzling that we're making sure we preserve the Neighborhood Planner position, and then we eliminate the position that is one of our direct links with the public on getting out information on what we do and how we do it, and that sort of thing and what's coming. We're talking about service to the community. I think communicating with the public ranks right up there at the top. And, if you think that position can be absorbed by the existing staff, I haven't seen that analysis, as per Councilor Romero. But, I do think we have been well served by that position, and if we could get somebody that was anywhere close to the person that's currently in that position, I think it would be a good asset to our staff and to the community."

Councilor Bushee said, "As you know, I've served on this Council for quite some time, and this is probably the largest media team I've ever seen employed by any administration. We have currently four people in the Media Division, and I think about every division or department has its own form of PIO within its ranks. So, I'm not sure I understand some of my colleagues' concerns that there isn't enough information and contact with the public. Although, I will admit that the current one person you call PIO, because I do believe we have multiple PIOs throughout the City departments, does an incredible job. And, we'll miss her and wish her well on her future endeavors. But, I believe there are now three other folks directly in the Media Division that can step in there, and then plenty of others throughout City Hall."

Mayor Coss asked Mr. Buller when the current PIO leaves in early July, if that position would be frozen.

Mr. Buller said the guiding principle, agreed to by the Governing Body, is that after July 1, 2009, when a vacancy occurs the position goes away, and then staff comes back with recommendations for voting by the Governing Body. He thought this position would go away anyway, and he didn't think the motion is necessary.

Mayor Coss said then eliminating the position now, doesn't save money in this budget.

Mr. Millican said it would save one month's salary, based on the plans of the incumbent. He reiterated Mr. Buller's remarks about the guiding principle regarding vacancies.

Councilor Calvert said, "One of the things I think we've done all along in this budget, is we have already consolidated and eliminated some of the departmental public information officer positions. We justified that, based on the fact that we had other and this centralized Public Information officer position. So, now, we're going to eliminate this one, saying we've got the others. I think we're squeezing at both ends and hoping that we'll have the coverage that we need, and I don't think that's the case.

Mayor Coss said, "This is our communication team, and we've never communicated better. I share Councilor Bushee's admiration for the current incumbent, but I would just point out that four years ago, we didn't do a TV station, nobody knew that we had a web page, couldn't use the web page, wasn't nearly as useful as it is now. And, for several years, we didn't have a PIO, and the tendency of the administration was to not talk to the media and hope you still got a decent story. And, we've changed all that. But, I understand the seriousness of the budget times. I just think this motion isn't going to save us any money in setting up this budget, although it certainly could next year."

VOTE ON MOTION TO AMEND: The motion to amend was approved on the following roll call vote:

FOR: Councilor Dominguez, Councilor Ortiz, Councilor Trujillo, Councilor Bushee and Councilor Wurzbarger.

AGAINST: Councilor Calvert, Councilor Chavez and Councilor Romero

MOTION TO AMEND: Councilor Ortiz moved, seconded by Councilor Trujillo, "That in addition to the positions that are outlined, that we also eliminate the Assistant Human Resource Director position. It is a position that has a salary of \$83,788 for a total fiscal impact of \$113,318."

DISCUSSION ON THE MOTION TO AMEND: Councilor Ortiz said, "The justification for eliminating this position is this department, a department that has 12 employees, has a Division Director at fiscal impact of \$126,000 and a Deputy Director at a fiscal impact of \$113,000. This is for a department with 12 employees. And, there are other departments within the City that have 10 times, 15 times, the amount of employees, and do not have a deputy director. That work can continue to be done within the department."

Mayor Coss asked if there is an incumbent in this position right now. [non-verbal indication from staff that there is someone in this position] He said, "So, we're turning a corner here. We've closed a \$13 million hole, and then the Council asked for another \$1 million in cuts. And we are at the point where we are now going to take people's jobs away with this motion. I think that's unfortunate in an economic downturn, with a rising unemployment rate. If we could avoid eliminating jobs with lives bodies in them, I think we should do that. I think we've tried very hard to do that. It just seems unfortunate."

Councilor Dominguez said, "I'm going to actually speak against the motion. And there's a couple of... well actually one reason. And it pertains to even my rationale for my vote on the previous motion. I don't think that the City... information gets out in many different ways in this community, some justified, some not. And, so I don't necessary see that position as a critical position, if you will. But, I see, I guess a reduction in Human Resources as an opportunity, or a step closer to... I don't want to say the City shutting down, but it makes it that much easier, and that much harder to get things done, when you don't have the resources in Human Resources, and so, I'm going to speak against the motion."

Councilor Romero said, "I also would like to speak against the motion, but not because of the issue of critical. I think critical is through the eye of the beholder. And, I would say again that we don't have the expertise up here to have evaluated any of these positions clearly and articulately to reduce them. And they are live bodies, from this point forward, that we're talking about. These are people with families, with children. So, I think staff has given us a great recommendation with how to reduce the budget, with keeping people employed with evaluation in six months. We've not done the evaluation at this moment. We're reevaluating what is critical from each of our perspectives."

Councilor Bushee asked how many employees there are in the Human Resources office.

Ms. Kuebli said there are 15 total in the Human Resources Department, noting it is not a division, and there are 1,600 employees.

Responding to Councilor Bushee, Ms. Kuebli said this person supervises 7 people.

Councilor Wurzbarger said, "I want to look at this position as we move forward, but I'm uncomfortable with making a decision, accepting this as a motion, until we look across the board. It seems like this is a possible one that we have too many people supervising too few people. But, because of the function, and I don't know, as Councilor Romero has suggested, whether that function could be readily picked up for 1,600 employees. Therefore, I will defer on that, but I would like to have that as one of the three positions in that division that needs to be looked at."

WITHDRAWAL OF MOTION TO AMEND: Councilor Ortiz withdrew his Motion to Amend.

MOTION TO AMEND: Councilor Ortiz moved, seconded by Councilor Bushee, for purposes of discussion, "That we, in addition to the proposed cuts, eliminate a Deputy Chief Position, which comes at a salary of \$92,478 at a total fiscal impact of \$134,525, and I would ask if this position is eliminated, that this position be used to fund an additional police officer on the street."

DISCUSSION ON THE MOTION TO AMEND: Councilor Ortiz said, "My basis for making this proposal is as follows. I've been able to do a very short surveys of communities throughout New Mexico about what their command structure is like. The City of Rio Rancho, which is a City that has more population than us, and has a geographic area, roughly, of our City limits, has 133 officers currently on the force. Of those 133 officers, there's a request by the Police Department to add 15 additional positions through the Federal Stimulus Package. In the City of Rio Rancho, they have a Chief, two Deputy Chiefs, they have no Captains. The City of Amarillo, Texas, which is a population four times the population here in Santa Fe, has 311 officers on the force. They also have code enforcement responsibilities in their police department. They also run a jail in their department. They have a Chief, 4 Deputy Chiefs, no Captains. The City of Las Cruces, which is a population that's bigger than the City of Santa Fe, that has a geographic area that equals the presumptive limits, that is the City limits, and plus the annexation, they currently have 190 police officers. They have Police Chief, and two Deputy Chief and no police Captains. And so, based upon that very informal survey, conducted today by calling the police departments and asking them what their command structure is. Based on the past precedent that I know we have, that we have had in the past, responsibilities devolve down from the Chiefs to their Captains on the line, I believe that a Deputy Police Chief position is unnecessary at this time. In fact, given the new administration that's coming in, this is the time to have a reevaluation of the command structure and the Police Department, given the work responsibilities that we all have to face.

DISCUSSION ON THE MOTION TO AMEND: Councilor Bushee asked Councilor Ortiz, given the new change in administration, if we could ask the Finance Committee to have discussion and dialogue with the Police Department, in terms of an analysis of the command structure and report back, rather than this motion at this time.

Councilor Ortiz said he would be amenable to having that discussion. However, it has been clear to him that the direction given by the current administration, with regard to the current Police Chief, is that they want to fight the deletion of any command positions at all costs. This message has been made very clear to the rank and file, and they want to keep the current structure in place, noting the show of unity at this meeting.

Councilor Ortiz said he received a Memorandum from Chief Wheeler today, responding as an individual and not in his official capacity and with no official imprint of the Police Department. Councilor Ortiz reiterated that he is willing to looking at this, but doesn't believe the Police Department will reevaluate these positions, noting he believes there is a level of closed mindedness in the current Department.

Councilor Bushee said, "What I would like this vote to be, by this Council, is that reevaluation or a small, mini-strategic planning, if you will, for the Police Department, in terms of you set certain goals and see if they're met and see if the structure supports that. Literally, this is the Chief's first day on the job. And, I think it would be important to give him some time to take a look at the organizational structure. I don't think anyone is saying that anything is a 'sacred cow' and can't be reevaluated at any time. And I would just ask that that be your motion."

Councilor Ortiz said he will consider amending his motion, but he would like to hear from the current Police Chief. He said, "I do want to make some members of this Governing Body aware. We're going to currently have on the books, we're going to have positions double filled and we're going to have them double filled for a period of nine months. We've got three Captains retiring, and we've got the current Police Chief retiring. Their contracts, their sick leave, remains on our books. It becomes, essential a financial weight that this department is going to have to carry. And, how we carry them and how we afford them in this next fiscal year is of major concern to me, because, those positions, essentially are what's preventing us from getting officers on the street, from increasing public safety on the streets. We have got positions that we've got to pay for, and how we're going to pay for that, we haven't gotten any information through the budget process."

Councilor Bushee said she shares Councilor Ortiz's concerns about public safety and adding new personnel and the direct impact to her constituents and believes the Public Safety Chair shares these concerns as well. She noted the new Chief wants to embrace new technology and perhaps there are ways to streamline some of the administrative structures. She believes he is welcome to, and up to that challenge.

Chief Wheeler said, "I'm unsure if the response that you are looking for from me in the personal actual letter that I addressed to each of the Council Members and also the document that I put forward on Friday afternoon that described somewhat of the history of the Department and what brought us to the evolution of the position of command structure that we currently have. As far as me having a hard stance on it, I agree that there have been positions in the department that need to be evaluated and that we need to look toward to ensure that they are being utilized properly within the Department. That's part of the process that I'm going through at this particular point. Coming in as the new Police Chief, I have already requested memos of interest from all of my Staff Sergeants and above as to what locations they would like to see

themselves in and where I feel that they would be appropriate as far as reorganizing the entire unit with the Police Department.”

Councilor Ortiz said, “Chief, are you saying that you are willing to be open minded to reconsider an organizational session with the Finance Committee, maybe with the Public Safety Committee, on addressing how to best utilize the financial and manpower resources within your department. You’re open to that?”

Chief Wheeler said, “I’m open to that discussion. I still hold strong on the position of my Deputy Chiefs.. Two Deputy Chiefs. Even the evaluation of the information that you received from those various police departments, I think it was quite clear to you, as well, that all of those agencies kept two Deputy Police Chiefs as well.”

Councilor said, “And they had no Captains in command structure. So they had three to four commanders and the rest were rank and file. Lieutenants and Sergeants are considered rank and file for purposes of collective bargaining. And so they had rank and file and they had three or four command positions and we have more than that. We have 7 – 4 Captains and 3 Chiefs. Is that right.”

Chief Wheeler said, “I’m unsure, I’d have to go back and look at that data. Some of the information that I received from my staff is that, actually, if you look at Rio Rancho, it only has 133 officers, versus the 155 officers plus the 207 additional overall employees that we have. My understanding is that they do have Captains, they have at least 2 Captains within their structure.”

Councilor Ortiz said, “And Rio Rancho also has, on the administrative side, not a uniformed or commissioned law enforcement personnel who is in charge of administration, finance, administrative services. They have just a director, and they don’t have anyone who is commissioned. Right? That’s what the lady I spoke to said, she was very helpful.”

Chief Wheeler said he is unsure and couldn’t say “off the top of his head,” and would need to go back and do some work.

Councilor Ortiz asked, “Are you willing to have that discussion, Chief, or are you still closed-minded that your command structure is the command structure that you want to have in existence.”

Chief Wheeler said, “I don’t believe I’ve ever tried to come across as closed minded and I’m open to have those discussions and evaluate what’s best for my department and the City.”

FRIENDLY AMENDMENT: Councilor Ortiz proposed to amend the motion, “In lieu of cutting the Deputy Police Chief position, that the Police Department agrees to undergo a restructuring and reorganization discussion with the Finance Committee and with the Public Safety Committee, for a report and recommendation by the fiscal year.”

DISCUSSION ON THE FRIENDLY AMENDMENT: Councilor Chavez asked if Councilor Ortiz wants to direct staff to do strategic planning in the Police Department. Mayor Coss said the recommendation is to

do strategic planning with the Finance Committee and the Public Safety Committee, to look at the structure of the Police Department, especially the management structure.

At the request of Councilor Chavez, Councilor Ortiz restated his friendly amendment and asked Councilor Chavez if the amendment is friendly.

Councilor Chavez asked the difference between reorganization and strategic planning.

COUNCILOR ORTIZ WITHDREW HIS FRIENDLY AMENDMENT

MOTION TO AMEND: Councilor Ortiz moved, seconded by Councilor Bushee, "hat in lieu of cutting the Deputy Police Chief position, that the Police Department agrees to undergo a restructuring and reorganization discussion with the Finance Committee and with the Public Safety Committee, for a report and recommendation by the fiscal year. "

DISCUSSION ON MOTION TO AMEND: Councilor Romero said, "I'm disagreeing with a lot of the conversation, because I believe we are mixing the apples and the oranges and whatever other fruits we want to throw in there. Strategic planning is about evaluating from the Police perspective, from all departments. It's not just the police. Strategic planning is what do we as a City look at, at what our resources are, what are our goals, what are our objectives, how we're going to reach those, what is the community willing to also do to reduce their uses around services. So, I think there's a two-fold question. If you're saying we're not going to do senior services, or we're not going to something else, then where do we cut. And that's a community, that's a City issue. And, that's strategic planning."

Councilor Romero continued, "When we talk about these many plannings or these many negotiations with the police force, to me, that's crisis management. That's negotiations that's with one department and it's not everybody else having their input so that you have a good evaluation about what's really going on and where does it make the most sense to cut."

Councilor Romero continued, "When we look at what other cities do, there is always the 'yes but.' When it comes to other cities reducing their [inaudible], yes but do they have new annexations going on, do they have something else going on. That's the yes but with this. We can look at what other cities have, but they don't have the same issues that we have. I don't know what all of the positions are within the police force. Well, let's look at them together, rather than one committee negotiating with the Police Department. I'm uncomfortable with that. I am comfortable with looking at strategic planning in the next few months, which is what I think staff had said, and that would include a community discussion of what the community is also willing to do without or do with. And so to me, if we're really going to talk about strategic planning, let's not mix up the language with it and confuse people. We're not doing strategic planning. We're doing on-the-fly negotiations that's meaning anything. It's crisis management."

Councilor Ortiz said, "In the nature of Councilor Romero's comments is a personal attack on the motions that I've made. I have done strategic planning Councilor. In fact, if we would have hired you, instead of the company that we had two years ago and spent 18 months on strategic planning, maybe we'd have accomplished something. So, yes, I do understand the difference between strategic planning and what's

being here. And I do understand, especially since we're doing this in a public forum, which allows the opportunity for public comment, that the public is going to be allowed to decide on what is, or is not a priority for the community. This is about the budget, and about how we organize ourselves as an organization, and that is within the purview of the Finance Committee and the Public Safety Committee. It's an ongoing issue that needs to be within the purview of the Finance Committee and the Public Safety Committee. And, while I appreciate your consternation, because you were not sitting in this seat, and your predecessor was, I can tell you, very clearly that we did a whole host of strategic planning endeavors here at the City and that process has illuminated some of us with regard to some of the decisions that we're making here tonight. And so, I do want to tell you that your characterization of what's going on here... I guess you're the one that's making the fruit salad, not those of us who are voting on these motions."

Councilor Chavez said, "If we're going to do strategic planning, it shouldn't be the purview of only the Finance Committee and the Public Safety Committee. It should be the purview of the Governing Body and the community doing that strategic planning. It's a joint effort. So, I think we're missing the mark just a little bit on that point. And, I would agree with most of what Councilor Romero said, because I don't believe, Councilor Ortiz, that strategic planning should be done as part of the exercise in balancing the budget. We're talking about a reduction in force after the budget has hardly been balanced, without any real criteria or without any kind of hallmark or strategic planning. So, I think that's what we need to get to, and it needs to apply, as Councilor Romero pointed out, to all of the departments and not just the Police Department."

Councilor Dominguez said, "I think that there are Councilors up here, and I think Councilor Romero is one of them, that knows that I am a supporter of strategic planning. And when I was on the Board of Education, I supported even efforts by you to come into the public schools to do some of that strategic planning, so I'm in favor of strategic planning. In terms of crisis management, I don't think that restructuring, reorganization or whatever you want to call it was brought up last week or the week before or last month. It was brought up a year ago. And, again it was my hopes that this sort of thing is something that could have been talking about at that time. So, we are forced to have this discussion at this time, because it wasn't pursued earlier on the way maybe it should have been."

Councilor Dominguez continued, "I wanted to ask a couple of questions to the Chief, because I did get your memo and thank you very much for the memo and for the history. But, there are two or three things that I'm concerned about. One of them has to do with your statement that there are volunteers who actually go to some of these, I guess, 25 different community meetings. It's my understanding that some of those are not volunteers, but that they are actually paid overtime to go to some of these meetings. And so, if we could have a breakdown of that, that's something that would be helpful for me. So, that's just one of them. The other thing is if we could have a list of those 25 community programs. I'm a member of the Juvenile Justice Board, and not once have I ever seen a Chief or a Deputy Chief at any one of those meetings. In fact, very rarely, I shouldn't say rarely, but often you get a police officer there who's a detective. And so, it leads me to wonder if that person is being paid overtime, or if they're volunteering their time to that particular program."

Councilor Dominguez continued, "And then, the other thing is, you talk about, on the last page of your memo, you talk about, and I'm going to read this sentence to you specifically. It says, 'As we look to the

future of the department in the City of Santa Fe, we strive not for status quo, but a new level of excellence in customer service.' That says to me that he's willing to have that discussion in an open minded way, so that he can have a better department. But what's not in the memo, is exactly how you're going to change the status quo. And these are some of the things that I want to hear about. I don't know if they're issues that need to be bargained, or if they're just administrative policy that you can change. And so, that's part of the discussion. I think that in the last motion, some people or some Councilors didn't support it because we hadn't had that discussion. Well in this particular case, because it is part of the motion, I'm hopeful that we do have that discussion, so that we can make a better Police Department."

Councilor Trujillo said, "Any time there's discussion about cutting public safety, it does bother me. You know, Chief this is your first day on the job, and we're pushing right away. But, Aric, you do have an open mind. And you right here stated it, Councilor Ortiz, that you're going to have those discussions. So Councilor, what I'm asking, is do we want to have this discussion go to Public Safety and Finance, or is there a chance that we might be able to bring both committees together and have the discussion with everyone at the table."

Councilor Ortiz said this is a good suggestion, and ultimately any recommendation out of that discussion, has to go to the City Council for approval. He said those members who don't sit on either Committee would have the opportunity to give input and comment.

Councilor Trujillo suggested it should be a special City Council meeting.

FRIENDLY AMENDMENT TO THE MOTION TO AMEND: Councilor Ortiz amended his Motion to Amend to say that the discussion will go in a Special City Council format. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND OF THE MOTION TO AMEND, AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED: Councilor Bushee said this isn't strategic planning, and she has her opinion about some of the strategic planning which has been done and its efficacy. She believes it is a very good time in this economy to look at any organizational structure, including ways to streamline, make it more efficient, etc. She said, "The only thing I will take a little issue with, Chief, Aric, when under social programs you describe community policing as getting out and participating in committees and public programs." She said this means officers living in communities and neighbors. She doesn't know why we never implemented community policing. She has yet to see a direct correlation to more bodies and more presence on the shifts actually on the streets. She wants a timeline for tracking the numbers in various areas of the City. She said she is the one who brought up the term "strategic planning," but she was talking about strategic thinkers. She doesn't want to impose a structure from another City that isn't Santa Fe. She said everybody's goal is to get more officers on the street, dealing with crime.

Councilor Wurzbarger said, "I want to reinforce that this isn't about strategic planning. I think the hardest thing in my 25 years experience in organization development and strategic planning is changing organizations. [inaudible] And this crisis economically, provides us opportunity. And that's why I'm

encouraged by something you said as well. And I look forward to providing better service to this community and not losing jobs in the Police Department, but providing the service where it's most needed and making that everyone is doing what they need to be doing."

Councilor Bushee said when we get to the full force we need, we have to look at the annexations and how to meet those needs, so this is a timely direction from the Council.

Councilor Calvert said he welcomes the opportunity to work with the Police Department on the analysis of the organization. But, cautioned against just making a change in the organization because we have a new Chief. He said, "There's nothing directed to you Chief Wheeler, but there's a tendency in any new organization just to change the organization structure to justify the new leadership or the changeover. So, I'm hoping we won't do that sort of exercise, but will do something that actually results in effective change in how we do things, and not just a different structure for the sake of a different structure."

CLARIFICATION BY COUNCILOR CHAVEZ, THE MAKER OF THE MAIN MOTION, ACCEPTED THE PREVIOUS AMENDMENT AS FRIENDLY, AND THERE IS NO NEED TO VOTE ON IT.

CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED. Mayor Coss said it is possible to vote on this motion, as amended, instead of coming back to do this on June 10, 2009.

Councilor Bushee asked if there was mention of \$30,000 or \$40,000 for the winter homeless shelter.

CLARIFICATION OF THE MAIN MOTION BY THE MAKER: Councilor Chavez clarified that those funds are included in his original motion.

Councilor Dominguez said, "I just want to ask again, Mr. Millican. It was my understanding from way early on, that the monies for Children and Youth were reestablish at 3%, and so the Motion Councilor Chavez [made] brings that reallocation up to 3%. I just want to make it crystal clear. Because, even with our discussion Friday, it wasn't crystal clear to you now, and I just want to make it crystal clear.

Mr. Millican said, "With the action proposed by Councilor Chavez, it is clearly included in the action of the Council, and so this would restore the GRT allocation of the State shared GRT, from its currently proposed level, it really never has been reduced, but it would remove the recommendation to reduce and stay as it is."

Councilor Dominguez said, "I just want to know that it's going to be at 3%..... I guess, a question for Galen. There have been cuts in other departments, Public Works. And I want to commend Robert for getting the message that the Council sent out early on, and going through his organization, absorbing part of the organization, and doing exactly what the Council envisioned some time ago." He asked how that message was sent and heard there, but not everywhere else.

Mr. Buller said that was a reorganization of both Community Services and Public Works. The other department which did a major reorganization was Kathy McCormick which resulted in a number of cuts. He

said the third which went through a major reorganization was ASD Finance which resulted in cuts in positions. He said the reason the message didn't get to Police and Fire was because both were going through a change in Chiefs and we didn't want the outgoing Chiefs to reorganize for the incoming Chiefs. He said this is a good way to handle the Police and perhaps Fire would like to do something similar. He said Land Use went through some reorganization, but not to the same extent. He said in the smaller departments, there weren't opportunities for reorganization – City Clerk, City Attorney – because they don't have the kinds of personnel to do that kind of reorganization. The class and comp study will look at whether the positions are what they need to be within the boxes of the reorganizations.

Councilor Dominguez said we can choose to look at people in positions, but he chooses to look at positions, and not associate those with people. Part of our job is to be fiscally responsible. He doesn't know that changes would have been made, but only part of the organization went through the process to look at cutting positions. He commended the departments who have made those tough choices and they are an example of leaders in the organization.

Councilor Bushee said, "The only thing we haven't really discussed here this evening is... all right let me just back up. I believe that throughout this process, the tendency for this administration has been to want to put off the hard decisions in favor of furloughs. I don't know, through this process, never have I really heard... here we are down to the wire to use furloughs for some of the savings, but that will, I assume be the tendency on into the future. And what does that make for the public in terms of cutting services." She wants to send the message that the first place to look for cuts is not to reserves, nor at furloughs. She asked Mr. Buller his intent on the "soft freeze" which gets softer at certain times. She is unsure they ever got information on cutting contracts. She added kudos to departments which did what we wanted.

Mr. Buller said the Council voted previously, that all positions which become vacant after July 1, 2009, will go away. All the saved monies would go into a fund, and 25% could be used to recreate positions, but only with Governing Body approval. He said this is the hardest freeze the Council could have voted for.

Councilor Trujillo talked about the \$400,000 which was moved to the Airport, and asked if all that is being added back is \$75,000.

Mr. Millican said, "Based on the action that I've heard this evening, we moved \$400,000 out of Property Tax to the Airport, and this moves \$75,000 of that back and funds it from the General Fund, so there is still \$325,000 that has been transferred for Airport operation. We would expect in subsequent years, that the fire operations are going to be supported from fees paid by airlines, but we don't have a specific analysis of that right now."

Councilor Trujillo said, "Here, the Fire Department, they went out, they did their 5%, and made their cuts. Taking this, you're looking at them... they did another 10% cut. How are we going to get this money, some of it back. He said the Fire Department has done their job, and this is alike a penalty. They're taking an additional \$400,000."

Mr. Millican said, "We're going to end up needing, over the course of the next five years to restore that money, maybe in less than five years. We're not sure what kind of economy we're going to face. But, in

various cases, we've made changes in the way that services have been supported, either by transferring them to projects, or whatever. So, we do not have a specific plan, right now, for restoring that next year. We do think we'll have significant resources available from scheduled airline revenues to replace that money."

Councilor Trujillo, "We think?"

Mr. Millican said, " Yeah, because we're going to be in a trial period until the end of August on that, so we're going to have to make decisions about that, but right now, the expectation I would get would be part of the conversation we're going to have with the Council and the Committees through the course of the next year just to identify that plan that you're asking about."

Councilor Trujillo would like to do the same thing with the Fire Department as with the Police Department, and he asked Councilor Ortiz if this can be done.

Councilor Ortiz said, "What we should do, if we were honest, is we would have a full public safety discussion and we would take from the organization that appears to be loaded and give to the organization that is going through a lean time, involuntarily, by the way, and we should have that honest discussion. We're taking from the Fire Department. The Fire Department has made their cuts. The Fire Department has proposed eliminating a Deputy Chief. The Fire department heard the message loud and clear and that was within their current budget. And so, to go through a planning exercise with the Fire Department, we're going to identify deficiencies in their department, and identify other areas in the Police Department that become sacred and they can't be cut. And so, yes, I'd love to have those discussions together, and I'd love to have both of the new Chiefs, Fire and Police, to have a full discussion on what public safety needs to happen.

Mayor Coss said, "I would just respond to the way the motion that Councilor Chavez accepted as friendly was structured, is that the review will take place at the City Council level, I can guarantee you that we'll do a review of public safety, police and fire. I think that's most appropriate."

Councilor Ortiz asked the Mayor if he is amending his [Ortiz's] motion.

Mayor Coss said Councilor Ortiz made the motion to do this at the City Council level.

Councilor Trujillo wants the Fire Department involved in that discussion as well.

FRIENDLY AMENDMENT: Councilor Trujillo would like to amend the motion to look at how we can get a portion of the \$400,000 restored. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED. Chief Rivera said they went through the process and made the hard decision to cut a position to get to the 5%, and to lose another

\$400,000 is a big hit, especially in these hard times. He said ultimately the people who will suffer are the firefighters in the field who won't have the equipment these funds were designed to purchase and the public they serve.

Councilor Dominguez asked if there is any timeline on the additional restructuring efforts to be done later this year.

Mr. Buller said staff was in the middle of strategic planning when we "shifted gears" to find the \$13 to \$14 million shortfall, and got sidetracked, but they want to get back to it. He said it is an ongoing project.

Councilor Wurzbarger asked if the scope of work of will be coming forward in the compensation study, or is it a study only on who's at what level and who needs to have money, commenting she is fearful that she has erroneous assumptions about the long promised compensation study.

Ms. Kuebli said, "The consultants doing the class & comp study, we started it in the fall, and we started with JATs which is to find out what individuals are doing and what the appropriate job classification should be as a result of those functions. And so, at this point, they've also then taken it into the salary study to look at what the appropriate market salaries are."

Councilor Wurzbarger asked, "Am I to infer from your statement that there is the possibility that someone could have a job classification, a title, that doesn't correspond with the job."

Ms. Kuebli said the first step in any class and comp study that I'm aware of, would start with, what are the job functions being performed by individuals.

Councilor Wurzbarger said, "You've already done all of his. Right?"

Ms. Kuebli said it started in the fall, and supervisors reviewed the work of the employees, and as a result of that, we've had to continue that into the Springtime, because we didn't have enough sampling, enough of a sample from employees who didn't...we needed to have a certain threshold of people who completed the surveys."

Councilor Wurzbarger asked, have you done an analysis, or are you in the process of doing analysis, of the assistant director positions across the board in the City.

Ms. Kuebli said no, that was not part of the scope of the study, noting RFPs were done Spring 2008, and the contract was \$58,0000, and to do a full blown class and comp study would have cost \$250,000.

Councilor Wurzbarger would like to amend the motion to provide that before mid-year an assessment will be made by staff, and not by an outside independent contractor at \$250,000, to compare the comparability between the assistant director position. She noted, in reading the job description for the Solid Waste Division Director, it appears the Director supervises the Assistant Director, and the Assistant Director directly supervises everyone else. She said the question is what does the assistant director do. And then we compare it with assistant directors or assistant chiefs which have broad functions which 2 or 3 people

do. She is very concerned about this, and she doesn't believe there is comparability in the organization, and this is an area we could have looked at, if we had more information, and we don't have it.

FRIENDLY AMENDMENT: Councilor Wurzburger proposed to amend the motion to provide that as part of the mid-year assessment, that there will, at least be an assessment of the comparability of the assistant director positions within the City, which is to be done by the City Manager's Office. Councilor Chavez asked if the intent of the Amendment will be part of the mid-year review. Councilor Wurzburger said yes. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED: Councilor Ortiz said, "I also, as Councilor Dominguez does way better than me, want to thank those departments who have gone through this budget cutting exercise that we put out back in October. And in particular, I think the City Clerk and the City Attorney's Office, the Fire Department especially, that took seriously the cuts and made those cuts, the Housing and Economic Development Department. And I want to give special commendation to the Public Works Department, that not only went through the cuts, the proposed cuts that they were supposed to do, they took on two other divisions, essentially. And so, we've got a Department that has over 200 employees, when we approve this budget, that's not going to have a Deputy Director. Robert delegates because he's a leader, and he's a leader within the organization. And Public Works, their budget came in. And so, I want to thank those departments for the very hard work that they did."

Councilor Ortiz continued, "However, this budget, even with the proposed cuts, still falls far short. It falls far short, because by passing this budget, the budget that Councilor Chavez has passed, has recommended, we're going to short the Fire Department \$325,000. We're taking money out of the Fire Department by passing this budget. By passing this budget, we are cutting services to kids. The gymnastics and tennis programs, the summer programs, they go away under this proposed budget. The hours for the dance program at Monica Roybal Center, those hours go away. For the community, the Recreation Center hours get cut under this budget, those hours get limited and shortened, so those members who have full-time memberships at Ft. Marcy or Salvador Perez, or like myself, at GCCC, we're paying dues for a center that's open for a certain period of time, and it's going to now be closed for some of that period of time. And, the question's going to become, for those of us who are dues paying members, are we going to get a pro rate discount on our membership fees."

Councilor Ortiz continued, "By approving this budget, without making any hard cuts, because there's positions... because there is people in current positions, we are setting up another round for the public to have and experience rate increases in the Solid Waste Department, in the Sewer Department. Those rate increases are going to come on top of all of the rate increases that we've passed to date. If we pass this budget, we are no closer where the money is going to be for the approximately \$1.4 million that we have estimated for the 22 contracts that are coming up on the sick leave buyout for administrators, for upper and middle managers who are retiring. \$1.4 million that's going to come out of the Police budget, out of the Fire budget, out of the Public Works budget, out of the, I don't know with ASD leaving, it's going to come out of the Finance budget. We don't have any way of affording those particular numbers at this particular time."

Councilor Ortiz continued, "By passing this budget, we are going to say to the rank and file, to the people who actually do the hard work that that makes the City tick, you're going to have to take a furlough, and you're going to have to decrease your number of hours that you're going to get paid, and yet all of the other positions that we have here at City Hall, with one exception, and she's leaving, are going to continue to be filled. By passing this budget, what we are doing is a disservice to the City. And again, I realize that it is very hard to do this in a piecemeal fashion. I understand that making motions on positions and debating the merits of these positions are hard when we doing them now. They're hard after six months of planning. They're hard after a year of budget recommendations. They're hard after two years of strategic planning. They are hard decisions, and some of us will not, for the sake of perpetuating the status quo, which is what we're doing, will not make those cuts, and I understand that. But, I will tell you that we're doing a disservice to the community by passing this particular budget as it's been cobbled together. And, again, it's my hope that.. the only way an organization changes is by changes at the top. And, it's my hope that those changes come sooner, rather than later, but I cannot support this particular budget with those particular cuts that are built in, so I will be voting against this budget."

Councilor Calvert said, "I would like to clarify something with either the current Chief or incoming Chief of Fire.. Fire Chief. The budget, the \$325,000 that basically you're foregoing, as I understood it was for capital expenditures mostly. It was, although I understand it's not something that you want to do, it's something that you didn't think would endanger the safety of either the firemen or the public. It's not the ideal situation, in terms of replacement or schedule and stuff like that, but you did not feel that there was any true threat to anybody's well being or safety."

Chief Rivera said, "With that money, we buy all kinds of medical equipment that goes on an ambulance every single day, replacing a backboard straps, all kinds of items. It is for capital outlay big ticket items, but it is for those everyday replacement on a working rig."

Councilor Calvert said, "I'm confident that you'll be able to manage to make sure that the things that are absolutely essential and don't compromise safety will get taken care of."

Chief Rivera said, "I'm sure that Chief Salas will do this."

Mayor Coss said, "I just want to ask the Council or Galen and David a question too. As I followed the discussion around Councilor Chavez's motion on the Memorandum, you said we had about \$400,000 net savings after all the add-backs, of General Fund." Mr. Millican said this is correct.

Mayor Coss said, "And that's on top of an \$11 million cushion in the budget." Mr. Millican said this is correct.

Mayor Coss said, "And that \$11 million is on top of the State mandated reserves of \$8-\$9 million." Mr. Millican said this is correct."

Mayor Coss said, so I guess my question for the Council, because I'm uncomfortable pitting the Police Department against the Fire Department, and the Fire Department did cut a Deputy Chief or an Assistant Chief, that they'd only obtained last year and is now vacant. A smaller department with three Chiefs or

three deputies, they cut one. A much larger Police Department with two chiefs that didn't recommend cutting one of the deputies. Be that as it may, I'm very sensitive to Councilor Trujillo's concern that if the work that we've tonight, based on David's Memo has netted us another \$400,000, why don't just put that back to the Fire Department and settle that question as we go forward, because that still keeps us an \$11 million cushion for economic contingency."

FRIENDLY AMENDMENT: Councilor Trujillo asked to amend the motion to restore the \$400,000 to the Fire Department. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COUNCIL.**

Mayor Coss said, "We still have lots of other problems. We've blamed this budget for everything except H1N1, but what I want to say, is the work we've done has closed a \$13 million budget deficit. We are still recruiting in the Police Department. We've done four reorganizations along with this. We have an \$11 million cushion. We've avoided layoffs, and we can debate the merits of avoiding layoffs, but I have thought that that was an important thing to do, and so I think the discussion's been good. I think the work's been done. The work certainly doesn't stop tonight. But, I really do appreciate the work of the Council and the City Manager and the Finance Director and all the people that worked on this, because this was not easy."

Councilor Wurzbarger said, "We started the other night with a discussion of \$1 million, recognizing that we're somewhat capricious, but it was done from the intention that there were assumptions in the budget that we were concerned about. I remain concerned about the status of the economy, and I've even talked about that. To talk about an \$11 million cushion as sufficient, I guess I will put on record, that I am concerned that that's not sufficient. If within six months, we're going to have a three month and a whatever report, and we have the solved the problem and I feel more comfortable with what you came up with, with respect to furloughs, but I don't think the hard choices have been made. And I know we responded to the fact that we couldn't have a deficit budget, and yet we're going to our reserves more than we ever have. And, if we have one more year like we had this year, we have no reserves. So, I'm very uncomfortable with that, especially, and I have nothing against adding the Fire Department back, but we've basically the position that was... not a philosophical position, but recognizing that there are assumptions about which we have control, and we've added back everything possible that we can."

VOTE: The motion, as amended, failed to pass on the following roll call vote.

FOR: Councilor Chavez, Councilor Calvert and Councilor Romero.

AGAINST: Councilor Dominguez, Councilor Ortiz, Councilor Trujillo, Councilor Wurzbarger and Councilor Bushee

Explaining his vote: Councilor Dominguez said, "Mayor, if I can explain my vote. I want to thank everyone for all their hard work on this budget. Having said that though, I don't think that this budget represents equity, and I vote no."

Explaining his vote: Councilor Trujillo said, "Mayor, if I can too.. I'm thankful that we put the money back into the Fire Department, but there's still some cuts that we made for children in it, so I'm voting no."

Explaining her vote: Councilor Bushee said, "This is an election year budget. The tough calls have not been made, and I vote no."

Mayor Coss said then we will come back to the budget on June 10, 2009, and thanked everyone for their forbearance.

7. ADJOURN

There was no further business to come before the Governing Body, and the special meeting was adjourned at approximately 7:00 p.m.

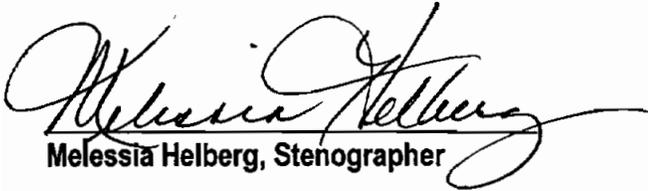
Approved by:

Mayor David Coss

ATTESTED TO:

Yolanda Y. Vigil, City Clerk

Respectfully submitted:


Melessia Helberg, Stenographer