



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MAY 17, 2010 – 4:00 PM

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

CITY CLERK'S OFFICE

DATE 5/13/10 TIME 11:00am

SERVED BY [Signature]

RECEIVED BY [Signature]

MAY 3, 2010 REGULAR FINANCE COMMITTEE MEETING
MAY 4, 2010 SPECIAL FINANCE COMMITTEE STUDY SESSION FY 10/11
OPERATING BUDGET REVIEW

CONSENT AGENDA

6. REQUEST FOR APPROVAL OF AUDIT CONTRACT – FINANCIAL AND COMPLIANCE AUDIT SERVICES (RFP NO. 08/41/P); ATKINSON & CO. (TERESITA GARCIA)
7. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – DEVELOPMENT, TECHNICAL AND CONFIGURATION OF NETWORK COMPUTERS SUPPORT OF JDEEDWARDS/ORACLE ENTERPRISE 1 APPLICATIONS; STRATECH CONSULTING INC. (CARYN FIORINA)
8. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES; CHAVEZ SECURITY, INC. (MICHAEL GONZALES)
9. REQUEST FOR APPROVAL OF WATER SUPPLY AGREEMENT - PROVIDE WATER TO AGUA FRIA COMMUNITY WATER SYSTEM; AGUA FRIA COMMUNITY WATER SYSTEM (BRIAN SNYDER) (MAYOR COSS)
10. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT; LAWRENCE VARGAS (DALE LYONS)
11. REQUEST FOR APPROVAL OF DONATION – TWO FIRE DEPARTMENT AMBULANCE'S; TORRANCE COUNTY (FIRE CHIEF BARBARA SALAS)



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12. REQUEST FOR APPROVAL OF AGREEMENT – PURCHASE/INSTALL BACK UP ELECTRIC GENERATOR; STATE OF NEW MEXICO AGING AND LONG-TERM SERVICES DEPARTMENT (RON VIALPANDO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND
13. REQUEST FOR APPROVAL OF MEMORANDUM OF AGREEMENT – PROMOTE RIDESHARING PROGRAMS AND TRANSPORTATION DEMAND MANAGEMENT PROGRAMS; NEW MEXICO DEPARTMENT OF TRANSPORTATION (SANDRA SANCHEZ)
14. REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF THE CERRILLOS ROAD RECONSTRUCTION PROJECT FUNDED THROUGH A COOPERATIVE PROJECT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR DOMINGUEZ) (ERIC MARTINEZ)
 - A. REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT – CERRILLOS ROAD RECONSTRUCTION PROJECT PHASE IIB, CIELO CT. TO CAMINO CARLOS REY; NEW MEXICO DEPARTMENT OF TRANSPORTATION (ERIC MARTINEZ)
 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND

Committee Review:

Public Works (Approved)
Council (Scheduled)

5/10/10
5/26/10

Fiscal Impact – Yes

15. REQUEST FOR APPROVAL OF A RESOLUTION REAFFIRMING SANTA FE'S WELCOME TO ALL (MAYOR COSS) (KEITH TOLER)

Committee Review:

Council (Scheduled)

5/26/10

Fiscal Impact – No

16. REQUEST FOR APPROVAL OF AN ORDINANCE CREATING A NEW SECTION 14-8.6(B) (11) SFCC 1987 ALLOWING THE REDUCTION OF REQUIRED OFF



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MAY 17, 2010 – 4:00 PM

STREET PARKING SPACES WHEN A TRANSIT FACILITY IS PROVIDED (COUNCILOR CALVERT AND MAYOR COSS) (JON BULTHUIS)

Committee Review:

Planning Commission (Approved)	5/06/10
Public Works (Approved)	5/10/10
Council (Request to Publish)	5/26/10
Council (Public Hearing)	6/30/10

Fiscal Impact – No

17. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO IMPLEMENT A NEW STRATEGY FOR OPERATING THE COMMUNITY GALLERY AS AN ARTIST BUSINESS DEVELOPMENT CENTER (COUNCILOR WURZBURGER) (SABRINA PRATT)

Committee Review:

Council (Scheduled)	5/26/10
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Fiscal Impact - No

18. REQUEST FOR APPROVAL OF A RESOLUTION APPROVING PARTICIPATION IN THE PROGRAM OF THE NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT (MAYOR COSS) (FABIAN TRUJILLO)

Committee Review:

Business and Quality of Life (Scheduled)	5/13/10
Council (Scheduled)	5/26/10

Fiscal Impact - Yes

19. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE NEW MEXICO LITTER CONTROL AND BEAUTIFICATION ACT OF 1985 WHICH PROVIDES PUBLIC FUNDS IN THE FORM OF GRANTS FOR THE PURPOSE OF ENHANCING LOCAL LITTER CONTROL AND BEAUTIFICATION PROGRAMS (COUNCILOR TRUJILLO) (GILDA MONTANO)

Committee Review:

Public Works (Scheduled)	5/24/10
Council (Scheduled)	5/26/10

Fiscal Impact – Yes



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FINANCE COMMITTEE MEETING
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20. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE EFFORTS OF SANTA FE COMMUNITY COLLEGE IN SEEKING AUTHORITY TO ISSUE GENERAL OBLIGATION BONDS FOR THE PURPOSE OF MAKING REAL PROPERTY IMPROVEMENTS OR PURCHASES (MAYOR COSS) (JEANNE PRICE)

Committee Review:

Council (Scheduled)

5/26/10

Fiscal Impact – No

21. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 6-17.3 SFCC 1987 REGARDING MEMBERSHIP REQUIREMENTS FOR THE BUSINESS AND QUALITY OF LIFE COMMITTEE (COUNCILOR WURZBURGER) (KATHY MCCORMICK)

Committee Review:

Business and Quality of Life (Scheduled)

5/13/10

Council (Request to Publish)

5/26/10

Council (Public Hearing)

6/30/10

Fiscal Impact – No

22. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING EXHIBIT A OF CHAPTER XIII SFCC 1987, STORMWATER UTILITY, TO INCREASE THE MONTHLY STORMWATER UTILITY SERVICE CHARGE (MAYOR COSS) (CHRIS ORTEGA)

Committee Review:

Public Utilities (Scheduled)

6/02/10

Public Works (Scheduled)

5/24/10

Council (Request to Publish)

5/26/10

Council (Hearing)

6/30/10

Fiscal Impact - Yes

END OF CONSENT AGENDA



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MAY 17, 2010 – 4:00 PM

DISCUSSION

23. REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FOR HUMAN SERVICES PROVIDERS FOR FISCAL YEAR 2010-2011 (RFP NO. 10/23/P) (TERRIE RODRIGUEZ)
24. REQUEST FOR APPROVAL OF FISCAL YEAR 2010/2011 RECOMMENDATIONS FOR CHILDREN AND YOUTH COMMISSION GRANTS (RFP NO. 10/25/P) (34 CONTRACTS) (LYNN HATHAWAY)
25. CONTINUATION OF CONSIDERATION OF CITY MANAGER RECOMMENDED BUDGET FOR FISCAL YEAR 2010/11 (ROBERT ROMERO)
26. OTHER FINANCIAL INFORMATION:
27. MATTERS FROM THE COMMITTEE
28. ADJOURN

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

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, May 17, 2010**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
APPROVAL OF CONSENT AGENDA	Approved	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: MAY 3, 2010 REGULAR FINANCE COMMITTEE MEETING; AND MAY 4, 2010 SPECIAL FINANCE COMMITTEE STUDY SESSION – FY 10/11 OPERATING BUDGET REVIEW	Approved	4
REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FOR HUMAN SERVICES PROVIDERS FOR FISCAL YEAR 2010-2011 (RFP NO. 10/23/P)	Approved	4-5
REQUEST FOR APPROVAL OF FISCAL YEAR 10/2011 RECOMMENDATIONS FOR CHILDREN AND YOUTH COMMISSION GRANTS (RFP NO. 10/25/P) (34 CONTRACTS)	Approved	5-6
CONTINUATION OF CONSIDERATION OF CITY MANAGER RECOMMENDED BUDGET FOR FISCAL YEAR 2010/11	Approved [amended]	6-35
Senior Services/Perez/Summer Youth		8
Reserves		16
Health Fund		19
Special Events		21
Police Department Budget		23
Solid Waste Division		26
Water Division		31
Convention & Visitors Bureau		32
OTHER FINANCIAL INFORMATION	Information in packet	35
MATTERS FROM THE COMMITTEE	None	35
ADJOURN		35

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE
Monday, May 17, 2010**

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Matthew E. Ortiz, at approximately 4:00 p.m., on Monday, May 17, 2010, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Matthew E. Ortiz, Chair
Councilor Patti J. Bushee
Councilor Carmichael A. Dominguez
Councilor Rosemary Romero
Councilor Rebecca Wurzbarger

OTHER GOVERNING BODY MEMBERS ATTENDING:

Mayor David Coss
Councilor Miguel Chavez

OTHERS ATTENDING:

Robert Romero, City Manager
Kathryn R. Raveling , Acting Finance Director
Laura Vigil, Finance Division
Melessia Helberg, Stenographer.

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

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

3. APPROVAL OF AGENDA

MOTION: Councilor Dominguez moved, seconded by Councilor Wurzbarger, to approve the agenda, as published.

VOTE: The motion was approved on a voice vote, with Councilors Bushee, Dominguez and Wurzbarger voting in favor of the motion, no one voting against, and Councilor Romero absent for the vote.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Wurzbarger moved, seconded by Councilor Dominguez, to approve the following Consent Agenda, as published.

VOTE: The motion was approved on a voice vote, with Councilors Bushee, Dominguez and Wurzbarger voting in favor of the motion, no one voting against, and Councilor Romero absent for the vote.

CONSENT AGENDA

6. REQUEST FOR APPROVAL OF AUDIT CONTRACT – FINANCIAL AND COMPLIANCE AUDIT SERVICES (RFP NO. 08/41/P); ATKINSON & CO. (TERESITA GARCIA)
7. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – DEVELOPMENT, TECHNICAL AND CONFIGURATION OF NETWORK COMPUTERS SUPPORT OF JDEDWARDS/ORACLE ENTERPRISE 1 APPLICATIONS; STRATECH CONSULTING, INC. (CARYN FIORINA)
8. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES; CHAVEZ SECURITY, INC. (MICHAEL GONZALES)
9. REQUEST FOR APPROVAL OF WATER SUPPLY AGREEMENT – PROVIDE WATER TO AGUA FRIA COMMUNITY WATER SYSTEM; AGUA FRIA COMMUNITY WATER SYSTEM. (BRIAN SNYDER, MAYOR COSS)
10. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT; LAWRENCE VARGAS. (DALE LYONS)
11. REQUEST FOR APPROVAL OF DONATION – TWO FIRE DEPARTMENT AMBULANCES; TORRANCE COUNTY. (FIRE CHIEF BARBARA SALAS)
12. REQUEST FOR APPROVAL OF AGREEMENT – PURCHASE/INSTALL BACKUP ELECTRIC GENERATOR; STATE OF NEW MEXICO AGING AND LONG-TERM SERVICES DEPARTMENT. (RON VIALPANDO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.
13. REQUEST FOR APPROVAL OF MEMORANDUM OF AGREEMENT – PROMOTE RIDESHARING PROGRAMS AND TRANSPORTATION DEMAND MANAGEMENT PROGRAMS; NEW MEXICO DEPARTMENT OF TRANSPORTATION. (SANDRA SANCHEZ)

14. REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF THE CERRILLOS ROAD RECONSTRUCTION PROJECT, FUNDED THROUGH A COOPERATIVE PROJECT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR DOMINGUEZ). (ERIC MARTINEZ)
 - A. REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT – CERRILLOS ROAD RECONSTRUCTION PROJECT PHASE IIB, CIELO COURT TO CAMINO CARLOS REY; NEW MEXICO DEPARTMENT OF TRANSPORTATION. (ERIC MARTINEZ)
 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND.
Committee Review: Public Works (Approved) 5/10/10; and Council (Scheduled) 5/26/10.
Fiscal Impact – Yes.
15. REQUEST FOR APPROVAL OF A RESOLUTION REAFFIRMING SANTA FE'S WELCOME TO ALL (MAYOR COSS). (KEITH TOLER) Committee Review: Council (Scheduled) 5/26/10.
Fiscal Impact – No.
16. REQUEST FOR APPROVAL OF AN ORDINANCE CREATING A NEW SECTION 14-8.6(B)(11) SFCC 1987, ALLOWING THE REDUCTION OF REQUIRED OFF STREET PARKING SPACES WHEN A TRANSIT FACILITY IS PROVIDED (COUNCILOR CALVERT AND MAYOR COSS). (JON BULTHUIS) Committee Review: Planning Commission (Approved) 5/06/10; Public Works (Approved) 5/10/10; Council (Request to Publish) 5/26/10; and Council (Public Hearing) 6/30/10. Fiscal Impact – No.
17. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO IMPLEMENT A NEW STRATEGY FOR OPERATING THE COMMUNITY GALLERY AS AN ARTIST BUSINESS DEVELOPMENT CENTER (COUNCILOR WURZBURGER). (SABRINA PRATT)
18. REQUEST FOR APPROVAL OF A RESOLUTION APPROVING PARTICIPATION IN THE PROGRAM OF THE NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT (MAYOR COSS). (FABIAN TRUJILLO). Committee Review: Business and Quality of Life (Scheduled) 5/13/10; and Council (Scheduled) 5/26/10. Fiscal Impact – Yes.
19. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE NEW MEXICO LITTER CONTROL AND BEAUTIFICATION ACT OF 1985, WHICH PROVIDES PUBLIC FUNDS IN THE FORM OF GRANTS FOR THE PURPOSE OF ENHANCING LOCAL LITTER CONTROL AND BEAUTIFICATION PROGRAMS (COUNCILOR TRUJILLO). (GILDA MONTANO) Committee Review: Public Works (Scheduled) 5/24/10; and Council (Scheduled) 5/26/10. Fiscal Impact – Yes.
20. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE EFFORTS OF SANTA FE COMMUNITY COLLEGE IN SEEKING AUTHORITY TO ISSUE GENERAL OBLIGATION BONDS FOR THE PURPOSE OF MAKING REAL PROPERTY IMPROVEMENTS OR PURCHASES (MAYOR COSS). (JEANNE PRICE). Committee Review: Council (Scheduled) 5/26/10. Fiscal Impact – No.

21. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 6-17.3 SFCC 1987, REGARDING MEMBERSHIP REQUIREMENTS FOR THE BUSINESS AND QUALITY OF LIFE COMMITTEE (COUNCILOR WURZBURGER). (KATHY McCORMICK). Committee Review: Business and Quality of Life (Scheduled) 5/13/10; Council (Request to Publish) 5/26/10; and Council (Public Hearing) 6/30/10. Fiscal Impact – No.**
22. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING EXHIBIT A OF CHAPTER XIII, SFCC 1987, STORMWATER UTILITY, TO INCREASE THE MONTHLY STORMWATER UTILITY SERVICE CHARGE (MAYOR COSS). (CHRIS ORTEGA). Committee Review: Public Utilities (Scheduled) 6/02/10; Public Works (Scheduled) 5/24/10; Council (Request to Publish) 5/26/10; and Council (Hearing) 6/30/10. Fiscal Impact – Yes.**

END OF CONSENT AGENDA

5. **APPROVAL OF MINUTES: MAY 3, 2010 REGULAR FINANCE COMMITTEE MEETING; AND MAY 4, 2010 SPECIAL FINANCE COMMITTEE STUDY SESSION – FY 10/11 OPERATING BUDGET REVIEW.**

MOTION: Councilor Wurzburger moved, seconded by Councilor Bushee, to approve the minutes of the Regular Finance Committee Meeting of May 3, 2010, and the May 4, 2010 Special Finance Committee Study Session, as presented.

VOTE: The motion was approved on a voice vote, with Councilors Bushee, Dominguez and Wurzburger voting in favor of the motion, no one voting against, and Councilor Romero absent for the vote.

DISCUSSION

23. **REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FOR HUMAN SERVICES PROVIDERS FOR FISCAL YEAR 2010-2011 (RFP NO. 10/23/P). (TERRIE RODRIGUEZ)**

Terrie Rodriguez presented information from her Memorandum of May 3, 2010, to the Finance Committee and City Council, noting two additional contracts were funded because of Resolutions which are the Farms Table and the Faith at Work Outreach. Please see this Memorandum for specifics of this presentation.

Chair Ortiz noted the attachment to the Memorandum indicates a 25% cut in awards to providers.

Ms. Rodriguez said yes, this is at the 2004 funding level.

Councilor Wurzburger said, although this is a very sad memo, Ms. Rodriguez has done a great job with the available funds.

MOTION: Councilor Wurzburger moved, seconded by Councilor Dominguez, to approve this request.

VOTE: The motion was approved on a voice vote, with Councilors Bushee, Dominguez and Wurzburger voting in favor of the motion, no one voting against, and Councilor Romero absent for the vote.

Councilor Romero arrived at the meeting

24. REQUEST FOR APPROVAL OF FISCAL YEAR 2010/2011 RECOMMENDATIONS FOR CHILDREN AND YOUTH COMMISSION GRANTS (RFP NO. 10/25/P) (34 CONTRACTS). LYNN HATHAWAY)

Lynn Hathaway presented information from her Memorandum of April 28, 2010, to the Finance Committee. Please see this Memorandum for specifics of this presentation.

The Committee commented and asked questions as follows:

- Councilor Bushee asked, regarding the after school program at Cesar Chavez Elementary which wasn't funded, what will fill that gap.

Ms. Hathaway said not a whole lot, and it's a shame. The school had federal 21st Century funding for its after school program for several years. She said two years ago there were additional funds in the Commission for after-school programs, thanks to Councilor Dominguez, and the school received \$25,000 from the City. There were no extra funds this year. At one point the School thought there would be 100 students in the program, but when the school came to the proposal review interview, there were only 38 students. She said it might be possible to consolidate that after school program with others on the south side as they did in the past.

- Councilor Bushee asked if money would be needed to bus students, and Ms. Hathaway said the schools seem to be able to do this.
- Ms. Hathaway said the Commission wanted to leave it open so next year, if there are funds, both Gonzales and Caesar Chavez would be considered again, noting this is the first year of a two year cycle.

MOTION: Councilor Bushee moved, seconded by Councilor Wurzburger, to approve this request.

DISCUSSION: Councilor Dominguez said he wants to make sure there are options to continue the program through consolidation. Ms. Hathaway said staff continues to work on options. She said Zona del Sol has Girls, Inc., and girls from Cesar Chavez are in that program. She understands The Y is looking at providing a boys' program, so that would be helpful next year.

Councilor Dominguez asked if applicants not recommended for funding, could be considered for funding next year.

Ms. Hathaway said the only programs recommended to be considered for funding next year are the after school programs, and others would have to wait for the beginning of a new two year cycle.

Councilor Dominguez asked what the Commission does to see that the programs receiving grants are running as efficiently as possible, and what kinds of audits are done.

Ms. Hathaway said the Commission requires extensive financial information as part of the proposal process, noting one of the new Commissioners, John Anderson has a background in banking and accounting and Matthew Carrasco Trujillo is an accountant. She said the proposals are very carefully reviewed in terms of funding. Some of the programs requesting funding were not funded at the requested level because the Commission was uncomfortable with the financial information.

Councilor Dominguez asked Ms. Hathaway to articulate this information to the Council in writing, saying he isn't opposed to the recommendations. He wants to be reassured that we are doing what we can to be sure these organizations are being as responsible as possible, and not receiving funds because, for example, it is the "organization of the year."

Ms. Hathaway noted the proposals are in her office and the Councilors are welcome to inspect them.

DIRECTION TO STAFF: Councilor Dominguez said his direction to Ms. Hathaway is to provide "some of this articulation" by the time this information goes to the City Council.

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

25. CONTINUATION OF CONSIDERATION OF CITY MANAGER RECOMMENDED BUDGET FOR FISCAL YEAR 2010/11. (ROBERT ROMERO)

A Memorandum, with attachments, dated May 14, 2010, to the Finance Committee, from Vicki Gage, Acting Director, Human Resources Department, regarding additional information requested by the Committee, is incorporated herewith to these minutes as Exhibit "1."

A Memorandum, with attachments, dated May 17, 2010, to Robert Romero, City Manager, from Isaac J. Pino, Community Services Department Director, regarding additional information requested by the Committee, is incorporated herewith to these minutes as Exhibit "2."

A copy of "Special Events Presentation 2010," is incorporated herewith to these minutes as Exhibit "3."

A Memorandum dated May 12, 200, to the Finance Committee from Joe Abeyta, Manager, Multimedia Production Office, regarding City funding of Public Radio (KSFR), is incorporated herewith to these minutes as Exhibit "4."

A copy of "Proposed Options for Savings and New Sources," dated 05/17/2010, is incorporated

herewith to these minutes as Exhibit "5."

Chair Ortiz said all of the requested information is in the Committee packet which was requested as we've gone through the process.

Chair Ortiz said the budgets of the following have not been approved: Solid Waste Division; Community Services Department and SWMA, and the Committee still has to determine where to find the shortfall in the budget.

Mr. Romero reviewed the changes to Exhibit "5," noting he added a five-day furlough option, and his suggestion is to select 2 holidays and 3 furloughs in the second half of the year, and if GRT is up by mid-year, perhaps eliminate it.

Mr. Romero said it was thought that the City had to fund Public Access TV, which is not a requirement, which presents an opportunity to save \$102,000.

Mr. Romero said the fund balances are on page 57 of the packet, noting there are two with significant balances – Fire Property Tax Fund and Police Property Tax Fund – for a total of \$1.1 million which could be used to fund fire and police, instead of tapping into the General Fund.

Chair Ortiz said there is an additional savings of \$85,000 from RPA staffing.

Mr. Romero said he added public financing in the amount of \$150,000.

Chair Romero noted the reduced amount from transferring the Senior Centers to the County, and Mr. Romero noted Mr. Pino's Memorandum [Exhibit "2"].

Chair Ortiz noted that the Police and Fire Property Tax funds can be used only for public safety, and Ms. Raveling said this is correct.

Councilor Bushee asked if funds are added for ranked choice voting. She said Yolanda Vigil, City Clerk, called her today and said the City doesn't have the machines or software to do this, and is still working on it.

Mr. Romero said there is no estimated figure for ranked choice voting.

Councilor Bushee asked, if the City makes a decision on the Senior Centers, if the County will respond.

Mr. Romero said Mr. Pino had some conversations with County Manager Roman Abeyta, and perhaps the discussions could begin with Senior Services.

SENIOR SERVICES/SALVADOR PEREZ POOL/SUMMER YOUTH PROGRAM

The Committee members commented and asked questions as follows:

- Councilor Bushee said she thought the direction to staff previously was to go the County Manager and tell him the City intends to hand over all Senior Centers in the County. However, his Memorandum says we will wait and see what the County decides.

Isaac Pino, Department Director, said County Manager Abeyta was very definitive that the County is prepared to take Edgewood and Chimayo in this fiscal year, and said they are leaning toward taking the other three. He said the discussion was more as if it were an option for the County to take the other three. He said he did not deliver a message to the County that the City is giving them the other three.

Councilor Bushee said she feels the City should take a position that it is what we want to do, and it is built into the budget.

- Chair Ortiz said his understanding is that the Committee did make the recommendation that this was to be the action the City was going to take. He said, although the Committee didn't approve the budget, it did make a recommendation to take this action.

Councilor Bushee said then we've already had the debate on this item.

- Councilor Wurzbarger said her only concern is the fact that the County owes the City approximately \$250,000, and Mr. Pino said this is correct. She said her hierarchy would be first to collect the money the County already owes the City. She said if this isn't in the County budget, she is concerned about how the County will do that. .
- Councilor Dominguez said then we could use those funds in the event the Area Agency on Aging [AAA] decides not to redistribute the fund. He asked what kinds of things AAA will want to consider this request, and how can we prepare for that.

Mr. Pino said he thinks AAA will look for smooth continuation of service, and will be looking at the County's fiscal ability to provide the program in addition to the state and federal funds which would be made available to the County by AAA.

- Responding to Councilor Bushee, Mr. Pino said, regarding Salvador Perez Pool, the recommended increase in coverage efficiency isn't done to save money. It creates coverage at the pools, for example, with sufficient certified lifeguards so we can leave the pool open. He said, with additional staff on the weekends, in the near future we would be able to reduce the number of temps and replace those with people who can work on the weekend shifts. He said all of these things become available if there is a day from each center with which to work.

Councilor Bushee said then that provides flexibility. She said in a previous memorandum, Mr. Pino had projected savings of \$200,000 in closing Salvador Perez. Her concern is that it wasn't specific and it will be necessary to continue to run the facility. She is concerned about private users being required to bring their own certified lifeguards, and it seems to be a logistical nightmare.

Mr. Pino said this is all correct. He said the previously stated \$200,000 savings was a combination of closing of Salvador Perez, savings at Bicentennial and eliminating the rest of the temps in the Recreation Division. He said the Salvador Perez piece has always been \$86,000.

- Councilor Bushee asked Mr. Pino if he is making a specific recommendation at this time. She said her concern in closing the pool, in addition to not serving the users, is that the building would be left to die, which is what happened to Tino Griego.

Mr. Pino said it is realized there is a need to keep the pool going, regardless, noting that is at a cost of \$380,000 annually, and without continued maintenance it would deteriorate.

Mr. Pino said he wants to close one day at Ft. Marcy and Salvador Perez, which would result in reduced costs.

Councilor Bushee said then the days closed will be alternated, so people can go to another pool on the day their pool is closed.

- Mr. Pino said Salvador Perez will be closed for a week for repairs and a small makeover, and has nothing to do with any proposed closure.
- Responding to Councilor Romero, Mr. Pino spoke about some of the issues of keeping Salvador Perez open for private rental. He said the proposal was a seasonal closing of Salvador Perez, while Bicentennial is open, and move all City staff from Perez to Bicentennial so we wouldn't have to hire that staff for the summer, and to leave Salvador Perez open Memorial Day to Labor Day for rental or special events. He said in any scenario, Perez would have to remain open and be maintained during that period.

Councilor Romero said the challenge would be for the people to provide their own lifeguards.

Mr. Pino said that would be a challenge, noting there was testimony last week about the difficulty of finding certified lifeguards in any event.

- Councilor Wurzbarger said, regarding Salvador Perez, the Councilors received several emails today, which talked about an option to raise the fees, and said we didn't consider that. She said they asked about cutting daily hours rather than closing. She said there was input that perhaps the temps working on weekends don't have the same skills and work levels as those that work during the week. She asked if consideration was giving to staffing hours, so there is a combination.

Mr. Pino said staff looked at all these issues, and are still considering compacting the hours on days we are open, based on when people are there, such as closing an hour early at GCCC. He said the fee schedule they consider would increase all of the fees at Ft. Marcy, Salvador Perez and Bicentennial to the level of those of GCCC, noting it didn't make sense to have fees higher than GCCC. The additional revenue would be \$35,000 over the current year.

- Councilor Dominguez said the last sentence in the memo says "... private users of the pool would have to provide their own certified lifeguards." He asked if they do that now, or does the City provide those. Mr. Pino said currently the City provides the lifeguards.

Chair Ortiz thanked the people in attendance with concerns about Salvador Perez Pool, and explained this is a public meeting and the public gets to sit and listen, but it isn't open for comment. He said at the end of the meeting and someone wants to speak, then the Committee can hear that. However, right now, the Committee is questioning staff on the proposals they submitted.

- Councilor Bushee asked staff's recommendations for the Summer Youth Program from among the options. She asked if staff is recommending the budget of \$60,000 for Teen Night.

Mr. Pino said that is a combination of efficiencies, and Teen Night does not change, nor do services to the youth. He said at a minimum, the City can save \$60,240.

- Councilor Bushee said her concern is staffing if we are able to build the facility.

Mr. Pino said Councilor Bushee should think of the \$60,240 as a one-time savings for the coming fiscal year. He said he would recommend the fee for residents outside the City. He said the rest are various options the Council had asked about, such as doubling the fee for the summer. He said on Saturday they registered all of the youth that will participate in the summer program. He said, at the very least, he could working on the sliding fee schedule, and then perhaps do something with the fees on the higher end.

Responding to Councilor Bushee, Mr. Pino said the sliding scale was attempted in 2006, but income verification became a challenge. He said we can perhaps work with the Free & Reduced Lunch Program information we might get from the schools..

- Councilor Bushee asked if the program is totally full.

Mr. Pino said no, but there will some stragglers in the next two weeks.

- Councilor Bushee asked Mr. Pino if he has an analysis at this point of how many of those live outside the City limits, and Mr. Pino said no. Councilor Bushee would like that information the next time we deal with this issue.

- Councilor Bushee said she doesn't want to have open spaces as a result of any fee to out of City users. She asked if the \$16,000 for increasing the after school program will discourage people from using the service.

Mr. Pino said this is still in the future. He said the program is generous, and doubling the fee to \$160, isn't a stretch, noting we can work on a payment plan for people who need it.

- Councilor Bushee asked Mr. Pino, when he comes back with the sliding fee school, to have information on how many would be income qualified and the fiscal impact to the program. She said social costs are not factored in, and it may not be worth it for \$16,000.
- Chair Ortiz said about 1/3 of the students live outside the City limits.
- Councilor Dominguez spoke about the impact of the fee to the youth, and the social challenges we may be facing in addition.
- Councilor Wurzbarger said she has been given information by staff that approximately 4,522 people check in to use Salvador Perez from June to August, and Mr. Pino said this is correct.

Mr. Romero said the numbers are those who just use the pool, and there are more who come to work out, including the classes.

MOTION: Councilor Bushee moved, seconded by, Councilor Wurzbarger, to recommend that we have staff implement the decision made previously with regard to turning over the five Senior Centers to the County, and try to collect the funds from the County.

DISCUSSION: Chair Ortiz asked Councilor Bushee her recommendation in the event that we don't collect the money from the County.

Councilor Bushee said this Committee made this decision, and she has no backup plan..

CLARIFICATION OF THE MOTION: Councilor Bushee moved, seconded by Councilor Wurzbarger, to turn over the Senior Centers in Edgewood and Chimayo to the County, with direction to staff to collect the amount of money owed by the County to the City for the other three sites, and pursue the transfer of the three remaining Senior Centers to the County.

FRIENDLY AMENDMENT: Recognizing the County is in the same budget situation as the City, Councilor Wurzbarger would like to amend the motion to provide that if the County doesn't take the 3 remaining Senior Centers in this fiscal year, then it is the Council's decision next year. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

Councilor Bushee said a letter to the AAA should include a statement that the City has been interested in pursuing this transfer for over 5 years, and given budget constraints this is the time to do that.

FURTHER CLARIFICATION AND DIRECTION TO STAFF: Councilor Wurzbarger said, in terms of this budget, there would be a definite savings of \$366,000, and we should have a line item in the budget for the repayment of the money the County owes the City.

Mr. Romero said the repayment was counted in a previous budget.

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

Councilor Bushee said, regarding the Salvador Perez Pool, we are in a quandary because it has been suggested that we could raise fees across the board, with an alternative plan for closures. She wants further information. She said, "I can speak clearly that nobody wants to close that facility outright for the summer. I would not propose that motion. I think we need to fix it up and continue its operation. She questioned whether we can get that information by the end of the meeting.

Chair Ortiz said when fees are increased, there is a public hearing where the public can comment, and that wouldn't happen for at least two months.

Mr. Romero said, because Salvador Perez and Ft. Marcy aren't enterprises, it isn't necessary to go through the public process, noting the public process applies only to ordinance changes on enterprises where there are bond implications.

Chair Ortiz said then we could raise the fees now.

Councilor Bushee asked the current fees at Sal Perez and Ft. Marcy.

Elizabeth Roybal, Recreation Facilities Director, said staff had discussed raising fees, but not quite to the Chavez Center level. She said the current drop-in fee at GCCC is \$5. She said the drop-in fee at Salvador Perez and Ft. Marcy would go from \$1.15 to \$3, noting staff has the fee schedule. She said a drop-in fee gets people access to a lot more than at Ft. Marcy and Salvador Perez. She said they have looked at percentage increases of 10-15-20%, so staff does have a recommended rate increase.

Chair Ortiz asked how much revenue the increase would generate.

Ms. Roybal said it would generate \$30,424 if they go to a 20% increase.

Councilor Bushee asked if this across the board, seniors included.

Ms. Roybal said staff was directed not to increase senior fees, and the increase would be for youth and adults. She said, with regard to the Saturday/Sunday closure, it is the hope of staff that this would address the staff shortages, and people would be doing their assigned job, and transferring any full time people on that day to the other site. For example, when Ft. Marcy closes on Saturday, the staff would go to Salvador Perez, and vice versa on Sunday. This will allow them to be more efficient and provide a higher level of customer service. She said the savings would be the temporary positions hired on Saturday and Sunday, and she can provide that number this evening.

Councilor Bushee said, "I understand the issue of senior being on a fixed income. But, is it also true, because I've had emails to the effect that we don't charge at all for senior Olympians at any of the facilities." Mr. Pino said this is correct.

Councilor Bushee said, "And that has nothing to do with income level or anything like that."

Mr. Pino said it is just being in the Senior Olympics.

Councilor Bushee said, "Have you all mined any of that clientele to see where we could come up with some efficiencies and have it be more of an income based issue. I'm not trying to impact those on a fixed income, but I've got plenty of folks in my District that really love our facilities and could afford to pay."

Mr. Pino said one of the things staff proposed is a "15 punch pass," for that purpose, so seniors could use the facility that number of times for training.

Councilor Bushee said, "I'm finding it hard on this one and the Summer Youth Program without sort of having all the numbers and all the options right in front of us. I mean, I think the idea is that we need to exact a savings from somewhere and we want to do it as painlessly as possibly, so I don't know what else anybody wants to do."

Chair Ortiz said, in light of information staff has provided on the pool operations and the summer youth program, we could give staff direction to come up with recommendations and to act on this particular item within 60-90 days, so if there are going to be increases in the youth after school program, the teen center and such, we would have those in place before school starts. We would have a better estimate of the population totals, both at Salvador Perez as well as Ft. Marcy.

Councilor Bushee agreed, saying her motion would include finding an easy way to verify income, and prevent seniors from being impacted by this. If there is a fixed income situation, you figure out a way, without too much work, to incorporate that.

MOTION: Councilor Bushee moved, seconded by Councilor Wurzbarger, to give direction to staff to come back after the summer with more narrowed-down options as you sit and look at possibilities for both programs, Salvador Perez and other facilities, and the Summer Youth Program.

FRIENDLY AMENDMENT: Councilor Wurzbarger said further direction to staff is that the number would be \$86,400, but the direction is that you're not going to have a large temporary staff for the Bicentennial, and staff needs to avoid the expenditure of the \$86,400, using a combination of the ideas that have been discussed: fee increase, reducing by one day when the facility is open, charging a fee for the seniors who are participating in Senior Olympics, which would be a fee more than zero. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COUNCIL.**

CLARIFICATION OF THE FRIENDLY AMENDMENT BY THE CHAIR: Chair Ortiz asked to restate the Friendly Amendment to say staff is directed, within 60 days, to come up with a combination of tools to arrive at a savings of \$86,500.

Councilor Wurzburger said the savings can be included in the budget.

Councilor Bushee would like to mine the Senior Olympians to get more certified lifeguards or people to train and become certified lifeguards.

DISCUSSION: Councilor Dominguez asked if there are plans to increase outreach to get people to the pools, to spend more time at these facilities.

Ms. Roybal said staff is working with the CVB and discussing options on high altitude training programs, which would attract Olympic hopefuls and college teams. It has been successful in Los Alamos and we have the same altitude here. She said we have a good facility. She said it is necessary to balance how much pool to allow for this and how much for our regular patrons, which is a decision yet to be made.

Councilor Dominguez asked if staff is doing an analysis to ensure we won't push certain groups to the side just to generate revenue.

Ms. Roybal said yes. She said Ron Robinson, Pool Manager, has evaluated non-peak hours which would be used for these teams.

Councilor Dominguez asked if we are doing anything to bring in more people or are we at capacity.

Ms. Roybal said there are many times we are at capacity. She said last summer they initiated a session rather than having lines out the door, and a new set of people would come in after each session, noting this will be done at Salvador Perez. She said it is at capacity in the summer. She said a marketing plan is definitely needed for the Recreation Division.

Councilor Dominguez said he wants to see a draft marketing plan when this comes back to this Committee.

Chair Ortiz said this is with the understanding that some pools are full.

Councilor Dominguez said he understands. He said he doesn't want to eliminate the opportunity to generate revenue where possible.

Councilor Romero said asked if, in addition to the savings of \$86,400, would the direction to staff include reduced hours at the pools.

Chair Ortiz said the motion can include whatever panoply of options staff comes up with.

FURTHER DIRECTION TO STAFF: Councilor Romero would like direction to staff to include reduced hours in order to keep the pool open in the package which is brought forward.

Chair Ortiz asked the Committee its direction to staff on the youth programs.

Councilor Bushee said it would be similar. She said, "I think we expressed concern that if we cut the after school programs, or increase the fees in any way that, you know, we will have less use of the service, but it would be important to see, you know, again, if everything's based on some kind of income/sliding scale, then I'd like to know what level of the population would fall in the can't afford to pay for the program, and you know, if we're basically going to leave that population out in the cold, I need to know that, and what size of that group, and if they can't afford it. Or, you know, if we're going to charge too much for them to be able to avail themselves of the program. The same for the added fee for out-of-City limits. I think that's a good way to go, and I think we should consider that, but I want to know that means... that we're not going to have open spaces available, you know, or are we going to need to shrink the program in general, if we're not going to want to serve people that are outside the limits. I mean, I think we just need more details on some of those potential cost savings. And, you know, it's the same... can we increase the revenue side as painlessly as possible, and still operate a viable program, basically."

RESTATEMENT OF THE PREVIOUS MOTION: Councilor Wurzburger said, "I would like to make a motion similar to the previous one, which says that using the options which were identified under the Summer Youth Program, of adding a fee for County residents, increasing the Summer Youth Program fee by \$20, recognizing that can't be implemented this summer; increasing after-school program fees "of 16"; that we find \$44,000 from those options and those be reflected in the budget; and staff be directed to come back to us, after they have done their analysis of the implications, and, in any of these, once they're implemented, if we suddenly saw that we're not getting any kids in the program and that is the reason, then we can reverse the decision."

Councilor Bushee said she already made a motion.

Chair Ortiz said we're just reaching a clarification on this nebulous motion.

Councilor Bushee asked Councilor Wurzburger if she is discounting that staff should look at the doubling of the current fee and that should not be an option.

Councilor Wurzburger said no, and we can look at that, but she isn't saying do it right now. She is saying what we do now is go from \$20 per child.

Councilor Bushee said Councilor Wurzburger is asking this as a friendly amendment. She said bring back a mix of all these and she wouldn't preclude doubling of the fee and thinks they have to do an analysis on this.

Councilor Wurzburger said we have to get the budget done by the next Council meeting, and she was trying to put a figure to it, implement and see how it works, and the reason she suggested the minimum savings of \$44,000, and not addressing the \$86,400, and we can come back and do that at the end of the summer.

THE MAKER AGREED WITH THE RESTATEMENT OF THE PREVIOUS MOTION.

Councilor Romero said she agrees with the motion, but is concerned about the additional fee to County residents for any community service activities. She reminded the Committee that we all live in the County, and the parents of the children work in the City and are coming in to spend their dollars in the City, so she would hesitate to charge County residents more. She believes it would not be a savings in her mind.

Councilor Bushee noted information at the last meeting indicated almost 1/3 came from Rio Arriba County which is way out of the County. She said we're trying to deal with our taxpayer dollars and how to spend them. She said it wasn't so much Santa Fe County residents about which she was concerned.

Chair Ortiz said Councilor Wurzbarger restated the motion that staff is directed to come back and achieve savings of \$44,000 using some of the methods identified in the memo, future savings after the end of the summer, and a marketing plan.

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

Chair Ortiz thanked Mr. Pino for his work, and said then he will be coming back in 60 days with the recommendations which come out what has been discussed, and Mr. Pino said yes.

Councilor Bushee asked if the savings of \$44,000 and \$86,400 will be achieved by the closure of one day.

Chair Ortiz said it is from whatever options staff develops.

RESERVES

The Committee commented, made suggestions and asked questions as follows:

- Councilor Wurzbarger said she understands the Committee is considering using the reserves in the Fire Property Tax Fund of \$500,000, and the Police Property Tax Fund of \$600,000, which is a total of \$1.1 million. She understood this would be used for police and fire overtime or something which would be paid out of the General Fund.
- Responding to the Chair, Mr. Romero said there is not a recommendation, but the funds are available and could be used to pay for the General Fund portion of the Police and Fire budget for the next fiscal year.

Mr. Romero said \$19 million for Police comes from the general fund, and the \$500,000 would reduce that; Fire uses \$12.8 million, and the \$600,000 would reduce that budget for one year.

- Councilor Wurzbarger asked the typical use for these reserve funds.

Ms. Raveling said these are funds which have accumulated over the years for different reasons. She said staff suggestion is that would relieve the General Fund for Fire and Police.

- Responding to Councilor Wurzbarger, Ms. Raveling said every year the Police and Fire get money from the property tax and the REC. She said it is something the Committee should discuss.
- Councilor Bushee said if Mr. Romero is comfortable with using the reserves, she thinks we should do this.
- Councilor Bushee said she would consider the 5 day furlough on the non-paid holidays. She said if we eliminate Seminars and Out-of-State Travel at \$210,000, if we get \$250,000 from the County that can be put in the tentative column. These combined are \$460,000. She said the \$84,600 and \$44,000 from recreation and the youth program, and Councilor Ortiz's suggestion to reduce police overtime by \$200,000, along with the \$51,000 for the radio. She said if we use Police and Fire Reserves it wouldn't be necessary to do the furloughs. She said we could also eliminate the TV money. All of those totaled would fill the gap.

Mr. Romero asked if the senior funds are the difference between the \$370,000 and the \$600,000. He said the previous motion was if that isn't there, we wouldn't realize that until mid-year, so the \$250,000 should be cut in half to \$125,000.

Councilor Bushee said then we can look at cutting the Radio and TV, or the \$200,000 in Police overtime.

- Chair Ortiz said, based on his review of the Police Department budget, there is an over-budget of about \$200,000 in overtime, given the history of expenditures and expenditures year-to-date. He believes we could shave \$200,000 from the Police overtime budget. He said the needed dollars could come from a number of other sources, such as the jail contract, an increase in the Corrections Fee. He said he didn't make the recommendation to cut the \$200,000 in overtime.

Councilor Bushee likes using the reserves in Police and Fire, unless there is an issue we haven't heard about, but the numbers add up to cover the shortfall.

Chair Ortiz said it is one way to cover the gap.

- Mayor Coss said he gets a total of \$788,000, and almost a million if you add the \$200,798. He advocates using the \$1.1 in the property tax reserves, because it is for the Police and Fire, which gets us very close to completely closing the \$2.1 million budget gap.

Councilor Bushee said the question is whether the senior funds would be available, and we could revisit the Radio and TV.

- Mayor Coss said he would advocate for the radio and TV subsidies and not count that \$152.00 in the total.
- Councilor Romero asked if this includes the expenditure of \$150,000 for public financing, and the Mayor said yes.

MOTION: Councilor Wurzburger moved, seconded by Councilor Romero, that the Fire Property Tax and Police Property Tax safety funds of \$1.1 million, be used to balance this budget and to offset the GRT expenditures specifically for the two departments.

FRIENDLY AMENDMENT: Councilor Bushee would like to eliminate Training Seminars and out-of-state travel in the General in the amount of \$210,000, and add the \$44,000 increase in summer program fees and the \$84,600 in recreation, and consider reducing the Police Overtime by \$200,000, and eliminate the Public Radio Subsidy for KSFR. **THE AMENDMENT WAS FRIENDLY TO THE MAKER, WITH THE CLARIFICATION THAT OUT-OF-STATE IS ONLY WITH RESPECT TO TRAINING AND NOT TO THE CVB NO ENTERPRISE. THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

DISCUSSION ON THE MAIN MOTION AS AMENDED: Councilor Wurzburger would like to make a decision on this, and then talk about other possibilities which have not been discussed.

Chair Ortiz said we could achieve savings on some of the health plans presented by Human Resources.

RESTATEMENT OF THE MOTION AS AMENDED: Chair Ortiz said there is a motion to use the Fire Property Tax and Police Property Tax Safety Funds of \$1.1 million, reduce the Police Overtime by \$200,000, eliminate the Training Seminars at \$150,000, eliminate Out-of-State Travel in the General Fund at \$60,000, increase in Summer Program Fees of \$44,000 and the \$84,600 for increase in recreation fees, and the \$125,000 savings on the Senior Centers in the County, and eliminate the Public Radio Station Subsidy of \$51,151.

DISCUSSION ON THE MOTION AS AMENDED: Councilor Bushee would also like to look at the Public Access TV Station Subsidy.

Responding to the Mayor, Councilor Bushee said we still need about \$300,000 to close the budget cap, and Chair Ortiz said it is more like \$350,000.

Chair Ortiz said he doesn't know how the numbers in the property tax funds were generated. He said we will be zeroing-out these fund balances, which means next year, we will have the same \$1.1 million deficit we are carrying. He guesses this is a one-time fix in the hope that the economy will improve, otherwise we will face the same hole again. He isn't inclined to support its use, and doesn't believe it's a wise use of the funds, nor does it reduce the operating expenses. He is against using these funds to balance the budget.

Councilor Wurzburger said she is looking at this as a hierarchy of budget activities, starting with fixing the problem this year, recognizing that it doesn't address the long-term problem, and hoping we still will do more cuts. She is unsure \$350,000 is the amount we need, and wants to continue discussion about what else can be cut so we don't face a similar problem next year.

Chair Ortiz said if the motion is approved, the amount of deficit is now at \$350,000.

Councilor Bushee said she has been against using reserves. However, the GRTs are 1% above the previous report and 1% above this time last year and she doesn't think it's "pie-in-the sky." She said we

aren't "out of the woods," but we are "creeping along." She said this is a minimal use of reserves and worth doing for this round. She said we can make more cuts and will find more cuts as we continue discussions.

Councilor Bushee said the Committee didn't talk about the special events overtime. Councilor Wurzbarger wants to discuss that.

Councilor Bushee wants to look at the Comcast franchise fee arrangement to see if we can get more subsidy to continue to provide Public Access TV. She said the City is cutting positions, not filling positions, and making a concerted effort, and it shouldn't be expected that City subsidy will be available every year and we need to find ways to increase the revenue side.

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

HEALTH FUND

Vicki Gage, Acting Director, Human Resources Department, presented information from her Memorandum of May 14, 2010, and attachments [Exhibit "1"]. Please see Exhibit "1" for specifics of this presentation.

The Committee commented, made suggestions and commented as follows:

- Chair Ortiz asked the amount budgeted in the current budget.

Ms. Gage said it is \$16,342,000.

- Chair Ortiz said, "Under any of these options, it requires some amount of increase," and Ms. Gage said this is correct.
- Chair Ortiz said, "Depending on the amount of increase we're willing to fund, that amount of increase is going to come out of what... the Health Service Fund."

Ms. Gage said this is correct. She said if premiums are not going to be increased, and departments aren't budgeting for any part of the increase, then the increase comes from increased co-pays, deductibles, etc. If there are no changes in the plan it would be a 10.4% increase down to a 4.3 increase, depending on the increase.

- Chair Ortiz noted the last column indicates the amount which would be needed from the Health Service Fund Reserves to fund the various options, and Ms. Gage said this is correct.
- Chair Ortiz said then if we pass the budget as is, what would that require.

Ms. Gage said it would require an increase in the Emergency Room copays; increase in Prescription copays; possibly an increase in deductibles.

Ms. Gage said the Benefits Committee met and recommended Option 5, which would require \$16,746,142 million or an increase of \$992,481.

Chair Ortiz noted we have budgeted \$16,342,000, which is a shortfall of approximately \$335,000. He said this information is very helpful, and thanked Ms. Gage for her work on this presentation.

- Councilor Bushee asked if the Benefit Committee believes doubling the ER copay will discourage current misuse.

Ms. Gage said it will make inroads in using the emergency room, and believe it will reduce the visits. She said there was a lot of discussion on copays of \$50 to \$100, and felt that \$75 wouldn't make a big difference on emergency room costs, but the \$50 would make it reasonable for those who really do need to go to the emergency room.

- Councilor Bushee said she doesn't believe \$50 is much of a deterrent, and would be inclined to go higher to turn around the current trend in using the ER

Ms. Gage said it was part of the rationale for leaving the urgent care copay at the current level to encourage people to use urgent care instead of the emergency room.

- Mayor Coss said Option 5 indicates the increase is \$992,481, and asked why it hits the reserves for \$2,746,142.

Ms. Gage said because we will bring in the same amount of revenue as this year, which is about \$14 million..

- Mayor Coss said even with a zero increase in the plan, we would still need another \$1.5 million from reserves.

Ms. Gage said this is correct, if we're not raising premiums, we will generate the same amount of \$14,421 million.

- Mayor Coss asked if an increase in premiums is contained in any of the options.

Ms. Gage said, for example, the cost to the City of Option 5 at 76% would be about \$759,000, and the employees would pay the other 23%, plus paying more out-of-pocket.

- Mayor Coss said all of this has to be negotiated. He said there is only \$3 million in the Reserve Fund, and if we have to draw on it again next year, the following year will be "really ugly." He said the City really needs to look at the State and federal plans and how to control costs. He said absorbing an additional \$2 million every year for health insurance premiums is not sustainable.

Ms. Gage said one of the questions asked last year was the possibility of joining the State plan. She has contacted the consultant and asked them to start a study on that. She said she was mistaken about the cost being \$12,000, as stated last time, it will actually cost \$20,000 for the study.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Bushee, to accept Option 5, and formally request staff to come back within three months with a clear exploration of the State option for the future.

Councilor Wurzbarger said she agrees with the Mayor's concern about the reserves. She said the reason she chose Option 5, in addition that it was recommended, is that there isn't that big a difference in savings in reserves, and the big picture is still the same – we're "eating it up too much."

Councilor Romero echoed that this is not sustainable. However, she leans toward Option 3, although she will vote in favor of the motion. She said the City has "hit the wall," on what is sustainable, noting this is the Cadillac plan when the Ford will do just fine.

DISCUSSION: Chair Ortiz asked if the fiscal impact on Option 5 is the difference between what we have budgeted, \$16,342 million and the projected expenses, and Ms. Gage said this is correct. Chair Ortiz said this is still a double-digit increase.

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

SPECIAL EVENTS

Mr. Romero distributed a packet of information on Special Events [Exhibit "3"].

Chair Ortiz said the Special Events are listed on page 101 of the Committee packet.

Mr. Romero said the overtime for the eight major events costs a total of \$315,000. He noted there is information about every event and what department/division provides coverage in Exhibit "3."

The Committee commented, made suggestions and commented as follows:

- Mr. Romero commented that the big numbers are for Fiestas and related costs for Fiestas.
- Sevastian Gurule noted that all resolutions referencing Fiestas are included in the handout [Exhibit "3."]
- Chair Ortiz said he won't speak to all of the Resolutions, but he will speak the one that he sponsored which was approved unanimously. He understands if we want to raise fees for Fiestas in particular, that Resolution has to be repealed.

- Councilor Dominguez asked if there is an indication of which organizations have paid staff and which do not.

Mr. Gurule said none of the information identifies which does and doesn't have paid staff.

- Councilor Romero said the only one without paid staff is the Fourth of July Pancake, and all of the others are non-profit. She said Pancake is a volunteer sponsored event and is not a 501(c)(3).

Mr. Gurule said United Way is a 501(c)(3).

Councilor Romero said then the Fourth of July Pancake goes through the United Way carrying the salary which is run by volunteers.

Mr. Gurule said the Pancake breakfast is a fundraiser for United Way. He said SWAIA has paid staff.

Councilor Dominguez said Girl's, Inc., has a paid Arts & Crafts Coordinator, but the Fiesta is completely volunteer and there is no staff.

- Responding to Councilor Wurzbarger, Mr. Romero said the cost for Fiestas is on page 6, which indicates \$125,000 for Fiestas, plus Labor Day, which is almost \$160,000.

Chair Ortiz said the majority of that is for the Police overtime.

- Councilor Wurzbarger said Fiestas is a major historical event in Santa Fe, at a cost of \$200,000, \$90,000 of which is for overtime.

Councilor Wurzbarger said the big discussion on affordable housing was around equity, and equity issues have been brought up that the City has no fees for some and fees for the other. However, we cover that with "it's been here so long, and it's been here so long and it's part of our history, and therefore we do it." She stressed that she isn't suggesting cutting funding to Fiestas. However, she would like to find ways to cut overtime, noting she understands the increase in the overtime was tied to a change in the way it was handled. She asked if it is time to revisit how the City services the event, noting there seems to be a lack of energy around this discussion, and suggested moving forward.

- Councilor Romero said it would be helpful to see the costs for the Folk Art Market and include it. She said there should be transit costs, noting they give a nice GRT check to the City.

- Mayor Coss said it may be lack of energy, but it also is caution. He said Fiestas is THE community event. He said one of the reasons for overtime was for security, which increased after the shooting on the Plaza. The other thing we did was to move Zozobra to Thursday, so the Police have an additional day to cover during Fiestas. He said he would be very cautious about rolling back security at Fiestas.

- Councilor Bushee said, "Is there a way to make this up and not put it on one particular event. She asked if we can more to vendors, or for booths, or a less painful way to pass on some of these costs.

Mr. Gurule said staff will implement anything the Committee wants, and will look at increasing space fees, noting the fees range from \$15, to \$200 for the larger one.

Councilor Bushee said it doesn't seem to be a large amount, but wants to know how much that could generate.

Sevastian Gurule the that is on page 6 of Exhibit "3." The grand total is \$20,000.

Councilor Bushee said even if it is doubled it would be only \$40,000.

- Councilors Wurzbarger and Romero asked if Zozobra could be moved back to Friday, and if there would be savings.

Mr. Gurule said he doesn't know if we would save money, and he would have to check with the Police Department.

- Councilor Bushee said the Police Department and Fiesta Council asked to change it to Thursday.
- Police Chief Aric Wheeler said, from the law enforcement perspective, having Zozobra on Friday was a nightmare. He said it would save some money to move it to Friday. However, the reality was that bars were open and packed with people, and they had many public safety problems, and one of the main reason the Police Department along with the Fiesta Council to move it to Thursday was to reduce those problems.
- Chair Ortiz said this amount is in the budget now, any changes would require Council action on resolutions.
- Councilor Bushee said we might be back to putting the Radio Station on the table and then we have to find only \$250,000.
- Chair Ortiz said there still are other options which haven't been discussed, including returning the budget to 2004/2005 budget levels for everything.

POLICE DEPARTMENT BUDGET

Chair Ortiz noted there was a recommendation to cut \$200,000 in the Police Department overtime budget.

The Committee commented, made suggestions and commented as follows:

- Councilor Wurzbarger asked if the Correction Fees go into the Police Budget.

Ms. Raveling said the Corrections Fees go into a special revenue fund which is used to help defer the cost of the jail.

Chair Ortiz said we are doing a 75/25 split between General Fund and the Correction Fees. He asked if we have discretion to increase the fee, or is it mandated by the State.

Chief Wheeler said that is something which has to be adopted by ordinance. He spoke with Judge Yalman who sent correspondence about her concerns to Councilor Calvert. He said Councilor Calvert brought that to him, and Judge Yalman's main concern is the number of fees which have been increased. He said the fee is \$20 and \$10 comes to the Police Department to go toward the jail and the Court keeps the additional \$10 for its fees.

- Chair Ortiz asked when we last increased the fee.

Deputy Chief Contreras said Antoinette Armijo at the Courts said the last time it was increased was 4 years ago.

- Councilor Dominguez asked if there is a difference between an incarceration fee and a corrections fee, or is it the same.

Chief Wheeler said they are the same.

- Chair Ortiz said the fee is collected whether or not a person serves time, and you don't have to go to jail to pay the fee, and the fee is charged when someone is processed by the Municipal Court and Chief Wheeler said this is correct.

- Responding to Councilor Wurzbarger, Deputy Chief Contreras said Antoinette Armijo was asked to calculate the fee this year for us at \$237,000, which was the 2008/2009 plus 3%.

Councilor Wurzbarger said then if the fee was raised by \$5, it would produce more than \$100,000, and Deputy Chief Contreras said this is correct. Councilor Wurzbarger would like to explore increasing this fee.

- Councilor Dominguez said he received an email from Chief Wheeler on Friday. He said that said the incarceration fees are budgeted at \$887,000.

Chair Ortiz said this is the total, and about 25% of that is for Corrections and the rest goes to the General Fund.

- Councilor Dominguez said there are two separate contracts – one is housing cost for City prisoners and the other is Housing City Prisoners Corrections Fee share. He asked if there are two separate contracts.

Chief Wheeler said these are the two separate fees which are used to pay that cost.

- Councilor Wurzburger asked if the Judge has the authority to waive the fee or is it automatic.

Chief Wheeler said he doesn't know and would have to research.

MOTION: Councilor Wurzburger moved, seconded by Councilor Romero, to approve the Police Department Budget as recommended by the City Manager, with direction to staff to prepare an ordinance increasing the Corrections Fee from \$20 to \$30, and with \$20 going to the Correction Fees Fund and \$10 going to the Municipal Court.

DISCUSSION: Ms. Raveling said it will go into the Corrections Fee Fund and used to subsidize the jail costs, and none of it goes to the Court.

Chair Ortiz said then there would be a new Corrections Fee of \$30, and \$20 would go to toward Correction Fund, and \$10 would go to the Municipal Court.

RESTATED MOTION: Councilor Wurzburger moved, seconded by Councilor Romero, to recommend approval of the Police Department Budget as recommended by the City Manager, with direction to staff to prepare an ordinance to increase the Correction Fee from \$20 to \$30, and have \$20 of the fee to go to the Correction Fee Fund, and \$10 to remain with the Municipal Court.

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

Councilor Bushee said she is glad the Chief is willing to have a committee to look at the vehicle take home policy, but she wants a timeline for completion by mid-year, and it should be considered as part of the negotiations. She said Albuquerque is contemplating this as well, and has made some motions in that regard, and suggested he look at this.

Chair Ortiz said then the Committee will be set up and Chief Wheeler will have options so this Committee can discuss this by mid-year.

Chief Wheeler said he will establish the committee and reach out to the Councilors as well as the individuals involved in the housing community, as well as the unions, to see what we can come up with as far as creative ideas to address this problem.

Councilor Bushee asked if this will cause us to miss a negotiation cycle.

Chief Wheeler said we currently are in a negotiation cycle, so he would have to check on that. He said they aren't negotiating new contracts for longer than one year. He said it should be ready if it is prepared by mid-year, to discuss in the next contract.

Councilor Bushee wants information at mid-year on the Red Light Camera and DWI Forfeiture, in terms of revenue and expenditures.

Councilor Bushee asked if a percentage of the false alarm fees are going to Albuquerque.

Deputy Chief Contreras said no. He said the lockbox is with Wells Fargo, and its main address is in Albuquerque. The checks are being sent to Albuquerque, but they go into a lockbox and are paid to Santa Fe. He said Betty Jo has spoken with Carla Lopez to send a press release to all the individuals to clarify this.

Councilor Dominguez asked if this action is inclusive of all action taken at the last budget hearing, and Chair Ortiz said yes.

Responding to Councilor Bushee, Mr. Romero said staff can bring the ordinance forward fairly quickly and get it approved.

Chair Ortiz said it can't be considered any sooner than a month from when it's introduced, which would be next meeting, and the earliest it could be adopted would be the first meeting in July 2010.

Ms. Raveling said if it is effective in July that would be a year of collections.

SOLID WASTE DIVISION

B. SWMA

The Committee commented, made suggestions and commented as follows:

- Chair Ortiz said the proposed rate increase at SWMA is reflected in the budget.
- Councilor Bushee said she isn't voting for the increase.
- Councilor Wurzbarger said several Councilors had asked Ms. Wheeler and Mr. Kippenbrock to confirm for us that SWMA had gone through the same kinds of cuts as we have, and all options were considered including not moving forward with certain projects which could be postponed. She was hoping to have that information as a further context to making our decision. She asked if they came up with a list of things which were done or new ideas as to how they could make cuts so there would be no rate increase which some of us don't want to do right now.

- Councilor Romero said Councilor Wurzbarger was asking about specific questions which arose at the PUC. She said she chairs the SWMA Board. She said question was if SWMA was giving raises, and Mr. Kippenbrock has said at all of the Committee meetings has said it is a flat budget. She said Councilor Wurzbarger's question was specific to whether SWMA had projects it could defer.

Councilor Wurzbarger said the City cut its budget by \$13 million last year and \$9 million last year, and that's not a flat budget, it is a drastically cut budget, and she would like to know what SWMA has done which correlates by this by firing people, not hiring, and not spending money in all categories – what has been done.

Councilor Romero asked Mr. Kippenbrock to speak to Councilor Wurzbarger's questions, as well as to speak to the legal requirements for reserves from NMED or other federal requirements which would drive the budget or leave what looks like reserves.

- Randall Kippenbrock, Executive Director, SWMA, said SWMA did propose a flat budget of \$6.6 million. Of the \$6.6 million, \$975,000 is an intra fund transfer to the four reserves: cell development, equipment reserve, closure and landfill gas collection. The remaining \$3.3 million is for Caja del Rio operations, \$1.6 to operate BuRRT. He said there was a shortfall two years of \$1.2 million because the tonnage dropped from 200,000 tons to 178,000 tons annually. He said a revised budget was done last year at \$32.50 based on 178,000 tons, but the tonnage kept declining and now it appears to be a flattened annual tonnage of 150,000 tons per year. He said the projected rate increase is base on 150,000 tons per year at \$37.50.

Mr. Kippenbrock said SWMA is required to maintain a post-closure fund, and approximately \$100,000 needs to be contributed to that, noting in the past it has been higher than usual, but he was able to manage by revising the closure estimates to use evapotranspiration technology as opposed to using the original EPA design calling for liner construction, etc. He said currently the closure and post-closure being about \$100,000 annually over the next 10 years.

Mr. Kippenbrock said he has not put any money into cell development for the new budget, noting the next new cell construction will be in FY 2013 for the cell construction which needs to be completed by FY 2014, which is approximately \$4.7 million, which probably will be done through a loan and paid back.

Mr. Kippenbrock said there is annual debt service of \$631,000 over the next 5 years, noting we are in year 2 of the debt service. The current set aside is \$750,000 for equipment to be placed in the equipment reserves, noting last year it was \$500,000, and can fluctuate between \$500,000 to \$750,000 annually. He said what changes more than anything else is the equipment and cell development each year. He said the expenditures from Equipment Reserves can fluctuate widely from very little in one year to more than \$1 million in another.

Mr. Kippenbrock said it is proposed to purchase a certified rebuilt dozer, but that won't happen, and they will run the life of that dozer another 1-2-years. However, that will cost \$650,000 instead

of \$450,000. He said it was anticipated to purchase the wheel loader, but he will try to stretch that for another fiscal year, noting the cost is \$260,000. He said \$150,000 was budgeted for a GPS system he proposes for the landfill that would increase compaction rate or the life expectancy of the cell as much as 10%, but will probably be \$200,000.

Mr. Kippenbrock said the most concern has been expressed about the budgeted \$600,000 to build household hazardous waste disposal facility, with an additional \$55,000 for miscellaneous equipment that goes with that. He said whether or not the HHW building and GPS system are postponed for another year, it still is necessary to maintain an equipment intra fund transfer to reserves of \$500,000 to \$750,000 annually.

Councilor Wurzbarger asked if that is a requirement from outside SWMA or if it is a policy choice which has been made.

Mr. Kippenbrock said it is a policy choice by the Board for the equipment replacement and cell development reserves. He asked the Committee to bear in mind that it is either pay now or pay later. He said the increase is 13%, but at \$35 per ton it is a 6-7% increase, based on the model. He said the \$37.50 holds a flat budget with the CPI at 3.5%, with an increase of \$1.25 per year over the next 9 years, or 3% annually. Mr. Kippenbrock said things would change if there is more tonnage, the economy improves or there are savings, and such.

Councilor Wurzbarger asked if anything was done in terms of personnel costs, or changing operations, when he first realized tonnage was decreasing. She said if there isn't as much trash, you don't have as much work.

Mr. Kippenbrock said the personnel is a small part of the equation. He said they are still operating the landfill 6 days per week, whether it is 400 tons per day or 500 tons per day.

Councilor Wurzbarger asked if he is operating it in the very same way with the same number of people.

- Chair Ortiz said the budget numbers for personnel show an increase, noting on page 111 it is increasing from \$577,797 to \$710,692, and on page 109, exempt salary is increasing from \$103,658 to \$107,616, and full time staff increasing from \$749,939 to \$793,273. He said Mr. Kippenbrock is saying the staffing level is staying the same, and asked him how he explains the increases in the budget line item for salaries.

Mr. Kippenbrock said when they took over BuRRT it was with "bare minimum" staffing and they transferred people from the landfill and then hired new people. In 2007, they hired additional staff when they started the sort line or the MURF operation. He said after one year, it was realized that additional personnel were needed, and this is the increase.

Chair Ortiz said then there is a personnel expansion in the last fiscal year to this one in all three line items.

Mr. Kippenbrock said last year there was a 3.8% in COLA and that is reflected, and there is no increase in the 10/11 budget. He said because of the union contract merit was involved.

Chair Ortiz asked the number of exempt employees, and Mr. Kippenbrock said he is the only exempt employee.

- Councilor Wurzbarger asked Mr. Kippenbrock if any changes have been made to the flat budget, because he started to talk about how to get from \$32 to \$35 to \$37.50 per ton, and some things which could be postponed, such as cell development, noting she is trying to track any change as we've gone through this process together.

Mr. Kippenbrock said there can be no changes until he receives further direction from the Board, and those are just examples. He said there are two big items which aren't in the budget, but were presented to the board, which need additional funding: the landfill re-permitting which is \$750,000 to \$1 million, and he is unsure how that will be funded, and the ongoing issue with the BLM for back payment on royalty, potentially \$300,000 to \$400,000. Neither of these have been addressed. He is trying to keep the budget as low as possible.

He said when he came on board in 2004, he didn't know what funds were being generated or expenditures. He said they took all available funding to help salvage and continue with BuRRT. He said those funds are now exhausted, and he feels comfortable with the current status.

MOTION: Councilor Romero moved for approval of the SWMA budget as recommended by the City Manager. **THE MOTION DIED FOR LACK OF A SECOND.**

- Chair Ortiz asked what happens if the City doesn't approve the SWMA budget.

Councilor Romero said, given that SWMA is a joint powers authority of the City and the County, and will be meeting on Thursday, various approvals need to be put in place by SWMA. She understands without approval of the City SWMA is obliged to follow the JPA, and asked Mr. Kippenbrock to speak to this.

- Chair Ortiz asked if speaking to the JPA answers his question, and Councilor Romero said yes.
- Mr. Kippenbrock said it is his understanding that Board sets the rates necessary to operate the facility. The JPA provides that SWMA brings the budget to the City and County for approval. His understanding is that those entities look at the budget in its entirety and can't "pick it apart."
- Chair Ortiz asked if the City doesn't approve the budget, what happens next.

Mr. Kippenbrock said it happened years ago on the County side, and they went back to the previous year's budget, noting last year's budget of \$6.6 million is the same as this year's.

- Councilor Wurzbarger requested that staff seek a legal opinion from the City Attorney in this regard.
- Councilor Bushee said she understands it is a JPA, but the City is the main customer for this entity. She asked if the City has any leverage to negotiate a different fee. She said we need to spare our constituents, our ratepayers from this necessary increase, and wants to know what other options the City has. She is not opposed to approving the budget for the City's Solid Waste Division, but she won't support the increase.
- Chair Ortiz asked if Councilor Bushee is proposing to approve the City's Solid Waste Division budget, but backing-out the expected amount the City would have to pay for the expected increase.

Councilor Bushee said if she were to make that motion and it was seconded, where that would leave the City in taking its waste to the joint landfill.

- Councilor Romero said there is a JPA, with the City being the majority customer, and there are people in the region who take their solid waste to Rio Rancho at \$28 per ton. She said she believes our JPA doesn't allow the City to take its waste to Rio Rancho, and the City agrees to stay in, even if it is the majority customer.
- Councilor Bushee wants to hear from the City Attorney about what we can do in this regard. She said legally, if the City refuses to approve the SWMA budget, and only approve the City's Division budget, the message could be to the SWMA Board to go back to the drawing and reconsider taking outside waste, budget cuts, and such, and she wants to know our legal options to continue our City services, and not to pass on the 30% increase.

Chair Ortiz said it echoes what Councilor Wurzbarger requested previously.

MOTION: Councilor Romero moved to table discussion until SWMA Board meets on Thursday, and has the opportunity to discuss other opportunities to consider additional cuts to reduce the budget being proposed, which could be done at the Board meeting. **THE MOTION DIED FOR LACK OF A SECOND.**

MOTION: Councilor Bushee moved, seconded by Councilor Wurzbarger, not to approve the SWMA budget, and to approve only that portion of the budget which includes the City Solid Waste Division budget, as recommended by the City Manager without the proposed increase.

CLARIFICATION OF THE MOTION: Chair Ortiz said in approving the Solid Waste Division budget, the proposed increase in fees is included.

DISCUSSION: Mayor Coss asked what would be the monthly impact on the residential ratepayer of the SWMA increase, in dollars per month.

Regina Wheeler, Director, City Solid Waste Division, said the recommended increase is 30 cents per month, or 3.1% per month for residential, or 30 cents per month for residential.

Mayor Coss said it is his observation that doesn't seem a whole lot of money. He said approving Ms. Wheeler's budget without the rate increase leaves her with an unbalanced budget.

Chair Ortiz said presuming that SWMA doesn't hear the direction the Committee is giving and continues to pass on the rate increase, which is his observation to the Mayor's observation.

Councilor Bushee asked Ms. Wheeler how much SWMA raised its tipping fees last year.

Ms. Wheeler said it was \$5.25 last year, so it is \$10 in two years, or 40%.

Councilor Bushee said the City chose not to absorb that cost last year and to pass it on to the customers.

Ms. Wheeler said this is correct, and it is an increase of approximately \$600,000 over two years in the Solid Waste Division budget. .

Councilor Bushee said, "That, you know, this message we're sending back to the SWMA Board is, the City is essentially the only big customer that the SWMA Board. We've absorbed enormous increases already last year, and they're proposed again this year. You're not taking in as much waste. You don't need as much as you have in reserves for the cell development. There's no give here, and we're asking for some give. You know, we ask that you not necessarily build a new facility that has to be staffed. We're asking that you really take a look in these times. Because, across the Board in the City, we're asking people to tighten their belts and I am not seeing SWMA make that effort. So, that's the message. And it, yes, does add up. We're already increasing our..."

VOTE: The motion was approved on a voice vote, with Councilors Bushee, Dominguez and Wurzbarger voting in favor of the motion and Councilor Romero voting against.

WATER DIVISION

Councilor Bushee said there is a Memorandum in the Committee packet from Brian Snyder, answering some of our questions, and she wants to be sure the Water Division repayment to the General Fund, on which we are counting to balance the budget, really is \$3 million, and that it can't be \$3.5.

Brian Snyder, Public Utilities Department Director, said the brief analysis indicates the Water Division can handle a \$3 million payment this year and only \$3 million this year.

Councilor Bushee said she understands the City is paying \$20,000 to market and/or administer Santa Fe River Fund.

Mr. Snyder said this is correct.

Councilor Bushee asked, since 2007 to the present, if the City has spent as much to administer the fund as it has received.

Mr. Snyder said this is correct, roughly from what is collected from donations and matched by the City.

Councilor Bushee asked, "If there is some way to not have to administer it. That's a wash right there, so it's essentially just a subsidy on the part of the City of \$61,464.29, and I'm just wondering if... you know, I know it's great to get folks to participate and all that, but is there some way... because we just passed the contract one of the last meetings, again, for administering this fund, and I'm wondering if we can do that in-house, if we can eliminate something. But, you know, it shouldn't cost as much to administer it... I mean if you went percentage-wise on what you're bringing in and what you're putting out, it's not such a good average. And I know it's a policy decision because we passed this thing, but I'm just pointing it out, I guess, to my colleagues.

CONVENTION & VISITORS BUREAU

Mayor Coss apologized that he was out of the room and missed the discussion, and asked for reconsideration of the more than \$200,000 cut to the Advertising and Familiarization [promotion] budget of the CVB, and to restore that amount to the budget. He said this is the wrong year to do cut advertising by more than \$200,000 when we're talking about how to get more GRTs and Lodger's Taxes in the City. He said this is coming from the Lodger's Reserve Fund which currently has \$3.3 million. He proposes to take \$200,000 from the Lodger's Reserve for the \$200,000 in advertising, as the El Hilo Exhibit in the amount of \$50,000 which brings the exhibit of the original documents, for example to bring the Viceroy's charge to Peralta, the original documents, from Sevilla to New Mexico for display in Santa Fe. Our cost share is about \$50,000 – an additional \$250,000 from Lodgers Tax Reserve, which more than pay for itself in additional Lodger's Tax and GRTs..

MOTION: Councilor Wurzbarger moved, seconded by Councilor Dominguez, to reconsider approval of the CVB budget.

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

Councilor Bushee asked if and when OTAB approved this, and where does this recommendation come from.

Chair Ortiz said he doesn't know.

Councilor Bushee asked if we have to maintain a certain level of reserves.

Ms. Raveling said staff's effort is to keep the fund self-sustaining, but there are reserves and we aren't dipping into them a lot, but the amount is below the recurring revenues coming in.

Responding to Councilor Bushee, Ms. Raveling said there is no required reserve in the convention center, but staff tries to keep a reserve to be fiscally responsible.

Responding to Councilor Bushee, Chair Ortiz said the Committee has had two presentations from the CVB noting they do have a system for tracking, and we do get reports from them annually, and we can get that as part of the new fiscal year in July-August.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Dominguez, to amend the CVB budget as previously approved, to restore \$250,000 to the budget, to be taken from the Lodger's Tax Reserves to increase the CVB Advertising/Familiarization budget in the CVB, and for \$50,000 for the El Hilo Exhibit, and to approve the budget as amended.

DISCUSSION: Responding to Councilor Dominguez, Councilor Wurzbarger said the motion includes \$50,000 for the El Hilo Exhibit.

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

VOTE ON THE CITY MANAGER'S RECOMMENDED BUDGET

MOTION. Wurzbarger moved, seconded by Councilor Romero, to approve two days of furlough at \$500,000, as identified earlier by staff.

RESTATED MOTION: Chair Ortiz restated the motion: Councilor Wurzbarger moved, seconded by Councilor Romero, to approve the City Manager's budget, as modified by the Committee on May 4, 2010, May 11, 2011, and May 17, 2010, with the additional item that there be two days of furlough as outlined in the options.

FRIENDLY AMENDMENT: Mayor Coss suggested if we are talking about taking away two paid holidays, to move two days of furlough are conditional days to be scheduled in the second half of the fiscal year, with the proviso that if the economy recovers that we don't have to do that. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND TO THE SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

DISCUSSION ON THE RESTATED MOTION, AS AMENDED: Councilor Bushee wants to be clear that the furloughs will be whole days, and given that it is holidays, it will not impact the services delivered to our citizens.

Mr. Romero said, as proposed, the furloughs would be on two holidays, so there would be minimal impact to the public. He said it would be the last two days which are Memorial Day and Martin Luther King Day.

CLARIFICATION OF THE REACH OF THE MOTION BY THE CHAIR: Chair Ortiz asked Ms. Helberg if the motion satisfies all approvals, including two motions which weren't made previously which were brought to the attention of the Chair. Ms. Helberg said she presumes that this motion cures any previous defects in terms of motions not made. Chair Ortiz agreed, saying the motion, as amended, ties up all of the recommendations on the department budgets that we had, plus the additional motions we made today, with the amendment for furloughs.

Councilor Bushee said she would like the motion to provide that if additional revenue is generated, such as being paid the \$250,000 by the County and other savings came forward from Recreation and such, by the time this goes to Council, she would like to separate that motion, and perhaps we will have different answers and we if have other savings by time of Council, will separate motion and we won't have to go there.

Chair Ortiz said once it comes to Council, any Councilor can ask to segregate any part of the recommendation.

Councilor Bushee asked if the Committee will have some of the information indicating new revenues and efficiencies by then.

Mr. Romero said he wouldn't want to commit to doing that, and noting Recreation was given 60 days to work on that.

Councilor Dominguez said, as a public employee, any furlough is a hit. He would rather delete the radio station than put employees on furlough.

MOTION TO AMEND: Councilor Dominguez moved, seconded by Councilor Bushee, to amend the Restated Motion to reduce the furlough to one day and to eliminate the Public Radio Station Subsidy to minimize the impact of the proposed furlough.

VOTE: The Motion to amend failed to pass on a voice vote as follows:

For: Councilor Bushee and Councilor Dominguez.

Against: Councilor Romero and Councilor Wurzbarger.

The resulting vote was a tie, and the Mayor voted against, defeating the motion.

CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED: Councilor Wurzbarger said, to respond to Councilor Dominguez, she realizes any furlough day is a pain. However, it is necessary to have a balanced budget. She is getting a lot of calls from people who believe we have done nothing, or done sufficiently in looking at staff. She said, especially with the Mayor's suggestion, she is hopeful that we won't have to do this in the second half of the FY. She does, however, believe it is important to look at that as an option.

Councilor Bushee asked the vacancy savings.

Mr. Romero said there is a 4% vacancy credit already in the budget, and we have to meet that first, and taking credit for an \$200,000, and he wants to be sure we can meet that. Responding to Councilor Bushee, Mr. Romero said 3 department directors cost a lot more than 30 lifeguards, so it is hard to equate the dollars to specific positions.

Councilor Bushee said she has not wanted to take money from reserves, and supports not filling positions. She believes the staffing levels are "mean and lien," and we are close to a balanced budget. She really thought we could get through this budget cycle without having furloughs and having to cut salaries. She found furloughs to be ineffective in the past.

VOTE: The Restated Motion, as amended, was approved on a voice vote as follows:

For: Councilor Romero and Councilor Wurzburger.

Against: Councilor Bushee and Councilor Dominguez

The resulting vote was a tie, and the Mayor voted for, approving the motion.

Chair Ortiz thanked the staff for their hard work, especially to Finance and H.R. for all of the information they provided.

26. OTHER FINANCIAL INFORMATION

Chair Ortiz said this information is in the Committee packets. .

27. MATTERS FROM THE COMMITTEE

Councilor Dominguez said there will be an update on the Parks Bond at the next Public Works Committee meeting.

Chair Ortiz said then we will have it here at Finance in the future, and Councilor Dominguez said yes.

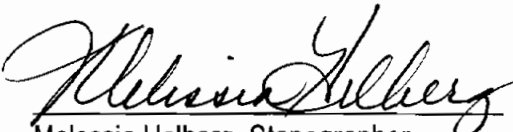
28. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at 7:15 pm.

Matthew E. Ortiz, Chair

Reviewed by:

Kathryn R. Raveling, Director
Department of Finance



Melessia Helberg, Stenographer