

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2011-61**

3 **INTRODUCED BY:**

4  
5 Mayor Coss  
6 Councilor Wurzbarger

7  
8  
9  
10 **A RESOLUTION**

11 **AFFIRMING THE GOVERNING BODY'S ACTION TO APPROVE THE BUDGET FOR**  
12 **FISCAL YEAR 2011/2012 AND THAT SUCH APPROVAL INCLUDED AN INCENTIVE**  
13 **REDUCTION OF \$600,000 FROM THE CITY'S COLLECTIVE BARGAINING UNITS AND**  
14 **NON-UNION EMPLOYEES; EXPRESSLY STATING THAT COLLECTIVE BARGAINING**  
15 **UNIT AND NON-UNION EMPLOYEES LEAVE BENEFITS SHALL BE REDUCED BY**  
16 **\$1,000,000; AND DIRECTING THE CITY MANAGER TO VERIFY THAT THE FISCAL**  
17 **YEAR 2011/2012 BUDGET SUBMITTED TO DFA REFLECTS THE REDUCTIONS THAT**  
18 **WERE APPROVED BY THE GOVERNING BODY.**

19  
20 **WHEREAS**, the national economic downturn that began in 2008, continues to effect, federal,  
21 state and local governments who have had to take drastic measures to reduce their budgets; and

22 **WHEREAS**, the Governing Body of the City of Santa Fe has had to make hard decisions and  
23 take drastic measures to reduce the City's operating budget for the last three fiscal years; and

24 **WHEREAS**, prior to considering adoption of the 2011/2012 Fiscal Year Operating Budget  
25 ("FY 11/12 Budget"), the Governing Body set priorities to maintain:

1 (1) Vital programs for children and youth, especially in light of funding/program  
2 reductions experienced by the public schools;

3 (2) Human services programs offered to citizens undergoing various life issues and/or  
4 hardships;

5 (3) The level of senior services provided; and

6 (4) To avoid extended furloughs or layoffs for city employees who provide essential  
7 services to the residents of Santa Fe; and

8 **WHEREAS**, from March through May of 2011, the Finance Committee began reviewing  
9 recommendations from staff and members of the Governing Body that would close an \$8,700,000  
10 budget gap that the City was facing for the FY 11/12 Budget; and

11 **WHEREAS**, on the Finance agenda for the meeting of March 21, 2011 was Item 17(C)  
12 captioned "CONTINUING DISCUSSION, REPORTS AND RECOMMENDATION  
13 OPTIONS ON STATUS OF FISCAL YEAR 2010/2011 BUDGET"; and

14 **WHEREAS**, in the Finance packet for Item 17(C) was a *Schedule of Incentive Pay Costs* for  
15 the period of 12/31/2009 through 12/31/2010, attached hereto as Exhibit "A", which showed that the  
16 total amount of incentive pay the City paid its employees in 2010 was \$2,954,516, broken down as  
17 follows:

- 18 • AFSCME (801 employees) \$1,091,338
- 19 • POA (131 employees) \$1,320,800
- 20 • SFFA (131 employees) \$ 403,948
- 21 • Non-Union (279 employees) \$ 138,430; and

22 **WHEREAS**, also in the Finance packet for Item 17(C) was a *Schedule of Leave Costs* for the  
23 period of 12/31/2009 through 12/31/10, attached hereto as Exhibit "B", which showed that the total  
24 amount of leave the City paid its employees in 2010 was \$11,619,223.08, broken down as follows:

- 25 • AFSCME (801 employees) \$5,630,672.38

- 1           • POA (131 employees)           \$1,436,149.92
- 2           • SFFA (131 employees)           \$ 919,554.76
- 3           • Non-Union (279 employees)       \$ 3,632,846.01; and

4           **WHEREAS**, the Finance Committee held public hearings on April 4, 2011 and April 18,  
5 2011 regarding proposed legislation that had been introduced by members of the Governing Body,  
6 that included proposals for a property tax increase, a gross receipts tax increase, transfer of enterprise  
7 funds to the general fund, salary reductions, furloughs, recommendations regarding a 20% reduction  
8 in incentive costs and a 10% reduction in leave costs; and

9           **WHEREAS**, the Finance Committee carefully considered the various proposals presented by  
10 staff and members of the Governing Body and after several meetings regarding the budget, on May  
11 16, 2011, the Finance Committee approved the City Manager’s recommended FY 11/12 budget,  
12 which included measures to close the budget gap, including an incentive reduction measure of 20% or  
13 \$600,000 from the City’s collective bargaining units and non-union employees; and

14           **WHEREAS**, the \$600,000 or 20% incentive reduction measure was based on the 2010  
15 *Schedule of Incentive Pay Costs* and split amongst City employees, results in the following:

- 16           • AFSCME                           \$218,268
- 17           • POA                                   \$264,160
- 18           • SFFA                                  \$ 80,790
- 19           • Non-Union                         \$ 27,686; and

20           **WHEREAS**, as noted on the budget gap measures spreadsheet considered by the Finance  
21 Committee, there was a potential budget reduction recommendation for a \$1,000,000 that was crossed  
22 out because staff determined that such type of reduction would not actually effect the budget, because  
23 an employee would still be paid if other types of leave were taken; and

24           **WHEREAS**, although the leave reduction was not a “recommended” budget reduction, the  
25 intent of the Finance Committee was that the \$1,000,000 leave reduction, based on the 2010 *Schedule*

1 of Leave Costs, be split amongst City employees as follows:

- 2 • AFSCME \$563,067
- 3 • POA \$143,615
- 4 • SFFA \$ 91,955
- 5 Non-Union \$363,285; and

6 **WHEREAS**, the Finance Committee forwarded their recommendation to the Governing  
7 Body for final approval; and

8 **WHEREAS**, on the agenda of the regular meeting of the Governing Body that was held on  
9 May 25, 2011, was Item #11, a request to approve the “City Manager’s Recommended Operating  
10 Budget for Fiscal Year 2011/2012” which consisted of three separate items: (1) 2011/2012 Budget  
11 Gap (a) Request for Approval to Fill Vacant Positions for FY 2011/2012; (2) Request for Approval of  
12 City of Santa Fe Organizational Chart; and (3) A Resolution Relating to the Adoption of the City of  
13 Santa Fe Fiscal Year 2011/2012 Annual Budget, *see* attached Exhibit “C”; and

14 **WHEREAS**, included in the May 25, 2011 packet materials for the Governing Body meeting  
15 was an Action Sheet from the Finance Committee with the budget gap measures approved by the  
16 Finance Committee attached as a spreadsheet, *see* attached Exhibit “D” (pp. 2-3 of packet); and

17 **WHEREAS**, the budget gap measures included “Incentive Reductions” in the amount of  
18 “\$600,000” from the City’s collective bargaining units and non-union employees; and

19 **WHEREAS**, according to the May 25, 2011 minutes, p. 8, attached hereto as Exhibit “E”,  
20 there was a motion and a second to approve “Item 11(1) and 11(1)(a) as presented” in the packet,  
21 which was the budget gap measures and the request to fill vacant positions; and

22 **WHEREAS**, there was one friendly amendment to the motion which allows the City  
23 Manager “to fill essential positions, noting it is a long list and he can bring it back. And the ones not  
24 on that list, he will continue to bring forward”, *see* p. 14 of the minutes, attached as Exhibit “F”; and

25 **WHEREAS**, the motion, as amended was approved with six councilors voting for the motion

1 and two councilors voting against, *see* p. 15 of the minutes, attached as Exhibit "G"; and

2           **WHEREAS**, at the May 25, 2011 meeting of the Governing Body, the Governing Body  
3 adopted Resolution No. 2011-32 which memorialized the approval of the FY 11/12 Budget and such  
4 resolution was forwarded to the Local Government Division of the Department of Finance and  
5 Administration for approval, *see* attached Exhibit "H".

6           **WHEREAS**, the Santa Fe Police Officer's Association and AFSCME Local 3999 have been  
7 unsuccessful in negotiating incentive reductions and leave reductions; and

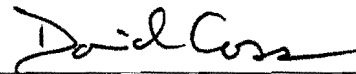
8           **WHEREAS**, AFSCME has outright disputed the fact that the Governing Body approved the  
9 FY 11/12 Budget with the "Incentive Reductions" of "\$600,000".

10           **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
11 **CITY OF SANTA FE** that the Governing Body affirms its action on May 25, 2011 to approve the  
12 FY 11/12 Budget and affirms that such approval included an incentive reduction of \$600,000 from  
13 the City's collective bargaining units and non-union employees.

14           **BE IT FURTHER RESOLVED** that the Governing Body hereby expressly states that its  
15 intent during the FY 11/12 Budget process was that the City's collective bargaining units and non-  
16 union employee leave benefits be reduced by 10% based on the *Schedule of Leave Costs* for 2010.

17           **BE IT FURTHER RESOLVED** that the City Manager is directed to verify that the FY  
18 11/12 Budget that was submitted to the Local Government Division of the Department of Finance and  
19 Administration reflects all reductions that were approved by the Governing Body on May 25, 2011.

20           PASSED, APPROVED, and ADOPTED this 9<sup>th</sup> day of November, 2011.

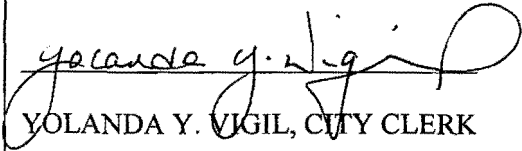
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23           DAVID COSS, MAYOR  
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1 ATTEST:

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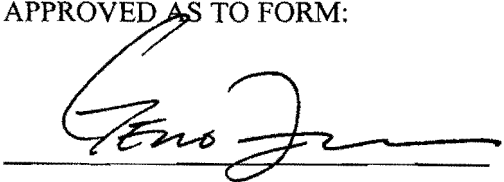
  
YOLANDA Y. VIGIL, CITY CLERK

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5 APPROVED AS TO FORM:

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GENO ZAMORA, CITY ATTORNEY

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GENO ZAMORA, CITY ATTORNEY

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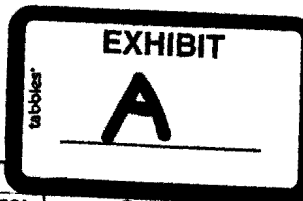
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*M/melissa/2011 res/Budget Approval Affirmation*

Schedule of Incentive Pay Costs  
City of Santa Fe  
Amounts Paid 12/31/2009 thru 12/31/2010



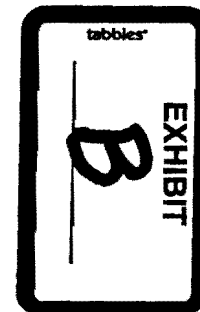
INCENTIVE PAY	AFSCME (801)	POA (160)	SFFA (131)	NON-UNION (279)	Cost
Bilingual Pay					
Cost:	\$ 88,276	\$ 72,796			\$ 161,072
Education Incentive					
Cost:	\$ -	\$ 49,027		\$ 1,200	\$ 50,227
Snow and Ice Removal Standby*					
Cost:	\$ 905	\$ -		\$ 389	\$ 1,294
Emergency Incentive					
Cost:	\$ -	\$ -		\$ -	\$ -
Take Home Vehicles					
Cost:	\$ -	\$ 331,415		\$ -	\$ 331,415
Traffic Hazard Incentive Pay					
Cost:	\$ 85,765	\$ -		\$ -	\$ 85,765
Field Training Officer Incentive Pay					
Cost:	\$ -	\$ 7,548		\$ -	\$ 7,548
SWAT Incentive Pay					
K9 Incentive Pay					
Cost:	\$ -	\$ 77,297		\$ -	\$ 77,297
EOD (BombSquad) Incentive Pay					
Cost:	\$ -	\$ 1,506		\$ 2,585	\$ 4,091
Uniform Clothing Allowance**					
Cost:	\$ -	\$ 91,650	\$ 100,775	\$ -	\$ 192,425
Uniform Clothing Allowance for Spec. Unit					
Cost:	\$ -	\$ 24,775	\$ -	\$ -	\$ 24,775
Cash allowance for equipment repair & Maint.					
Cost:		\$ 26,085	\$ -	\$ -	\$ 26,085
Shift Differential Pay					
Cost:	\$ 126,388	\$ 277,033	\$ -	\$ 5,607	\$ 409,028
Lieutenant Incentive					
Cost:	\$ -		\$ -	\$ 10,594	\$ 10,594
Working a Holiday Premium Pay					
Cost:	\$ 213,370	\$ 247,977	\$ 173,290	\$ 45,564	\$ 680,201
Call Back/On Call Stand By					
Cost:	\$ 475,509.00	\$ 70,400		\$ 72,491	\$ 618,400
Special License and Certification					
Cost:	\$ -	\$ -	0	\$ -	\$ -
Tool Allowance					
Cost:	\$ -	\$ -	0	\$ -	\$ -
Court Allowance					
Cost:	\$ -	\$ 43,291	0	\$ -	\$ 43,291
Personal Protective Equipment Allowance					
Cost:	\$ -	\$ -	\$ 17,375	\$ -	\$ 17,375
Special Skills Team Incentive (hazmat member, etc.)					
Medical Special Skills					
Cost:	\$ -	\$ -	\$ 112,508	\$ -	\$ 112,508
Sick Leave Incentive					
Cost:	\$ 101,125.00	\$ -	\$ -	\$ -	\$ 101,125
<b>Totals:</b>	<b>\$ 1,091,338</b>	<b>\$ 1,320,800</b>	<b>\$ 403,948.00</b>	<b>\$ 138,430</b>	<b>\$ 2,954,516</b>
<b>Cost per employee</b>	<b>\$ 1,362</b>	<b>\$ 8,255</b>	<b>\$ 3,083.57</b>	<b>\$ 496</b>	

\* Snow Removal Incentive standby costs are included in d-by costs

total Uniform cost is currently being calculated

City of Santa Fe  
Schedule of Leave Costs  
For Period 12/31/09 thru 12/31/10 (26 pay periods)

Total Cost	AFSCME (801)		POA (160)		SFFA (131)		NON-UNION (279)		Grand Total
	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	
Annual Leave	104,630.29	\$ 1,969,568.47	17,699.95	\$ 464,043.19	21,629.94	\$ 380,847.32	45,030.52	\$ 1,396,503.82	\$ 4,184,980.80
Sick Leave	68,923.57	\$ 1,203,988.64	11,244.38	\$ 288,287.12	16,038.56	\$ 279,605.64	24,473.81	\$ 683,821.47	\$ 2,455,499.77
Comp Time	14,165.04	\$ 257,061.73	7,324.04	\$ 180,468.88	-	\$ -	11,934.73	\$ 338,955.71	\$ 776,486.32
Educational Leave	1,721.00	\$ 25,636.56	57.00	\$ 4,943.82	287.25	\$ 4,072.47	239.00	\$ 4,943.82	\$ 39,596.67
Bereavement Leave	11,333.75	\$ 193,754.45	694.00	\$ 16,985.99	1,893.00	\$ 32,272.35	2,483.50	\$ 69,787.63	\$ 312,800.42
Administrative Educational Assistance	1,712.30	\$ 31,427.11	133.00	\$ 3,577.28	-	\$ -	491.75	\$ 14,004.30	\$ 49,008.67
Union Leave	7,464.00	\$ 134,801.21	65.50	\$ 1,414.84	64.50	\$ 1,151.70	-	\$ -	\$ 137,367.75
Military Leave	39.50	\$ 447.93	4,162.00	\$ 102,447.76	1,313.00	\$ 18,793.91	-	\$ -	\$ 121,689.60
Voting Leave	853.25	\$ 16,865.35	-	\$ -	-	\$ -	378.00	\$ 10,201.53	\$ 27,066.88
Mentoring Leave	1.00	\$ 18.78	16.00	\$ 443.08	-	\$ -	15.00	\$ 381.96	\$ 843.80
Personal Holiday	6,240.00	\$ 112,451.92	1,588.00	\$ 39,244.47	3,000.00	\$ 49,987.91	2,842.00	\$ 80,522.10	\$ 282,186.40
Personal Holiday (Red Card)	-	\$ -	-	\$ -	-	\$ -	1,712.00	\$ 27,947.20	\$ 27,947.20
Jury Duty	655.75	\$ 11,094.26	-	\$ -	140.00	\$ 2,578.09	345.50	\$ 8,882.72	\$ 22,565.07
Safety and Welfare Leave	6,739.63	\$ 123,088.43	259.00	\$ 7,146.42	16.00	\$ 452.73	3,447.50	\$ 83,691.68	\$ 214,379.26
Administrative Leave to commemorate an event	4,640.50	\$ 86,859.99	244.00	\$ 6,306.60	48.00	\$ 1,215.05	2,681.25	\$ 69,666.13	\$ 164,047.77
Other Administrative Leave Granted	48.00	\$ 845.38	30.00	\$ 874.76	-	\$ -	-	\$ -	\$ 1,720.14
Paid Holidays	63,794.50	\$ 1,156,390.37	10,194.00	\$ 246,858.73	9,008.00	\$ 148,597.69	24,829.00	\$ 735,893.22	\$ 2,287,740.01
Safe Driving/Physicals/Fitness/Perfect Attendance Administrative Leave	-	\$ -	1,930.00	\$ 51,563.85	-	\$ -	238.00	\$ 8,945.57	\$ 60,509.42
Longevity Administrative Leave	7,524.00	\$ 157,178.13	-	\$ -	-	\$ -	-	\$ -	\$ 157,178.13
Non-union Administrative Leave Day/Accrued Union Leave	1,174.05	\$ 19,935.04	-	\$ -	-	\$ -	2,926.78	\$ 94,476.14	\$ 114,411.18
Sick Leave Bank (in cases of serious medical condition)	8,864.50	\$ 145,263.65	1,222.11	\$ 31,543.15	-	\$ -	151.96	\$ 4,411.01	\$ 181,217.81
Honor Guard Administrative Leave	-	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ -
<b>Totals</b>	<b>307,224.63</b>	<b>\$ 5,630,672.38</b>	<b>56,862.98</b>	<b>\$ 1,436,149.92</b>	<b>53,436.25</b>	<b>\$ 919,564.76</b>	<b>124,020.30</b>	<b>\$ 3,632,846.01</b>	<b>\$ 11,619,223.08</b>
Per Employee	383.55	\$ 7,029.55	355.39	\$ 8,975.94	407.91	\$ 7,019.50	444.52	\$ 13,020.95	
							<b>Total Hours</b>		<b>541,544</b>







# Agenda

REGULAR MEETING  
THE GOVERNING BODY  
MAY 25, 2011  
CITY COUNCIL CHAMBERS



- v) CONSIDERATION OF RESOLUTION NO. 2011-\_\_\_\_\_. (Mayor Coss, Councilor Ortiz, Councilor Wurzbarger, Councilor Bushee, Councilor Romero, Councilor Dominguez, Councilor Calvert and Councilor Trujillo)  
A Resolution Directing Staff to Establish a Formalized Process and Criteria to Set Minimum Levels of Cash Reserves in Various Key Funds for Consideration by the Governing Body. (Kathryn Raveling)



- 11. Request for Approval of the City Manager's Recommended Operating Budget for Fiscal Year 2011/2012: (Robert Romero and Kathryn Raveling)

- 1) 2011/2012 Budget Gap. (Robert Romero)
  - a) Request for Approval to Fill Vacant Positions for FY 2011/2012. (Robert Romero)
- 2) Request for Approval of City of Santa Fe Organizational Chart. (Robert Romero)
- 3) CONSIDERATION OF RESOLUTION NO. 2011-\_\_\_\_\_.  
A Resolution Relating to the Adoption of the City of Santa Fe Fiscal Year 2011/2012 Annual Budget. (Kathryn Raveling)

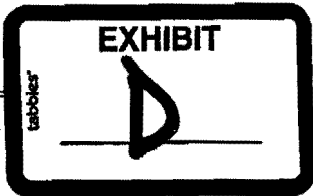
- 12. Consideration of Redistricting Meeting Schedule. (Geno Zamora and Yolanda Vigil)

- 13. MATTERS FROM THE CITY MANAGER

- 14. MATTERS FROM THE CITY ATTORNEY

EXECUTIVE SESSION:

- a) Discussion of the Donation of Land by the City of Santa Fe to the Department of Veterans Affairs for the Santa Fe National Cemetery, in Accordance with §10-15-1(H)(8) NMSA 1978.
- b) Pursuant to City of Santa Fe Resolution No. 2010-24, Discussion of Threatened or Pending Litigation in which the City of Santa Fe is or May Become a Participant, in Accordance with §10-15-1(H)(7), NMSA 1978.



**ACTION SHEET  
CITY COUNCIL MEETING OF 05/25/11  
ITEM FROM FINANCE COMMITTEE MEETING OF 05/16/11**

**ISSUE:**

24. REQUEST FOR APPROVAL OF THE CITY MANAGER'S RECOMMENDED OPERATING BUDGET FOR FISCAL YEAR 2011/2012 (ROBERT ROMERO AND KATHRYN RAVELING)

A. 2011/2012 BUDGET GAP (ROBERT ROMERO)

1. REQUEST FOR APPROVAL TO FILL VACANT POSITIONS FOR FY 2011/2012 (ROBERT ROMERO)

B. REQUEST FOR APPROVAL OF CITY OF SANTA FE ORGANIZATIONAL CHART (ROBERT ROMERO)

C. REQUEST FOR APPROVAL OF A RESOLUTION RELATING TO ADOPTION OF THE CITY OF SANTA FE FISCAL YEAR 2011/2012 ANNUAL BUDGET (KATHRYN RAVELING)

**FINANCE COMMITTEE ACTION: APPROVED AS DISCUSSION ITEM**

Budget Gap was approved per attachment. All conversion of classified to exempt positions must be approved by the Governing Body.

**SPECIAL CONDITIONS OR AMENDMENTS:**

**STAFF FOLLOW UP:**

<b>VOTE:</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
COUNCILOR WURZBURGER	X		
COUNCILOR ROMERO	X		
COUNCILOR BUSHEE	X		
COUNCILOR DOMINGUEZ	X		
CHAIRPERSON ORTIZ			

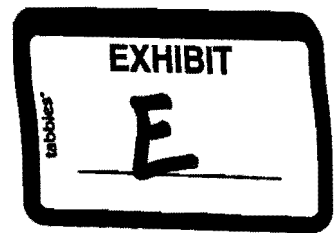
	2011/2012 POTENTIAL	2011/2012 RECOMMENDED
<b>*SALARY REDUCTIONS</b>		
Furlough- 2 day (non-paid holidays)	\$ 500,000	
Furlough-10 day (non-paid holidays)	\$ 2,500,000	
Furlough- 5 day (non-paid holidays)	\$ 1,250,000	
Furlough- 6 day	\$ 1,500,000	
1% Pay Reduction	\$ 650,000	
3% Pay Reduction	\$ 2,000,000	
3% Pay Reduction (Top 1/3)	\$ 850,000	
5% Pay Reduction Non-Union	\$ 1,000,000	
	<u>\$ 10,250,000</u>	
<b>REDUCTIONS</b>		
*Incentive Reductions - 20%	\$ 600,000	\$ 600,000
**Leave Reductions -10%	<del>\$ 1,000,000</del>	
Fire - OT Savings	\$ 300,000	\$ 300,000
Fire - Personnel Reductions	\$ 250,000	\$ 250,000
Fire - Longevity Incentive Savings	\$ 60,000	\$ 60,000
Police - 8 Hour Shifts OT Savings	\$ 100,000	\$ 100,000
Police - Contract Reductions	\$ 30,000	\$ 30,000
HCD - Personnel Reductions	\$ 300,000	\$ 300,000
Risk - Contract Reductions	\$ 100,000	\$ 100,000
Recreation - Personnel Reductions	\$ 300,000	\$ 300,000
Parks - Personnel Reductions + OT Savings	\$ 170,000	\$ 170,000
Facilities - Personnel Reductions	\$ 100,000	\$ 100,000
Traffic - Personel/Contract Reductions	\$ 90,000	\$ 90,000
Transit - Personnel Reductions	\$ 90,000	\$ 90,000
City Attorney - Personnel Reductions	\$ 100,000	\$ 100,000
Finance - Expense Reductions	\$ 240,000	\$ 240,000
Constituent Services/CMO - Personnel Reduction	\$ 140,000	\$ 140,000
Land Use - Personnel Reductions	\$ 60,000	\$ 60,000
Land Use - Eliminate Hearing Officer (Appeal Ammendments)	\$ 40,000	\$ 40,000
ITT - Contract/Expense Reductions	\$ 300,000	\$ 300,000
Seniors - Management Reductions/OT Reductions	\$ 100,000	\$ 100,000
Seniors - County Transfer/Expense Reductions	\$ 240,000	\$ 240,000
Youth Services - SFPS Requested Reduction	\$ 40,000	\$ 40,000
Youth Services - Personell Reductions	\$ 70,000	\$ 70,000
Youth Services - Reduce Training Period	\$ 30,000	\$ 30,000
Libraries - Personnel Reductions	\$ 180,000	\$ 180,000
	<u>\$ 5,030,000</u>	<u>\$ 4,030,000</u>
<b>REVENUE</b>		
Increase GRT .25%	\$ 7,000,000	
Electric Franchise Fee	\$ 500,000	
Telecom Franchise Fee	\$ 50,000	\$ 50,000
Hazmat Fees	\$ 70,000	\$ 70,000
Ambulance Fees	\$ 320,000	\$ 320,000
***Increase Business Liscense Fees (Increase from \$35 to \$50)	\$ 100,000	
Youth Program Fees (previoully approved)	\$ 80,000	\$ 80,000
False Alarms Fees	\$ 100,000	\$ 100,000
Speed Van	\$ 250,000	\$ 250,000
Street Cut Permit Fee Increase	\$ 100,000	\$ 100,000
Driveway Permit Fee Increase	\$ 8,000	\$ 8,000
Funeral Escort Fees	\$ 70,000	\$ 70,000
Increase Property Tax	\$ 17,000,000	
Waste Water Cash Balance Loan	\$ 4,000,000	
Proportionate Share of Fund Balances (See attachment)		\$ 1,322,000
Waste Water 1/16% GRT Tranfer to GF	\$ 1,700,000	\$ 1,700,000
****Water Payback Balance	\$ 12,500,000	\$ 1,100,000
	<u>\$ 43,848,000</u>	<u>\$ 4,670,000</u>
<b>RESERVES/FUND BALANCES</b>		
Health Fund/GF Reserves	\$ 7,000,000	
	<u>\$ 7,000,000</u>	
<b>TOTAL</b>		<b>\$ 8,700,000</b>
<b>GAP (Includes gas increases, campaign financing, hold harmless administration fee)</b>		<b>\$ 8,700,000</b>
		<u><b>\$ 8,700,000</b></u>
<b>REMAINING GAP</b>		<b>\$ -</b>

\*Requires Enterprise Fund Transfer or 50% in GF Savings

\*\*Leave Reductions - Improve City Sustainability

\*\*\* May be prohibited by State Law

\*\*\*\*\$1,100,000 could be used without Water Rate Increase



Responding to Councilor Bushee, Mr. Romero said funds were taken proportionately from each fund, noting the larger funds, such as the Health Fund took a larger share, and the smaller funds a smaller share. He said the funds were taken from fund balances which didn't require any kind of legislation to take money from the fund.

Councilor Bushee said then some funds were untouched.

Mr. Romero said yes, noting the amounts taken from funds is detailed on page 4 of the Council packet.

Councilor Bushee asked how much of the revenue cuts are sustainable into the next fiscal year.

Mr. Romero said approximately \$5 million is sustainable as long as we don't fill the positions which were not funded, but the \$1.3 million from reserves is not sustainable. He said the \$1.7 million from Wastewater can be done for one more year, and then it will drop to \$1 million and then to \$500,000 which would be sustainable for 2 years. He said we will need to look at the Water Fund each year to see what it could pay without increasing rates. He said approximately \$4 million is not sustainable.

→ **MOTION:** Councilor Bushee moved, seconded by Councilor Wurzburger to approve Items 11(1) and 11(1)(a) as presented.

**DISCUSSION:** Councilor Bushee thanked Mr. Romero and staff for their work done in the end, and asking in the future, that information be made more readily available. She is "glad we got there."

Councilor Chavez said it wasn't an easy process to balance the budget. He believes people are relieved that there not going to be a property tax.

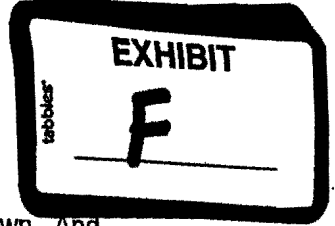
Councilor Chavez said some revenue is recurring and is fixed. He said the \$1.7 from wastewater is recurring, but there will be a point where we can't use it. He said in the future, he would like to see those categories where there are fixed revenues. He hopes by the next budget cycle that we realize the efficiencies in providing services with existing revenues and are living within our means to the best extent possible.

**CLARIFICATION OF THE MOTION:** Councilor Bushee said the motion is to approve Item 11(1) and 11(1)(a).

Councilor Ortiz asked the number of motions we need to make.

Mr. Zamora said, based on these agenda items, the Council can do one comprehensive motion for all three items, or do each individually.

Councilor Chavez asked if the \$600,000 incentive reduction is still to be negotiated, and Mr. Romero said yes that is being negotiated "as we speak."



education as to how this government has grown and how we can't sustain what we have grown. And, without the more specific kind of examination that we've had to undergo continuing, I think that we're giving up our fiduciary responsibility. I don't see it as micromanaging at all, and I just really hope that we continue.... I mean, we're the ones who have to answer to our constituents, and believe me, I heard from more constituents than I have ever heard from around a budget issue."

Councilor Chavez said, "The scenario that you played out, I think, reminds me that lot of what we're doing, we're doing without any kind of real strategic planning or any kind of succession planning. You know, we've been just sort of shooting from the hip to some degree, not to say we're not doing the best that we can with what we have, because we are. But, I think that the pattern needs to change and it's not going to be easy to change that pattern. And again, for me, being a member of the Governing Body, reviewing the fiscal impact and discussion from the Finance Committee, my only chance for discussion or vote or input on that is at the Council level. That's it, unless I request a City manager's report go to Public Works so I could see it there. So, I think, in fairness to one member of the Governing Body and being open and transparent, especially now with the budget situation we're in, I think this should be reviewed in the open more. And, I think that some of this should be on the web page so people can see what we're doing and how we're doing it and why, and what the impacts are. So, I think that I would be in support of this, and I think we can see how it goes and monitor it between now and mid-year and see if we can be more efficient with what we're doing."

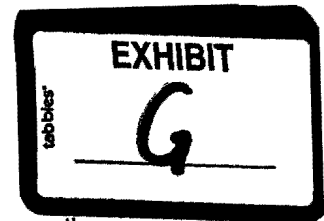
Councilor Wurzbarger said, "I'm going to change my opinion, which I rarely do, since I'm quite obstinate, but I appreciate Councilor, your comments about the fact that our actual decisions, with respect to what is brought forward in 90% of the cases resulted in you getting what you needed. To me, this is not an issue of trust or non-trust of the City Manager. I just keep looking down at my notes on five, four million dollars not sustainable, which is exactly where we started a year ago. And, so I'm very comfortable with continuing not having to debate with every single one, but at least it would come back, and I would like to review it after six months. If, six months from now, things are better, then we can just say, go ahead and do with the Org Chart whatever it is you need to do. And I hope I'm not speaking out of turn, Robert, when I share that, when at one point I was struggling with how we actually balance this budget, and you had said you can find more. And I think if anybody can find more with respect to positions, it's you."

Councilor Wurzbarger continued, "So I would like to present it as taking the responsibility for us to work with you to help make them happen. And on that basis, I'm comfortable with the motion."



**FRIENDLY AMENDMENT:** Robert Romero said there have been various positions over the years that we've agreed that we would fill without coming back, such as Transit operators, Lifeguards, and he would like to add that authority to fill essential positions, noting it is a long list and he can bring it back. And the ones not on that list, he will continue to bring forward. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS.**

Councilor Romero would like to look at this again in three months, and to just keep looking at that list as we move forward.



Mr. Romero said that is fine and he will continue to bring forward the positions as directed, commenting that there are positions that we have to keep filling continuously, because if not, it costs the City a lot of money.

**THE SECOND TO THE MOTION WITHDREW HER OBJECTION TO THE PREVIOUS FRIENDLY AMENDMENT.** Councilor Ortiz said, "It is a friendly amendment that has been revised to reflect the City Manager's friendly amendment. Mayor Coss said, "The amendment was accepted as friendly to approve essentially the status quo on Finance Committee approvals." Councilor Bushee said, "So we withdraw our second motion, and we take it on as friendly in terms of essential and critical positions." **THE REVISED FRIENDLY AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS BY THE OTHER COUNCILORS..**

**THE MAKER AND SECOND WITHDREW THEIR MOTION AND SECOND OF THE MOTION TO AMEND.**

Mayor Coss said, "Okay, so we have a motion and second on 1(a), this is regarding the Budget Gap and regarding the request for approval to fill vacant positions, and that's what was modified by the Friendly Amendment, in the spirit of cooperation and due diligence."

➔ **VOTE:** The motion, as amended, was approved on the following Roll Call vote:

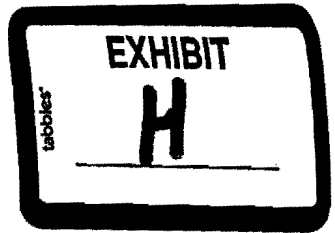
**For:** Councilor Bushee, Councilor Calvert, Councilor Chavez, Councilor Dominguez, Councilor Romero and Councilor Trujillo.

**Against:** Councilor Ortiz, Councilor Wurzburger.

**Explanation of his vote:** Councilor Chavez said, "Yes, and Robert could you maybe work with the Finance Department and provide me with your update separate from the Finance Committee so I get it before it hits Council. Can you do that." Mr. Romero said, "Yes."

**Explanation of his vote:** Councilor Dominguez said, "I'm going to vote yes, and one of the things I do is I ask for the Public Utilities packet, because I'm not on Public Utilities, and so, I'm not on Public Utilities, keep giving me the information that Brian Snyder provides so that I can follow through, so yes."

**Explanation of his vote:** Councilor Ortiz said, "I'm going to vote now, and in explaining my vote, I want to say that I thought that the discussions we had, as Councilor Bushee said, from all members of the Governing Body, was much more informed because of the conundrum that we faced. And the situation that we face here with this budget, and in particular, the measure that we face with our budget gap, this budget is even is weaker-willed than the budget we had last year. And, it's weaker, because we did not cut in the areas where we know those costs are increasing. We have personnel costs that continue to escalate. And, because we are only taking a small stab at entitlements through negotiations, and we're not addressing the increasing personnel costs throughout this budget, and because the revenue enhancements that we have are specifically one-time, stop-gap measures, we are doing nothing more than what we have always done here at



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CITY OF SANTA FE  
RESOLUTION NO. 2011 - 32

INTRODUCED BY:  
*Finance Committee*

A RESOLUTION

RELATING TO ADOPTION OF THE CITY OF SANTA FE FISCAL YEAR 2011/2012  
ANNUAL BUDGET

*WHEREAS, the Governing Body in and for the Municipality of Santa Fe, State of New Mexico has developed a budget for fiscal year 2011/2012, and:*

*WHEREAS, said budget was developed on the basis of need and through cooperation with all user departments, elected officials and other department supervisors, and:*

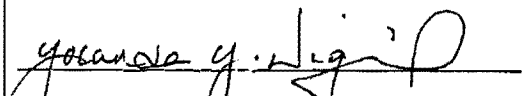
*WHEREAS, the official meetings for the review of said documents were duly advertised in compliance with the State Open Meetings Act, and:*

*WHEREAS, it is the majority opinion of this Board that the proposed budget meets the requirements as currently determined for fiscal year 2011/2012.*

*NOW THEREFORE, BE IT HEREBY RESOLVED that the Governing Body of the Municipality of Santa Fe, State of New Mexico hereby adopts the budget hereinabove described as to funds, categories and departments, and respectfully request approval from the Local Government Division of the Department of Finance and Administration.*

*RESOLVED: In session this 25<sup>th</sup> day of May, 2011.*

1 ATTEST:

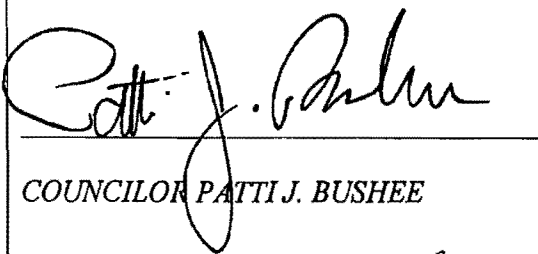
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3 YOLANDA Y. VIGIL, CITY CLERK


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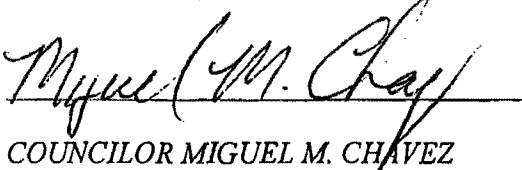
5 MUNICIPAL GOVERNING BODY OF THE CITY OF SANTA FE, NEW MEXICO:

6 

7 MAYOR DAVID COSS


8   
9  
10 COUNCILOR PATTI J. BUSHEE


  
11  
12 COUNCILOR CHRIS CALVERT

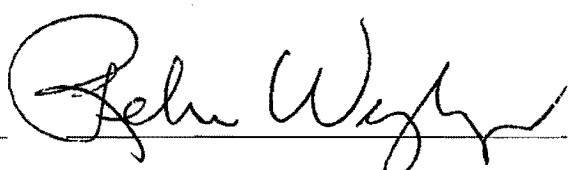
13   
14 COUNCILOR MIGUEL M. CHAVEZ

  
15 COUNCILOR CARMICHAEL A. DOMINGUEZ

16   
17 COUNCILOR MATTHEW E. ORTIZ

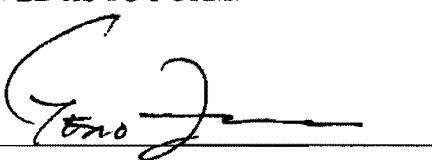
  
18 COUNCILOR ROSEMARY ROMERO

19   
20 COUNCILOR RONALD S. TRUJILLO

  
21 COUNCILOR REBECCA WURZBURGER

22

23 APPROVED AS TO FORM:

24 

25 GENO ZAMORA, CITY ATTORNEY