



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
MAY 2, 2011 – 4:00 PM

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

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 4-29-11 TIME 3:50

SERVED BY Yolanda Green

RECEIVED BY [Signature]

APRIL 18, 2011

**CONSENT AGENDA**

6. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – HERB MARTINEZ PARK TENNIS COURTS RESURFACING; RENNER SPORTS SURFACES (FRANK ARCHULETA)
7. REQUEST FOR APPROVAL OF BUDGET TRANSFERS AND RELATED INCREASES INTO FACILITY MAINTENANCE REPAIR AND CITY HALL RENOVATIONS FUNDS FOR FACILITIES DIVISION (CHIP LILIENTHAL)
8. REQUEST FOR APPROVAL OF PURCHASE AND SALE AGREEMENT – PROPERTY LOCATED AT 1164 CAMINO SAN ACACIO; ROBERT MARTINEZ AND BETTY MARTINEZ (EDWARD VIGIL)
9. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO MEMORANDUM OF UNDERSTANDING – NUTRITION, TRANSPORTATION AND IN-HOME SUPPORT SERVICES RENDERED FOR FISCAL YEAR 2010/2011 FOR SENIOR SERVICES DIVISION; SANTA FE COUNTY (ISAAC PINO)
10. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT – THREE (3) LIFEPAK 15 CARDIAC MONITORS FOR FIRE DEPARTMENT; PHYSIO-CONTROL, INC. (JAN SNYDER)
  - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – FIRE PROPERTY TAX FUND



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
MAY 2, 2011 – 4:00 PM

11. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – TWO (2) AMBULANCES FOR FIRE DEPARTMENT; SOUTHWEST AMBULANCE SALES (JAN SNYDER)
  - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – FIRE PROPERTY TAX FUND
12. REQUEST FOR APPROVAL OF AMENDMENT TO FISCAL YEAR 2010/2011 ANNUAL ACTION PLAN AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CONTRACT; SANTA FE YOUTHWORKS (KIM DICOME)
13. REQUEST FOR APPROVAL OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ACTION PLAN FOR FISCAL YEAR 2010/2011 (KIM DICOME)
14. REQUEST FOR APPROVAL OF REVISIONS TO CITY OF SANTA FE INVESTMENT POLICY (HELENE HAUSMAN)
15. SANTA FE MUNICIPAL AIRPORT:
  - A. REQUEST FOR APPROVAL OF AN ORDINANCE APPROVING A LEASE BETWEEN THE CITY OF SANTA FE AND WHISKEY GOLF INVESTMENTS, L.P. FOR APPROXIMATELY 0.465 ACRES OF CITY OWNED LAND LOCATED AT THE SANTA FE MUNICIPAL AIRPORT FOR CONSTRUCTION OF AIRCRAFT HANGARS FOR ITS OWN PRIVATE USE AND OTHER RELATED PURPOSES (COUNCILOR WURZBURGER) (JIM MONTMAN)
  - B. REQUEST FOR APPROVAL OF LEASE AGREEMENT – CONSTRUCTING A HANGAR AND RELATED OFFICE SPACE FOR PRIVATE USE AT SANTA FE MUNICIPAL AIRPORT; WHISKEY GOLF INVESTMENTS, L.P. (JIM MONTMAN)

**Committee Review:**

Public Works (approved)	04/25/11
City Council (request to publish)	05/11/11
City Council (public hearing)	06/08/11

Fiscal Impact – Yes

16. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING VARIOUS SECTIONS OF THE *CITY OF SANTA FE UNIFORM TRAFFIC ORDINANCE* RELATED TO BICYCLES (COUNCILOR BUSHEE) (ROBERT SIQUEIROS)



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
MAY 2, 2011 – 4:00 PM

## Committee Review:

Public Safety (approved)	04/19/11
Public Works (approved)	04/25/11
City Council (request to publish)	05/11/11
City Council (public hearing)	06/08/11

Fiscal Impact – No

17. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING CHAPTER 7 SFCC 1987 REGARDING BUILDING AND RELATED CODES; ADOPTING THE 2009 INTERNATIONAL BUILDING CODE, THE 2009 INTERNATIONAL RESIDENTIAL BUILDING CODE, THE 2009 INTERNATIONAL EXISTING BUILDING CODE, THE 2009 UNIFORM MECHANICAL CODE, THE 2009 UNIFORM PLUMBING CODE, THE 2011 NATIONAL ELECTRIC CODE AND OTHER RELATED CODES AS AMENDED BY THE STATE OF NEW MEXICO AND THE CITY OF SANTA FE (MAYOR COSS) (MATTHEW O'REILLY)

## Committee Review:

Public Works (approved)	04/25/11
Public Utilities (Informational)	05/04/11
City Council (request to publish)	05/11/11
City Council (public hearing)	06/08/11

Fiscal Impact – Yes

18. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 12-2 SFCC 1987; ADOPTING THE 2009 INTERNATIONAL FIRE CODE AS AMENDED BY THE GOVERNING BODY (MAYOR COSS) (REYNALDO GONZALES AND FIRE CHIEF BARBARA SALAS)

## Committee Review:

Public Safety (approved)	04/19/11
Public Works (approved)	04/25/11
City Council (request to publish)	05/11/11
City Council (public hearing)	06/08/11

Fiscal Impact – Yes

19. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO WORK WITH RODEO DE SANTA FE IN ORDER TO LOCATE FUNDING SOURCES FOR THE PURPOSE OF EXPLORING AND DEVELOPING AN INDOOR ARENA DEVELOPMENT COMPLEX AT THE RODEO GROUNDS (MAYOR COSS, COUNCILORS TRUJILLO, ORTIZ AND DOMINGUEZ) (FABIAN TRUJILLO)



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
MAY 2, 2011 – 4:00 PM

## Committee Review:

City Business & Quality of Life (cancelled)	04/12/11
Public Works (approved)	04/25/11
City Business & Quality of Life (scheduled)	05/10/11
City Council (scheduled)	05/11/11

Fiscal Impact – No

20. REQUEST FOR APPROVAL OF AN ORDINANCE REPEALING ARTICLE 20-21 SFCC 1987 AND CREATING A NEW ARTICLE 20-21 SFCC 1987 REGARDING VEHICLE TOWING SERVICES (COUNCILOR TRUJILLO) (EDWARD ROMERO)

## Committee Review:

Public Safety (approved)	04/19/11
City Council (request to publish)	05/11/11
City Council (public hearing)	06/08/11

Fiscal Impact – Yes

21. REQUEST FOR APPROVAL OF AN ORDINANCE OF THE CITY OF SANTA FE, NEW MEXICO AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF ITS EDUCATIONAL FACILITIES REVENUE BONDS (ST JOHN'S COLLEGE PROJECT), SERIES 2011 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, FOR THE PURPOSES OF FINANCING EDUCATIONAL FACILITIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT BETWEEN THE CITY AND ST. JOHN'S COLLEGE, AN INDENTURE OF TRUST SECURING SAID BONDS, A BOND PURCHASE AGREEMENT, CLOSING DOCUMENTS AND SUCH BONDS IN CONNECTION THEREWITH; PROVIDING FOR THE TERMS OF THE 2011 BONDS AND MAKING DETERMINATIONS AS TO THE SUFFICIENCY OF THE INSTALLMENT PURCHASE PAYMENTS AND OTHER MATTERS RELATED TO THE PROJECT; AUTHORIZING THE SALE OF SAID BONDS AND ANY ANCILLARY AGREEMENTS IN CONNECTION THEREWITH; AND AUTHORIZING OTHER MATTERS PERTAINING TO THE ISSUANCE OF SAID BONDS (MAYOR COSS, COUNCILORS WURZBURGER AND ROMERO) (ROBERT ROMERO AND JUDITH AMER)

## Committee Review

Finance Committee (scheduled)	05/02/11
City Council (request to publish)	04/27/11
City Council (public hearing)	05/25/11

Fiscal Impact – No



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
MAY 2, 2011 – 4:00 PM

22. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING RULE 8 OF EXHIBIT A, CHAPTER 22 SFCC 1987, TO REPEAL THE 4.7 PERCENT PER YEAR SEWER RATE INCREASES FOR MONTHLY SEWER SERVICE AND USAGE FEES THAT WERE TO BE EFFECTIVE OCTOBER 1, 2012, OCTOBER 1, 2013 AND OCTOBER 1, 2014; AND AMENDING RULE 12, OF EXHIBIT A OF CHAPTER 22 SFCC 1987 TO REPEAL THE 4.7 PERCENT PER YEAR INCREASES IN THE MASS BASED COST OF PROVIDING AIR TO REMOVE THE CHEMICAL OXYGEN DEMAND IN WASTEWATER THAT WERE TO BE EFFECTIVE OCTOBER 1, 2012, OCTOBER 1, 2013 AND OCTOBER 1, 2014. (COUNCILOR WURZBURGER) (BRIAN SNYDER)

City Council (request to publish)	05/11/11
Public Utilities (scheduled)	06/01/11
City Council (public hearing)	06/08/11

Fiscal Impact – Yes

## ***END OF CONSENT AGENDA***

## **CONTINUATION OF BUDGET HEARINGS**

### **DISCUSSION**

23. REQUEST FOR APPROVAL OF A RESOLUTION TO USE THE CITY'S LIMITED HEALTHCARE RESOURCES IN A MORE EFFICIENT MANNER AND TO ENTER INTO AN AGREEMENT WITH CHRISTUS ST. VINCENT REGIONAL MEDICAL CENTER TO MANAGE THE PROVISION OF FREE HEALTHCARE AND SOCIAL SERVICES TO THE INDIGENT RESIDENTS OF THE CITY OF SANTA FE (MAYOR COSS AND COUNCILOR ROMERO) (ROBERT ROMERO AND GENO ZAMORA)

#### **Committee Review**

Finance Committee (Postponed)	04/04/11
Finance Committee (Postponed)	04/18/11
Finance Committee (Postponed)	05/16/11
Council (Scheduled)	04/13/11

Fiscal Impact - No



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
MAY 2, 2011 – 4:00 PM

- 
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 REVIEW (ROBERT ROMERO)
      1. FIRE
      2. GENERAL GOVERNMENT
      3. FINANCE
      4. HOUSING AND ECONOMIC DEVELOPMENT
      5. LAND USE
      6. PUBLIC WORKS
      7. COMMUNITY SERVICES
      8. CVB
      9. TRANSPORTATION
      10. POLICE
      11. PUBLIC UTILITIES
    - B. 2011/2012 BUDGET GAP (ROBERT ROMERO)
  25. OTHER FINANCIAL INFORMATION
  26. MATTERS FROM THE COMMITTEE
  27. ADJOURN

**CONTINUATION OF BUDGET REVIEW HEARINGS IF NEEDED ON MONDAY,  
MAY 16, 2011 AT 5:00 P.M.**

SUMMARY OF ACTION  
FINANCE COMMITTEE  
Monday, May 2, 2011

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approve [amended]	2
APPROVAL OF CONSENT AGENDA	Approved	2
CONSENT AGENDA LISTING		2-5
APPROVAL OF MINUTES: APRIL 18, 2011	Approved	5

CONTINUATION OF BUDGET HEARINGS

DISCUSSION AGENDA

REQUEST FOR APPROVAL OF A RESOLUTION TO USE THE CITY'S LIMITED HEALTHCARE RESOURCES IN A MORE EFFICIENT MANNER AND TO ENTER INTO AN AGREEMENT WITH CHRISTUS ST. VINCENT REGIONAL MEDICAL CENTER TO MANAGE THE PROVISIONS OF FREE HEALTH CARE AND SOCIAL SERVICES TO THE INDIGENT RESIDENTS OF THE CITY OF SANTA FE	Postponed to 05/16/11	5
REQUEST FOR APPROVAL OF THE CITY MANAGER'S RECOMMENDED OPERATING BUDGET FOR FISCAL YEAR 2011/2012 2011/2012 BUDGET REVIEW	Approved w/conditions	5-13
2011/2012 BUDGET GAP	Discussion/direction to staff/ Conceptual approval on two additional gap measures	13-17
OTHER FINANCIAL INFORMATION	None	17
MATTERS FROM THE COMMITTEE	Information/discussion	18
ADJOURN		18

**MINUTES OF THE  
CITY OF SANTA FE  
FINANCE COMMITTEE  
Monday, May 2, 2011**

**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 5:15 p.m., on Monday, May 2, 2011, 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 E  
Councilor Carmichael A. Dominguez  
Councilor Rosemary Romero  
Councilor Rebecca Wurzbarger

**MEMBERS EXCUSED:**

**OTHER GOVERNING BODY MEMBERS PRESENT:**

Mayor David Coss  
Councilor Christopher Calvert  
Councilor Ronald S. Trujillo  
Councilor Miguel Chavez

**OTHERS ATTENDING:**

Kathryn Raveling , Finance Director  
Yolanda Green, 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**

Ms. Raveling corrected the date on Item #13, saying it should be 2011-2012.

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

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

### **4. APPROVAL OF CONSENT AGENDA**

**MOTION:** Councilor Romero moved, seconded by Councilor Wurzbarger, to approve the following Consent Agenda as presented.

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

#### **CONSENT AGENDA**

- 6. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – HERB MARTINEZ PARK TENNIS COURTS RESURFACING; RENNER SPORTS SURFACES. (FRANK ARCHULETA)**
- 7. REQUEST FOR APPROVAL OF BUDGET TRANSFERS AND RELATED INCREASES INTO FACILITY MAINTENANCE REPAIR AND CITY HALL RENOVATIONS FUNDS FOR FACILITIES DIVISION. (CHIP LILIENTHAL)**
- 8. REQUEST FOR APPROVAL OF PURCHASE AND SALE AGREEMENT – PROPERTY LOCATED AT 1164 CAMINO SAN ACACIO; ROBERT MARTINEZ AND BETTY MARTINEZ. (EDWARD VIGIL)**
- 9. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO MEMORANDUM OF UNDERSTANDING – NUTRITION, TRANSPORTATION AND IN-HOME SUPPORT SERVICES RENDERED FOR FISCAL YEAR 2010/2011 FOR SENIOR SERVICES DIVISION; SANTA FE COUNTY. (ISAAC PINO)**
- 10. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT – THREE (3) LIFEPAK 15 CARDIAC MONITORS FOR FIRE DEPARTMENT; PHYSIO-CONTROL, INC. (JAN SNYDER)**
  - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – FIRE PROPERTY TAX FUND.**

11. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – TWO (2) AMBULANCES FOR FIRE DEPARTMENT; SOUTHWEST AMBULANCE SALES. (JAN SNYDER)
  - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – FIRE PROPERTY TAX FUND.
12. REQUEST FOR APPROVAL OF AMENDMENT TO FISCAL YEAR 2010/2011 ANNUAL ACTION PLAN AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CONTRACT; SANTA FE YOUTHWORKS. (KIM DICOME)
13. REQUEST FOR APPROVAL OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ACTION PLAN FOR FISCAL YEAR 2010/2011. (KIM DICOME)
14. REQUEST FOR APPROVAL OF REVISIONS TO CITY OF SANTA FE INVESTMENT POLICY. (HELENE HAUSMAN)
15. SANTA FE MUNICIPAL AIRPORT:
  - A. REQUEST FOR APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND WHISKEY GOLF INVESTMENTS, L.P., FOR CONSTRUCTION OF AIRCRAFT HANGARS FOR ITS OWN PRIVATE USE AND OTHER RELATED PURPOSES.
  - B. REQUEST FOR APPROVAL OF AN ORDINANCE APPROVING A LEASE BETWEEN THE CITY OF SANTA FE AND WHISKEY GOLF INVESTMENTS, L.P., FOR APPROXIMATELY 0.465 ACES OF CITY OWNED LAND LOCATED AT THE SANTA FE MUNICIPAL AIRPORT FOR CONSTRUCTION OF AIRCRAFT HANGARS FOR ITS OWN PRIVATE USE AND OTHER RELATED PURPOSES (COUNCILOR WURZBURGER). (JIM MONTMAN) Committee Review: Public Works (approved 04/25/11; City Council (Request to publish ) 05/11/11; and Council (Public Hearing) 06/08/11.
16. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING VARIOUS SECTIONS OF *THE CITY OF SANTA FE UNIFORM TRAFFIC ORDINANCE* RELATED TO BICYCLES (COUNCILOR BUSHEE). (ROBERT SIQUEIROS) Committee Review: Public Safety (approved) 04/19/11; Public Works (approved) 04/25/11; City Council (request to publish) 05/11/11; and City Council (public hearing) 06/08/11. Fiscal Impact – No.
17. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING CHAPTER 7 SFCC 1987, REGARDING BUILDING AND RELATED CODES; ADOPTING THE 2009 INTERNATIONAL BUILDING CODE, THE 2009 INTERNATIONAL RESIDENTIAL BUILDING CODE, THE 2009 INTERNATIONAL EXISTING BUILDING CODE, THE 2009 UNIFORM MECHANICAL CODE, THE 2009 UNIFORM PLUMBING CODE, THE 2011 NATIONAL ELECTRIC CODE AND OTHER RELATED CODES AS AMENDED BY THE STATE OF NEW MEXICO AND THE CITY OF SANTA FE (MAYOR COSS). (MATTHEW O'REILLY) Committee Review: Public Works (approved) 04/25/11; Public Utilities (Informational) 05/04/11; Council (request to publish) 05/11/11; and Council (Public Hearing) 06/08/11. Fiscal Impact – Yes.

18. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 12-2 SFCC 1987, ADOPTING THE 2009 INTERNATIONAL FIRE CODE AS AMENDED BY THE GOVERNING BODY (MAYOR COSS). (CHIEF BARBARA SALAS) Committee Review: Public Safety (approved) 04/19/11; Public Works (approved) 04/25/11; City Council (request to publish) 05/11/11; and City Council (public hearing) 06/08/11. Fiscal Impact – Yes.
19. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO WORK WITH RODEO DE SANTA FE IN ORDER TO LOCATE FUNDING SOURCES FOR THE PURPOSE OF EXPLORING AND DEVELOPING AN INDOOR ARENA DEVELOPMENT COMPLEX AT THE RODEO GROUNDS (MAYOR COSS, COUNCILORS TRUJILLO, ORTIZ AND DOMINGUEZ). (FABIAN TRUJILLO) Committee Review: City Business & Quality of Life (Canceled) 04/12/11; Public Works (approved) 04/25/11; City Business & Quality of Life (Scheduled) 05/10/11; and Council (Scheduled) 05/11/11. Fiscal Impact – No.
20. REQUEST FOR APPROVAL OF AN ORDINANCE REPEALING ARTICLE 20-21 SFCC 1987, AND CREATING A NEW ARTICLE 20-21 SFCC 1987, REGARDING VEHICLE TOWING SERVICES (COUNCILOR TRUJILLO). (EDWARD ROMERO) Committee Review: Public Safety (approved) 04/19/11; City Council (request to publish) 05/11/11; and City Council (public hearing) 06/08/11. Fiscal Impact – Yes.
21. REQUEST FOR APPROVAL OF AN ORDINANCE OF THE CITY OF SANTA FE, NEW MEXICO AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF ITS EDUCATIONAL FACILITIES REVENUE BONDS (ST. JOHN'S COLLEGE PROJECT), SERIES 2011 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, FOR THE PURPOSES OF FINANCING EDUCATIONAL FACILITIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT BETWEEN THE CITY AND ST. JOHN'S COLLEGE, AN INDENTURE OF TRUST SECURING SAID BONDS, A BOND PURCHASE AGREEMENT, CLOSING DOCUMENTS AND SUCH BONDS IN CONNECTION THEREWITH; PROVIDING FOR THE TERMS OF THE 2011 BONDS AND MAKING DETERMINATIONS AS TO THE SUFFICIENCY OF THE INSTALLMENT PURCHASE PAYMENTS AND OTHER MATTERS RELATED TO THE PROJECT; AUTHORIZING THE SALE OF SAID BONDS AND ANY ANCILLARY AGREEMENTS IN CONNECTION THEREWITH; AND AUTHORIZING OTHER MATTERS PERTAINING TO THE ISSUANCE OF SAID BONDS (MAYOR COSS, COUNCILORS WURZBURGER AND ROMERO). (ROBERT ROMERO AND JUDY AMER) Committee Review: Finance Committee (scheduled) 05/02/11; City Council (request to publish) 04/27/11; and City Council (public hearing) 05/25/11. Fiscal Impact – No.
22. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING RULE 8 OF EXHIBIT 1, CHAPTER 22 SFCC 1987, TO REPEAL THE 4.7 PERCENT PER YEAR SEWER RATE INCREASES FOR MONTHLY SEWER SERVICE AND USAGE FEES THAT WERE TO BE EFFECTIVE OCTOBER 1, 2012, OCTOBER 1, 2013 AND OCTOBER 1, 2014; AND AMENDING RULE 12, OF EXHIBIT A OR CHAPTER 22 SFCC 1987, TO REPEAL THE 4.7 PERCENT PER YEAR INCREASES IN THE MASS BASED COST OF PROVIDING AIR TO REMOVE THE CHEMICAL OXYGEN DEMAND IN WASTEWATER THAT WERE TO BE EFFECTIVE

OCTOBER 1, 2012, OCTOBER 1, 2013 AND OCTOBER 1, 2014. (COUNCILOR WURZBURGER). (BRYAN SNYDER) Committee Review: City Council (request to publish) 05/11/11; Public Utilities (scheduled) 06/01/11; and City Council (public hearing) 06/08/11. Fiscal Impact – Yes.

\*\*\*\*\*  
**END OF CONSENT AGENDA**  
\*\*\*\*\*

**5. APPROVAL OF MINUTES: APRIL 18, 2011.**

**MOTION:** Councilor Dominguez moved, seconded by Councilor Romero, to approve the minutes of the meeting of April 18, 2011, as presented.

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

**CONTINUATION OF BUDGET HEARINGS**

**DISCUSSION AGENDA**

- 23. REQUEST FOR APPROVAL OF A RESOLUTION TO USE THE CITY'S LIMITED HEALTHCARE RESOURCES IN A MORE EFFICIENT MANNER AND TO ENTER INTO AN AGREEMENT WITH CHRISTUS ST. VINCENT REGIONAL MEDICAL CENTER TO MANAGE THE PROVISIONS OF FREE HEALTH CARE AND SOCIAL SERVICES TO THE INDIGENT RESIDENTS OF THE CITY OF SANTA FE (MAYOR COSS AND COUNCILOR ROMERO). (ROBERT ROMERO AND GENO ZAMORA) Committee Review: Finance Committee (Postponed) 04/04/11; Finance Committee (Postponed) 04/18/11; Finance Committee (Postponed) 05/16/11; Council(Scheduled) 04/13/11. Fiscal Impact – No.**

Mr. Romero asked to postpone this item to the next meeting because it still needs more work, and it isn't ready to be heard.

**MOTION:** Councilor Wurzbarger moved, seconded by Councilor Dominguez, to postpone item #23 to the Finance Committee meeting of May 16, 2011.

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

**Break 4:05 p.m. to 5:00 p.m.**

**MOTION:** Councilor Romero moved, seconded by Councilor Dominguez, to come out of recess.

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

**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 REVIEW. (ROBERT ROMERO)**

- 1) FIRE**
- 2) GENERAL GOVERNMENT**
- 3) FINANCE**
- 4) HOUSING AND ECONOMIC DEVELOPMENT**
- 5) LAND USE**
- 6) PUBLIC WORKS**
- 7) COMMUNITY SERVICES**
- 8) CVB**
- 9) TRANSPORTATION**
- 10) POLICE**
- 11) PUBLIC UTILITIES**

Chair Ortiz asked Councilor Romero if she needs further discussion, if she has questions, or if there is any department she would like to call, since she was unable to attend the April 28<sup>th</sup> Finance Committee Study Session.

Councilor Romero said she received all the materials and reviewed them, and she is good to go forward with this meeting.

Chair Ortiz asked if other Committee members still have outstanding or new questions regarding any of the departments. He said in the packet, we have the funds that are listed with a different format from what is listed in the budget. There is a base, year to date, with a proposal for the fiscal year, which is different in kind than what we had on Thursday.

**MOTION:** Councilor Wurzbarger moved, seconded by Councilor Dominguez, to approve the budgets as submitted by the City Manager, which have been heard, with the understanding that depending on what happens with our final decisions about how we're going to balance the budget, that they could be revisited.

**DISCUSSION:** Chair Ortiz asked Councilor Wurzbarger if there are departments she wants to hold for approval until May 16, 2011.

Councilor Wurzbarger asked if we heard all of the department budgets on April 28<sup>th</sup>, and the Chair said, "We did."

Councilor Wurzbarger said then she is comfortable in approving all of the department budgets with that condition.

**CLARIFICATION OF THE MOTION:** Chair Ortiz said there is a motion to approve all department budgets with the contingency in light of the final decision we have on the budget gap measures for item 24(b), which also will be discussed at the next meeting.

**CONTINUATION OF DISCUSSION ON THE MOTION:** Councilor Bushee asked when the Committee will look at the cash balances again.

Mr. Romero said staff is compiling all of the questions asked at the April 28<sup>th</sup> meeting, and all answers will be in the packet for the meeting of May 16<sup>th</sup>.

Councilor Bushee asked if it is possible to get those before May 16<sup>th</sup>.

Mr. Romero said those will be put one page, without the whole history, showing the cash balance at the beginning of the fiscal, how it was affected in this fiscal year, and what will be the balance on July 1<sup>st</sup>.

Councilor Bushee would like this information on the website and Mr. Romero said yes. Councilor Bushee would like everything to go on the website, including pay adjustments and "anything you've got."

Mr. Romero said he can put anything which has been in the packet on the website.

Councilor Bushee asked if the approval of the Fire Department included their concerns around the fire station that needed to be remodeled, and are their assumptions that could come from capital improvements.

Mr. Romero said no.

Councilor Bushee asked Councilor Wurzbarger if we will have a better understanding of the utility budget after Wednesday night's meeting.

Ms. Wurzbarger said yes, noting Jason Mumm is coming in, noting he is revising the memorandum based on the 1.75 to show what that would be like if we chose that option.

Councilor Bushee said she wants to review more of the contracts more closely. She was surprised to learn that Teen Nights was contracted out, and asked how long that has been going on.

Chair Ortiz said she has the option to sever particular departments, and remove those for further questioning.

Councilor Bushee said she had a question only on that one.

Terrie Rodriguez said for 10 years the City has been contracting with the Boys and Girls Club and Warehouse 21.

Councilor Bushee asked the amount of rent for the Santa Fe Complex.

Mr. Schiavo said it \$7,000, and is now down to \$5,000.

Councilor Bushee asked if the Santa Fe Complex has other funding services.

Mr. Schiavo said yes, they have a federal grant and a couple of other funding sources.

Councilor Bushee asked if the Alto Street is a one-time expenditure \$30,000, and Mr. Schiavo said this is correct.

Councilor Bushee asked, with regard to the Land Use hearing officer, if it is \$20,000 because the position is ending, and there will be no more, and Mr. O'Reilly said this is correct.

Councilor Bushee asked Councilor Wurzbarger if she needs to hear from anyone on the Public Access channel, or if she is okay with it, and Councilor Wurzbarger said she is okay with it.

Councilor Romero asked if it would be possible to get a list of questions which were asked at the last meeting.

Mr. Romero said they sent out a list today to the Chair, and will redo if necessary as soon as they get the minutes. He said he will be reviewing the minutes to see if there is anything they missed. He asked Councilors to let him know of additional questions.

Chair Ortiz said staff had to have the answers to those questions by this Friday to be in the packet for May 16, 2011.

Councilor Bushee said she has questions on CDBG. She said they will be taking a new direction and hiring a lawyer group out of Albuquerque to deal with the foreclosure issue. She said previously they had used a start-up program with the housing Trust to help with that. She asked if this has gone by the wayside.

Mr. Schiavo said, with regard to the current program to which she is referring, staff and legal had concerns about that person's legal background and the advice she was given.

Councilor Bushee asked if he is speaking of the Landlord-Tenant Hotline, and Mr. Schiavo said yes. Councilor Bushee said she is talking about the Foreclosure Program.

Chair Ortiz said that is the \$55,000 which is proposed to be given to United South Broadway Corporation.

Mr. Schiavo said the proposed funds would go to an attorney who would counsel individuals losing their homes.

Councilor Bushee asked if the old program done by Housing Trust is still being done, noting they really had no background either.

Mr. Schiavo said it is his understanding that they still are doing the program, but the City won't be funding them.

Chair Ortiz said the only issues he has remaining relate to the Community Services Department and how we are going to handle the approval of the contracts that are handed out in Human Services and Children and Youth, given the discussion we have not had on St. Vincents.

**FRIENDLY AMENDMENT:** Chair Ortiz would like to amend the motion to remove Community Services as a Department, depending whatever action and discussion we have on the St. Vincent resolution and also the contracts that go into that portion of the budget, and the contracts for Children and Youth and Human Services are not approved as part of the budget, but the rest of Community Services budget is approved under the amendment that I am proposing. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER COMMITTEE MEMBERS.**

**CONTINUATION OF DISCUSSION ON THE MAIN MOTION, AS AMENDED:** Councilor Dominguez said he wants to make sure the timing is going to work with what St. Vincent's is doing, and what we're doing as the process continues.

Mr. Pino said Alex Valdez said if this is heard at the next meeting the time frame won't be a problem for them, and it is not a problem for the City, given the Chair's amendment.

Councilor Bushee said she understands that neither City staff nor St. Vincent's has communicated with the vendors, and thought the Committee asked staff to do that at the last meeting.

Chair Ortiz said we did ask staff to do that and based on the request from staff and the hospital, they want another two weeks to continue that work.

Chair Ortiz said he has had calls and emails from existing providers, and thinks this doesn't come as a surprise. He said it is the hospital's job to communicate that information to the vendors.

Councilor Bushee said people are hearing things through the grapevine, and boards are sending letter.

Chair Ortiz believes staff are communicating with them.

Mr. Pino said staff communicated with those who emailed or called, but no letter has been sent out, because there isn't anything to tell them, from the City's standpoint.

Councilor Bushee thought there would be a proactive effort to explain this to the non-profits, and thought Christus St. Vincents was charged to do this, noting she is telling people to attend this meeting to find about what is being done.

Chair Ortiz said it's in St. Vincent's best interest to do that, and he is not inclined to direct our staff to do St. Vincents' job, and if they want this proposal considered they should take the steps necessary to carry that out. He said if they need more time, we can keep it on the agenda.



Mayor Coss asked if the Committee approved the organizational charts, noting the budget incorporates all of the empty positions.

Chair Ortiz said he didn't see an action item to approve the organizational charts provided by the City Manager.

Mr. Romero said the organizational charts are listed as drafts, and we need to put that item on the agenda for the May 16<sup>th</sup> meeting.

Councilor Bushee would like to look at the criteria and salary of the two positions at the CVB.

Mr. Romero said he will be going to OTAB to discuss the direction by this Committee, and he can bring that back, but he is unsure all of that will be ready by the next meeting, noting he knows of no specific direction on any other position.

Chair Ortiz said if the City Manager wants the Governing Body to give him authority for approval on the organizational charts, and those are contained in the budget, he said we can give direction and any set criteria and conditions on any of the boxes/positions to be filled.

Mr. Romero would prefer that he can fill any positions in the organizational chart in yellow, and use his authority under the Personnel Rules, and come back monthly or quarterly with a report on vacancy savings and that we are meeting our budget obligations.

Mayor Coss said if it is in red, it won't be funded this year.

Chair Ortiz said then we could take action to remove the red positions.

Mr. Romero said he can redo the org charts with the red positions removed, so you can see what is to be filled, and create an organizational chart with positions which are funded in yellow and gray, and come back to the Council to get those positions reinstated.

Councilor Wurzbarger asked why do we need to do that, and is comfortable saying those in red will not be funded, noting it takes a lot of effort to re-create positions, and she would rather leave them there. She doesn't want to spend time arguing about those which have been created and never filled. She doesn't want that debate as part of this year's budget, commenting if necessary we can do that, but not at the May 16<sup>th</sup> meeting.

Councilor Dominguez said it would be good for historical knowledge to be able to see those, and where those positions used to fit in the organization, so if we get to better times, we can compare with what has or hasn't worked in the past. He has no showing those as unfunded, and eliminated from the payroll.

Councilor Bushee said a more a general topic would be taking comments from the City Manager with regard to where we might be top-heavy – existing staff versus what we need. She sees this as a discussion beyond this fiscal year, noting these haven't been slashed, just not filled.

Mr. Romero said if you look closely we have eliminated a lot of high level management positions at the request of the Committee last week, and he is amending the spreadsheet to show whether they are non-union or union, what year they were eliminated. He said the comments about being top-heavy were made by Lawrence, and he never said we are top-heavy.

Councilor Bushee people from the departments said they weren't filling positions because of efficiencies, which said to her we were doing fine without those positions, and asked at what point we say we're not going to have those positions on the org. chart.

Mr. Romero said the only ones he wants to work on reestablishing were in streets, and other that that he comfortable for the next year to provide services with the people we have now, unless there is a good reason to fill one of those positions.

Councilor Bushee said she still wants to have that discussion.

Mr. Romero said unless and until the Council makes a decision to re-create or re-fund one of those positions in red, they always will be gone. He likes Councilor Dominguez's idea about leaving them there and it would be a useful tool for the future to know what we did and what was eliminated. However, he will do whatever the Committee decides.

Councilor Romero is comfortable in leaving them here for historical purposes, and Mr. Romero filling those positions in yellow.

Mr. Romero said we still have to run the City, and he wants the authority to fill the yellow positions which are essential to do that, reiterating he is comfortable with reporting monthly or quarterly on vacancy savings – he would like to have the authority to fill positions which are vacant. He will look at every vacant position to see if we really need it. He said some positions in yellow may be eliminated during the coming year because we found a better way to do things and "turn that position red."

Councilor Romero said she is okay with that, and if it is in the budget it is approved, and there is no reason to bring it back. She said a tremendous amount of savings have been realized in top management in the organizational charts.

Mr. Romero said some of the directors are doing 3 jobs such as Brian Snyder, or Isaac Pino who is doing 2 jobs, and he proposes to continue with existing management staff. He said he may be able to find other directors who can do more than one job, and will bring those forward.

Chair Ortiz said Mr. Romero is asking to change the way we've been doing things during this fiscal year, noting at times he hasn't included the salary for positions he would like to hire. He said, for example he would eliminate Vicki Gage's position, and take it out of the org chart, instead of keeping it in red, commenting he believes this position is completely unnecessary. He said Mr. Romero would have the authority to fill a position because it is on the organizational chart, and could, for example, make a decision to fill Vicki's former position and keep Vicki as the Acting Director. He said the same is for the CVB Director, where the Committee gave direction to Mr. Romero to fill the position for a lesser amount.

Chair Ortiz said he doesn't know that we want to give Mr. Romero the authority to decide how much to pay people, noting we would have the opportunity to discuss that if he had to bring those positions to the Council before deciding to fill them, as opposed to giving an update after the fact.

Mr. Romero said every promotion he has given this year has been sustainable. He said, for example Vicki Gage's position. He said Ms. Kuebli's position was eliminate, and we give Vicki a promotion, noting we aren't saving the entire amount of Ms. Kuebli's pay. He is willing to provide a list quarterly of who got promotion, why and how it is sustainable. He doesn't want to give a promotion which will cost us more than this year. He is asking everyone to explain how a promotion/filling a position will be sustainable in the future, and he will be happy to explain that rationale for each such action.

Councilor Wurzbarger said she is comfortable with that.

Councilor Bushee said there are a lot of red positions in the Water Division.

Mr. Romero said those positions were eliminated in 2007-2008, and those are vacant positions the Water Division felt it didn't need.

Mr. Snyder said a good number of those positions were created in anticipation of BDD coming on line, and we didn't need to fill those, and he is comfortable in not filling those positions.

Councilor Bushee noted the vacant positions in Transit, and asked how he managed to operate the system without these employees.

Mr. Romero said they have been filling those positions by hiring temporary people.

John Bulthuis said this year they have been filling those as temporary positions, and once the budget is approved he hopes to transfer some of the temporary positions to full-time positions.

Robert Romero said one of these positions was approved to be filled to prevent paying more overtime.

Councilor Bushee said then all of the yellows, if filled, as sustainable.

Mr. Romero said yes, noting they are including a lesser vacancy savings credit than last year, because we haven't had as much movement as in years past, and he is comfortable that we won't be digging a deeper hole in filling these positions

Mr. Romero said yes, but he has to watch the vacancy savings credit closely.

Councilor Bushee said there are 29 unfilled positions in the PD, and wants to know what he will do about the vehicle take-home policy with the new positions.

Mr. Romero said we can discuss this at the May 16<sup>th</sup> meeting. He said one of the issues is that the Vehicle Take-Home Policy is a bargaining unit issue, and he and the Chief can speak about that in more detail.

Councilor Bushee said we have been discussing a new policy for months, but she has yet to see a new policy.

Mr. Romero reiterated, because it is negotiable we have to make sure what we can and cannot discuss. Mr. Romero said they are working aggressively to fill the 20 commissioned officer positions, and has asked the Chief what it takes to fill these critical positions.

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

## **B. 2011/2012 BUDGET GAP. (ROBERT ROMERO)**

*The Committee commented and asked questions as follows:*

- Chair Ortiz said, pending the discussion on Wednesday at PUC with the utilities consultant, he is in favor of the 1.633% reallocation, presuming Mr. Mumm says it is sustainable. He would propose as a possibility to close the balance of the gap, using the numbers in Councilor Chavez's Resolution, he would propose a 3% reduction for the top 1/3 for a savings of \$772,000, and a 1.5% cut for the bottom 2/3 of City employees for a savings of \$437,000; plus the \$1.1 million from the Water Division; plus the diversion of the environmental GRTs from Wastewater. He said this will give us sustainable revenue of approximately \$4 million in savings. He said all of these items will be on the agenda for action at the May 16<sup>th</sup> meeting.
- Councilor Bushee asked if we will have the Cash Reserve analysis at the May 16<sup>th</sup> meeting, and Chair Ortiz said yes.
- Councilor Bushee said the \$1.1 million payback from the Water Company isn't listed on the current Budget Cap sheet as a "yes, let's do it."

Mr. Romero said there was no direction to do so at the last meeting, so he felt it wasn't appropriate to move those.

- Chair Ortiz said it wasn't an action item so there was no vote. However, there was a consensus of the Committee to add this, with the exception of Councilor Calvert.
- Councilor Wurzbarger said Councilor Calvert wanted a plan for the total repayment by the Water Division, and we were okay with that, but felt it wouldn't happen in this budget cycle.
- Councilor Bushee asked if information is available on the Franchise Fee in terms of the cost to the ratepayer.

Mr. Pino said the average monthly bill is \$70 a month, the increase would be 2% or \$1.40 per month.

- Chair Ortiz said if we moved the \$500,000 for the Franchise fee to the right, we could delete the 1.5% cut the lower 2/3 employees.

It was the consensus among the Committee to move the \$500,000 increase in Franchise Fees to help to cover the budget gap.

- Responding to Councilor Bushee, Mr. Romero said in his discussions with PNM, if we just increase the fee it is fine with them, but if we get into other things we could be in negotiations for a while. He doesn't know we could get that done by July 1<sup>st</sup>.
- Councilor Bushee asked if there has to be a Franchise Agreement in place to do the increase, noting she wants to ask about some land by their substation.

Mr. Romero said to be clear, he spoke with PNM and raising this fee is very simple, but he is unsure what would happen if we brought something into the picture.

- Councilor Bushee said she will speak with Mr. Romero about this, noting it involves some land they would like to use for a trail.
- Councilor Romero asked, regarding the franchise fee, if we don't add anything else, the franchise fee increase can move forward and absolutely is doable by July 1<sup>st</sup>, and Mr. Romero said this is his understanding. She said other items could be bracketed for other discussion at a different time.

Mr. Pino said PNM will talk about two items: one is the increase, and the other is a new term for the Agreement which has been expired for some time, and PNM would like to open these two items for discussion.

- Councilor Romero said then we will move the \$500,000 to the right column, and that will be discussed on May 16<sup>th</sup>, and Mr. Romero said yes.
- Chair Ortiz said we can give conceptual approval to move those items over, and take action on all formal action on all of the proposals at the May meeting.
- Responding to Councilor Bushee, Chair Ortiz said the \$1.1 water payback can be included.

Mr. Romero said he has heard proposals to add the \$500,000 Franchise Fee, the \$1.7 million for the GRT, and \$1.1 million from the Water Payback.

- Chair Ortiz said he is also proposing a 3% decrease for employees in top third in Councilor Chavez's Resolution which is a savings of \$770,071, noting he got this number by looking at the numbers in Councilor Chavez's Resolution, divided it by 5 and multiplied it by 3. He said to the extent positions are in a bargaining unit, we would have to negotiate those numbers.
- Councilor Dominguez asked Mr. Romero if he provided the information on when the top 1/3 employees last received an increase.
- Mr. Romero said it isn't there, but assuming the top 1/3 is management, Management has not received an increase, other than through promotion, since 2006/2007.
- Councilor Dominguez would like that information in writing for the May 16<sup>th</sup> meeting.
- Mayor Coss said he strongly supports the GRT transfer from Wastewater to the General Fund which seem appropriate and sustainable, especially if we can avoid doing the next 3 rate increases without impacting that Fund. He does not agree, and will oppose attacking the top 1/3 of the work force with a 1% pay cut. He said these people work as hard as everyone, especially to provide these numbers and manage all these systems with reduced staff, and the ones who haven't had a pay raise in 3 years. He believes it will cause a large compaction and morale problem, besides being unfair to some of our top career public employees. He said it would be a thorny issue to negotiate with the unions, and we cause major damage to our personnel payroll system. We take money away from people who work very hard. He said if we are taking \$1.1 million from water, we need to look at other cash reserves to avoid doing this, especially given the \$1.6 millions in incentives and leave taken away.
- Councilor Bushee said the Mayor charged us with finding sustainable sources of money to fill the budget gaps. She is open to looking at cash balances, but none of that is sustainable and she believes some sort of salary reduction as proposed by Councilor Ortiz is more sustainable. She said we have not decided on any of these things, and we are still trying to nail down the numbers by May 16<sup>th</sup>.
- Councilor Wurzbarger wants to be sure the Cash Balances are available to the Committee before the PUC meeting next Tuesday as important context for the decision on the Wastewater GRT. She said this will be the first item on the agenda, and said she hopes all members of the Governing Body are in attendance.
- Councilor Dominguez also wants that information on cash balances. He said he will stay consistent with what he has said all along, which is he doesn't think we should take money from any public employee. Just as we shouldn't separate public employees from the rest of the organization, we shouldn't separate management either, because they are public employees.
- Chair Ortiz said he will stay consistent as well. He said we are living in different times, and to say that we can continue to support recurring raises in this economy, is myopic and wrong. He said we have learned through this budget process is we need to change those realities. He said the public

is in a place now where they want to continue the status quo, as we heard from their comments. He said to continue the status quo where we can provide anything and everything to our employees without realizing the raises given over the past 3 years need to be reconsidered, is not beneficial to the organization. He welcomed the #3999 information and their analysis showed that we can sustain further cuts. He said whether that comes from management, or bargaining units, staff needs to do that analysis. He said does not believe we can continue to take from cash balances and say we are there. He said all of the work we have done over the past months leads us to doing things differently. He said we need to have those discussions at this Committee where we can come up with a compromise at all levels, and not through press releases. This is the reason for his proposal, which will benefit everyone including the public, the ratepayers, and taxpayers.

- Councilor Wurzbarger would like a list of what we have done to balance the budget in the past 2-3 years with non-recurring money, which will be non-recurring in the future. She would like this information by Wednesday, noting Mr. Romero gave her a spreadsheet with this information, and she wants that shared with the entire Committee.

Mr. Romero said he will do so and highlight the ones that are sustainable and the ones that are not.

- Chair Ortiz noted he saw the spreadsheet and can demonstrate the leap that is being taken by this Governing Body and show what is and isn't sustainable, and agreed that document should be shared so we can have that discussion.
- Councilor Bushee would like to discuss a general policy on retention and expenditures on reserves.
- Councilor Bushee also wants a discussion at some point about the raises given to employees, noting she understood there was a 10% limitation.
- Mr. Romero said he is more than willing to discuss the rationale on every one of those raises.
- Councilor Bushee would like a written policy in place, and a discussion about what it should be.

Mr. Romero said he believes he followed the Personnel Rules and Regs as currently established.

- Councilor Bushee would like a copy of those, and Mr. Romero said he will ask Ms. Gage to provide this. She would also like for him to put the raises and justification on line.

Mr. Romero said yes, noting everything presented to this Committee is on line.

- Councilor Bushee said she has been asked when the public will be able to "chime in" on the budget, and asked if there will be a public hearing at the City Council on approval of the budget.

Mr. Romero said this is at the discretion of the Governing Body.

- Chair Ortiz asked if the City Council has ever in its history had a public hearing on the budget.
- Councilor Bushee said at least 15 people have asked, and she told them we didn't do this as a general rule. She said we are putting things on line and people are more involved.
- Chair Ortiz said we could have another public hearing on the items we have, noting this will be the 3<sup>rd</sup> public hearing.
- Councilor Bushee said it also could be at the Council level, noting people have asked how to weigh-in on the budget other than in letters to the editor.
- Councilor Wurzbarger said she has about 125 emails or phone calls a day, as well as voice mail message at the City. She doesn't answer every one, but she reads or listens to each one and writes down the general idea and she will provide that to the Committee – the pros and cons of what people are saying. However, she wants to hear further justification for a public hearing on a budget that we plan to approve. She said, although she doesn't want to go there, she is open to hearing a rationale which would convince her otherwise.
- Councilor Romero said the whole issue of reserves has been difficult for her to understand during her short tenure on the Council, because it means different things at different times. She said there are reserves that shouldn't be touched, such as the Health Fund and Wastewater where there are good reasons to keep reserves. She said we have to be careful about the reserves and what each pool means, noting it is confusing to members of the public. She said we grapple with where we can raid each year, and she is uncomfortable with that without some sort of clarity on the sustainability of reserves.

Councilor Romero said it would be helpful to have a spreadsheet on the reserves and explaining what these pockets of money mean and the implications of using the reserves to offset the budget.

**MOTION:** Councilor Bushee moved, seconded by Councilor Wurzbarger, to approve conceptually putting the \$1.1 payback from the Water Division and the increase in Franchise Fee, into the "yes column to cover the budget gap."

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

## **25. OTHER FINANCIAL INFORMATION**

There was no other Financial Information.



**26. MATTERS FROM THE COMMITTEE**

Chair Ortiz said, for the May 16<sup>th</sup> meeting, we will start at 4:00 p.m. with the regular Finance Agenda. If St. Vincent is not ready to proceed, we can start the budget discussion right after that. He needs to know about this as soon as possible.

**27. ADJOURN**

There was no further business to come before the Committee, and the meeting was adjourned at 6:15 p.m

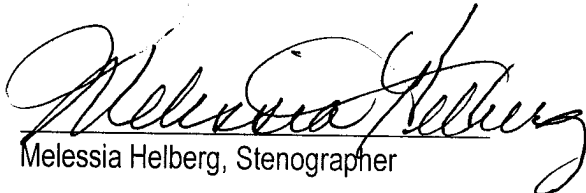
---

Matthew E. Ortiz, Chair

Reviewed by:

---

Kathryn L. Raveling, Director  
Department of Finance



Melessia Helberg, Stenographer