



Agenda

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 5/18/12 TIME 1:45
SERVED BY [Signature]
RECEIVED BY [Signature]

Special Finance Committee Meeting and FY 2012/2013 Operating Budget
Review – April 23, 2012

Special Finance Committee Meeting – April 30, 2012

CONSENT AGENDA

6. Request for Approval of Agreement – Implement and Support Automatic Vehicle Locator System for City of Santa Fe Fleet Vehicles; Radio Satellite Integrators, Inc. (Thomas Williams)
7. Request for Approval of State of New Mexico Audit Contract – Financial and Compliance Audit Services for Fiscal Year Ending June 30, 2012; Atkinson & Co. (Teresita Garcia)
8. Request for Approval of Professional Services Agreement – DeFouri St. Bridge Replacement Project (RFP #12/17/P); The Louis Berger Group, Inc. (Desirae Lujan)
9. Request for Approval of Sole Source Procurement and Professional Services Agreement – Santa Fe Municipal Drug Court and DUI Court Program Services; Millennium Treatment Services, Inc. (Antoinette Armijo) (Judge Yalman)
10. Request for Approval of Funding Recommendations for Human Services Providers for Fiscal Year 2012/2013 (Isaac Pino and Terrie Rodriguez)
11. Request for Approval of Funding Recommendations from Children and Youth Commission for Fiscal Year 2012/2013 (Isaac Pino and Terrie Rodriguez)



Agenda

12. Request for Approval of Procurement Under State Price Agreement – Specialized Street Bike Signs and Pavement Markings for Trail; 3M Company (Randy Blake)
13. Request for Approval of Procurement under Cooperative Price Agreement – Purchase of Refuse Containers for Environmental Services Division; Wastequip Inc. (Cindy Padilla)
14. Request for Approval of City of Santa Fe Investment Policy Revisions (Helene Hausman)
15. Request for Approval of a Resolution Relating to a Request for Approval of Third Quarter Adjustments for Fiscal Year 2011/2012 for Quarter Ending March 31, 2012 (Cal Probasco)
16. Request for Approval of a Resolution Endorsing the North Central Regional Transit District's FY2013 Budget Proposal, approving the FY2013 City of Santa Fe Regional Transit Plan and Directing Staff to submit the City of Santa Fe Regional Transit Plan for FY2013 to the North Central Regional Transit District Board of Directors for Consideration and Approval. (Councilor Bushee) (Jon Bulthuis)

Committee Review:

City Council (scheduled)

05/30/12

Fiscal Impact - Yes

END OF CONSENT AGENDA

DISCUSSION

17. 2012/2013 Budget

Recommend Approval of:

A. Insurance Recommendations

B. a Resolution Directing that the 2012/2013 Fiscal Year Budget Include: Salary Incentives for Commissioned Police Personnel who Reside



Agenda

within the Corporate Limits of the City of Santa Fe and a Program for Commissioned Police Personnel to Reside on City Property; and Implementing a Mileage Distance of 15 Miles for New Commissioned Police Personnel to Take Home Police Vehicles. (Councilors Dimas, Bushee, Calvert, Trujillo, and Wurzbarger) (Police Chief Raymond Rael and Dr. Melville Morgan)

Committee Review:

| | |
|--------------------------|----------|
| Finance (study session) | 05/14/12 |
| City Council (scheduled) | 05/30/12 |

Fiscal Impact – Yes

- C. a Resolution Directing that the 2012/2013 Fiscal Year Budget include an Appropriation for Funding a One Percent (1%) Salary Increase for Members of the Santa Fe Police Officers Association (POA), for Members of The Santa Fe Firefighters Association (FFA), Members of AFSCME, Local 3999 (AFSCME) and Non-Union Employees; and Providing Direction for Collective Bargaining Negotiations. (Mayor Coss) (Robert Romero)

Committee Review:

| | |
|-------------------------|----------|
| Finance (study session) | 05/14/12 |
| Council (scheduled) | 05/30/12 |

Fiscal Impact - yes

- D. 2012/2013 Budget GAP Changes if Required

18. OTHER FINANCIAL INFORMATION

- A. Update on Gross Receipts Tax Report Received in May 2012 (For March Activity) and Lodgers' Tax Report Received in May 2012 (For April 2012 Activity) (Dr. Mel Morgan)

19. MATTERS FROM THE COMMITTEE

20. 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 AND
FY 2012/2013 OPERATING BUDGET REVIEW
Monday, May 21, 2012**

| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE</u> |
|--|-----------------------------------|-------------|
| CALL TO ORDER AND ROLL CALL | Quorum | 1 |
| APPROVAL OF AGENDA | Approved | 1-2 |
| CONSENT AGENDA | Approved [amended] | 2 |
| CONSENT AGENDA LISTING | | 2-3 |
| <u>APPROVAL OF MINUTES</u> | | |
| SPECIAL FINANCE COMMITTEE MEETING AND FY 2012/2013 OPERATING BUDGET REVIEW – APRIL 23, 2012 | Approved | 3 |
| SPECIAL FINANCE COMMITTEE MEETING – APRIL 30, 2012 | Approved | 3 |
| <u>CONSENT CALENDAR DISCUSSION</u> | | |
| REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – DEFOURI ST. BRIDGE REPLACEMENT PROJECT (RFP #12/17/P); THE LOUIS BERGER GROUP, INC. | Approved | 3-4 |
| REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FOR HUMAN SERVICES PROVIDERS FOR FISCAL YEAR 2012/2012 | To City Council w/staff direction | 4-10 |
| REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FROM CHILDREN AND YOUTH COMMISSION FOR FISCAL YEAR 2012/2013 | Approved | 11-14 |
| REQUEST FOR APPROVAL OF CITY OF SANTA FE INVESTMENT POLICY REVISIONS | Approved | 14 |

ITEM

ACTION

PAGE

REQUEST FOR APPROVAL OF A
RESOLUTION RELATING TO A REQUEST
FOR APPROVAL OF THIRD QUARTER
ADJUSTMENTS FOR FISCAL YEAR 2011/2012
FOR QUARTER ENDING MARCH 31, 2012

Approved

15

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

2012/2012 BUDGET – RECOMMEND
APPROVAL OF:

INSURANCE RECOMMENDATIONS

Approved

15-16

A RESOLUTION DIRECTING THAT THE 2012/2013
FISCAL YEAR BUDGET INCLUDE: SALARY
INCENTIVES FOR COMMISSIONER POLICE
PERSONNEL WHO RESIDE WITHIN THE
CORPORATE LIMITS OF THE CITY OF SANTA FE
AND A PROGRAM FOR COMMISSIONER POLICE
PERSONNEL TO RESIDE ON CITY PROPERTY;
AND IMPLEMENTING A MILEAGE DISTANCE OF
15 MILES FOR NEW COMMISSIONED POLICE
PERSONNEL TO TAKE HOME POLICE VEHICLES

Withdrawn by Sponsor

16-22

A RESOLUTION DIRECTING THAT THE 2012/2013
FISCAL YEAR BUDGET INCLUDE AN APPROPRIATION
FOR FUNDING A ONE PERCENT (1% SALARY
INCREASE FOR MEMBERS OF THE SANTA FE POLICE
OFFICERS ASSOCIATION (POA), FOR MEMBERS OF
THE SANTA FE FIREFIGHTERS ASSOCIATION (FFA),
MEMBERS OF AFSCME, LOCAL 3999 (AFSCME) AND
NON-UNION EMPLOYEES; AND PROVIDING DIRECTION
FOR COLLECTIVE BARGAINING NEGOTIATIONS

Approved [amended]

22-24

2012/2013 BUDGET GAP CHANGES, IF REQUIRED

Approved [amended]

24-25

OTHER FINANCIAL INFORMATION

UPDATE OF GROSS RECEIPTS TAX REPORT
RECEIVED IN MAY 2012 (FOR MARCH ACTIVITY)
AND LODGERS' TAX REPORT RECEIVED IN MAY,
2012 (FOR APRIL 2012 ACTIVITY)

25

| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE</u> |
|----------------------------|----------------------|--------------------|
| MATTERS FROM THE COMMITTEE | None | 25 |
| ADJOURN | | 25 |

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE AND
FY 2012/2013 OPERATING BUDGET REVIEW
Monday, May 21, 2012**

1. CALL TO ORDER

A regular meeting of the Finance Committee and FY 2012/2012 Operating Budget Review, was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, May 21, 2012, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Patti J. Bushee
Councilor Christopher Calvert
Councilor Bill Dimas

MEMBERS EXCUSED:

Councilor Peter N. Ives

OTHERS ATTENDING:

Dr. Melville L. Morgan, Director, Finance Department
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

MOTION: Councilor Calvert moved, seconded by Councilor Dimas, to approve the agenda, as published.

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

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Calvert moved, seconded by Councilor Dimas, to approve the following Consent Agenda as amended.

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

CONSENT AGENDA

6. **REQUEST FOR APPROVAL OF AGREEMENT – IMPLEMENT AND SUPPORT AUTOMATIC VEHICLE LOCATOR SYSTEM FOR CITY OF SANTA FE FLEET VEHICLES; RADIO SATELLITE INTEGRATORS, INC. (THOMAS WILLIAMS)**
7. **REQUEST FOR APPROVAL OF STATE OF NEW MEXICO AUDIT CONTRACT – FINANCIAL AND COMPLIANCE AUDIT SERVICES FOR FISCAL YEAR ENDING JUNE 30, 2012; ATKINSON & CO. (TERESITA GARCIA)**
8. *[Removed for discussion by Councilor Bushee]*
9. **REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SANTA FE MUNICIPAL DRUG COURT AND DUI COURT PROGRAM SERVICES; MILLENNIUM TREATMENT SERVICES, INC. (ANTOINETTE ARMIJO AND JUDGE YALMAN)**
10. *[Removed for discussion by Councilor Bushee]*
11. *[Removed for discussion by Councilor Bushee]*
12. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – SPECIALIZED STREET BIKE SIGNS AND PAVEMENT MARKINGS FOR TRAIL; 3M COMPANY. (RANDY BLAKE)**
13. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – PURCHASE OF REFUSE CONTAINERS FOR ENVIRONMENTAL SERVICES DIVISION; WASTEQUIP, INC. (CINDY PADILLA)**
14. *[Removed for discussion by Councilor Bushee]*
15. *[Removed for discussion by Councilor Bushee]*

16. REQUEST FOR APPROVAL OF A RESOLUTION ENDORSING THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT'S FY 2013 BUDGET PROPOSAL, APPROVING THE FY2013 CITY OF SANTA FE REGIONAL TRANSIT PLAN AND DIRECTING STAFF TO SUBMIT THE CITY OF SANTA FE REGIONAL TRANSIT PLAN FOR FY 2013 TO HE NORTH CENTRAL REGIONAL TRANSIT DISTRICT BOARD OF DIRECTORS FOR CONSIDERATION AND APPROVAL (COUNCILOR BUSHEE). (JON BULTHUIS) Committee Review: City Council (scheduled) 05/30/12. Fiscal Impact – Yes.

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES:

SPECIAL FINANCE COMMITTEE MEETING AND FY 2012/2013 OPERATING BUDGET REVIEW – APRIL 23, 2012.

SPECIAL FINANCE COMMITTEE MEETING – APRIL 30, 2012.

MOTION: Councilor Bushee moved, seconded by Councilor Calvert, to approve the minutes of the Special Finance Committee meeting and FY 2012/2013 Operating Budget Review of April 23, 2012, as presented.

VOTE: The motion was unanimously on a voice vote.

MOTION: Councilor Calvert moved, seconded by Councilor Dimas, to approve the minutes of the Special Finance Committee meeting of April 30, 2012.

VOTE: The motion was unanimously on a voice vote, with Councilors Dimas, Calvert and Chair Dominguez voting in favor of the motion, no one voting against and Councilor Bushee abstaining.

CONSENT CALENDAR DISCUSSION

8. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – DEFOURI ST. BRIDGE REPLACEMENT PROJECT (RFP #12/17/P); THE LOUIS BERGER GROUP, INC. (DESIRAE LUJAN)

Councilor Bushee asked if this item has changed, and Ms. Lujan said yes.

Councilor Bushee asked how it changed.

Ms. Lujan said the exhibits are different. She said the originally attached Exhibit A was from the actual RFP and it should have been for the Scope of Work out of the RFP which is now attached.

Responding to Councilor Bushee, Ms. Lujan said the pedestrian pathway will be ADA compliant.

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

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

10. REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FOR HUMAN SERVICES PROVIDERS FOR FISCAL YEAR 2012/2012. (ISAAC PINO AND TERRIE RODRIGUEZ)

Councilor Bushee asked who is here from the Human Services Committee and staff.

Chair Dominguez said Isaac Pino is here for this item.

Councilor Bushee said she really tries to respect the Committee decisions. She said she was contacted by the Womens Health Services, and she showed them the minutes which said "the Committee could support Womens Health Services for approximately \$50,000, but feel without another source of funding their operations must continue to be reduced." She said there were other organizations under Children and Youth which had issues around fiscal compliance, noting she has questions about the sustainability and longevity of Warehouse 21.

Councilor Bushee said she doesn't want to see Womens Health Services close its door and wants to be sure the City participates in some way. She understands the concerns of the Committee. She asked if it would be possible to "squeeze \$50,000 out from somewhere." She said in the past we have provided them \$50,000 to \$60,000.

Mr. Pino said she is going completely contrary to the RFP process and the grant award process, and asked if this a track on which we want to move forward.

Councilor Bushee said this is a policy decision, and she is asking Mr. Pino where they could find the \$50,000 for the Womens Health Services.

Mr. Pino said they aren't accustomed to adding to the grant awards.

Councilor Bushee said we always discuss these things at budget and sometimes they shift, and sometimes they don't. She is asking where we could get \$50,000 to fund Womens Health Services, saying it isn't a suggestion, just a question.

Terrie Rodriguez said she looked through the budget for the coming FY and she would have about \$25,000 in the Community Crisis response.

Councilor Bushee asked if the \$25,000 is available, saying she doesn't want to use reserves.

Ms. Rodriguez said the \$25,000 is available.

Councilor Bushee asked Ms. Rodriguez how she would use those funds otherwise.

Ms. Rodriguez said it would be used if something comes up where we need additional funds to do a study, for example.

Councilor Calvert said he is one of the biggest supporters of the Resource Center [ROC]. However, it thought it was clearly understood that once the City purchased the building, they would not come back to the City for further funding. He said he particularly takes exception to the remark on page 5 where it says, "The representatives of the ICSG also stressed the importance of the City of Santa Fe's funding since they operate in a City of Santa Fe Building." He said they are using the fact that we bought the building against us. He fully supports the operation and mission, but said "every time he talked to people about purchasing the building I said, okay, but this is with the understanding that we are not going to funding you year after year into the future, and they all nodded their head yes."

Councilor Bushee said, although she understands his concerns, her memory is that they weren't to come back for more funding for the building. She said she always had the impression that the City in some way would have to help support it.

Chair Dominguez asked if staff has that recollection or documents which indicates the City's obligation for ROC.

Councilor Bushee said she would like to hear from the Committee members on this.

Ms. Rodriguez said Shirley Davidson, Committee member and the Committee Chair Betty Ann Rose are in attendance.

Chair Dominguez asked Ms. Rodriguez to address this issue and then the Committee members will speak.

Ms. Rodriguez said she recalls that the City said when it purchased building, that the City wouldn't be looking at additional operating costs for the SF ROC. She said they do an open RFP process, and this was for the operation of the winter shelter. She said the Interfaith Community Shelter Group are the applicants for this, and also are the fiscal agent for ROC. She said the requested funding is for the winter shelter.

Councilor Calvert said he won't insist on taking it out of the budget this year, but he is going to ask for a better understanding moving forward of our relationship with ROC. He said he didn't know there was a distinction between the ROC and for the winter shelter, once they had the building going all year around.

Councilor Bushee would like the Committee to talk about the recommendation for funding Womens Health Services.

Ms. Rodriguez introduced Shirley Davidson who went with her for the site to Womens Health Services this year, as well as meeting with them another time.

Shirley Davidson, member of the Human Services Committee, said, with regard to the Interfaith Shelter issue, one of the major issues is that they are getting increasing numbers of people in the shelter and growing beyond what anyone expected. She said also, people who are inebriated are coming in, and the Police are bringing more and more people to the shelter at night, and they need more staff to make it a safe place for everyone. She said they felt the needs were so incredibly high right now that the Committee needed to follow through with that funding.

Councilor Calvert reiterated this isn't the understanding we had with the ROC moving forward from the purchase of the building.

Councilor Bushee said there are other organizations about which she had concerns which are funded. She said the Children & Youth Commission did the same with the Boys and Girls Club and Warehouse 21. She asked the Committee's thoughts if there was an opportunity to use the \$25,000.

Ms. Davidson said this is a difficult process, because they all see the positive things done by the Womens Health Center, so it was a very painful process. She said, as she understands the guidelines for the Committee, they were to look at organizations which had accountability, sustainability projects, where things were working and things were increasing. She said they also looked at the presentation at the time of decision making about funding – how well they were presented at the time with specificity about what was needed and how the funds were to be used specifically. She said in this age of accountability, in terms of funding, we are all "really on the line for looking at those things and for evidence based practice issues in clinical environments." She also recalls that the Committee felt they needed more money than what they were requesting to "get out of the hole, so they not only go from where they are, but to increase what's needed in the community." She said the Committee had lots of unanswered questions at the time of funding decision-making, and that is how they came to that conclusion. They were hoping things would push ahead, so a wider range of people would see the issues involved here, the needs they have, as well as what they do positively in the community, instead of just continuing to fund and then them getting into trouble financially, and keep going on like that. She reiterated that it was a very difficult decision.

Councilor Bushee noted the Womens Health took a big cut from the State, saying she didn't want the City to be in line to give them the "same whacking."

Councilor Calvert said on page 4 of the staff report it says, "The Committee could support WHS with approximately \$50,000..." He said since they didn't get those funds, the Committee spread the \$50,000 between the other providers.

Councilor Bushee asked if this Committee would support using the \$25,000 as described by Ms. Rodriguez, saying she is struggling because she doesn't want to go against the process or the Committees in its good works.

Chair Dominguez asked Ms. Rodriguez to comment on the \$25,000 contingency which is budgeted.

Ms. Rodriguez said this is the Crisis Response money. She said when they completed funding for a grant from the Robert Wood Johnson Foundation, they gave them the amount they "had held out, for crisis response." She said they expended those funds 2-3 years later for the Sobering Center and she has been building that amount into her budget, about \$50,000. She said she has \$10,000 for the Food Policy Council which was approved by the Council, and \$2,000 is used for research.

Chair Dominguez said then the \$50,000 isn't discretionary funding, and it meets an identified need which is approved by the Council.

Ms. Rodriguez said yes, and the funds typically are used for things which the Council directs them to do, so there is \$25,000 available now for 2012/2013.

Councilor Calvert said the Report indicates, "The Committee wishes to support WHS as they restructure and hopes the City Council will allow payment for consultant fees or other assistance as they may request." He understands they need money, but what we have is insufficient, and said perhaps we can help them better to restructure so they can get into the kind of operation they need to be.

MOTION: Councilor Calvert moved, seconded by Councilor Dimas, to approve this request as recommended by staff.

DISCUSSION: Chair Dominguez said, "For the record, Womens Health Services did apply and went through the process that has been laid out."

Ms. Rodriguez said, "Correct."

Councilor Dimas would like to allow the representative from Womens Health Services to speak to this issue.

Ethel Hesse, Womens Health Services, said as long as she has been involved, there has been funding from the City's Human Services Committee, but there has been a change this year. Ms. Hesse said they see 4,500 to 4,800 patients annually, 50% of which are uninsured or under insured, or on a medicaid sliding scale. She said they receive \$264,000 annually from the Rural Primary Health Care and County Indigent Funds of \$70,000. She said they have "various and sundry grants" from various Associations, and they request funding from other sources as well. She said \$50,000 is important to them, and without the funding they would not close their doors, but they would need to reduce staffing which would make it more difficult for patients to get in – waiting lists and such. She said health care is a real challenge in this area of Northern New Mexico, and they are always trying to prevent people from going to the emergency rooms which is the most expensive health care that is "out there."

Ms. Hesse said at the present time they are interviewing an additional provider. The family of a recently deceased woman wants to memorialize her, and we are looking at ways to inform women about heart disease.

Ms. Hesse said they recently achieved first level medical home certification – from meaningful use. They are moving forward to be compliant when the Affordable Health Care Act is fully implemented. She said they are looking at collaborations to see how we can make primary health care the best and independent.

Councilor Dimas said they requested \$100,000, and asked how much good would the \$25,000 do at this point.

Ms. Hesse said every dollar helps, noting they recently had a very successful fundraiser, which exceeded their expectations, reiterating they are working hard to get additional funds.

Councilor Dimas said the \$25,000 is an emergency fund for things which might arise with any of the other providers. He asked Ms. Rodriguez what would be the impact to her budget to give that \$25,000 to Womens Health.

Ms. Rodriguez said if anything came up she would have to ask "our dear Finance person to find the money," because she would have no funds in the budget.

Ms. Rodriguez said Womens Health does good work in the community, and the Committee was hoping that it would change its operations, and we could use some funding to help with the transition, such as a consultant to work with them. She said they have streamlined as much as possible. She said they are holding positions open, because they can't fill them, noting these are fundraising positions or policy and research positions, and a professional administration which are positions which are critical to an organization to continue to find dollars and do the streamlining. She said the cuts also went into the Committee's thinking that they needed some impetus to push them to get to a new place.

Chair Dominguez asked Ms. Rodriguez if there were other organizations which applied, but weren't funded.

Ms. Rodriguez said no, all of the other organizations which applied were funded.

Chair Dominguez asked Ms. Hesse how they would use the \$25,000, if approved, and "does it meet the requirements that we have for all of the other organizations."

Ms. Hesse said the funds would pay doctors to see patients.

Chair Dominguez said the \$25,000 wouldn't pay a full time doctor, and he wants to know "how much it will get you, and do you have a plan on how it is that you're going to spend those funds, or will it go into their general fund to be used however they see fit."

Ms. Hesse said it will be used toward the salary of a doctor, about 1/4 time. She said they are looking at increasing the number of patients seen and scheduling the visit times accordingly, which also will increase revenues that way.

Councilor Bushee noted the Literacy Volunteers funding was doubled over last year and asked the reason.

FRIENDLY AMENDMENT: Councilor Bushee would like to amend the motion to use the \$25,000 from the Human Services Budget. **THE AMENDMENT WAS NOT FRIENDLY TO THE MAKER.**

MOTION TO AMEND: Councilor Bushee moved, seconded by Councilor Dimas for purposes of discussion, to use the \$25,000 from the Human Services budget.

DISCUSSION ON THE MOTION TO AMEND: Ms. Davidson said, with regard to the increased funding for the Literacy Volunteers, it was because the numbers of people needing help has increased so much. She said this group also helps people to get employment, commenting they articulated quite well the specific things they were going to do with the money. She commented that it is an amazing program.

Councilor Bushee said she would rather use the money here, rather than for consultant fees, commenting she would like to find a way to help Womens Health Services other than for consultant fees.

Councilor Calvert asked Ms. Hesse what is the amount of the gap they are trying to address.

Ms. Hesse said it was \$380,000, but they have cut back expenses to meet that. She said right now the Medical Director position is combined with the position of Executive Director, noting they operated like that for many years and isn't necessarily a bad thing. The other position not funded was an outreach position, but they have contracted with somebody to provide those services with funding from the Frost Foundation. She said, although it is hard to say whether or not the \$25,000 will fill the entire gap, it probably won't. However, it will buy them what they need to move forward with fundraising. They are waiting to hear on two grants from the feds. They are also part of a grant proposal from the University of Pittsburgh.

Councilor Calvert asked what is the amount needed to fund the gap at the current time.

Ms. Hesse said without the \$50,000 it would be about \$119,000.

Councilor Calvert said it would be difficult to pick between the agencies on the list. He said, rather than using the \$25,000 in the emergency fund, he would rather the Committee would go back and find the \$50,000, they initially were willing to grant to Womens Services. He said it appears Womens Health Services is working to close that gap and the \$50,000 would help in that regard.

Councilor Dimas said he agrees with Councilor Calvert, that we shouldn't use the \$25,000, in the event something might go awry. He asked Ms. Rodriguez if there was an emergency fund last year and what was the dollar amount.

Ms. Rodriguez said it was about \$35,000, and she used \$20,000 of it, so there was \$15,000 left. She said she has found year after year something comes up, and usually comes from the Council saying they want to fund something, or something else comes up.

Ms. Davidson said the Committee was unsure of the exact gap and it made the decision to fund difficult. She said when they did the site visit, she understood there was a \$300,000 deficit this year.

Ms. Hesse said that deficit has been closed.

Chair Dominguez said we are asking the funding Committee to stretch the dollars for us, and that puts the Committee in a tough position. He said we give them guidelines, and they are supposed to make decisions based on them. He said then somebody else comes for money and says, "we can really use money and please make it work." He said this is a most worthy organization.

Councilor Dominguez said there currently isn't an Executive Director for the Womens Health Services, which tells him there is work which needs to be do within the organization to make it solvent – an organization which will be sustainable. He has no opposition to this, but we really are putting these funding committees in tough positions.

VOTE ON THE MOTION TO AMEND: The Motion to Amend failed on a voice vote, with Councilor Bushee voting in favor of the motion and Councilor Dimas, Councilor Calvert and the Chair voting against the motion.

CONTINUATION OF DISCUSSION ON THE ORIGINAL MOTION: Councilor Calvert said he doesn't want to pit one organization against another, nor to disrespect the work of the Committee. However, we heard new information today in terms of the viability and sustainability of Womens Health Services. He would recommend at this point to move this forward, with direction to staff to see if the \$50,000 for Womens Health Services can be found, realign the funding throughout the recommendations and bring that forward when it goes to the Council for approval.

WITHDRAWAL OF THE ORIGINAL MOTION: Councilor Calvert withdrew his motion.

MOTION: Councilor Calvert moved, seconded by Councilor Bushee, to move this item forward to the City Council, with direction to staff to reinstate the \$50,000 for Womens Health Services and to shift the funding, however the Human Services Committee sees fit to do that.

DISCUSSION: Councilor Bushee asked Councilor Calvert if he is asking this to be done by the Committee and staff or just the staff – to look at the funding recommendations, reapportion and come up with the \$50,000.

Councilor Calvert said he is asking both. He said, "I said reallocate \$50,000 and then realign the funding accordingly to make that happen."

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

11. REQUEST FOR APPROVAL OF FUNDING RECOMMENDATIONS FROM CHILDREN AND YOUTH COMMISSION FOR FISCAL YEAR 2012/2013. (ISAAC PINO AND TERRIE RODRIGUEZ)

Councilor Bushee said the Memo says that the Boys and Girls Club are experiencing financial difficulties both from past debt and from lack of collection for current operations. She asked the amount they haven't collect.

Ms. Rodriguez said they didn't give the exact numbers, but the issue had been that in order to meet payroll they were drawing from reserve funds. She said the reason the Committee decided to continue to fund the Boys and Girls Club is because they indicated they would know by the beginning of June if they could budget their balance for the fiscal year. If they didn't have that done by June, the Committee figured they wouldn't make that allocation.

Councilor Bushee said then you didn't ask for specific figures on their financial difficulties and took what they said on face value.

Ms. Rodriguez said they did not take it on face value. She said they provided a five-page booklet with information on the collections, and she can provide this to the Committee. She doesn't have those figures off the top of her head. She said the Boys and Girls Club provided pie charts, and anticipated revenue and actual expenditures.

Councilor Bushee's remarks here are inaudible.

Ms. Rodriguez said the Commission discussed what to do about the Boys and Girls Club for quite some time, and felt by June they would know if it would be solvent, before they had to make the actual allocation for contracts for the fiscal year. She said the Commission considered that the Boys and Girls Club are doing very aggressive fundraising, and had a very successful fundraiser recently, as well as looking at additional events from the reconstituted Board.

Councilor Bushee asked if there were concerns around criminal mischievousness in the past.

Ms. Rodriguez said there were concerns about misallocation of funds, but those were at the Club in Santa Cruz and no criminal complaints were ever filed.

Councilor Bushee asked Ms. Rodriguez to provide a list of the funding for the Boys and Girls Club since the 2009/2010 fiscal year by the time this goes to the City Council.

Mr. Rodriguez said that information is on pages 7-8 of the packet.

Councilor Bushee asked if there is anyone attendance from the Children and Youth Commission, and Ms. Rodriguez said no, although she understood Chair Sue Ann Herrmann was to be in attendance.

Councilor Bushee is concerned about Warehouse 21. She said she presumes the recommended \$49,000 is for programming, and Ms. Rodriguez said this is correct.

Councilor Bushee is concerned Warehouse 21 is open only 3 days a week, noting she actively pursued \$1 million to help build the building, commenting it may be over-sized. She asked the status of the rent, commenting she wants the doors open 7 days a week along with increased programming. She said she also wants to talk about the sustainability of Warehouse 21.

Councilor Bushee said she appreciates the standard for funding and this is the first time she has heard the words accountability, sustainability, longevity, financial solvency and such applied to this process. She said she's seen organizations without deep organizational strengths be funded because they've been around forever and are offering services we appreciate.

Mr. Pino said he understands Warehouse 21 is not caught up on its rent, and it hasn't made any additional payments. However, he doesn't know the shortfall off the top of his head.

Councilor Bushee asked if Warehouse 21 is still pursuing funding from the City for that, commenting she is getting calls about this and she doesn't know what is happening.

Mr. Pino said Youth Shelters came with a proposal to participate in conjunction with Warehouse 21, and the Youth Shelters Executive Director told him a month ago that it wasn't being well received by Warehouse 21 and they probably wouldn't go through with that proposal. He said subsequently, he heard the Board of Warehouse 21 had recommended its Executive Director come forward and continue to try to get additional credit for excess services, but nothing has been brought forward. Mr. Pino said it is pretty much *status quo* "from the time we met in the back of the Chambers."

Councilor Bushee asked if there are other funding sources for Warehouse 21 for programming.

Ms. Rodriguez said the other services presented to the Commission by Warehouse 21, were for two plans. One was a retail type of store which was going to be operating out of a space in the front area, which they felt would keep them open longer.

Ms. Rodriguez said it isn't correct that they looked at only 3 days of programming. She said they rent that space to other organizations for different events, both public and private.

Councilor Bushee said the recommended funding for Warehouse 21 is \$50,000 and it keeps its doors open only 3 days a week.

Councilor Rivera arrived at the meeting

Ms. Rodriguez said this isn't totally correct, because they do have a lot of programs which are happening in that space during that time, reiterating there are public and private rentals, such as an ENN meeting.

Responding to Councilor Bushee, Ms. Rodriguez said the schedules she receives from Warehouse 21 shows they have the space pretty well booked for most of 7 days a week. She said they do a dance and other things where the public comes into the space. She said there are only two staffers, Ana and the person who runs the main space, and everyone else is contracted through Warehouse 21. She said Ana and staff are running the space 3 days a week.

Councilor Bushee asked if we can get other subcontractors to help with the rent.

Ms. Rodriguez said, "And we directly asked her that, Councilor, 'Are you only open 3 days a week.' And she brought us the schedules of the times when the space is being used. And when I looked back on their request for reimbursement, the biggest organization that brought them money was Santa Fe Youth Symphony which uses that space very often."

Councilor Bushee said, "I'm just really looking for the longevity, that sustainability of our funding sources, and I want to make sure the same standard is being applied, that we are actually really asking those hard questions, because I still have concerns that they're going to come here and ask for, I don't even know how much money they are in arrears. And so, when I see progress that Women's Health made to try and fill its gaps and restructure and work with other nonprofits to be more sustainable. I saw them do that work. And so I wanted to make sure and I appreciate Councilor Calvert's willingness to have the Committee take another look at it. I feel although I have the same concerns, still remain for me, that I don't have anybody here to ask, like I was grateful that we had these people here today from the Human Services Committee. I would really personally like to know more. I can't just blanketly move this forward myself. I won't be able to support this until I have [inaudible]."

Chair Dominguez said, in terms of priorities, organizations such as Zona where we have invested capital monies, and which provides services to a part of our community where you have the largest numbers of youth in the neighborhoods and the poorest youth. He said part of the reason it is getting only \$10,000, is because it hasn't been able to prove that sustainability, compared to Warehouse 21 and Boys and Girls Club. He said Zona is new and still has some time to be able to prove that sustainability. He said the reality is that everyone is going to be asking the City for money. He said the County, the Public Schools and others are asking the City for money, so we have to be very careful in allocating funds.

MOTION: Councilor Calvert moved, seconded by Councilor Dimas, to approve this request as recommended by staff.

DISCUSSION: Councilor Bushee said some organizations took cuts, while others maintained the *status quo*. She said although she supports Warehouse 21, it is staying *status quo*, and she feels like we're not asking the hard questions we need to ask. She still wants more details about the Boys and Girls Club. She said she can abstain until we get that information. She would like to hear from members of the Commission to see if they asked the tough questions, and she wants information on the Boys and Girls Club and the rental arrears on Warehouse 21. She doesn't see "sustainability written all over those organizations and I would like to make sure that this similar process was followed for the Children and Youth programs. And so, I think I'll just abstain at this point, and hope that I get more information before the Council meeting."

Councilor Dimas asked if organizations get the money from the City in a lump sum.

Ms. Rodriguez said no, it is a reimbursement process, and they are reimbursed, typically, quarterly for expenditures they have made.

Councilor Dimas said then they have to account for all dollars used, and Ms. Rodriguez said yes.

Councilor Dimas asked what happens if the organization doesn't use all of its funds.

Ms. Rodriguez said it is rolled back into the Children and Youth Commission fund.

Councilor Dimas asked would Council approval be needed if another organization requests funding, for example \$10,000, before the end of the fiscal year.

Ms. Rodriguez said yes. She said they follow an RFP process to give everyone an equal opportunity to apply for the available funding.

Councilor Dimas said he is more interested in the accountability of how the funds are used. He asked if there is a "crisis fund" for Children and Youth.

Ms. Rodriguez said no, although a portion is used for operating expenses, salaries and such, and they perhaps could "squeak out \$5,000 or so out of that kind of budget."

Chair Dominguez thanked the Human Services Committee and the Children and Youth Commission for their hard work on behalf of the City. He said he has attended the meetings of the Children and Youth Commission quite often, and they do ask a lot of tough questions, the ones asked here tonight, and they ask for detail as well.

VOTE: The motion was approved a voice vote with Chair Dominguez, Councilor Dimas and Councilor Calvert voting in favor of the motion, no one voting against and Councilor Bushee abstaining.

**14. REQUEST FOR APPROVAL OF CITY OF SANTA FE INVESTMENT POLICY REVISIONS.
(HELENE HAUSMAN)**

Councilor Bushed asked what are the international entities in which the cities invest, and if she can track that.

Ms. Houseman said, by State statute, the City is not allowed to invest in anything internationally.

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

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

15. REQUEST FOR APPROVAL OF A RESOLUTION RELATING TO A REQUEST FOR APPROVAL OF THIRD QUARTER ADJUSTMENTS FOR FISCAL YEAR 2011/2012 FOR QUARTER ENDING MARCH 31, 2012. (CAL PROBASCO)

Councilor Bushee asked Dr. Morgan if there is anything that "stands out that had to be adjusted in this quarter, any large amount."

Dr. Morgan said, "No ma'am."

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

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

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

17. 2012/2012 BUDGET

RECOMMEND APPROVAL OF:

A. INSURANCE RECOMMENDATIONS

The staff report was presented by Robert Romero who reviewed the revised recommendations from the Benefits Committee as set out in the Memorandum dated May 21, 2012, to the Finance Committee, from Vicki Gage, Interim Director, Human Services, which is in the Committee packet. Please see this document for specifics of this presentation.

Chair Dominguez asked if the recommendations are revenue neutral, and if additional funds would be needed to do a wellness program.

Mr. Romero said the cost of the wellness program is unknown, but they will bring that once they know more, noting part of the reserves could be used to do this. He said they are hearing a cost in the range of \$50,000 to \$80,000.

Responding to the Chair, Mr. Romero said the \$1 million will be funded \$500,000 from the General Fund and \$500,000 from the Enterprise Funds.

Councilor Calvert said it will be \$600,000 in future years, and Mr. Romero said this is correct.

Chair Dominguez asked if this will require enterprises to increase fees/rates, and Mr. Romero said he doesn't believe so.

Chair Dominguez asked the plan for taking the \$500,000 from the enterprise funds.

Mr. Romero said each of the budgets would be evaluated to accommodate that, but it will be spread across several funds.

Councilor Bushee said she appreciates the compromise offered by the Group Insurance Advisory Committee.

MOTION: Councilor Bushee moved, seconded by Councilor Dimas, to approve the recommendation of the Group Insurance Advisory Committee as set out in the Memorandum of May 21, 2012.

DISCUSSION: Councilor Bushee asked if the Wellness Program can be done in-house, and Mr. Romero said perhaps, but he doesn't have enough details to answer this question today.

Councilor Calvert thanked the Committee, commenting it looks a lot better. He said it is sustainable, but we are still down \$1 million a year, and hopefully these changes will help.

FRIENDLY AMENDMENT: Councilor Calvert asked to amend the motion to hold #10 of the recommendations until "we get to the gap page." Mr. Romero said it didn't say when, and the thought is it will be sometime between now and 2016/2017. **THE FRIENDLY AMENDMENT WAS WITHDRAWN.**

Councilor Dimas commended the Committee for a great job. He said we still have the best insurance plan of any agency, even with the co-pays. He said the idea of extending this to 26 periods will help somewhat to pay that. Councilor Dimas how much more the premium plan will cost.

Mr. Romero said the numbers were run, but didn't get in the packet, and apologized for that. He said on page 4 it shows by raising the premiums \$1 million, the family plan goes from \$157 to \$171, which is less than \$15 per pay period or \$12 for 26 pay periods.

Responding to a question from Councilor Dimas, Dr. Morgan said at the last Finance Committee meeting he provided the numbers for the premiums, and told the Committee the pay had to be less than \$13 per hour for an employee to hit the "sweet spot of zero" premium increase/employee raise.

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

- B. A RESOLUTION DIRECTING THAT THE 2012/2013 FISCAL YEAR BUDGET INCLUDE: SALARY INCENTIVES FOR COMMISSIONER POLICE PERSONNEL WHO RESIDE WITHIN THE CORPORATE LIMITS OF THE CITY OF SANTA FE AND A PROGRAM FOR COMMISSIONER POLICE PERSONNEL TO RESIDE ON CITY PROPERTY; AND IMPLEMENTING A MILEAGE DISTANCE OF 15 MILES FOR NEW COMMISSIONED POLICE PERSONNEL TO TAKE HOME POLICE VEHICLES (COUNCILORS DIMAS, BUSHEE, CALVERT, TRUJILLO AND WURZBURGER). (POLICE CHIEF RAYMOND RAEL AND DR. MELVILLE MORGAN). Committee Review: Finance (study session) 05/14/12; and City Council (scheduled) 05/30/12. Fiscal Impact – Yes.**

Councilor Calvert said he signed up as a cosponsor of this, knowing the devil would be in the details. However, he can no longer support this Resolution, because it has become an extremely divisive issue, creating strife across departments and divisions, and the price tag seems to be increasing. He said he doesn't believe we are getting to the result we wanted. He said if we don't continue with this, he would recommend we take the \$375,000 and use it for the payback on the \$400,000.

Councilor Bushee said she just wanted to look at the issue of the take home vehicle policy, and to have a dialogue, commenting it shouldn't have morphed into a bargaining right. She said she needs legal clarification on whether or not it is a bargaining right, noting she has been told the Chief has the authority to deal with this administratively.

Mr. Zamora said, "I sort of wish Mark Allen were here this evening, who best knows the Collective Bargaining Agreements. It is my understanding that, to a certain extent, there is an authority of the Chief to deal with the issue of the take home vehicles and it can be adjusted by the Chief. But, at a certain point in time, though, removing that benefit has a ripple effect of affecting collective bargaining rights, as it relates to income, benefits, incentives, etc. And so, there's some wiggle room for the Chief, but again, the more you mess with it, the more you affect other collective bargaining rights."

Councilor Bushee asked if he saying it is in the contract.

Chief Rael said, "It's my understanding from my discussions with legal that I have very limited options. The take home policy has been adopted into the contract as an amendment prior to my becoming Chief several years ago. I can't tell you the exact date. As I understand it, based on my discussions, given that it has become an amendment to the contract, I have limited options. I can either, a) totally eliminate the take home policy and that would affect everyone; or, b) leave it as it remains. And that's pretty much it."

Councilor Bushee's question here is inaudible.

Chief Rael said he can apply it to new recruits for the first year. After the first year, they become members of the POA and then fall under the contract. He said this is a gray area for him and he doesn't have a clear understanding as to how to proceed after the year. He said for all new hires, he definitely can implement the 15 mile residency requirement.

Councilor Bushee asked if she can hear from the unions if this is something we can contemplate in the future.

Chair Dominguez said he will give the organizations an opportunity to speak, noting there is an agenda item for the POA to address this Committee on every issue. He said they can speak to this when we reach this agenda item.

Councilor Bushee said, "Okay, so you may have to table this, because I don't think you're going to have any votes for it. I feel like I have to have more information. I know I really wanted an answer to my question."

Chair Dominguez said they will answer when they come up to speak, but he first wants to hear from the members of the Committee.

Councilor Dimas reiterated that during the campaign he kept hearing about so many officers living in Albuquerque and Rio Rancho and it was costing so much money for cars to drive back and forth which drove the Resolution initially. He said it now appears the Firefighters are involved as well. He said if this is given to the Police and Firefighters, AFSCME wants it for its members who live in this community. He said it has become so convoluted he is unsure if he wants to go forward with this Resolution any longer – the issue has become so complicated. He said if it was just for the Police Department as it began, it could go forward. However, at this time, with the confusion, conflicts and animosity, it doesn't seem that it would be worthwhile at this point.

Councilor Rivera said as he understands, even if it is an amendment that has been added to a contract, it still is considered to be a part of the agreement because it was voted on by the membership as well as the Governing Body.

Mr. Zamora said, "Thanks to technology and very good staff, I have in front of me Appendix B to the current POA contract, and so Appendix B which is entitled Car Plan has been adopted into the contract, so it's part of the contract, and it's an officer assigned vehicle program."

Councilor Rivera said if we give this new incentive to new employees, they could stay here for the year while they aren't covered by the collective bargaining agreement, and then move to Rio Rancho or wherever. They would have to give up the incentive, but they could take a vehicle home wherever they live.

Mr. Zamora said, "As currently proposed, since it's a resolution changing the policy... well... as currently proposed, that is correct. You can impose it on those new officers for the first year, but then this program dominates after that first year, unless renegotiated."

Councilor Rivera said it wasn't his intention to eliminate this completely by bringing up the Firefighters, and he doesn't view it as a conflict, but as an opportunity to create fairness for maybe all 3 unions. He is unsure, in light of the answers to his questions, if this will make a huge impact on the take home policy for the Police. He doesn't see a lot of people staying here for the incentive. He said if we were ready to give this money to the Fire Department as well as the Police Department, maybe in fairness, we should give an additional 1% to each of the unions, on top of the 1% raise. He said this is just a suggestion, noting he isn't a member of this Committee. He said he does understand AFSCME's point. He said Councilor Dimas did a good job on the Resolution and his intentions were very good.

Chair Dominguez thanked Councilor Dimas for bringing this issue to the Committee. He said it is a monster the City has created over the years, creating an inequity in pay. He said every action has been well intended, but in terms of equity, and the economic times, we have to be very strategic about how we spend the money. He said it would only cost \$165,000 more to give everyone a 2% raise. He said we really don't know what this incentive would give us and he wants to be fair to all of the employees who work very hard every day – making sure the water is safe, our streets are safe, that sidewalks get fixed.

Councilor Bushee said this started long before the last campaign. She said we're mistaken if we think this will go away, and we need to deal with this from a policy standpoint. She is concerned we are going to punt once again on a difficult issue. She asked the cost of the take-home vehicle policy.

Chief Rael said that is estimated to be about \$160,000 per year. He said to make these changes now would require some additional expenditures. We would need funds for storage space, an armory where the weapons which usually are left in the vehicles could be checked-in, as well as expenses from "donning and doffing" the uniforms.

Councilor Bushee thought we had a facility to do that, and Chief Rael said we did in the late 1970's and early 1980s.

Councilor Bushee said Albuquerque dealt with this by shifting the mileage limits.

Councilor Bushee said her biggest concerns is "filling the positions in the POA [Police Department?]." She asked if Santa Fe is the only municipality with such a liberal policy right now.

Chair Rael said the City of Albuquerque has a 20 mile limit, but made adjustments to its collective bargaining agreement. He said changes to the collective bargaining agreement can be directed by the Governing Body. He believes the vehicle policy has a positive impact on recruiting, but believes there are other things which can be done to attract new recruits. He said one of his recommendations is to increase the starting salary by eliminating the cadet level and hiring at a PO-1 level, which would be the second highest starting salary in the State.

Councilor Bushee said that already was accepted by this Committee. She asked the Chief what he thinks would happen if the vehicle take policy were to be altered.

Chief Rael said we are on line to hire 9 individuals by the end of June, and all have been told they will be required to live in the City or within 15 miles of the City

Councilor Dimas said doing away with this incentive program doesn't give the officers coming on an incentive to stay and live in Santa Fe. He projects we will lost even more officers to Rio Rancho and Albuquerque if we don't go through with this Resolution. He said those looking forward to coming into the Department were looking forward to the \$350 incentive, just as they were at the Fire Department. He thinks we will wind up with more officers in Rio Rancho and Albuquerque than in Santa Fe.

Chief Rael said that is always a possibility.

Chair Dominguez invited the three unions to speak to if they would like to do so.

Officer Adam Gallegos, President, Police Officers Association, said one thing which was not mentioned, which is a big issue, is retention. He said a lot of good officers would be directly impacted with any changes in the take home policy, people who have been here 10-12 years. He said Chair Dominguez is correct that this has turned into a monster, but it is a monster which was created from good intentions.

He said it is more affordable to live in Rio Rancho or Albuquerque or Las Vegas. He said he made a decision to move to Santa Fe, but his circumstances were different than some of the others. He said his main concern is that this issue will be punted or there will be a shotgun approach to address the take home program and then there will be a retention problem. He said it is an addendum to the contract, but it is still subject to the Chief's discretion "for a lot of things." He said the Chief understands retention, noting two members of his administrative staff live out of Santa Fe. He said they will bargain in good faith. His concern is that these individuals came to work here with the understanding they could take their vehicles home as long as they were working here. However, every year we hear "take home take home take home." He said if the incentive had been improved, he would have hoped the language would be put in the contract so those who dedicated themselves to working here could keep that benefit as long as they continue to work here.

Councilor Bushee asked if the City were to subsidize housing, in terms of down-payment assistance, how many "long timers that you want to retain would even avail themselves of those opportunities."

Officer Gallegos said he doesn't think the numbers would be great, but there would be a few. He said anyone living elsewhere for more than 2-3 years, has already established their family – their kids are in school, their spouses are working, and there is little hope to get them back. However, there is a good chance it would attract the new officers.

Carl Schmidt, President, Santa Fe Firefighters Association, said he disagrees with "the whole monster scheme." He said making this a public safety incentive is a lot different than making it a whole City incentive for people to live here. He said, "I don't really see what the confusion is, adding Fire to Police. Councilor Dimas did say that Police he could understand it, but now we are creating a monster bring more and more and more faculty in, but I think Police and Fire go hand in hand. But I do want to state, I don't mean to bring up the issue and kill it for the P.D. as well. That was not my intention. I was simply stating the fact that there are benefits to having Firefighters live in the City as well, which I still agree with." He said he thinks it's important for Fire and Police to live in the City, but he is by no means downplaying the other City workers, but believes public safety is key and it is huge to have those people living in the city.

Mr. Schmidt said when he first came on, the majority of the Firefighters lived in Santa Fe or close-by. He said now it is sort of ridiculous. He said this brings a band-aid to a huge issue which is the cost of living here. He said many of them grew up here, but moved to Rio Rancho or Albuquerque because it is cheaper to live there. He said we need to address the cost of living for everybody. He said he agrees the incentive is a good way to keep people here. He said they will graduate 15 people from the academy in two months and he would like to keep them all in Santa Fe. He said, "But why would they, if they can go right down the road 45 minutes and get a house for \$200,000 which would cost \$400,000 in Santa Fe." He said he was just trying to state the facts, in his opinion, on this issue. He thinks the homes program is good, but pointed out that most people who move here already have purchased a home, and the homes program is for first time homebuyers. He said that doesn't help the people who already live here and own a home.

Patrick Romero, AFSCME 3999, said a lot of their members live in the outlying communities as well, noting it is a cost of living thing. He has lived in Santa Fe all of his life, and lives in the County and will be annexed soon. He said they understand the incentive doesn't affect the PERA. It isn't based on the salary it is just a bonus, like sick leave. It's another incentive. He said they supported grandfathering those who already are taking vehicles home. He said in terms of first responders, he is part of a small group that is called out if there is a major sewer problem or major electrical failure. He said there are people who live in the San Miguel area who have to respond in their own vehicles. He said this is true in other departments. He said they want to start building the unions together. He said when Fire gets this or Police gets that, the cohesion starts breaking down. He wants to see the three unions working together as better managers for the taxpayers of Santa Fe.

Robert Romero said he calculated the numbers of employees in the 3 unions which live in Santa Fe, and those are on page 13 of the packet, noting the numbers as follows: Police 61%, Fire 58% and AFSCME and non-union 86%. He said the average salaries for Police and Fire are about \$50,000, AFSCME is about \$37,000 and non-union about \$46,000. He said the City has Recreation and Parking Supervisors that make less than a starting salary for Police or Fire.

Dr. Morgan said they took all of the salaries of the people in each union, and averaged the base salary. He said Mr. Romero is correct. It is \$50,000 for Police and Fire, \$37,000 for AFSCME, and \$46,000 for non-union.

Mr. Romero said he understands the incentive would be counted toward the PERA retirement.

Chair Dominguez said we have talked about retention in the past, and that has been a concern for some time, noting it was discussed in terms of the sick leave policy which was then taken away. He doesn't know whether we made the right decision. He said when we talk about punting, every time we get a new Chief it seems like we're punting, because every new Chief has different ideas. He said the City has had 4 Police Chiefs over the past 6 years, which doesn't help give us a solid, sustainable road map to fixing some of these issues. He said the monster has been created over the years when the City has punted.

Chair Dominguez said, "What I think would be more beneficial is to really roll our sleeves up, and maybe by mid-year, direct staff to come up with a comprehensive report on how it is that we are going to address some of these issues. And it can't be a one-sided report. It's got to be a report that's done, not only by the administration, but by the organizations as well."

Councilor Bushee said her personal bias is that we wouldn't be spending money changing the color of uniforms or vehicles. She said, "You know, I get your small summary. It doesn't give me a very good picture to just say these guys on average make more money than anybody else. That doesn't help the problem for me. That doesn't solve anything. That doesn't take into account a lot of things. So I want to know different scenarios. If we were to include all of Public Safety in an incentive program such as this, or do we look at trying to filter out.... I get the retention piece for long time police and fire. The difference is, I want to see some of the firefighters and the EMTs that, we want them here certainly in a crisis, and we

don't want to see them commuting. But the reason this program came up and this monster got created in the first place was just the sense that this was a crime deterrent to put these vehicles in driveways. I mean I have folks that call me still and say why is it that the trailer that is above the Ortiz Dog Park, you know, it now has somebody who was an officer, I guess, or somebody retired, but it's no longer used, at least that's what they tell me, they don't see a copy car in there anymore and they said it had a deterrent effect." She thinks it's several solutions, and thinks we could have a special committee like the insurance committee.

Responding to Councilor Bushee, Mr. Romero said the cost of the incentive for Police would be \$375,000 and \$370,000 for the Fire, and AFSCME would cost \$1.2 million.

Responding to Councilor Bushee, Mr. Romero said the employees were surveyed, and there weren't a lot who would come back for the additional pay. Councilor Bushee said we need to know who would leave if we take away the vehicles.

Councilor Calvert said it was never the intent to take away vehicles, and whatever incentives we do we have to look at them moving forward. He said the gap in housing costs between Santa Fe and Rio Rancho has narrowed during the economic downturn, but there are all sorts of reasons why people won't move back. He reiterated we will have to look at this moving forward and there won't be an immediate effect. He said he is ready to make a motion, but as a courtesy, he will defer to the Sponsor to withdraw the Resolution for now and let us develop solutions.

WITHDRAWAL OF THE RESOLUTION: Councilor Dimas reiterated the intent of the Resolution was to get some dialogue going on this and many ideas have come up during the process. The idea wasn't to get a lot of officers to move back to Santa Fe. The intent was to eventually have all officers living here through attrition. The intent of the incentive program was to have them have to stay in Santa Fe within the 15 mile radius. He said if they didn't want to live here, they would lose both the incentive and the take-home vehicle. He talked about the intention of the vehicle take-home policy which was for officers to live in Santa Fe and to have cars in our neighborhoods. He said a monster was created over the years. He said the Resolution was just the beginning and just because we did Police Department first, that didn't mean the Firefighters and AFSCME wouldn't be included later down the line. Councilor Dimas withdrew the proposed Resolution from consideration.

Chair Dominguez said he intends to keep Public Safety on the Finance Committee agenda regularly in the future, so we can continue these discussions.

- C. A RESOLUTION DIRECTING THAT THE 2012/2013 FISCAL YEAR BUDGET INCLUDE AN APPROPRIATION FOR FUNDING A ONE PERCENT (1% SALARY INCREASE FOR MEMBERS OF THE SANTA FE POLICE OFFICERS ASSOCIATION (POA), FOR MEMBERS OF THE SANTA FE FIREFIGHTERS ASSOCIATION (FFA), MEMBERS OF AFSCME, LOCAL 3999 (AFSCME) AND NON-UNION EMPLOYEES; AND PROVIDING DIRECTION FOR COLLECTIVE BARGAINING NEGOTIATIONS (MAYOR COSS). (ROBERT ROMERO). Committee Review: Finance (study session) 05/14/12; and City Council (scheduled) 05/30/12. Fiscal Impact – Yes**

Chair Dominguez said his preference would be to do a 2% raise since we're not doing the police incentive.

Mr. Romero said the amendment as described in the second bullet on the Legislative Summary would be deleted.

Responding to the Chair, Mr. Romero said the 1% longevity was negotiated during the last round.

Councilor Calvert said he doesn't disagree but we still need to consider the gap we will inherit to start next year. Also, with these funds, we could almost repay the Insurance Fund Reserve as recommended by the Insurance Committee, and making it more sustainable. He would like to give a bigger raise, but feels this might be a better allocation of funds.

Councilor Bushee's remarks here are inaudible. She asked if we can leave this money on the table and continue to work toward a solution including both Fire and Police in a more selective manner and use it as a retention tool.

Chair Dominguez said he doesn't disagree with Councilor Calvert. However, the health gap is systemic and not the result of action by the Council, and said a 2% raise would put more money in people's pocket today and helps the economy a little more.

Councilor Dimas said he supports the 2% raise, and agrees with Councilor Dominguez that we need to find a way to do that so the employees have more money in their pockets.

Chair Dominguez said we need \$165,000 more to give a 2% raise.

Councilor Dimas asked where we could get that money.

Mr. Romero said the money could come from the General Fund cash reserve, noting the GRT check was 13% above the budget, and the biggest GRT check the City has received since 2007. He said this is a good sign and hopefully it will be sustained and those additional funds would cover a 2% raise for next year.

MOTION: Councilor Dimas moved, seconded by Councilor Bushee, to adopt the Resolution with an amendment to increase the raise 2% and to delete bullet 2 from the Legislative Summary.

DISCUSSION: Councilor Calvert said his only concern with a 2% raise across the Board is whether those that need the most help will get it. He said the unions might want to consider a 1% raise across the board, and use the additional 1% as an average to get more money to the people at the low end of the pay scale.

Chair Dominguez said he agrees, commenting that all of us want to do what is right for every employee. However, that speaks to the inequities that exist across-the board in terms of the pay scale in the entire City.

Councilor Calvert said some of the people at the low end are hurting more than others who make more money.

Chair Dominguez said he understands, but he is looking at it in the terms of the organization and in the inequities that exist across the board.

Councilor Bushee said she doesn't want to abandon the Public Safety discussion, and would like the 3 bargaining units to work with the administration to develop a solution to what we've defined as a community problem. She said she would appreciate an ongoing effort.

Mr. Romero said perhaps we could add a bullet to ask us to try to negotiate something to help improve that situation.

Councilor Bushee said this is a serious problem, and she wants the message to be that we're not through looking at this, although it doesn't have to be formalized.

Councilor Dimas said he has ideas about how we can do things, and suggested that the Council have a study session to discuss this, and throw out some ideas on policy changes, how we need to accomplish this. He agrees the bargaining units need to discuss how to do this. He doesn't want to sit on this for 6-8 months while we lose more people to Rio Rancho and Albuquerque.

Chair Dominguez reiterated that the Police will be an ongoing item on the Finance Committee meeting. He said he would like Councilor Trujillo to have some of those discussions at the Public Safety Committee.

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

Councilor Rivera departed the meeting

D. 2012/2013 BUDGET GAP CHANGES, IF REQUIRED

Mr. Romero said, based on the previous action, Dr. Morgan has corrections to the gap sheet in the Committee packet.

Dr. Morgan said in the Recommended Column, we removed \$500,000 for the 1% raise and added \$1,080,000 for the 2%. He said everything else stays the same until we get to \$375,000 for the Police Incentive which was removed. He said the total is \$3,670,000 plus \$3,422,000 for a total of \$7,092,000.

Dr. Morgan said at the bottom under Reserves 2012-2013, it will be \$332,000, which will change the total to \$692,000. He said the grand total revenue and gap would be \$7,092,000, so you would balance. He said the gap for 2013-2014 would increase to \$2,122,000.

Chair Dominguez said the updated gap sheet will be ready for the City Council meeting.

MOTION: Councilor Bushee moved, seconded by Councilor Dimas to approve the proposed Gap as amended.

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

18. OTHER FINANCIAL INFORMATION:

A. UPDATE OF GROSS RECEIPTS TAX REPORT RECEIVED IN MAY 2012 (FOR MARCH ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN MAY, 2012 (FOR APRIL 2012 ACTIVITY). (DR. MELVILLE MORGAN)

Dr. Morgan said he is pleased to present this GRT report, commenting that he is cautiously optimistic. He said since January 2012 there has been an increase in GRTs. He said we are now over estimated budgeted GRTs by \$4.9 million. He said there is another month to go, reiterating that he remains cautiously optimistic, noting our numbers are excellent. He said he and Ms. Houseman have studied the GRTs and we are generally up in all categories, which is another reason to be cautiously optimistic. He said the check for GRT this month is higher than it was in the same month in 2007. He said some respected sources say it will take 12-14 years to get out of this recession, noting we are in year 4-5 of this recession.

Dr. Morgan said he continues to have issues with the Lodger's Tax, and he continues to make every effort to collect Lodger's Tax, noting it is down 2.87% from this time last year. He said people are renting rooms, but he believes they are renting rooms for less. He said we still have a problem with collections.

19. MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

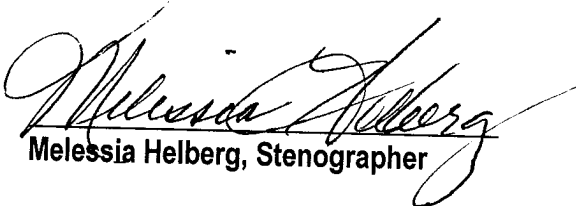
20. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at 7:50 p.m.

Carmichael A. Dominguez, Chair

Reviewed by:

Dr. Melville L. Morgan, Director
Department of Finance



Melessia Helberg, Stenographer