



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MARCH 17, 2014 – 5:00 P.M.

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 3/13/14 TIME 4:05pm

PREPARED BY Yolanda Green

REVIEWED BY BSCG

Regular Finance Committee Meeting – February 17, 2014

CONSENT AGENDA

6. Bid No. 14/23/B – Genoveva Chavez Community Center photovoltaic (PV) Project and Agreement between Owner and Contractor; Affordable Solar. (Nick Schiavo)

A. Request for Approval of Budget Increase – Water Fund

7. Request for Approval of Budget Increase Adjustments to Water Fund from Water Revenue Cash Balance for Water Division. (Nick Schiavo)

8. Request for Approval of Procurement under State Price Agreement – Two (2) Support Vehicles for Environmental Services Division; Bob Turner Ford Country. (Lawrence Garcia)

9. Request for Approval of Change Order No. 3 – City of Santa Fe Reservoirs Improvements Project; Weaver Construction Management, Inc. (Robert Jorgensen)

A. Request for Approval of Budget Increase – Project Fund

10. Request for Approval of Budget Increase for Reimbursement Costs from Administrative Office of the Courts to Municipal Court. (Judge Ann Yalman)

11. Request for Approval of Amendment No. 4 to Agreement between Owner and Architect – Mary Esther Gonzales Senior Center (MEG); Ellis/Browning Architects, LTD. (LeAnn Valdez)



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MARCH 17, 2014 – 5:00 P.M.

12. Request for Approval of Grant Application – FY 2014-15 Law Enforcement Protection Fund (LEPF) for Police Department; State of New Mexico Department of Finance, Local Government Division. (Deputy Chief John Schaerfl)
13. Request for Approval of Budget Increase – FY 2013-14 Mid-Year Adjustment for Jail Costs. (Deputy Chief John Schaerfl)
14. Request for Approval of Procurement under State Price Agreement – TASER Equipment for Expansion Positions for Police Department; ProForce Law Enforcement. (Lieutenant Andrew Padilla)
15. Request for Approval of Procurement under Cooperative Price Agreement; Equipment for Parks and Municipal Recreation Complex; Cooperative Educational Services/Simpson Norton. (Ben Gurule)
16. Request for Approval of City of Santa Fe Office of Affordable Housing Draft 2014/2015 Annual Action Plan. (Alexandra Ladd)
17. Request for Approval of Cooperative Services Agreement – Access to Public Facilities for Annual Summer Youth Program and Other Community Uses; Santa Fe Public Schools. (Isaac Pino)
18. Request for Approval of Exempt Procurement – Two (2) Physio Control LifePak 15 Heart Monitors and Electronic Defibrillators for Fire Department; Physio Control, Inc. (Jan Snyder)
19. Request for Approval of Procurement under Cooperative Price Agreement – 2014 Fire Engine and Equipment; Siddon-Martin Emergency Group. (Jan Snyder)
20. Request for Approval of Loan Consolidation Pay-Off of Current Electronic Reporting Systems for Fire Department; EF Recovery. (Jan Snyder)
21. Request for Approval of Interim Schedule of Airport Landing and Fire Protection Fees at Santa Fe Municipal Airport. (Francey Jesson)
22. Request for Approval of Budget Transfer of Funds to Anti-Graffiti Program from Police Department and Parks Division for FY 2013/2014 Anti-Graffiti Program. (Gilda Montano)



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MARCH 17, 2014 – 5:00 P.M.

23. Request for Approval of Amendment No. 2 to Professional Services Agreement – Advertising and Distribution of 2014 Santa Fe Travel Planner for Santa Fe Community Convention Center; Bella Media, LLC. (Jim Luttjohann)
24. Request for Approval of an Ordinance Relating to Tournament Fees and Adult League Fees at the MRC and City Sports Fields; Amending Subsection 23-4.12 SFCC 1987 to Establish Tournament Fees, Amend the Adult League Fees and to Include Youth League Requirements to be Consistent with Subsection 23-7.5 SFCC 1987; Amending Section 23-7.5 SFCC 1987 to Establish Tournament Fees and to Amend the Adult League Fees; and Making Such Other Stylistic and Grammatical Changes that are Necessary. (Councilor Trujillo) (Jennifer Romero)

Committee Review:

Parks and Open Space Advisory Commission (scheduled)	03/18/14
Public Works Committee (scheduled)	03/24/14
City Council (request for hearing)	03/26/14
City Council (public hearing)	04/30/14

Fiscal Impact – Yes

25. Request for Approval of a Resolution Authorizing a Discount Bus Pass Sale Program for Non-Profit Social Service Organizations Who Purchase Bus Passes in Volume for Distribution to Indigent Clients Who Utilize the City of Santa Fe's Public Transportation System: Santa Fe Trails. (Councilor Bushee) (Jon Bulthuis)

Committee Review:

Public Works Committee (postponed)	02/24/14
Public Works Committee (scheduled)	03/24/14
City Council (scheduled)	03/26/14

Fiscal Impact – Yes

26. Request for Approval of a Resolution Directing Staff to Collaborate with Local Youth Service Agencies and Emergency Shelters to Explore the Options for Establishing a "Safe Place" Program that Would Benefit Young People who are in Crisis in the Santa Fe Community. (Councilor Trujillo) (Terri Rodriguez)



Agenda

**FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MARCH 17, 2014 – 5:00 P.M.**

Committee Review:

Public Safety Committee (scheduled)
City Council (scheduled)

03/18/14
03/26/14

Fiscal Impact – No

27. Request for Approval of a Resolution Directing Staff to Explore the Options for Constructing "Single Track and Stacked Loop" Trails in a 30 Minute Zone Surrounding Santa Fe; Supporting Efforts for Santa Fe to be Designated as a Ride Center by the International Mountain Biking Association; and Calling on Santa Fe County and the Santa Fe Fat Tire Society to Support and Join the City of Santa Fe in Such Efforts. (Councilors Bushee, Dominguez and Rivera) (Robert Siqueiros and Jim Luttijohann)

Committee Review:

Bicycle and Trails Advisory Committee (approved)
Public Works Committee (approved)
City Council (scheduled)

02/19/14
02/24/14
03/26/14

Fiscal Impact – No

END OF CONSENT AGENDA

DISCUSSION

28. Upcoming Budget Hearings and Pre-Budget Hearing Discussion. (Councilor Dominguez and Marcos Tapia)
29. OTHER FINANCIAL INFORMATION:
- A. Update on Gross Receipts Tax Report Received in March 2014 (for January 2014 activity) and Lodgers' Tax Report Received in February 2014 (for January 2014 activity). (Marcos Tapia)
30. MATTERS FROM THE COMMITTEE
31. ADJOURN

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

SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, March 17, 2014

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MINUTES – FEBRUARY 17, 2014	Approved	4
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO AGREEMENT BETWEEN OWNER AND ARCHITECT – MARY ESTHER GONZALES SENIOR CENTER (MEG); ELLIS/BROWNING ARCHITECTS, LTD	Approved	4-5
REQUEST FOR APPROVAL OF AN ORDINANCE RELATING TO TOURNAMENT FEES AND ADULT LEAGUE FEES AT THE MRC AND CITY SPORTS FIELDS; AMENDING SUBSECTION 23-4.12 SFCC 1987, TO ESTABLISH TOURNAMENT FEES, AMEND THE ADULT LEAGUE FEES, AND TO INCLUDE YOUTH LEAGUE REQUIREMENTS TO BE CONSISTENT WITH SUBSECTION 23-7.5 SFCC 1987; AMENDING SECTION 23-7.5 SFCC 1987, TO ESTABLISH TOURNAMENT FEES AND TO AMEND THE ADULT LEAGUE FEES; AND MAKING SUCH OTHER STYLISTIC AND GRAMMATICAL CHANGES THAT ARE NECESSARY	Approved as amended	5-9

ITEM**ACTION****PAGE**

REQUEST FOR APPROVAL OF A RESOLUTION
AUTHORIZING A DISCOUNT BUS PASS SALE
PROGRAM FOR NON-PROFIT SOCIAL SERVICE
ORGANIZATIONS WHO PURCHASE BUS PASSES
IN VOLUME FOR DISTRIBUTION TO INDIGENT
CLIENTS WHO UTILIZE THE CITY OF SANTA FE'S
PUBLIC TRANSPORTATION SYSTEM; SANTA FE
TRAILS

Postponed to 03/31/14

10-12

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

UPCOMING BUDGET HEARINGS AND
PRE-BUDGET HEARING DISCUSSION

Information/discussion

12-18

OTHER FINANCIAL INFORMATION:

UPDATE ON GROSS RECEIPTS TAX
REPORT RECEIVED IN MARCH 2014
(FOR JANUARY 2014 ACTIVITY), AND
LODGERS' TAX REPORT RECEIVED
IN FEBRUARY 2014 (FOR JANUARY
2014 ACTIVITY)

Information/discussion

19-21

MATTERS FROM THE COMMITTEE

Information/discussion

21

ADJOURN

22

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, March 17, 2014

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, March 17, 2014, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Ronald S. Trujillo
Councilor Joseph M. Maestas
Councilor Christopher M. Rivera

MEMBERS EXCUSED:

Councilor Signe I. Lindell

OTHERS ATTENDING:

Marcos A. Tapia, 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 to these minutes by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to approve the agenda, as presented.

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

4. APPROVAL OF CONSENT AGENDA

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

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

CONSENT AGENDA

6. **BID NO. 14/23/B – GENOVEVA CHAVEZ COMMUNITY CENTER PHOTOVOLTAIC (PV) PROJECT AND AGREEMENT BETWEEN OWNER AND CONTRACTOR; AFFORDABLE SOLAR. (NICK SCHIAVO)**
 - A. **REQUEST FOR APPROVAL OF BUDGET INCREASE – WATER FUND.**
7. **REQUEST FOR APPROVAL OF BUDGET INCREASE ADJUSTMENTS TO WATER FUND FROM WATER REVENUE CASH BALANCE FOR WATER DIVISION. (NICK SCHIAVO)**
8. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – TWO (2) SUPPORT VEHICLES FOR ENVIRONMENTAL SERVICES DIVISION; BOB TURNER FORD COUNTRY. (LAWRENCE GARCIA)**
9. **REQUEST FOR APPROVAL OF CHANGE ORDER NO. 3 – CITY OF SANTA FE RESERVOIRS IMPROVEMENTS PROJECT; WEAVER CONSTRUCTION MANAGEMENT, INC. (ROBERT JORGENSEN)**
 - A. **REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND.**
10. **REQUEST FOR APPROVAL OF BUDGET INCREASE FOR REIMBURSEMENT COSTS FROM ADMINISTRATIVE OFFICE OF THE COURTS TO MUNICIPAL COURT. (JUDGE ANN YALMAN)**
11. ***[Removed for discussion by Councilor Rivera]***
12. **REQUEST FOR APPROVAL OF GRANT APPLICATION – FY 2014-15 LAW ENFORCEMENT PROTECTION FUND (LEPF) FOR POLICE DEPARTMENT; STATE OF NEW MEXICO DEPARTMENT OF FINANCE, LOCAL GOVERNMENT DIVISION. (DEPUTY CHIEF JOHN SCHAEFL)**
13. **REQUEST FOR APPROVAL OF BUDGET INCREASE – FY 2013-14 MID-YEAR ADJUSTMENT FOR JAIL COSTS. (DEPUTY CHIEF JOHN SCHAEFL)**
14. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – TASER EQUIPMENT FOR EXPANSION POSITIONS FOR POLICE DEPARTMENT; PROFORCE LAW ENFORCEMENT. (LIEUTENANT ANDREW PADILLA)**

15. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT; EQUIPMENT FOR PARKS AND MUNICIPAL RECREATION COMPLEX; COOPERATIVE EDUCATIONAL SERVICES/SIMPSON NORTON. (BEN GURULE)
16. REQUEST FOR APPROVAL OF CITY OF SANTA FE OFFICE OF AFFORDABLE HOUSING DRAFT 2014/2015 ANNUAL ACTION PLAN. (ALEXANDRA LADD)
17. REQUEST FOR APPROVAL OF COOPERATIVE SERVICES AGREEMENT – ACCESS TO PUBLIC FACILITIES FOR ANNUAL SUMMER YOUTH PROGRAM AND OTHER COMMUNITY USES; SANTA FE PUBLIC SCHOOLS. (ISAAC PINO)
18. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT – TWO (2) PHYSIO CONTROL LIFEPAK 15 HEART MONITORS AND ELECTRONIC DEFIBULATORS FOR FIRE DEPARTMENT; PHYSIO CONTROL, INC. (JAN SNYDER)
19. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – 2014 FIRE ENGINE AND EQUIPMENT; SIDDON-MARTIN EMERGENCY GROUP. (JAN SNYDER)
20. REQUEST FOR APPROVAL OF LOAN CONSOLIDATION PAY-OFF OF CURRENT ELECTRONIC REPORTING SYSTEMS FOR FIRE DEPARTMENT; EF RECOVERY. (JAN SNYDER)
21. REQUEST FOR APPROVAL OF INTERIM SCHEDULE OF AIRPORT LANDING AND FIRE PROTECTION FEES AT SANTA FE MUNICIPAL AIRPORT. (FRANCEY JESSON)
22. REQUEST FOR APPROVAL OF BUDGET TRANSFER OF FUNDS TO ANTI-GRAFFITI PROGRAM FROM POLICE DEPARTMENT AND PARKS DIVISION FOR FY 2013/2014 ANTI-GRAFFITI PROGRAM. (GILDA MONTANO)
23. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – ADVERTISING AND DISTRIBUTION OF 2014 SANTA FE TRAVEL PLANNER FOR SANTA FE COMMUNITY CONVENTION CENTER; BELLA MEDIA, LLC. (JIM LUTTJOHANN)
24. *[Removed for discussion by Councilor Rivera]*
25. *[Removed for discussion by Councilor Trujillo]*
26. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO COLLABORATE WITH LOCAL YOUTH SERVICE AGENCIES AND EMERGENCY SHELTERS TO EXPLORE THE OPTIONS FOR ESTABLISHING A “SAFE PLACE” PROGRAM THAT WOULD BENEFIT YOUNG PEOPLE WHO ARE IN CRISIS IN THE SANTA FE COMMUNITY (COUNCILOR TRUJILLO). (TERRIE RODRIGUEZ) Committee Review: Public Safety Committee (scheduled) 03/18/14; and City Council (scheduled) 03/26/14. Fiscal Impact – No.

27. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO EXPLORE THE OPTIONS FOR CONSTRUCTING "SINGLE TRACK AND STACKED LOOP" TRAILS IN A 30 MINUTE ZONE SURROUNDING SANTA FE; SUPPORTING EFFORTS FOR SANTA FE TO BE DESIGNATED AS A RIDE CENTER BY THE INTERNATIONAL MOUNTAIN BIKING ASSOCIATION; AND CALLING ON SANTA FE COUNTY AND THE SANTA FE FAT TIRE SOCIETY TO SUPPORT AND JOIN THE CITY OF SANTA FE IN SUCH EFFORTS (COUNCILORS BUSHEE, DOMINGUEZ AND RIVERA). (ROBERT SIQUEIROS AND JIM LUTTJOHANN). Committee Review: Parks and Trails Advisory Commission (approved) 02/19/14; Public Works Committee (approved) 02/24/14; and City Council (scheduled) 03/26/14. Fiscal Impact – No.

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MINUTES – FEBRUARY 17, 2014

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to approve the minutes of the Regular Finance Committee Meeting of February 17, 2014, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Councilor Maestas, Councilor Trujillo and Councilor Rivera voting in favor of the motion and no one voting against, noting that Councilors Trujillo, Maestas and Rivera are new to the Committee and did not attend this meeting.

CONSENT CALENDAR DISCUSSION

11. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO AGREEMENT BETWEEN OWNER AND ARCHITECT – MARY ESTHER GONZALES SENIOR CENTER (MEG); ELLIS/BROWNING ARCHITECTS, LTD. (LeANN VALDEZ)

Councilor Rivera said on page 1 of the Memo, under Background Summary, it says, "Amendment #3, was approved by the City Mayor on October 1, 2013..." He asked the process to have the Mayor to approve the amendment.

Ms. Valdez said this was done prior to her beginning her new position, but it did go through the system, noting Amendment No. 3 is on packet page 9 and it was signed by the Mayor on October 1, 2013.

Councilor Rivera asked if it was approved by the Mayor, if it went through the Committee process.

Mr. Tapia said if the amendment is less than \$50,000, "we're able to do it." It is signifying that it takes the Mayor's signature, but he didn't approve the contract. The City Manager probably approved the contract under \$50,000. He said he is signing Amendment #4, along with the City Clerk, and believes the City Manager approved the contract since it is less than \$50,000.

Councilor Rivera said the original contract was \$28,918, then Amendments #1, #2 and #3, which are more than the \$50,000 threshold. He is trying to establish if "the Mayor, through the Committee process, signed off on over \$50,000, which is what should happen."

Mr. Rodarte said, "According to the information I have here, this project started at \$28,918, which was the original contract. There was an Amendment #1 for \$4,900, which kept it under the threshold of \$50,000, and then they added Amendment #2 at \$8,000, which got it to a total of about \$41,800. When they went with Amendment #3, that would exceed have exceeded \$50,000. This went to the Council in October and the Mayor did sign off on it, because we had a project that was existing that was not competitively bid. This Amendment had to be done, but it would exceed the \$50,000 threshold. So, if you pull the records of the Council meeting in early October, you will see it was on the agenda, and it is signed by Mayor Coss here."

Councilor Rivera said, "With the Mayor's signature, it meant that it went through the entire committee process."

Mr. Rodarte said this is correct, and asked if Councilor Rivera would like the record of this, and Councilor Rivera asked him to email it to him.

MOTION: Councilor Rivera moved, seconded by Councilor Trujillo, to approve this request.

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

24. **REQUEST FOR APPROVAL OF AN ORDINANCE RELATING TO TOURNAMENT FEES AND ADULT LEAGUE FEES AT THE MRC AND CITY SPORTS FIELDS; AMENDING SUBSECTION 23-4.12 SFCC 1987, TO ESTABLISH TOURNAMENT FEES, AMEND THE ADULT LEAGUE FEES, AND TO INCLUDE YOUTH LEAGUE REQUIREMENTS TO BE CONSISTENT WITH SUBSECTION 23-7.5 SFCC 1987; AMENDING SECTION 23-7.5 SFCC 1987, TO ESTABLISH TOURNAMENT FEES AND TO AMEND THE ADULT LEAGUE FEES; AND MAKING SUCH OTHER STYLISTIC AND GRAMMATICAL CHANGES THAT ARE NECESSARY (COUNCILOR TRUJILLO). (JENNIFER ROMERO) Committee Review: Parks and Open Space Advisory Commission (scheduled) 03/18/14; Public Works Committee (scheduled) 03/24/14; City Council (request for hearing) 03/26/14; and City Council (public hearing) 04/30/14. Fiscal Impact – Yes.**

Councilor Rivera asked how many teams we have playing adult league, not including tournaments.

Jennifer Romero, MRC Manager, said there are 10 teams that use the facility, noting there were 75 teams playing softball last year for league activity, and there were 18-20 teams playing soccer. She said she can provide that information in a spreadsheet if he would like.

Councilor Rivera asked the loss of revenue from these cuts.

Ms. Romero said, with regarding to league play and eliminating the \$100 team fee, it is around \$15,000 total. She said that revenue doesn't cover the expenses which are well over \$60,000 for salaries, overtime and operational expenses.

Councilor Rivera said then it will increase expenses by \$15,000.

Mr. Romero said, "Yes, you can look at it in that way. Our expenses never... they always outweigh our revenue."

Councilor Rivera said he has the same question with tournaments.

Ms. Romero said, "Yes, in regard to tournaments. In the past years, in looking at our tournaments, the only league that has been affected by tournaments or has generated tournament revenue has been the softball league. Last year they had approximately 5 one-day tournaments, which generated approximately \$3,750. Our goal in eliminating the \$100 team fee and simplifying the tournament fee to \$25, a flat fee, is to make it easier to administer, as well as to attract teams. In working with adult leagues, we brought them in and asked them how we can work together to bring more teams in, not only for League play, but for tournaments where we can play, and switch back from one-day tournaments to two-day tournaments. And taking those recommendations into consideration, we sat with Councilor Trujillo and came up with this recommendation. In addition, we also will be working with Debbie Joe Almaden and the Recreation Division to attract more usage of our softball area and generating tournaments."

Councilor Rivera asked the anticipated loss of revenue from tournaments.

Ms. Romero said she believes there will be an increase in revenue from tournaments in view of the number of tournaments they already have scheduled. And now, under a new softball league president and board, they are bringing a vision and ideas to the facility to work with us.

Councilor Rivera noted on page 2 of the FIR, there are funds for personnel, and funds for all other operating costs, and asked her to explain those to him.

Ms. Romero said, "What we estimated here, in working with the Parks Division, is all sports turf facilities, including SWAN that will be coming on line, and factored in an estimated cost for operational expenses and salaries based on current costs."

Councilor Rivera asked if she anticipates needing an additional staff person, and Ms Romero said yes.

Councilor Rivera asked what is covered under all other operating costs.

Mr. Romero said, "That is for additional operating costs. For example, dry mix, if there is a rain-out and we need to put some mix on the infield. Those costs, as well as other operational costs to maintain the field – fertilizer applications and such. It is for the fiscal year."

Councilor Rivera asked how the additional staff person would be used.

Ms. Romero said, "If additional overtime is needed, but again, this is an estimate, and not necessarily will be, if there is an increase in tournaments, there may be additional overtime and salary costs associated with that."

Councilor Rivera said, "So, this isn't for a new staff person, it is to cover overtime."

Ms. Romero said, "It is for overtime and salary expenses for additional temporary staff to be assigned for the summer."

Councilor Trujillo said, "Just to clarify. What is intended on this change is, we've talked to many of the softball leagues in the City. At the cost right now, we're not getting enough teams to come to Santa Fe, and it's a shame, because we're the Capitol City of New Mexico. Las Cruces and all the surrounding cities have bigger tournaments. And that's the whole thing. We're trying to encourage teams from all over New Mexico, and even outside of New Mexico. And I think with the new President you have now in the League, he's also looking at creating a bigger tournament that will impact Santa Fe and economic development. People staying in our hotels. These are the kind of things we need to do. And I think by streamlining these fees, which Jennifer has spoken to, we are going to lose a little bit of money, but I think we'll see that recouped if we get 80-90 teams coming to one tournament you will see an increase in the revenue. I think this will help Leagues, the City. Just to clarify, this has nothing to do with youth fees, youth leagues. That's another battle."

Chair Dominguez asked Ms. Romero if she is prepared to track the economic development figures.

Ms. Romero said yes.

MOTION: Councilor Rivera moved, seconded by Councilor Trujillo for purposes of discussion, to approve this request, with an amendment to review this next March 2015, to see how the fees look compared to the year before.

Councilor Trujillo said when we're looking at the adult fees it is for baseball, 9 players plus 1 alternate, and asked about softball.

Ms. Romero said she didn't include an example for softball or soccer, but she can break this out, noting it includes Rugby as well.

Councilor Maestas asked how we will get the word to the public on the new fees and how do we market it, both in and out of the City, to attract teams from around the State.

Ms. Romero said they will bring the leagues in again to share how the fees will change. She said as she collects permit fees for this FY, they will be informed of that. She said, "In getting the word out, in regards to our softball tournaments and other events that we have, we will work with USSSA, which is the sanctioned softball association that the current league is under, as well as our Recreation Director Debbie Jo Almaden and Parks Division Director Ben Gurule, to inform the public and outside via our website and our other promotional items that we share."

Councilor Maestas asked how the proposed rates compare to rates in other cities of comparable size.

Ms. Romero said they looked at the rates in other cities, including Las Cruces, Los Alamos, and our current rates were the most expensive. So, reducing the fee will bring our rates more comparable with other cities.

Chair Dominguez said we have baseball and softball fields and then soccer alley. He said, in terms of it being an enterprise, these are all one entity, and Ms. Romero said this is correct.

Chair Dominguez asked if she thinks it would be beneficial to separate the two entities just for the sake of accounting to keep better track of revenues and expensive. He commented that he believes this can be done in terms of revenue, but doesn't know if it is plausible on the expense side because people work at the golf course as well as on the fields in general.

Ms. Romero asked if he is asking if it would be best to separate the sports complex budget from the golf course budget in terms of operational expenses.

Chair Dominguez said this can be discussed during the budget hearings. He said, "For this case right here, is it beneficial to separate revenue generated for soccer valley versus revenue generated for the baseball and softball fields."

Ms. Romero said, "I believe that is an idea for our Governing Body to consider. For example, we've started working with the Santa Fe Soccer Board, which came on line, and they are seeking Legislative funding specifically for soccer, and the soccer turf area. In separating those funding sources, it might be a way to see exactly how we're generating our revenue and expenses more clearly."

Chair Dominguez asked Mr. Pino to address how we can separate the expenses as well. He said, "Part of the perception folks get in the community is that they are paying on this bond and they also are having to pay fees, tournament fees or whatever you want to call them, also to play there. But, there's also a question about the revenue side of it as well. And so I'm just wondering if there is a way to separate, without violating our bonding covenants, is there a way to separate all those – golf course, soccer valley and the fields."

Mr. Pino said, "I'm not sure what the vehicle would be to separate those. We certainly can take a look at it. But the soccer initiative that Jen referred to, probably is going to take us there anyway. As you know, there is a group that is looking to build an indoor soccer arena out there. And in our preliminary discussions with that group, we suggested that perhaps, and they are agreeable, to give us a proposal on running the entire soccer part of the operation anyway. Because they feel they can get an indoor area built, but they also feel they can improve soccer valley physically, if they had League control. We are in very preliminary discussions about that, but as we move down the road with that, we will have to separate expenses and revenue, if we go in that direction."

Chair Dominguez said, "So, I guess that's the question. Internally, can we separate expenses. In other words, if you have a Parks worker working at the golf course for 2 hours, and later they go to the soccer valley for 5 hours, and the baseball fields for an hour – do you have the ability to do that and track that."

Mr. Pino said he doesn't know how they do that, but they will continue the conversation with the soccer group, and we will have to figure out a way to do it. He said at some point, we have to be very tight on our expenses, so they know what they are "in for if they were to take over the soccer part of the operation out there."

Councilor Rivera said the amount requested for 2014/2015, is \$269,130, and asked if this money is already available in the budget, or if it is new money that will have to be budgeted.

Mr. Pino said, "I think we're projecting that for next year's budget, beginning in July."

Councilor Rivera said, "Then the money isn't available anywhere, it would have to be new money allocated to this program. Is that correct."

Ms. Romero said, "That's correct. Additional funding should we over-expend our current budget."

Councilor River asked how that works in view that budget discussions are about to start.

Chair Dominguez said he supposes it means an increase in operating costs, or if there is a way for them to absorb some of the costs somewhere – that will be up to staff to figure out. But, essentially, it's an increase in operating costs.

Councilor Rivera said the League had a complaint that they pay the fees as well as wind up having to provide paint to line the fields, or that the fields weren't lined on a Saturday, or lightly lined and they couldn't tell where the field markings were. He asked if this will be done by City staff as part of this.

Ms. Romero said, "Yes. The lining is the responsibility of City staff. I know, in some instances, if paint wasn't provided, that was separate from the adult league. The youth League provides paint. But, in regard to assuring the fields are lined and maintained, it is our responsibility."

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

25. **REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING A DISCOUNT BUS PASS SALE PROGRAM FOR NON-PROFIT SOCIAL SERVICE ORGANIZATIONS WHO PURCHASE BUS PASSES IN VOLUME FOR DISTRIBUTION TO INDIGENT CLIENTS WHO UTILIZE THE CITY OF SANTA FE'S PUBLIC TRANSPORTATION SYSTEM; SANTA FE TRAILS (COUNCILOR BUSHEE). (JON BULTHUIS) Committee Review: Public Works Committee (postponed) 02/24/14; Public Works Committee (scheduled) 03/24/14; and City Council (scheduled) 03/26/14. Fiscal Impact – Yes.**

Councilor Trujillo said, "I pulled this item, because my wife is on the Board of the Interfaith Shelter, and if this passed, there would be a chance that organization would purchase these, so I will recuse myself at this time."

Councilor Rivera said concern was expressed at the Public Utilities Committee, about giving away bus passes every time a new program come up and how that would impact the Transit Department's bottom line. He asked Mr. Bulthuis to speak to that.

Jon Bulthuis said there is an on-going practice of discounting fees for non-profits that have contracts with the City, and has been going on for some time, even before he came to the Transit Division. He said when they got this request, they could find no documentation that program was ever approved by the Governing Body, and this is part of the reason for the Resolution on the agenda this evening. He said it does have a fiscal impact. There are 10-11 organizations which purchase more than \$1,000 in passes per year, some in the \$6,000 to \$7,000 range. He said, "So the discount, or the lost revenue from participating in the program, amounts to approximately \$20,000 a year."

Councilor Rivera asked how long they have doing the program.

Mr. Bulthuis reiterated he tried to look at some of the early brochures, and would estimate the program has been in place for about ten years.

Councilor Rivera said we're just codifying something which already is happening.

Mr. Bulthuis said it is codifying it, as well as getting the word to other non-profits which aren't taking advantage of the ongoing practice.

Councilor Rivera said then this has the potential to "hit your budget, potentially, harder than the \$20,000 you're already seeing."

Mr. Bulthuis said yes. He said, "I think the majority of organizations that would benefit from this already are participating, in it, but I don't know how many beyond that group might come into the fold."

Councilor Rivera said, "I think I'm okay with this, because it's a program we're already doing. However, I want everyone to be aware that we put a lot of burden on your budget, and I think we might see some of that come this budget cycle we're getting ready to start, and just wanted to know the full impacts, so we don't hit you as hard or take as much out on the budget on you as maybe we should, if that makes any sense."

Mr. Bulthuis said, "I would appreciate that, if that indeed is the case, when we get to that day."

Councilor Maestas asked the current fiscal impact for the existing programs..

Mr. Bulthuis said it is approximately \$18,500, so the estimate of \$20,000 gives them a little more funding to use if additional organizations come in and seek that discount.

Councilor Maestas asked if the \$20,000 is the additional fiscal impact, or if that is a revision to the existing fiscal impact.

Mr. Bulthuis said, "The total impact would be \$20,000. The existing impact, as of last year, is about \$18,500."

Councilor Maestas asked the fare box return.

Mr. Bulthuis said it is low, commenting we don't have a very high fare system-wide, and there is policy allowing youth to ride without paying a fare. He said it is slightly below industry standards for a City our size, between 5 and 10%, so it's not high..

Councilor Maestas said the last he checked, the industry standard for fare box return for public transportation is 12-15%. He understands the programs are important, but agrees with Councilor Rivera about the impact on an already low fare box return, in the face of diminishing federal revenues for public transportation doesn't bode well for the future of our public transportation system. He said, "I know ridership is going up, and perhaps we're doing well, based on increasing volume of passengers. But, if we keep undermining our fare box return, it will offset the future benefits from higher public transportation use. As a new Finance Committee member, I would like to get a better context of our public transportation system from a financial standpoint – total revenues, federal/local, fare box return and breaking out these bus pass program. I want to get a sense of where we're going and what the outlook is for public transportation, and again, knowing that federal funding is diminishing." He asked this be scheduled at the next meeting, or perhaps Mr. Bulthuis can provide that information to him between the next meeting which would be fine.

Chair Dominguez said Mr. Bulthuis can provide any information he needs. It probably will be part of the budget discussion in a little bit. He said some people think public transportation should be free across the Board, but that just isn't possible. He said, little by little, we keep taking away and reducing fees, and at some point we will have a problem.

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

DISCUSSION: Councilor Rivera would like to see the numbers before this moves to Council, and perhaps have this come back to the next Finance Committee meeting.

SECOND WITHDRAWN: Councilor Dominguez withdrew his second and the motion died for lack of a second.

Responding to the Chair, Mr. Bulthuis said this is an Enterprise Fund, and there is a tax source, the Quality of Life Tax that pays our operating costs, but there are a lot of other uses for that tax fund.

Chair Dominguez would like that information as well.

Councilor Maestas asked if the program has any OTAB revenues for public transportation.

Mr. Bulthuis said there is a small set-aside from OTAB, and believes it is \$250,000 a year, which is small, relatively thinking.

MOTION: Councilor Rivera moved, seconded by Councilor Maestas, to postpone this item to the next meeting of the Committee on March 31, 2014, with direction to staff to provide the requested information.

VOTE: The motion was approved on a voice vote, with Councilor Rivera, Councilor Maestas and Chair Dominguez voting in favor of the motion, no one voting against and Councilor Trujillo abstaining.

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

28. UPCOMING BUDGET HEARINGS AND PRE-BUDGET HEARING DISCUSSION. (COUNCILOR DOMINGUEZ AND MARCOS TAPIA)

A copy of the *PROPOSED BUDGET CALENDAR – FY 2014/15*, entered for the record by Chair Dominguez, is incorporated herewith to these minutes as Exhibit "1."

Chair Dominguez provided a copy of the proposed budget meetings [Exhibit "1"]. He said if information is needed prior to a pre-budget meeting to be helpful to let him know.

The Councilors commented and asked questions as follows:

- Councilor Maestas said as a new Councilor, he needs more context, and asked if it is okay to list some of the information he would like to have.
- Chair Dominguez said yes.

- Councilor Maestas listed his needs as follows:

Summary of outstanding debt instruments with terms;
a list of all existing personnel vacancies which have been carried over;
a copy of the budget;
a copy of the OTAB Budget;
a summary of enterprise funds what is coming in and going out – just a general overview.

Mr. Tapia said he is putting together something with guidance of the City Manager, for presentation to the Councilors and the Mayor to provide an open view of everything. It is called the pre-planning booklet that they will be assembling. The City Manager is reviewing and making revisions to it. He said, "Everything you asked for is in it."

- Chair Dominguez said, "If we don't have some of this information in the booklet, just get what we can. We've gone through lots of stuff in the past, so we should have that information. Anything else Councilor Maestas."
- Councilor Maestas said he would like a copy of the last Audit Report, a summary would be good.
- Councilor Trujillo asked the Chair if he has anything planned between April 12-17, 2014, dealing with the budget or budget hearings, commenting he will be out of town on those dates.
- Chair Dominguez said he is looking at the end of April. He said the schedule will change somewhat. He wants to do a pre-budget hearing before getting to the formal budget hearings, so the Committee has the opportunity to ask for more additional information for the budget hearings. He said there will be one finance Committee meeting dedicated to the budget, two days of budget hearings, and if needed, we will work the budget hearings into the Finance Committee meetings as well. He said, "So to answer your question, no."
- Councilor Maestas asked if there is summary report on all existing Capital Outlay projects, any balances.

Mr. Tapia said they do that on an on-going process, to see if there are balances which can be used for another CIP project. If that is possible, they may come back to this Committee to ask for approval to reallocate those funds when another project was completed or came in under budget. He said he has something to show the balances of a lot of our accounts. He said that also will be in the budget book in the different funds. He said he will provide a list of all ongoing CIP projects.

- Chair Dominguez said it would be useful to provide the Organizational Chart to the Committee and the Governing Body. He would like the current organizational chart and how it differs from the organizational chart that was approved, as well as the positions which are working in one department, but funded from a different department.

- Councilor Rivera said the Council meeting is on May 28, 2014, commenting that May 31st is a Saturday.
- Chair Dominguez said he mis-spoke, and there are budget hearings during April 10-21, 2014.
- Councilor Trujillo reiterated that he will be gone April 12-17, 2014.
- Chair Dominguez said he will do what he can with the Calender. If he can't accommodate Councilor Trujillo's schedule, Councilor Trujillo will need to make sure that staff updates him when he returns.

Mr. Tapia said, "If there is something specific from a department you really want to hear before you leave, that's something we can arrange for."

- Chair Dominguez said there is a new Mayor and new Councilors, and this budget cycle is critical with the annexation and lots of things have changed.
- Councilor Rivera said it appears the budget process has already started for departments with the City Manager.

Mr. Tapia said the budgets are being submitting, and he is separating any requests for expansion or new funding and such, to be sure they have the proper budget.

- Councilor Rivera would like a presentation by the City Manager to get a starting point.

Brian Snyder, City Manager, said he has asked staff to create a flat budget. He also asked for something we've done for the past 5-8 years, which is a list of expansion positions needed to do their jobs better as well as capital expenditure expansions. These are two different lists, because there is an uptick in the GRT, and "I wanted to get a sense, and give you the sense, of where we've been struggling staff-wise." He said there already are areas where we haven't made purchases for years – IT, replacement vehicles and new technology, snow plows. He said he will review these submittals. He is asking staff to prioritize their needs on the lists, so he can take that into consideration and make a recommendation to you, but show you the entire list. He said it is a flat budget, but he is also asking for expansion needs.

- Chair Dominguez asked if he will be making recommendations on those expansions.

Mr. Snyder said yes, he will be making recommendations based on priorities that have been presented to him by staff, based on their needs to get their jobs done.

- Chair Dominguez said you will be consider the Governing Body's priorities as well.

Mr. Snyder said he will present his recommendations, but will show you the whole picture of what was presented to him.

- Councilor Rivera asked when we will have an idea on how much surplus there will be from the GRTs.

Mr. Snyder said there is a running tab that Mr. Tapia will review in an upcoming line item, and understands we are sitting currently up \$2.6 million. He said they have the running tab and can compare that to other things that have been planned against that, such as raises for staff from AFSCME and the Fire Fighters Association which was considered at a previous Finance Committee and Council meeting, as well as how the annexation factors in.

Mr. Snyder said one of the things that Mr. Tapia described and he has requested is a comprehensive budget book to give the Committee – a snapshot of where we are currently. He said one of the things in that book, regarding annexation, will be a balance sheet on revenues and expenditures, and new revenues and expenditures we're expecting over the next 3 years, and then bottom line. What are we missing, what are we lacking. He said some of this ties directly into the GRT. He said, for example, they anticipate funding new police positions in year one out of the GRT, and assuming the GRT is flat and doesn't uptick, the City needs another funding source.

- Councilor Rivera asked when he will have all the information needed to put the budget books together.

Mr. Snyder said the book he is referencing is a snapshot, and hopes to have it within the next week and before the next Finance Committee meeting and present it at that time.

- Chair Dominguez said the idea is to have the pre-budget hearing at the next Finance Committee meeting. He said he wants to give Councilor Lindell the opportunity to comment and be in attendance for that staff presentation.

Mr. Snyder said the budget book will cover financial items, as well as org charts, H.R. items. He said everything ties back to finances, but it looks at funds, hold harmless, challenges ahead and some staff recommendations for resolving those challenges.

- Chair Dominguez asked if he will be asking to raise taxes.

Mr. Snyder said he will be presenting options for consideration.

- Councilor Trujillo asked for a list of all City vehicles, including vehicles in Public Works, Fire, Police and any heavy machinery, which would include the year, mileage. He said he might want to do an assessment himself to help with the fleet side.

Mr. Snyder said he definitely can do that. Additionally, the Fleet Maintenance Group could give the status of the vehicle as well, if it is in good working order. He said they do the routine preventive maintenance which has that data in the system..

- Councilor Rivera also would like the engine hours on a vehicle.

Mr. Snyder said he will see how much of this is included in the data base, and if it is, it will be provided..

- Councilor Maestas said he looked at the budget for the last two fiscal years, and saw that the subcontract budget is about \$21 million, basically unchanged over 2 consecutive fiscal years. He saw in the second FY the overall budget decreased, but the subcontracting amount stayed the same. He asked his philosophy in getting department requests together with respect to outsourcing. He said there are a lot of vacancies on the books. He asked how we can explain that the subcontracting budget is flat or the same, and what is the philosophy for assessing that. He asked what services are inherently government or commercially available, how we can readjust and right size the City in terms of services, and perhaps save money by reducing the subcontracting budget. He asked Mr. Snyder's philosophy will be going into that.

Mr. Snyder said he is surprised to hear that, but he definitely will look at that, because in past years, this is one of the items that is presented to the Governing Body. They go through the contract list, one by one. He said his philosophy and he has implemented this over the past 9 months, is as a contract comes up for renewal, he asked the question, "why do we need this, what is it used for, can we bring this in-house." He said in some cases, it's a matter of adding a little more money to the contract to provide a training component, so we get trained and then bring it in-house the following year. His philosophy is to look at each contract on an individual basis. He said sometimes we don't have the skill sets, some things it's better to have done by a third party. He looks at every contract to see where we can bring the service in-house. He also looks to see if we need to have additional staff, and if it makes sense to bring it in-house in the long term.

- Chair Dominguez said there was a 10% reduction in contracts two years ago.

Mr. Snyder said that is correct, and the reason he is surprised to hear Councilor Maestas' comment on that, but he will look at that, look at the history. He said there was quite a bit of focus put on the contracts in the past with that same concept in mind – why are we outsourcing and what can we do in-house.

- Councilor Maestas said he tends to look at General Fund contracts with more scrutiny than those funded by enterprise funds, and believes that's where our focus should be in the next budget cycle..
- Chair Dominguez summarized the requests from the Committee members. He said we've done well in the past, thanks in great part to staff, because they have been very conservative in watching every penny. He would like to get away from the shell game that's "played a little, if you will, on positions that will be moved and shifted around," noting that sometimes has to happen. He wants to see what is paid out of a certain fund that's being used in a different department. He said, "For the most part, I think staff has done a great job in ensuring that we watched every penny, and asking the tough questions about why we can't or can do it in-house. So kudos to staff on that"

- Councilor Dominguez said it's a little different now that we have a little revenue. He said the short term doesn't look so bad, but in the long term, 2-3 years from now, it will be challenging, especially if hold harmless kicks in and there is no significant growth in the GRT's or some economic development. He believes we have to have significant growth in the GRTs and economic development to really be secure for the long term – 3 years out, because the economy has been so shaky.
- Councilor Dominguez said we need to move into 5-10 year planning so the Governing Body can take a better look at how our decisions impact the City 5-10 years from now, even if we aren't on the Council. He said things have been shaky, insecure locally, nationally and globally, and we have had to look at things on a year-to-year basis.
- Councilor Maestas thinks the catalyst for policy change should come from this Council, even to the extent of engaging in a discussion with the Tax Research Institute in New Mexico to see if they are willing to work with us to come up with a tax reform package on which we can begin to work with other organizations such as the New Mexico Municipal League [NMML], and the Association of Counties. He said the Research Institute was created by the NMML and the Association of Counties to serve that purpose. He suggested a potential subcontract between the City and the Research Institute to start working on it right now. He said, "If we can come up with a solid tax reform package and get the NMML and the Association of Counties on board, it would be a fabulous start if we did that. That would be a recommendation that I'm going to bring to the table when we start talking about possible contracts, that I think hiring the Tax Research Institute might be a good first move for us."
- Chair Dominguez said, "What is really comes down to, is some of the things that we have no control over, such as tax reform at the State level. And really what people in the community want is that they want services, they want them to be efficient, they want them to be effective and they want them to be affordable. And so those are things that, believe it or not, that happen at the State and even the national level that has an impact on our constituents that we touch every day. I agree. I think we can direct staff Direct staff to pull something on that and provide it to use for information – just put it in our boxes so we can do some research on it ourselves and study it."

Mr. Snyder said, "I will definitely do that. Just to let you know, I was at the Municipal League most of the day today, and one of the discussions was about the various tax reforms and different types of groups, and we are signed up to participate in that. I also had a conversation with the City Manager of Las Cruces, before I went to the League this morning. He said they have already started that process and definitely are interested in partnering with us, so I think there definitely are opportunities for partnership as well as leveraging some of those benefits at the State level. I think it's a multi-prong approach, is what I'm getting at, and the ball started rolling on that already. So we will definitely look into what it would take to get a contract started and what the benefits of that would be."

- Councilor Rivera said he would like to see, "if funds are available to remodel the chambers to make it ADA accessible, to be sure there are energy efficient changes to the lighting, and to make

sure all Councilors face the constituents that come in to address us. I know that there is a detailed plan is out there, but all it shows is the funding. I don't know if the price of it has gone up due to time, but if that could also be included as something we look at in the budget."

- Councilor River said, "Something else I feel would be worth looking into, not necessarily for adoption, but just to look into, would be something similar to what the County Commission has, and it would be nice to have a staff person for each two Councilors in each district. And I don't know if that would be part time or full time. For some Councilors it's very difficult to get to and from downtown on a daily basis, and if you could have a shared staff person that could help address some of those needs, it may be something worth looking into. Again, I'm not 100% sold on that plan, but it would be nice to see what the figures look like."

- Chair Dominguez asked Mr. Snyder if he will do a gap sheet like we did in the past, or something similar to that, and these are some of the things we can throw in there

Mr. Snyder said, "Chairman, hopefully we don't have a gap, but yes, I'll do a gap sheet."

- Chair Dominguez said hopefully we have a gap, but on the other side.

Mr. Snyder said there have been various plans for remodeling the chambers, although he is unsure of the closeness of the figures and if the quotes are good indefinitely. He said that was done internally, so we at least have ballpark numbers.

- Councilor Rivera said the last plan was done when Public Works puts together its priority list, so it was within a 12 month period.

Mr. Tapia asked Councilor Trujillo if the last year's fixed assets that he has for the vehicles would suffice for him, and then he can do a separate report on the engine. He said they are working on the fixed assets for vehicles which would provide status, mileage, year purchased and "the whole nine yards."

- Councilor Trujillo said that would be fine, noting he is more concerned about the hours and the mileage, and he would like to get as close to current as we can.

Mr. Tapia said if it is too outdated, he will push the schedule on the current fixed asset reports.

- Chair Dominguez said he will be getting with Mr. Snyder and Mr. Tapia to finalize the budget hearing schedule, and to have the pre-budget presentation at the next Finance Committee meeting, noting he will try to keep the meeting agenda light, so we can have some of these detailed discussion. He said, "It's nice to be in the black, but that's only for today, who knows what happens tomorrow."

29. OTHER FINANCIAL INFORMATION:

A. UPDATE ON GROSS RECEIPTS TAX REPORT RECEIVED IN MARCH 2014 (FOR JANUARY 2014 ACTIVITY), AND LODGERS' TAX REPORT RECEIVED IN FEBRUARY 2014 (FOR JANUARY 2014 ACTIVITY). (MARCOS TAPIA)

A copy of *City of Santa Fe Gross Receipts Taxes Collected (less Water 1/4%)*, with attachments, is incorporated herewith to these minutes as Exhibit "2."

Mr. Tapia reviewed the report. Please see Exhibit "2" for specifics of this presentation. He said, although there was a decrease, they went back to see why there was such a hiccup. He said there are hiccups in the GRTs. However, when we went back, we found there was a hiccup last March in Medical and Utilities. He said he got no direct answer from the Taxation and Revenue Department, but there was a spike in the collection. He said the revenues received are those which were expected.

Mr. Tapia is in conversations with the Tax and Revenue Department to see if they can somehow show him the annexation portion. He said we should have begun collecting GRTs from the annexation area beginning in January, and he hasn't seen that. He hasn't seen a bump in here, and the only thing he saw was the hiccup where we received a half million which took us to 2.6% when we were at a little over \$3 million. This hiccup was on medical.

Commissioner Maestas said the UNM BBER did an estimation of up-front capital costs and recurring O & M costs associated with the different annexation phases. He asked if we will be doing a reality check on those figures and accepting them as "gospel" and use those for budget purposes. He is concerned that some of those expenses aren't yet funded. He isn't as much concerned about the one-time, up front costs, which can be addressed through appropriate G.O. bonds and such, as much as he is about the recurring costs for O and M associated with the annexation, and what budget assumptions we will make. He asked Mr. Tapia to speak to this.

Mr. Tapia said this has been his concern since he was about 4 months into the job. He has reviewed the BBER report and it was used as a guide. He said they have presentations which the City Manager is reviewing to see what we can fund, and what we anticipate in terms of funding. He said by nature he is conservative in estimating revenue. This is the reason he is asking Taxation and Revenue to break out the annexation figures, noting we know the costs for the annexation. His main concern is on public safety, fire, police and public works. He said he will be presenting some options.

Councilor Maestas realizes that the annexation was part of a greater agreement between the City and County which took years to develop, but perhaps we didn't anticipate such a drawn out recession and slow recovery. He said our ability to provide public safety services will be taxed until we can establish the substations and such. He asked if the options will include going back to the County and renegotiating interim law enforcement, public safety coverage. He said, "Or is that a done deal. Has the ink dried. You don't know until you ask. And who knows, it may not be a problem with the County to extend public safety

services to those areas a little longer. And who knows, maybe we can work something out with them. Have you thought about maybe revisiting the agreement, the phase-in, the end of the transition period from County to City, at least when it comes to public safety as a means to save money."

Mr. Tapia said the City Manager is looking at all options, and that is definitely up there. I know that Chief Rael was looking at that when he was still here, and his Deputy Chiefs were as well. He said, "We do know the costs are significant for public safety, but as far as my presentation that I've done initially now, that I'm looking to give to you, that is not in there. But I'm sure it's a little above my pay grade, but I'm sure the City Manager will address that."

Chair Dominguez asked if we are set up internally to identify the revenue generated from government functions such as impact fees, business licenses – whatever revenues are generated from the annexation area internally.

Mr. Tapia said no, not at this point. He is looking at how the revenues have changed over time and the averages, which is the best he can do right now for the impact fees. He said he can start with the bigger numbers with Tax and Rev, because they know exactly where the areas are and the businesses from which we receive GRTs. He said they are looking at the systems to be able to do that kind of reconciliation.

Councilor Dominguez said there is a fund for any revenue generated from Las Soleras, so it would be beneficial to break it down to be able determine what fixed revenues are coming from the annexation area. He said the reality is that there are a lot of people who generate revenue, but they don't necessarily generate the revenue in that area.

Mr. Tapia said he will look at it, noting he can break out the businesses which have licenses.

Chair Dominguez said, "But the bottom line is you saw no bump in GRTs because of annexation."

Mr. Tapia said no, it wasn't obvious, and the reason for his conversations with Taxation and Revenue Department.

Councilor Rivera asked Mr. Snyder to ask Andrew Phelps to look at other communities similar to Santa Fe, such as Reno, Nevada, for contingency plans in the event of devastating wildfires, for example, and the GRTs went down for 3-4 months. Some plan to fall back on in that event. He asked if that would be included in the budget or finance processes.

Chair Dominguez said Mr. Snyder can talk about that, and we are above the State mandated amount for reserves.

Mr. Tapia said yes, we try to go 10% above the State mandated reserves for the General Fund, as well as the reserves maintained because of the bond covenants. He said when he gets a breather, we can come up with an adequate reserve fund, noting he and the City Manager have had discussions in this regard.

Councilor Maestas asked if he could have the Ordinances dedicating each and every current gross receipts tax local option.

Chair Dominguez said the Ordinance are quite large.

Councilor Maestas said then a summary of the dedication would be sufficient.

Mr. Tapia said that has been done already, and he an assessment and summary and can get that out to him tomorrow.

30. MATTERS FROM THE COMMITTEE

Councilor Maestas said he realizes how sensitive GRT revenues are and the importance of our projections. He said Local Government Division, DFA will do a projection for a local government on request. He said he isn't saying the staff isn't competent, but it might not hurt to have the LGD to do another projection and compare notes.

Mr. Tapia said there are good people at LGD with whom he has been working. He has looked at their models as well as those at Property Tax, so "I have done that, and so you will be seeing that soon."

Councilor Trujillo and Councilor Rivera requested the Committee packets on a flash drive.

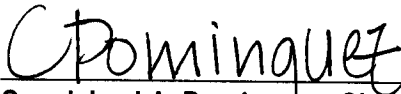
Councilor Rivera said he looks forward to working with the Committee, noting this is new for him, so he will be learning a lot under the leadership of the Chair, commenting he is excited about his position on this Committee and moving forward in a positive direction, hopefully with lots better GRTs ahead of us.

Chair Dominguez said, "Just so you know, Councilor Maestas, if there is anything you need that you see that you want to have a discussion on, let me know. I'll work with staff to get it on the agenda. If there is a particular are that you want to look at, and you want to have an informational item about, just let me know, and I'll work with staff to see if we can work it into the agenda. I ask that you not 'hog' the requests, if you will. In other words, that we give other Committee members the chance to ask for informational items as well. But otherwise, I feel the same way as Councilor Rivera. I look forward to working with the four new Committee members. This is a whole new Committee for me."

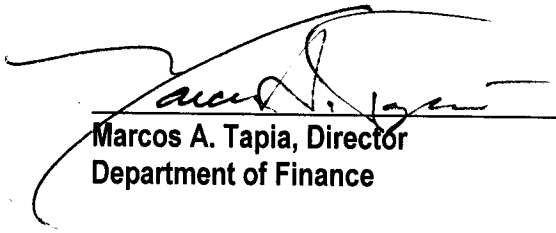
Councilor Maestas said, "I just want to echo what Councilor Rivera said. Deliberating, developing and adopting a budget is one of the most important decisions we're going to make, so I take it very seriously, and it's serious work as you all know. I look forward to working with all of you on this really important Committee, especially now that we're coming out of the recession, slowly, in trying to solve some of these problems that have been dogging us. I think it will be good. It's going to be fun too."

29. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 6:30 p.m.


Carmichael A. Dominguez, Chair

Reviewed by:


Marcos A. Tapia, Director
Department of Finance


Melessia Helberg, Stenographer

BUDGET CALENDAR - FY 2014/15

February 4, 2014	Distribution of Budget Instructions and Supporting Budget Forms/Schedules to departments for budget preparation
February 4, 2014	Budget preparation training (10 am-Noon; 1:00-3:00pm)--City Council Chambers
February 5, 2014	Budget preparation training (1:00-3:00pm)--City Council Chambers
<i>March 4, 2014</i>	<i>Final budget forms to Finance</i>
March 5 to March 25, 2014	Finance Department review, analysis and formulation of budget requests
April 2 to April 9, 2014	City Manager's review of department requests and formulation of City Manager's Budget Recommendations
*April 10 to April 25, 2014	Preparation of presentation material for Finance Committee review of City Manager's Budget Recommendations
April 29 to May 2, 2014	Finance Committee's review and consideration of City Manager's Recommendations
By May 31, 2014	CITY COUNCIL MEETING FOR ADOPTION OF FY 2014/15 OPERATING BUDGET
June 1, 2014	Submit FY 2014/15 Budget to NM Department of Finance and Administration, Local Government Division
July 1, 2014	Beginning of FY 2014/15

**NOTE: April 15, Passover; April 18, Good Friday; April 21, Easter Monday*

Exhibit "1"

City of Santa Fe
Gross Receipts Taxes Collected (less Water 1/4%)

BENCHMARK YEAR

MONTH	FY Actual 2007/08	% Inc/Dec	FY Actual 2010/11	% Inc/Dec	FY Actual 2011/12	% Inc/Dec	FY Actual 2012/13	% Inc/Dec	FY Actual 2013/14	% Inc/Dec	\$ Diff to PY	FY Budget 2013-14	% Actual to Budget	Over/Under Budget
JUL	7,375,729	15.39%	6,253,785	-8.06%	6,868,168	9.82%	6,839,744	-0.41%	7,330,377	7.17%	490,633	6,828,071	7.36%	502,306
AUG	8,237,747	-2.16%	7,692,859	-4.32%	7,651,436	-0.54%	7,557,228	-1.23%	7,638,713	1.08%	81,486	7,544,330	1.25%	94,383
SEPT	7,534,469	9.30%	6,865,871	-4.91%	7,162,003	4.31%	7,251,040	1.22%	7,703,661	6.24%	452,621	7,238,665	6.42%	464,996
OCT	7,792,052	4.44%	7,300,775	-2.35%	7,456,520	2.13%	7,541,435	1.14%	8,517,763	12.95%	976,328	7,528,565	13.14%	989,198
NOV	7,767,989	2.05%	6,788,772	-1.43%	7,169,747	5.61%	7,047,078	-1.71%	7,535,998	6.94%	488,920	7,035,052	7.12%	500,946
DEC	7,385,740	-2.52%	6,492,101	-2.60%	6,576,396	1.30%	7,114,531	8.18%	7,538,502	5.96%	423,971	7,102,389	6.14%	436,113
JAN	6,966,767	4.62%	6,284,002	-2.70%	6,653,844	5.89%	6,672,604	0.28%	6,521,060	-2.27%	(151,544)	6,661,216	-2.10%	(140,156)
FEB	8,725,121	8.61%	7,786,459	-2.88%	8,240,913	5.84%	8,240,913	0.00%	8,030,915	3.87%	298,981	7,718,739	4.04%	312,176
MAR	6,680,180	-4.15%	5,775,183	-1.20%	6,242,865	9.42%	6,728,219	7.77%	6,166,993	-8.34%	(561,226)	6,716,737	-8.18%	(549,744)
APR	5,957,049	-4.68%	5,775,585	-1.59%	6,318,974	9.41%	5,828,888	-7.76%	6,166,993	-8.34%	(561,226)	5,818,941	-4.04%	(312,176)
MAY	6,903,178	-34.00%	6,821,323	3.67%	7,132,860	4.57%	7,364,997	3.25%	6,166,993	-8.34%	(561,226)	7,352,428	18.83%	(119,431)
JUN	7,201,012	-4.48%	6,687,665	-7.65%	6,249,687	-6.55%	6,584,103	5.35%	6,166,993	-8.34%	(561,226)	6,572,867	-4.48%	(594,125)

TOTALS \$88,547,033 2.07% \$80,454,380 0.54% \$83,723,413 4.06% \$84,261,803 0.64% \$66,983,983 \$2,500,169 \$84,118,000 \$2,610,219

Prior Years' Comparison:

July - Mar \$68,485,794 3.71% \$61,169,807 -0.61% \$64,021,892 4.66% \$64,483,814 0.72%

Amount over(under) budget \$66,983,983 3.88% \$2,500,169
 Cumulative yr-to-date comparison to prior yr-to-date: 4.05% 2,610,219
 Cumulative yr-to-date comparison to FY 07-08 yr-to-date: 3.88% 2,500,169
 Cumulative yr-to-date comparison to FY 07-08 yr-to-date: -2.19% (1,501,811)

July 2005 1/4% GRT Increase: WATER

MONTH	FY Actual 2007/08	% Inc/Dec	FY Actual 2010/11	% Inc/Dec	FISCAL YR 2011/12	% Inc/Dec	FISCAL YR 2012/13	% Inc/Dec	FISCAL YR 2013/14	% Inc/Dec	\$ Diff to PY	FY Budget 2013-14	% Actual to Budget	Over/Under Budget
JUL	633,957	14.35%	545,951	-7.89%	598,654	9.65%	600,324	0.28%	642,087	6.96%	41,763	594,589	7.99%	47,498
AUG	714,599	-95.00%	671,821	4.65%	667,629	-0.62%	659,002	-1.29%	669,004	1.52%	10,002	652,706	2.50%	16,298
SEPT	653,432	9.04%	597,858	-4.98%	625,006	4.54%	634,132	1.46%	674,853	6.42%	40,722	628,073	7.45%	46,780
OCT	676,530	3.87%	636,744	-2.29%	648,133	1.79%	659,894	1.81%	742,357	12.50%	82,463	653,589	13.56%	88,768
NOV	679,250	4.49%	590,905	-0.92%	625,532	5.86%	616,187	-1.49%	659,904	7.09%	43,717	610,300	8.13%	49,604
DEC	647,257	2.30%	566,931	-2.31%	573,490	1.16%	622,564	8.56%	660,591	6.11%	38,027	616,616	7.13%	43,975
JAN	612,303	2.59%	549,104	-2.66%	580,657	5.75%	583,650	0.52%	569,976	-2.34%	(13,674)	578,074	-1.40%	(8,098)
FEB	765,368	9.23%	680,339	-2.79%	722,984	6.27%	676,802	-6.39%	701,794	3.69%	24,992	670,335	4.69%	31,459
MAR	585,468	-0.35%	499,794	-0.75%	543,902	8.83%	589,701	8.42%	538,357	-8.71%	(51,345)	584,067	-7.83%	(45,710)
APR	546,057	4.90%	499,776	0.71%	551,043	10.26%	509,652	-7.51%	538,357	-8.71%	(51,345)	504,783	-4.69%	(33,574)
MAY	951,790	57.65%	594,603	3.83%	622,468	4.69%	643,878	3.44%	538,357	-8.71%	(51,345)	637,726	18.83%	(99,369)
JUN	631,448	4.36%	580,691	-7.17%	543,012	-6.49%	574,631	5.82%	538,357	-8.71%	(51,345)	569,142	-4.48%	(69,296)

TOTALS \$8,097,459 8.74% \$7,014,517 -1.37% 7,302,510 3.55% \$7,370,419 0.55% \$5,858,924 \$216,667 \$7,300,000 \$270,575

Prior Years' Comparison:

July-Mar 5,968,165 4.81% 5,339,447 -0.45% 5,585,987 4.62% 5,642,256

Amount over(under) budget 5,858,924 3.84% 216,667
 Cumulative yr-to-date comparison to prior yr-to-date: 4.84% 270,575
 Cumulative yr-to-date comparison to FY 07-08 yr-to-date: 3.84% 272,936
 Cumulative yr-to-date comparison to FY 07-08 yr-to-date: -1.83% (109,241)

Exhibit "2"

**City of Santa Fe
Gross Receipts by Category
Fiscal Years 2013-14 vs. 2012-13**

**March
(January Activity)**

Category	March 2013-2014	March 2012-2013	Dollar Difference	Percent Difference
Agriculture, forestry, hunting	2,480	3,066	(586)	-19.11%
Mining	599	0	599	0.00%
Utilities	189,282	304,249	(114,967)	-37.79%
Construction	534,827	586,896	(52,069)	-8.87%
Manufacturing	122,494	108,951	13,543	12.43%
Wholesale	95,560	81,920	13,640	16.65%
Retail	1,838,177	1,931,281	(93,104)	-4.82%
Transportation & warehousing	15,033	14,141	892	6.31%
Information & Cultural Indust.	296,302	303,697	(7,395)	-2.43%
Finance & insurance	126,303	102,755	23,548	22.92%
Real estate, rental & leasing	148,713	133,833	14,880	11.12%
Prof. Scientific, Technical	530,446	552,283	(21,837)	-3.95%
Management of companies	11,555	16,138	(4,583)	-28.40%
Admin & Support, Waste Mgt	48,580	41,688	6,892	16.53%
Educational Services	32,829	47,016	(14,187)	-30.17%
Health Care & Social Assist	355,535	260,372	95,163	36.55%
Arts, Entertainment & Recr	38,344	36,088	2,256	6.25%
Accommodation & Food	699,429	687,796	11,633	1.69%
Other Services	737,150	691,545	45,605	6.59%
Public Administration	0	0	0	0.00%
Unclassified	27,100	18,038	9,062	50.24%
State reimb-food/med tax	826,324	1,371,741	(545,417)	-39.76%
Muni. Equivalent Distribution	28,287	24,429	3,858	15.79%
Total Distribution	6,705,349	7,317,923	(612,574)	-8.37%

**City of Santa Fe
GRT Analysis By Category
Fiscal Years 2013-14 vs. 2012-13**

**Cumulative YTD
(May - Jan. Activity)**

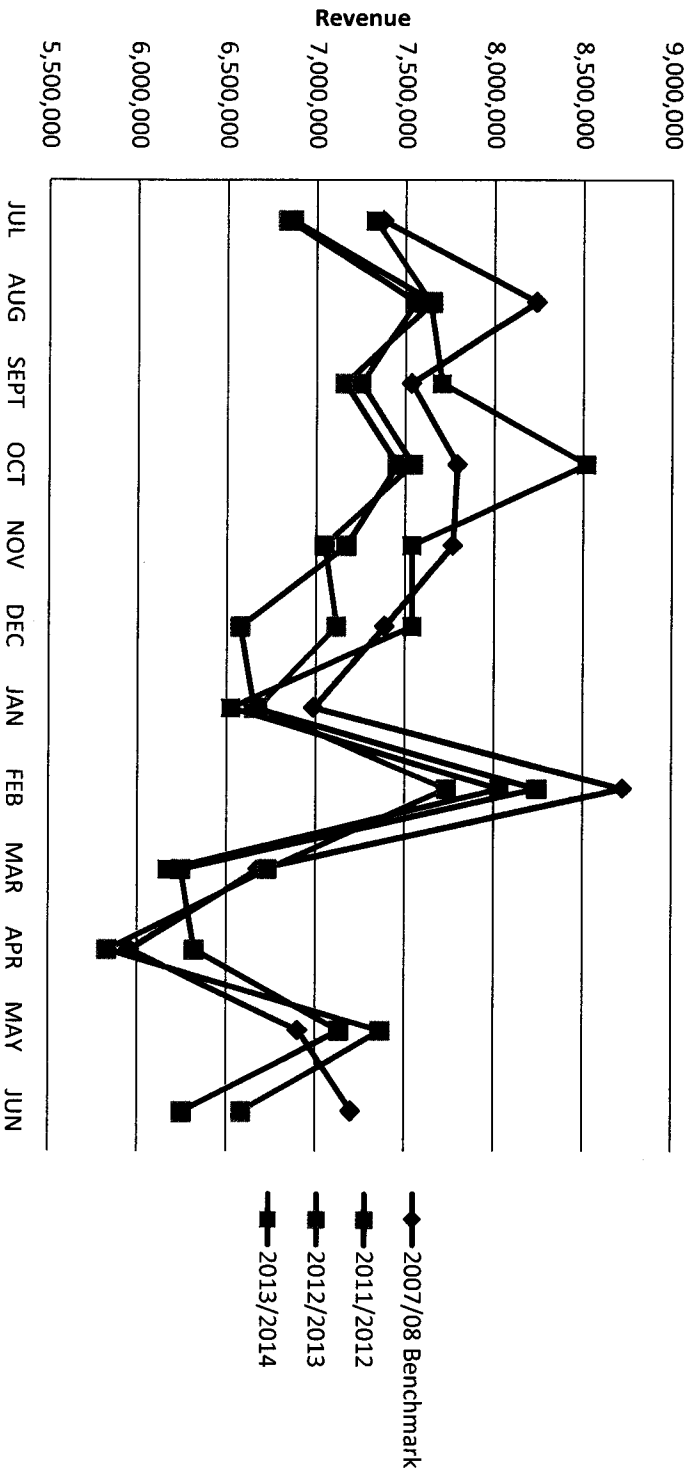
Category	July - March 2013-2014	July - March 2012-2013	Dollar Difference	Percent Difference
Agriculture, forestry, hunting, fishing	92,266	150,928	(58,662)	-38.87%
Mining	3,318	3,965	(647)	-16.32%
Utilities	1,822,821	1,811,244	11,577	0.64%
Construction	6,732,382	6,510,786	221,596	3.40%
Manufacturing	1,216,252	1,098,461	117,791	10.72%
Wholesale	992,084	1,052,478	(60,394)	-5.74%
Retail	20,878,711	20,502,850	375,861	1.83%
Transportation & warehousing	134,216	162,753	(28,537)	-17.53%
Information and Cultural Indust	2,826,132	2,583,166	242,966	9.41%
Finance & Insurance	948,861	878,902	69,959	7.96%
Real estate, rental & leasing	1,698,466	1,458,655	239,811	16.44%
Professional, Scientific, Tech	5,857,498	5,358,852	498,646	9.31%
Management of companies	133,354	168,642	(35,288)	-20.92%
Admin & Support, Waste Mgt	528,045	562,973	(34,928)	-6.20%
Educational Services	482,611	392,853	89,758	22.85%
Health care and social assist	3,449,528	3,182,810	266,718	8.38%
Arts, Entertainment & Recr	357,236	350,112	7,124	2.03%
Accommodation & Food	8,732,127	8,134,652	597,475	7.34%
Other Services	7,412,679	7,053,678	359,001	5.09%
Public Administration	0	775	(775)	-100.00%
Unclassified	343,841	201,202	142,639	70.89%
State reimb-food/med tax	7,985,791	8,276,505	(290,714)	-3.51%
Muni. Equivalent Distribution	214,685	228,829	(14,144)	-6.18%
Total Distribution	72,842,904	70,126,071	2,716,833	3.87%

City of Santa Fe
GRT Analysis By Category
Fiscal Years 2013-14 vs. 2012-2013 and 2007-2008

Cumulative YTD
(May-January Activity)

Category	July-Mar. 2013-2014	July-Mar. 2012-2013	July-Mar. 2007-2008	Dollar Dif FY 13-14 vs FY 12-13	Percent Dif FY 13-14 vs FY 12-13	Dollar Dif FY 13-14 vs FY 07-08	Percent Dif FY 13-14 vs FY 07-08
Agriculture, forestry, hunting, fishing	92,266	150,928	330,513	(58,662)	-38.87%	(238,247)	-72.08%
Mining	3,318	3,965	112	(647)	0.00%	3,206	0.00%
Utilities	1,822,821	1,811,244	1,573,486	11,577	0.64%	249,335	15.85%
Construction	6,732,382	6,510,786	10,446,771	221,596	3.40%	(3,714,389)	-35.56%
Manufacturing	1,216,252	1,098,461	1,576,689	117,791	10.72%	(360,437)	-22.86%
Wholesale	992,084	1,052,478	1,488,863	(60,394)	-5.74%	(496,779)	-33.37%
Retail	20,878,711	20,502,850	23,021,749	375,861	1.83%	(2,143,038)	-9.31%
Transportation & warehousing	134,216	162,753	506,582	(28,537)	-17.53%	(372,366)	-73.51%
Information and Cultural Indust	2,826,132	2,583,166	1,208,576	242,966	9.41%	1,617,556	133.84%
Finance & Insurance	948,861	878,902	890,611	69,959	7.96%	58,250	6.54%
Real estate, rental & leasing	1,698,466	1,458,655	1,702,143	239,811	16.44%	(3,677)	-0.22%
Professional, Scientific, Tech	5,857,498	5,358,852	4,756,672	498,646	9.31%	1,100,826	23.14%
Management of companies	133,354	168,642	263,135	(35,288)	-20.92%	(129,781)	-49.32%
Admin & Support, Waste Mgt	528,045	562,973	346,579	(34,928)	-6.20%	181,466	52.36%
Educational Services	482,611	392,853	199,853	89,758	22.85%	282,758	141.48%
Health care and social assist	3,449,528	3,182,810	2,876,875	266,718	8.38%	572,653	19.91%
Arts, Entertainment & Recr	357,236	350,112	316,913	7,124	2.03%	40,323	12.72%
Accommodation & Food	8,732,127	8,134,652	7,900,631	597,475	7.34%	831,496	10.52%
Other Services	7,412,679	7,053,678	7,675,325	359,001	5.09%	(262,646)	-3.42%
Public Administration	0	775	274	(775)	0.00%	(274)	0.00%
Unclassified	343,841	201,202	1,111,262	142,639	70.89%	(767,421)	-69.06%
State reimb-food/med tax**	7,985,791	8,276,505	6,260,346	(290,714)	-3.51%	1,725,445	27.56%
Muni. Equivalent Distribution	214,685	228,829	0	(14,144)	-6.18%	214,685	0.00%
Total Distribution	72,842,904	70,126,071	74,453,960	2,716,833	3.87%	(1,611,056)	-2.16%

Comparison of 3 YRS to Benchmark



Comparison of Budget vs Actual FY 12-13

