



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC MINUTES
PAGES: 73

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Valerie Espinoza
Deputy County Clerk, Santa Fe, N

SANTA FE COUNTY

BOARD OF COUNTY COMMISSIONERS

MEETING

MAY 25, 2010

HARRY MONTOYA, CHAIR - DISTRICT 1
KATHY HOLIAN - DISTRICT 4
LIZ STEFANICS - DISTRICT 5
VIRGINIA VIGIL - DISTRICT 2
MICHAEL ANAYA - DISTRICT 3

SEC. CLERK RECORDED 06/30/2010

SANTA FE COUNTY
REGULAR MEETING
BOARD OF COUNTY COMMISSIONERS

May 25, 2010

This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 11:20 a.m. by Chair Harry Montoya, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

Following the Pledge of Allegiance and State Pledge, roll was called by County Clerk Valerie Espinoza and indicated the presence of a quorum as follows:

- | | |
|---|-------------------------------|
| <u>Members Present:</u> | <u>Members absent:</u> |
| Commissioner, Harry Montoya, Chair | [None] |
| Commissioner Virginia Vigil, Vice Chair | |
| Commissioner Kathy Holian | |
| Commissioner Liz Stefanics | |
| Commissioner Mike Anaya | |

V. INVOCATION

An invocation was given by Isaiah Romero from the Assessor's Office.

VI. APPROVAL OF THE AGENDA

- A. Amendments**
- B. Tabled or Withdrawn Items**

ROMAN ABEYTA (County Manager): Thank you, Mr. Chair. We do have amendments to the agenda; they are items that are going to be tabled. The first items will be under IX. Special Presentations, A, Valerie Huerta-Giron, and B, the Housing Choice Voucher program, those two items will be tabled.

On page 2 of the agenda, under Matters from the Commission, a joint resolution establishing the Santa Fe City and County Addressing Alcohol Abuse Board, that item is tabled. Still on page 2, under the Consent Calendar, XII. B. Miscellaneous, item 6, is a request acceptance of an agreement of multiple source award and definite price agreement with Johnstone Supply, Chaparral Materials, Big Jo True Hardware and Santa Fe Winnelson Co. That item is tabled.

We have two items on page 3 of the agenda that are tabled. Item 8, which is acceptance of an agreement for multiple source award and also number 12, an MOU

between the County Deputies Association and Santa Fe County. That item is tabled.

On page 4 of the agenda, Mr. Chair, under XIII. Staff and Elected Official Items, B. Growth Management, item 1, the presentation and possible approval of 40-year water plan is tabled. Those are the amendments that staff has, Mr. Chair.

CHAIRMAN MONTOYA: Okay.

COMMISSIONER HOLIAN: I move for approval with amendments.

CHAIRMAN MONTOYA: Motion by Commissioner Holian.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTOYA: Second by Commissioner Vigil. Any further discussion?

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: I think I have another amendment. I'm wondering if we could take XIII. A. 3 and 4 and make those XIII. A. 1 and 2. Unless there's objection.

COMMISSIONER VIGIL: I have no objection as the maker of the motion, Mr. Chair.

COMMISSIONER HOLIAN: I have no objection either.

CHAIRMAN MONTOYA: Okay. Any further discussion?

The motion passed by unanimous [5-0] voice vote.

VII. APPROVAL OF CONSENT CALENDAR

A. Consent Calendar Withdrawals

CHAIRMAN MONTOYA: Any withdrawals?

COMMISSIONER HOLIAN: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Holian.

COMMISSIONER HOLIAN: I would like to withdraw XII. B. 9.

CHAIRMAN MONTOYA: Okay. Any others?

COMMISSIONER ANAYA: So moved with withdrawal.

COMMISSIONER STEFANICS: Second.

CHAIRMAN MONTOYA: I have a motion by Commissioner Anaya, second by Commissioner Stefanics. Any further discussion?

The motion passed by unanimous [5-0] voice vote.

XII. CONSENT CALENDAR

A. Community Funds

1. **In the Amount of \$3,000 for the 4-H Boosters for Santa Fe County Fair Expenses (Commissioner Anaya)**

2. **In the Amount of \$1,500 to Community Services Department for Edgewood Senior Center Expenses (Commissioner Anaya)**

3. **In the Amount of \$900 to Santa Fe County Community Services Department for Graffiti Removal Supplies and Materials to Be Used By Teen Court and the Graffiti Abatement Program (Commissioner Vigil)**

B. Miscellaneous

1. **Request Authorization to Enter Into Cooperative Project Agreement with NMDOT, Project Control No. L5050 for Road Improvements to CR 98 (Juan Medina Road)**
2. **Request Approval of the Accounts Payable Disbursements Made for All Funds for the Month of April 2010 (Finance Division)**
3. **Resolution No. 2010-90. A Resolution Authorizing the Surplus of Fixed Assets in Accordance with State Statutes (Finance Division)**
4. **Resolution No. 2010-91. A Resolution Authorizing the Donation of Tasers to the San Miguel County Sheriff's Department in Accordance with State Statutes (County Sheriff's Office)**
5. **Resolution No. 2010-92. A Resolution Authorizing the Surplus of Truck Scales in Accordance with State Statutes (Public Works Department)**
6. Request Acceptance of Agreement #2010-0060(A-D)-ASD/TRV, a Multiple Source Award Indefinite Price Agreement with Johnstone Supply, Chaparral Materials, Big Jo True Value and Santa Fe Winnelson Co. for Miscellaneous Construction Tools and Supplies for Santa Fe County **(TABLED)**
7. **Request Approval for A Caretaker/Lease Agreement Between Santa Fe County and Eric Lucero. The Property is Located in the Arroyo Seco Area, on the Marcos P. Trujillo Teen Center Property within Santa Fe County (Community Services Department)**
8. Request Acceptance of Agreement #2010-0278(A-D)-CORR/TRV, A Multiple Source Award Indefinite Price Agreement with Bob Barker, Robinson Textiles, Uniforms Manufacturing and Tabb Textile for Inmate Clothing, Hygiene & Linens for the Santa Fe County Corrections Department **(TABLED)**
9. Request Approval of \$300,000 Detox Grant from the Department of Finance and Administration for Operation of the Sobering Center for July 1, 2010 – June 30, 2011 (Community Services/Health & Human Services/CARE Connection) **ISOLATED FOR DISCUSSION**
10. **Request Authorization to Enter Into A Lease Agreement with Plains Eagle Corporation to Continue Leasing Office Space for the Region III Taskforce. (Sheriff's Office)**

11. **Request Authorization to Enter Into a Lease Agreement with Plains Eagle Corporation to Continue Leasing Storage Space for the Region III Taskforce (Sheriff's Office)**
12. **Request Approval of A Memorandum of Understanding Between the Santa Fe County Deputy Sheriff's Association, a Subsidiary of the New Mexico Coalition of Public Safety Officers/Communication Workers of America/Local 7911 and Santa Fe County Clarifying Contract Language Related to the Corporal Promotional Process**
13. **Approval of Inspection Report Regarding Jail Inspection of April 13, 2010.**

C. Budget Adjustments

1. **Resolution No. 2010-93. A Resolution Requesting a Budget Decrease to the Community Development Block Grants Fund (250) and the State Special Appropriations Fund (318) for Various Grants That Were Reverted Through Senate Bill 182 During the 2010 Legislative Session (Community Services Department)**
2. **Resolution No. 2010-94. A Resolution Requesting A Budget Decrease to the Water Enterprise Fund (505) for Various Grants That Were Reverted By NM Environment Department Through Senate Bill 182 During the 2010 Legislative Session (Utilities Division)**
3. **Resolution No. 2010-95. A Resolution Requesting an Operating Transfer from the Water Enterprise Fund (505) to the Capital Outlay GRT Fund (213) for Reimbursement of Expenditures for the Agua Fria/Rumbo al Sur Wastewater Project / \$119,082.31 (Utilities Division)**
4. **Resolution No. 2010-96. A Resolution Requesting an Increase to the Fire Operations Fund (244) to Budget a SFC Insurance Reimbursement for Expenses Incurred Due to the Repair of Damaged Fence At the Edgewood Fire Station / \$877 (Community Services/Fire)**
5. **Resolution No. 2010- 97. A Resolution Requesting an Increase to the Fire Operations Fund (244) / Chimayo Fire District to Budget a New Mexico Fire Protection Grant to Be Utilized for the Purchase of Personal Protection Equipment (PPE) for the Volunteer Members of the Chimayo Fire District / \$72,644 (Community Services/Fire)**
6. **Resolution No. 2010-98. A Resolution Requesting an Increase to the Sheriff's Office/Region III (Fund 246) to Budget Additional Revenue Received on the HIDTA Grant Award Number I8PSNP573Z for the Current Fiscal Year / \$497.33 (Sheriff's Office/Region III Drug Task Force)**

VIII. APPROVAL OF MINUTES

A. Approval of April 27, 2010 BCC Minutes

CHAIRMAN MONTOYA: Any changes?
COMMISSIONER HOLIAN: Mr. Chair, I move for approval.
CHAIRMAN MONTOYA: Motion by Commissioner Holian.
COMMISSIONER ANAYA: Second.
CHAIRMAN MONTOYA: Second by Commissioner Anaya.

The motion passed by unanimous [5-0] voice vote.

B. Approval of April 29, 2010 Special Work Session Minutes

COMMISSIONER ANAYA: So moved.
CHAIRMAN MONTOYA: Motion by Commissioner Anaya.
COMMISSIONER STEFANICS: I'll second.
CHAIRMAN MONTOYA: Second by Commissioner Stefanics. Any

discussion?

COMMISSIONER STEFANICS: Mr. Chair, I did notice from past minutes that we've already approved, that Commissioner Sullivan's name is showing up. So we might just have to look at the names in the future, but I'm fine with everything here.

CHAIRMAN MONTOYA: Was he here?
COMMISSIONER STEFANICS: It was in our budget meeting.

The motion passed by unanimous [4-0] voice vote with Commissioner Vigil abstaining.

IX. SPECIAL PRESENTATIONS

C. Recognition of Santa Fe County Employees Who Have Successfully Completed the College for Working Adults Program

BERNADETTE SALAZAR (HR Director): Good morning, Commissioners. I'm pleased to introduce five County employees who have successfully completed the college for working adults program and who have also graduated from the Santa Fe Community College with an Associates degree in business administration on Friday, May 21, 2010. These employees are Maricela Quintana, an accounting technician with our Finance Division, Lorina Sanchez, a secretary senior with our Public Works Department, Melanie Ramirez, an accountant with our Finance Division, Gabriella Trujillo, an administrative assistant with our Public Works Department, and Maria Sanchez, a procurement specialist senior with our Purchasing Division.

The CWA program here at Santa Fe County began in August of 2007. This

program is designed to promote college education for working adults. It is provided by the Santa Fe Community College and it's a 2 ½ year program. I really give these employees a lot of credit for taking on this endeavor, because I understand how challenging it can be to work full time and to attend school. This is a great accomplishment.

I would also like to express my gratitude to Gigi Gonzales, our employee development specialist, for all the work she's done to coordinate this effort. She did a tremendous job running around, coordinating the class schedules, getting the books and all the necessary work that needed to take place. I would also like to thank our County Manager, Roman Abeyta, for not only supporting our employee development program but actually pushing for more enhanced programs to give all County employees opportunities to grow both professionally and personally.

With this I would like to present certificates to our new graduates, and if they have any words to say they're more than welcome. Thank you.

LORINA SANCHEZ (Public Works Department): Mr. Chair, members of the Board, on behalf of Maricela Quintana, Melanie Ramirez, Maria Sanchez, Gabriella Trujillo, and myself, Lorina Sanchez, we would like to thank the Commission, the County Manager's office, the Human Resource Department and our supervisors for providing the opportunity to attend the Santa Fe Community College. Aristotle tells us that we are the sum of our actions and motivations. His words resonate with us personally. Through your actions, by offering this opportunity to Santa Fe County employees we were given the chance to show our motivation in the classroom.

We began this journey as timid students and today stand before you as confident leaders, leaders that will forever remember the generosity and the support that Santa Fe County has give us. Without the support from Santa Fe County as a whole this goal could not have been achieved. We are happy to be here today because we can finally say thank you from the bottom of our hearts.

MARIA SANCHEZ (Purchasing Division): Mr. Chair, Commissioners, we came together and decided because Gigi's been our mom and supporter for this last 2 ½ years. She had to listen to us complain out our classes; she had to listen to us complain about our teachers and not getting our things taken care of at the Community College, so she's bee a very strong advocate of the project, and we'd like to thank her with a small memento from all of us.

GIGI GONZALES (HR Division): Mr. Chair and Commissioners, I feel like these are my children. I just graduated my son Friday and I'm just as tearing up now as I was Friday. But I would like to say not only were they exceptional employees and students, but these women have been through some life-changing events during these 2 ½ years. We've had one become a grandma, two get married, one become a mom and one lose a mom. And these women have been through some challenging issues and still continue to go to school. So from the bottom of my heart, I'm so excited. Thank you.

COMMISSIONER VIGIL: Commissioner Holian had the opportunity to go to the graduation at SFCC and there was a compelling testimonial from one of the students there who overcame much adversity, incredible adversity – domestic violence. She move from one state to another to escape and she is now going into counseling for domestic violence victims. She reminded all of us who were there how much adversity

adults need to overcome to improve themselves through an educational institution. I think I was first and foremost glad that we have an organization such as Santa Fe Community College. We're even more proud today that we have the employee program that assists our employees in fulfilling their dreams. Thank you for setting an example for other employees. We really appreciate it. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Thank you, Commissioner Vigil. Other comments? Commissioner Anaya.

COMMISSIONER ANAYA: Yes, I'd like to personally thank you all for your continuing education, and Gigi whispered in my ear that she wished we could get more people involved in this. So if you're out there and you want to continue your education we've got plenty of openings and plenty of spots. So again, thank you very much. Congratulations on your graduation. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Okay. And I too would like to offer my congratulations. Any time you complete a degree of any sort I always say that it takes a lot of patience and perseverance and certainly you all have proved that you have both and we're very fortunate to have you as employees here at Santa Fe County. So congratulations and I too would like to echo what Commissioner Anaya said. Others that want to continue and advance their education, certainly the opportunity is there for you to take advantage of it, so I encourage you to take advantage of it. So congratulations.

IX. D. Recognition of Santa Fe County Clerk, Valerie Espinoza Who Was Chosen by Albuquerque Convention & Visitors Bureau as One of the Exclusive 2009/2010 Class of Albuquerque Ambassadors. She Was Chosen from a Select Group of Local Association Members Because She Was Instrumental in Bringing the International Association of Clerks, Recorders, Election Officials and Treasurer's Conference to Albuquerque Summer 2012. They Honored Her with an Award on May 12, 2010

CHAIRMAN MONTOYA: Clerk Espinoza, we just wanted to offer you recognition also here at the Commission. Would you like to say anything?

VALERIE ESPINOZA (County Clerk): Sure. Thank you. This just means that as director of the New Mexico IACREOT organization that we stimulate the economy not only in New Mexico but mainly in Santa Fe and Albuquerque and Santa Fe was a real easy sell, Santa Fe County. So thank you.

CHAIRMAN MONTOYA: Thank you.

X. MATTERS OF PUBLIC CONCERN –NON-ACTION ITEMS

CHAIRMAN MONTOYA: This is the portion of the meeting where individuals who would like to come up and say something, address the Commission. These are non-agenda items. Jon Paul Romero.

JON PAUL ROMERO: Thank you, Mr. Chair. Thank you,

Commissioners. I'm not here for matters of concern, I'm here to thank the Fire Department and all the volunteers and also the Sheriff's Department for a tragedy we had in the valley this week. My brother's home burned down this weekend and all the Fire Department that responded were professional and they made sure that the fire didn't spread to any other structures in the area, and to the trees that were located nearby because it could have been a greater catastrophe. I want to thank the Commission for supporting our Fire Department and making sure that they had the public funds available so they have the necessary equipment and training and the resources so they can fight fires of this nature. It was a tragedy in my family and my brother and myself want to thank the firefighters, the Sheriff's Department and the Commission. Thank you.

CHAIRMAN MONTOYA: Thank you, Jon Paul. Anyone else like to address the Commission?

XI. MATTERS FROM THE COMMISSION

B. Proclamation in Recognition of the National Center for Missing and Exploited Children Proclaiming May 25, 2010, National Missing Children's Day (Commissioner Vigil)

COMMISSIONER VIGIL: Thank you, Mr. Chair, and that is an unusual situation. Ironically, when we sponsor proclamations it's usually the week of. Today is the day of. I'm very honored to bring forth this proclamation. Two points to be made on this: We do have thousands of missing children throughout the United States, missing and exploited children, and the best way to combat that is we as parents and families must educate our own children with regard to their own safety. And if we could take that message back to our homes and our children we're really combating this issue far more than we realize. So with that, Mr. Chair, the proclamation would read,

Whereas, according to the US Department of Justice, there are an estimated 800,000 children missing in the United States annually; and

Whereas, of these 800,000 missing children, some 200,000 are victims of family abductions, and more than 58,000 are victims of non-family abductions; and

Whereas, on average, there are 2,200 children reported missing to law enforcement agencies daily, and

Whereas, the National Center for Missing and Exploited Children exists as a resource to help prevent child abduction and sexual exploitation, help find missing children and assist victims of child abduction and sexual exploitation, their families, and the professionals who serve them; and

Whereas, since its establishment in 1984, the National Center for Missing and Exploited Children has assisted law enforcement in the recovery of more than 145,600 children; and

Whereas, the nation has set aside May 25th as the day to renew efforts to reunite missing children with their families, remember those who are still missing, and make child protection a national priority;

Now, therefore, we the Board of Santa Fe County Commissioners, in partnership with the National Center for Missing and Exploited Children and it's collaborative

organizations hereby proclaim May 25, 2010 as National Missing Children's Day.

Mr. Chair, I move we approve this proclamation.

COMMISSIONER HOLIAN: Second.

CHAIRMAN MONTOYA: Motion by Commissioner Vigil for approval, second by Commissioner Holian. Any discussion?

The motion passed by unanimous [5-0] voice vote.

XI. OTHER MATTERS FROM THE COMMISSION

COMMISSIONER ANAYA: Thank you, Mr. Chair. First of all I'd like to thank the Public Works Department for repairing the Dinkle Road down in the southern part of Santa Fe County. We had some bad potholes. Thank you guys for going out and doing that.

Roman, concerning Camino San Jose in La Cienega. Apparently we are starting to work on paving that road and I'm wondering – some of the residents asked to put some speed humps while they're out there paving, and I'd like you to look into that.

I want to thank staff for attending the Town of Edgewood meeting last Wednesday, May 19th. Roman Abeyta, our Manager, Jennifer Jaramillo, constituent service liaison, Chief Stan Holden with the Fire Department, Steve Shepherd, the Health and Human Services Director, Robert Martinez, Public Works Director, Ron Pacheco, Senior Service Director, Frank Magourilos, DWI Program Director, Ken Martinez, Regional Emergency Call Center Director, Capital Robert Riggs with the Sheriff's Office, Jack Kolkmeier, Growth Management Department, Shelley Cobau from Development Review. I want to thank you all for going down there with me to talk with the Town Council of Edgewood and let them know what the Commission and what the County has done for them. There was a comment made and said the County doesn't do much for the Town of Edgewood so we went down there with a list of stuff and told them what we had done over the last eight years. So I want to thank staff for going down there. Thank you very much.

I'd like to also point out that on the wall up here there's some calendars, or one calendar. I think they laminated all 12 of them. The Arts, Culture and Entertainment Task Force put that together and they're going to be doing that throughout the county every year, in certain parts. This time they did La Cienega, so I want to thank them for doing that. It's a very interesting calendar and those of you that haven't seen it, take a look at it. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Okay. Commissioner Vigil.

COMMISSIONER VIGIL: None.

CHAIRMAN MONTOYA: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Mr. Chair. Well, we are now in the home stretch for the Renewable Energy Financing District, otherwise known as Renew Santa Fe. I would particularly like to thank Duncan Sill. He's been there since the beginning, which is almost a year now in bringing all the details together to make this a reality. A lot of other people also have worked on this program in one way or another to

make sure it's a success, starting with Senator Wirth in our legislature, Representative Egoff. Also we have gotten a great deal of help from Peter Franklin on issues regarding setting up special assessment districts, and there have just been numerous comments from the community, from the installers of renewable energy projects, from our financial community about how we can put together a better program, and from the residents themselves as to what they would like to see.

Now, I know it's been a long time in coming but we're almost there, and I would like to at this point invite Duncan Sill to come forward if he's here to give us a few comments about how we are going to be kicking off this program in the next month. Duncan.

DUNCAN SILL (Economic Development): Mr. Chair, Commissioner Holian, thank you. On June 8th, next month at the regular BCC there will be several items that the Renewable Energy Financing District Board, which currently includes the members of the Board of County Commissioners will consider so that we could officially launch the program. These items include the selection of the chair and the vice chair for the district board. We'll also need to adopt an open meetings resolution for the district, and then myself and Peter Franklin will present the final program content and material for the launch of the program, currently slated for the latter part of June.

We'll be working on a schedule to conduct outreach and workshops in the community too, so I will be forwarding some preliminary information to the County Manager as well as the Commissioners to get some feedback about their individual district communities and what might be appropriate.

COMMISSIONER HOLIAN: Okay. Thank you very much, Duncan.

CHAIRMAN MONTOYA: Anything else, Commissioner Holian?

COMMISSIONER HOLIAN: No.

CHAIRMAN MONTOYA: Okay. Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. First of all, we've had some requests from the public about whether or not our transfer stations would take phonebooks. And after researching this with our solid waste manager, we are not encouraging the public to dump their phonebooks unless they take off the front and back covers, and then the rest of the paper would qualify to go into our newspaper bins. There are some State locations here in Santa Fe that will take the entire phonebooks because they are covered receptacles where the paper and the covers would not be ruined. So that is at the Toney Anaya State building on Cerrillos Road, the South Side Library on Jaguar, the City offices on Siler, La Farge Library on Llanos Street, Ft. March Complex on Washington, and the Joseph Montoya building on S. St. Francis Drive. But as I did mention first, phonebooks can go to our transfer stations as long as they have the front and the back covers torn off.

Secondly, Mr. Chair, members of the Board, we had discussed in past months looking at solid waste fees, and Commissioner Anaya brought up a concern about families or individuals who really cannot afford increases. So we did some research into state programs and also the property tax program where people can limit payments. And so I'm suggesting to the staff that they incorporate the modified gross income for a family of \$32,000 or less, where those individual families could have a 50 percent discount on the solid waste fees if we go forward with our increases. And that would be a

very specific and limited population, but it would be addressing individuals who really cannot afford this.

Lastly, Commissioners and the public, I think I have concern about several things that are going on here at the County, and I believe at the time when the public is questioning whether or not we are managing our staff and our services in an appropriate manner. So I have asked and I did let Roman know that I was going to be asking him to talk about what might be changing in his directives with senior management or in what ideas he might have for managing the County differently. I think that every time – and by the way, besides the newspaper articles, I believe Larry Barker is doing a story on us tonight on Channel 13 at 10 p.m.

So with all of our publicity I believe that the public is looking at us and saying what is going on there and what are you going to do to change? So, Roman, do you want to talk about this now or at the time when you're doing matters from the County Manager?

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, I can talk about it either place, wherever the Commission wants.

COMMISSIONER STEFANICS: Well, I appreciate your talking about it now then.

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, one thing, we have just completed our evaluation period or annual evaluation period for all of our County employees. I will be taking a look at our management structure and I will be taking a look at some of the managers and whether or not I want to make changes with managers because I think with County Manager, a lot of the directors that have been here were here before me, before I became County Manager, and I think that has been one of the challenges that I have had as County Manager is to be able to try to work with some of them and bring them over to my way of thinking.

I think there is sometimes – or there has been an impression, not so much with this Commission but Commissions in the past where County Managers felt like they needed to have three votes in order to make changes as far as senior staff went and I think that perception needs to stop. I think it needs to be made clear that I am the County Manager and if I can't work with certain individuals I need the freedom to make the changes. Again, I think that's something that I feel I have the support of this Commission but I don't know that that message has been made clear to some of these directors who have been around much longer or before I became County Manager.

So I'm going to take a look at the directors I have in place and any changes that we could make. I am taking a look at policies and procedures. I have asked the County Attorney to get you all a memorandum, including myself on anti-donation and what the state constitution says about anti-donation. So you should be receiving that if you haven't already. We will be bringing forward revised human resources policies, rules and regulations within the next month or two, and I am going to propose a zero tolerance policy when it comes to drug use and alcohol abuse among County employees. I think that this is something that we shouldn't tolerate as an organization.

One of the ideas that I am going to put forward or one of the proposals is random testing for all County employees, drug testing for all County employees. That's something that I need to continue to research with Human Resources and Legal. But most

of our County employees are already subject to that. Most of the individuals in this room are subject to that. I think it's only fair that that be something that occurs Countywide. So I think it is time that we do start to make some changes where they need to be made and I would ask for your support for that, because I am the County Manager and it's difficult at times because I think there is an attitude among some department directors that as long as they have your support they don't necessarily need mine or anybody who's sitting in this seat.

The average for County Managers is two years and I understand why now. I've been ongoing onto my fourth year. I would like to continue as County Manager but I am going to need your support when it comes especially to personnel matters. And like I said, I think it's changing but there is that perception and we need to continue to work on that so I would just ask for your continued support. And I am going to bring forward these tough policies that I can't implement myself but I do need your feedback and ultimately your adoption, especially with something like a zero tolerance policy for drug use in our organization and random testing of County employees. That's what I'm going to recommend, and like I said, there will be other changes as we move forward.

COMMISSIONER STEFANICS: Mr. Chair and Roman, I appreciate what you've shared with us and I think it's a great start. And I'd like to remind people that it is the taxpayer's dollar that is funding everything that we are doing – people's jobs, the services that we provide and people are clamoring for more services all the time and we have limited dollars. But it is our role to do the best we can with the dollars.

I know that sometimes, and I commend those individuals that have already been through the drug testing, but most state agencies and even some non-profits – when I was at Open Hands we had random drug testing and I went through it just like everybody else. And because we received federal funds for some of our vehicles. But I think that when somebody is a public government employee they are receiving benefits that no one else receives. We have the best retirement, as it's been said, in the state. Or in the country. I don't know if that's true or not, but most other entities don't have the retirement we have. They don't have the benefits package we have.

So I think that it is a privilege to work for the County and something as minor as that should not be seen as something horrendous. I would encourage you to continue to refine the policies on procurement so that we can monitor and perhaps, I'll look forward to hearing how you're going to change the procurement process. Because we've had one or two things over the past two years that I've questioned and I'll look forward to seeing what that has to do.

I do realize that we, the County Commissioners, need to say publicly that you are their Manager and that you are their leader. We wouldn't have given you a contract to be the County Manager unless if we didn't want you to be the leader here. So I would just encourage you to show that leadership, to step up to the plate and – not everyone will be happy but probably there's going to be many people here who appreciate it. Thank you very much, Mr. Chair.

CHAIRMAN MONTOYA: Okay. Thank you, Commissioner Stefanics.

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: On a note that Commissioner Stefanics

brought up, and that's when she was talking about the transfer station, I know the Commission asked to see if we could accept brush at the transfer stations now that everybody's trying to do their spring cleaning, and I'm glad that a lot of the Fire Department people are here and they probably would like to see this too. In and around their homes, they're clearing brush, they're taking it to the transfer stations, and they're getting denied. So I believe we asked, probably a month ago, two months ago, if we can accept brush.

I know that you said something about the Environment Department and you were going to get back with me. Do we have an answer on that?

MR. ABEYTA: Mr. Chair, Commissioner Anaya, I'm not sure if we do or not, but we'll get one this week and we'll post whatever it is we can do on our website and announce it if we can start accepting it at other transfer stations.

COMMISSIONER ANAYA: Okay. Thanks. Thank you, Mr. Chair.

CHAIRMAN MONTROYA: Okay. Just a couple of items. One, I will be sponsoring a resolution and that resolution will be in support of the Senate Joint Resolution 5, which is going to be on the November ballot which will allow County officials to serve three terms versus two. So we'll be bringing that forward to the Commission for consideration. I'd also like to wish my dad, who's not here, but wish him a happy birthday today. I believe he turns 80 today, so I'm blessed to still have my dad with me.

Then I'd like to thank all the firefighters are here. Are you here just because you're bored? Or do you want to be bored? But thank you for being here this morning. I appreciate your presence.

XII. B. 9. Request Approval of \$300,000 Detox Grant from the Department of Finance and Administration for Operation of the Sobering Center for July 1, 2010 – June 30, 2011 (Community Services/Health & Human Services/CARE Connection)

COMMISSIONER HOLIAN: Thank you, Mr. Chair. I noticed that this is accepting a grant from the Department of Finance and Administration for a \$300,000 detoxification grant to the Sobering Center. I guess my question is because of the fact that the Sobering Center will be taken over by CHRUSTUS-St. Vincent how does that affect this grant.

MARY JUSTICE (CARE Connection): Mr. Chair, Commissioner Holian, we did discuss this with the Department of Finance and Administration. Under statute, the detox funds, the County has to remain as the grantee, but they are allowed to subcontract these funds to the hospital, and think that's something Rachel is working on in Legal.

COMMISSIONER HOLIAN: So we'll try to accept the funds for before the transfer, is that correct? And then we'll be able to subcontract?

MS. JUSTICE: Right. If you accept it today then it's a grant that starts July 1. There would have to be a subcontract that Legal does. I'm not quite sure how that

transfer would be that would go over to the hospital.

COMMISSIONER HOLIAN: Oh, great. Because I sure would hate to see us lose \$300,000.

MS. JUSTICE: No. That's why we checked with them a few months ago and they said there was no problem doing that.

COMMISSIONER HOLIAN: Okay. Thanks, Mary. I move for approval.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTOYA: A motion by Commissioner Holian for approval. Any further discussion?

The motion passed by unanimous [5-0] voice vote.

CHAIRMAN MONTOYA: I just want to recognize Robert Anaya. Robert is one of the candidates running. Thank you for being here and spending some time with us. Appreciate it.

COMMISSIONER VIGIL: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: I'd like to recognize Pablo Sedillo here from Jeff Bingaman's office. Thank you for joining us, Mr. Sedillo. Really appreciate your presence.

CHAIRMAN MONTOYA: Thank you, Commissioner Vigil.

XIII. STAFF AND ELECTED OFFICIALS' ITEMS

A. Finance Division

3. Review and Discussion of the Monthly Financial Report for the Month of April 2010 Specific to the General Fund (Finance Division)

TERESA MARTINEZ (Finance Director): Mr. Chair, Commissioners, this is the standard report you're used to receiving every month. Again, it's only the general fund and it summarizes receipts and expenditures in total. We changed it up a little bit in that we compare year-to-date totals to the previous fiscal year, as well as a monthly total, so in this analysis we're comparing totals for the month of April, for both the fiscal year 2009 and fiscal year 2010.

Not a whole lot to support on these. The revenues are at budget for the most part. The GRTs are just under budget cumulatively. We saw this for the first time now in the month of May. The County saw a decrease and fell below budget for the first time cumulatively, and the unincorporated areas are holding their own. A good part of that is because we had not set a budget for the fire excise tax, but we still have some small penalties and interest coming in on that.

Expenditures are fairly close. The major differences between the two months is always different by the amount of capital projects that we have going on at the time. In fiscal year 2010 we have the judicial center that we're dealing with. We have the Buckman Direct Diversion project, and that would account for a majority of the

differences. The salaries and benefits will increase mainly due to union negotiations or union agreements, bargaining agreements for scheduled increases that we may already have planned. So for the most part we're in line for the month of April. I do want to note that the GRTs were slightly down and we'll continue to watch them, and we're still continuing forward into the fiscal year 2011 with a five percent projected downturn for budget of GRTs. And I'll stand for any questions.

CHAIRMAN MONTOYA: Any questions? Commissioner Stefanics, then Commissioner Holian.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. Thank you, Teresa. I keep looking to the middle. Oftentimes at Buckman we are asked to approve amendments to the contract and to the budget. And I'm always concerned that there hasn't been direct communication with our Finance Department before we're doing such a thing. So could you explain to me whether or not staff there come to your first? Because I've mentioned to Commissioner Vigil that making a commitment at Buckman for expenditures from the County wouldn't be appropriate if, number one, we hadn't planned for it and number two, it didn't go through the entire body. So could you talk about that?

MS. MARTINEZ: Sure. Mr. Chair, Commissioners, they actually have a standing Monday meeting. Sometimes they get canceled but for the most part they meet every Monday and I try to go to as many as I can, and they'll discuss contractual issues, if there's any financial impact, and then they'll notify me and they also called me when they were getting ready to do the operational budget and we spent about two hours on the phone with the accounting firm. She did leave me a message, probably a week or so ago saying that there were some changes that had come up and she needed to discuss those changes with me. So we had to set up a meeting to go over those. So for the most part they do consult us and they do notify me when they have contract amendments coming forward that could affect the County's share, whether it be for capital or for operational expenditures.

COMMISSIONER STEFANICS: So Mr. Chair and Teresa, could you then in some manner notify those of us who sit on that board so that we can know whether or not it was in line with what we had planned, or whether or not there could be some financial concerns?

MS. MARTINEZ: I can do that.

COMMISSIONER STEFANICS: Thank you. Mr. Chair, the other reason I wanted to move this up is I thought we needed to get the financial picture before we start talking about the overall budget and to be clear about how we're trailing in revenue sources, so that we take that into account as we look at this next year's budget. Thank you very much.

CHAIRMAN MONTOYA: Okay. Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Mr. Chair. Thank you, Teresa for the report. I have a question about the line item that is charges for services. For fiscal year 2010 it's about half of what it was for fiscal year 2009. What is included in that and why is that so much less?

MS. MARTINEZ: Mr. Chair, Commissioner Holian, mainly that is less because of the way we changed our funding of our health programs. In years past we would have an agreement hitting that particular line item, so we've changed the way we

fund our health programs for that. You'll consistently see a significant drop off.

COMMISSIONER HOLIAN: Okay. Thank you. And then under disbursements, the salaries and benefits. It seems to me that we have less people actually working in the County now in fiscal year 2010 than 2009. Is that correct?

MS. MARTINEZ: I think we're right at – we fluctuate between 860, I'll say, and 900 employees, depending on the amount of temps and casuals that we may have. But I think we're fairly close.

COMMISSIONER HOLIAN: So the main increase in there is mainly due to union contracts as well as benefits.

MS. MARTINEZ: As well as benefits and also for this first time this fiscal year we're seeing an increase in our retiree healthcare costs. So it will mainly be driven by benefit costs. As you know we've tried – because of the economy and the recession that we're in to limit the increases that we've run. We've not given a cost of living for the last two years so I would say it would be mainly driven by possibly overtime as well.

COMMISSIONER HOLIAN: Oh, I see. Okay. Thank you.

CHAIRMAN MONTOYA: Okay. Any other questions? Okay. Thank you, Teresa.

XIII. A. 4. Resolution No. 2010-99. A Resolution Requesting an Increase to the General Fund (101) for the Surveyor's Office in the Amount of \$5,708 to make the Surveyor's Salary \$22,358, and Authorizing Back-Pay from the Date the Present Surveyor Assumed Office

MS. MARTINEZ: I'll try to take this one, Mr. Chair. This is a statutory requirement that we were just made aware of, so what we're doing is, this statutory requirement was in place when the current surveyor took office, so we're trying to make him whole for the statutory requirement. And that is our estimate of what we need to put into the budget to take him retroactively to the start date of his term.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Thank you, Mr. Chair. Teresa, did we check with DFA about doing this before we did it or does DFA approve this after we take action? Really, they are the final authority on this, is that not correct?

MS. MARTINEZ: Mr. Chair, Commissioner Vigil they will take action after your action. So at the end of every month we report to them all of the resolutions that were approved by the BCC and then they either approve it or they call us on it. Once they're approved by the Board then we recognize them as valid and post them to our system.

COMMISSIONER VIGIL: And is there a possible issue with this action, because I do recall us having difficulty when it came to identifying what was a mid-term salary issue for us. Is that potentially part of the evaluation DFA will go through?

MS. MARTINEZ: Mr. Chair, Commissioner Vigil, I would imagine that they would. I'm not certain. I can follow up on that.

COMMISSIONER VIGIL: Okay. And you'll just advise us what their

final decision is on this?

MS. MARTINEZ: Yes, I will.

COMMISSIONER VIGIL: Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Any other? Commissioner Stefanics.

COMMISSIONER STEFANICS: Mr. Chair, I would move approval of this resolution because it basically just takes that position and raises it when all of the rest of the County positions were raised at the beginning of the last election. Thank you.

COMMISSIONER HOLIAN: Second.

CHAIRMAN MONTOYA: Okay. I have a motion by Commissioner Stefanics, second by Commissioner Holian. Any further discussion?

The motion passed by unanimous [5-0] voice vote.

XIII. A. 1. Discussion and Approval of the Fiscal Year 2011 Interim Budget. Discussion, Direction and Possible Action for Changes to the Interim Budget to be Completed Prior to the Final Fiscal Year 2011 Budget Submission to Department of Finance and Administration

MS. MARTINEZ: Okay, we'll go ahead and begin with the interim budget. We have prepared binders for you.

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Mr. Chair, I was hoping that, Teresa, you could at some point early in the presentation, summarize for us some of the decisions or directions we made at our last budget retreat.

MS. MARTINEZ: Okay. And Mr. Chair, Commissioner Stefanics, I'll go ahead and start with that.

COMMISSIONER STEFANICS: Thank you.

CHAIRMAN MONTOYA: Teresa, this is going to be how long?

MS. MARTINEZ: At least an hour for my portion, and then the County Assessor and the County Treasurer's office would also like to have an opportunity to speak to the Board.

CHAIRMAN MONTOYA: Okay.

COMMISSIONER VIGIL: Mr. Chair, I'd recommend that we consider taking a break for lunch and maybe just poll the Commissioners to see if they'd like to do that. I think there's a couple more items and executive session after this, so I think in an hour my stomach will be telling me put something in ya.

CHAIRMAN MONTOYA: Okay. You agree, Commissioner? Okay. So do I. Ready to go eat, Commissioner Anaya?

COMMISSIONER ANAYA: What's that? Right now? No, I don't think so. We've got too many people here that are probably wanting to hear the budget. I would say we need to stick with it, because if they leave, they'd have to come back. Ask them.

COMMISSIONER STEFANICS: Mr. Chair, I do think the budget

discussion is going to go on for a couple hours. So if we start something, we're probably going to have to come back after lunch and continue it. I don't think that this is going to be a simple matter.

CHAIRMAN MONTOYA: I agree. You all can go eat too then. What do we say, reconvene at 1:30? Okay.

[The Commission recessed from 12:15 to 1:40.]

XIII. A. 1. Discussion and Approval of the Fiscal Year 2011 Interim Budget. Discussion, Direction and Possible Action for Changes to the Interim Budget to be Completed Prior to the Final Fiscal Year 2011 Budget Submission to Department of Finance and Administration [*Budget Presentation on File with Finance Department*]

COMMISSIONER VIGIL: The meeting of the Santa Fe Board of County Commissioners is called to order. We were on the last item of the agenda and it's the interim budget presentation and I'll turn it over to you, Roman.

MR. ABEYTA: As the Commission knows we're in a recession. We're still in the recession. We don't know how long it will take to get us out. As you heard from our presentation earlier gross receipts taxes have not improved. Property tax, if there's been any gain it's been minimal, and so this is nothing that's new to us though. We've been dealing with this together for at least the last two years. This last year we've gotten really aggressive with budget cuts. We've had some study sessions. Our last study session was March 31st in which the Commission gave us a lot of direction as to how to move forward and so we will start our presentation with an update on the March 31st retreat and some of the things we've done, and then we'll get into today's presentation. We are going to need approval of the interim budget today.

We've put the presentation together in a way that you could take action on specific things or you could defer action on things as far as cuts, but we are going to need to make cuts; that's just the reality of the situation. We cannot continue to operate the County the way we're operating today with gross receipts tax and property tax being what it is. So with that, Mr. Chair, I'll go ahead and ask Teresa to start us off with a follow-up from the March 31st retreat, and then we'll get into the interim budget presentation. Teresa.

MS. MARTINEZ: Mr. Chair, Commissioners, just for a point of information, there's a binder before each of you and within that binder on the top should be the presentation we're going to make to you today, and then also included behind that are tabs that have reference material that will assist you in making further decisions, be that today or at the next study session.

So you need to know that your binder contains reference material relative to the retreat summary, is what we labeled it, for the March 31st retreat. We have the summary of the fiscal year 2011 budget, and then we have budget cuts which is additional budget cuts for consideration, and it's reference material to assist you in making those decisions. And then lastly we have information related to elected officials.

So having said that we'll go ahead and start with the presentation. First I'll begin with a follow-up for you on what occurred March 31st – where we're at, things we knew we had to do, follow-up on. If you look to your retreat tab, it would be retreat number 1. We did a follow-up for you, and basically what we've done to date is we've had meetings. We've conducted meetings with Fire Command and Health Management. We've done additional research on the quality of life GRT.

We've compiled information for you on the DWI grant efforts and outcome. We've disseminated information on the cuts the Board made on that date. We've come up with a cost to house only Santa Fe County inmates at the Adult Detention Facility for your review. We gave you a summary list of capital projects that have been reverted. We are in the middle of a revenue-generating idea which is the business license compliance mailing. We are transitioning the Finance Division oversight of field accountants if you will.

We're analyzing the volunteer incentive programs. We've actually recommended some cost-saving changes to the Fire Command that's being reviewed and we'll have a follow-up meeting. We're meeting with the RECC and the Corrections Department or actually we need to schedule those meetings. We have further analysis on overtime expenses which we are currently working on and intend to bring back to you in June for that scheduled study session. We are researching alternative uses for the Top of the World property. We're reviewing permitting and licensing requirements for the Downs property.

We are pursuing a solid waste permit increase. We have further analysis of the indigent mil levy and will continue to do additional analysis. We are still working on the survey to the public on core services. We are trying to come up with an all-encompassing inventory of County-owned property and see if there is any avenue for use of those properties that would generate revenue. We are updating the analysis that we have on the cost of housing juveniles. We have analysis on other entities and what they charge to house adult inmates. We are still researching and amortizing the effects of the tax lightening, and we are still pursuing the potential to transfer positions to both the Assessor and the Treasurer's office.

If you look at retreat slide number 4 that will tell you specifically the changes that we did at the March 31st. For that retreat we specifically froze 34.5 positions resulting in savings of \$1.8 million. We eliminated community funds totaling \$142,500. On the retreat summary tab, retreat number 4, the pages are all numbered on the bottom right-hand corner.

We reduced our contingency set-aside. We eliminated the summer youth program. We reduced our capital package and that's referencing only the general fund capital package. We reduced the regional planning authority funding that we provide. We reduced our youth recreation summer program. We eliminated a transportation budget authority – didn't eliminate the routes, if you will; we just eliminated the budget authority. All of those retreat actions totaled \$3.9 million.

Other reductions we did throughout the course of the year, obviously we conducted our mid-year reviews and that resulted in an initial cut of \$1.1 million. We have forecast a reduction in our insurance premiums due to the recent changes we've made, just over a million. We have transitioned health services to St. Vincent's so they

can do direct services, and we had net reductions from fiscal year 11 requests totaling \$822,000. At this retreat we also approved two new FTEs, one for the wastewater utility division, this would be a maintenance tech lead, and a Sheriff's deputy 1. The deputy 1 would be traded, if you will, for what we currently have budgeted under contractual services for the transport and extradition that the Sheriff is responsible for.

So that is an introduction and a summary of previous actions this Board has taken, and they were all relative to the March 31st BCC retreat.

Then we'll go ahead and proceed with the rest of the presentation.

CHAIRMAN MONTOYA: Are there any questions? Okay.

MS. MARTINEZ: Our objective today is to get approval by the Board of the interim budget as we have submitted it to you today. The budget is due to DFA May 31st or June 1st, so we'd like you, and we'd request that you approve the budget today as it stands and then you could provide additional direction on additional cuts and we could bring that back to you in June when we have our study session and make it ready for the final submission to DFA, which is due July 31st. There is a potential survey that may come later, depending on the pleasure of the Board.

COMMISSIONER STEFANICS: Mr. Chair, Teresa, based upon the summary from March 31st, we are almost to the goal. Is that correct?

MS. MARTINEZ: Some of these changes, Mr. Chair and Commissioner Stefanics, were one-time changes in the fiscal year and some of them will have an annual impact to the budget. So yes and no. You'll see in the presentation we asking you, we have another goal number that we're requesting that you try to make up to in anticipation of a potential shortfall that may come in cash reserves if we had to sustain everything at the current levels that we're operating. The message here is that we can't continue operating status quo with the declining revenue. So we have slides that lead up to what we're looking for in terms of additional cuts, and a time period so that we can monitor the revenues and see if they're materializing at a higher level or a lower level and hopefully, if they're materializing at a higher level we won't have to proceed with planned cuts, and obviously, if they fall below or fall to a lower level we'd then have to look at the cuts we recommended and see if we make additional cuts or see if we can remain with the first round of cuts that we've made.

COMMISSIONER STEFANICS: So some time during your presentation, Mr. Chair, Teresa, are you going to talk about the pros and cons of the level of our cash reserves?

MS. MARTINEZ: Throughout the entire presentation we'll be addressing that.

COMMISSIONER STEFANICS: Okay. Thank you.

COMMISSIONER VIGIL: Any other questions? I have one, Teresa, and I'm looking through this. Is there a point in your presentation that you'll be able to inform of us how much each department within the organization is being cut?

MS. MARTINEZ: We don't have that summary detail prepared but we can prepare that for you for the next study session. And we can prepare it and email it to you if you'd prefer.

COMMISSIONER STEFANICS: So, Madam Chair, are you asking about like a percentage of their budget?

COMMISSIONER VIGIL: Yes.

COMMISSIONER STEFANICS: Okay.

COMMISSIONER VIGIL: And I think there has been some intensive negotiations going on with each department and I think, my understanding is that it's been fair and equitable to everyone. I just wanted to make sure that we received that kind of information about that process. And I didn't notice that it was part of this, so at some point in time I may have specific questions. Okay? Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I just, as a point of clarification, as we're going through the 2011 budget, those are with the cuts that were made based on the last study session. Correct?

MS. MARTINEZ: That is correct.

COMMISSIONER HOLIAN: Okay. Thank you.

COMMISSIONER VIGIL: Okay. You may proceed.

MS. MARTINEZ: Okay. We'll move to slide #2, which is basically a housekeeping slide if you will. First thing we'd like to do is lay out for you the budget process timeline. Again, the interim budget is due to DFA on June 1st. We propose today that we recommended as it is submitted to you today, balancing basically with the use of cash reserves, and then we'd like to have another study session in early June where you can provide additional direction with additional cuts if need be. And we have a goal amount that we'd like to reach.

So we'll have the budget study session in June. We'll complete the meetings with the departments for our final analysis that we still owe you from the March 31st retreat, and then make additional cuts as necessary, and we'd like to have the final budget approved in the admin meeting, the final meeting of June. And the reason for that is we typically approve the final budget so that we can roll that into our accounting system and have less adjustments that we'd have to deal with if rolling the final budget. So we're recognizing that the deadline is not till July 31st but we'd like to have it approved at the June 29th BCC meeting.

We received a letter from DFA that basically gave us guidance as to how we should proceed in these difficult times. Now, underneath the budget process timeline you can see that they asked that we maintain our reserves and try to manage them and keep them at the same level on June 30th as they were on July 1st. That's going to be hard for some of the special revenue funds that we have. Statutorily, we're required to keep a reserve requirement for the general fund and for the roads fund. So we always ensure that we meet that statutory requirement.

In two years that statutory requirement may be compromised. We may not be able to make that requirement if we do nothing, absolutely nothing. So that's why we're here today. We're trying to give you a progressive plan for recommended cuts. And also monitor revenue to see if the level of cuts is needed at the higher level or at the lesser level. So we will continue to try to do that. But I do need to let you know that at the end of the fiscal year 2011 there will be special revenue funds that will be depleted of their cash reserves, and we'll have a slide later that shows you that.

Additional recommendations from the Department of Finance and Administration was that we ensure or basically not allow that recurring expenditures be supported by cash balances and non-recurring revenue. So we need to keep our one-time expenditures

with one-time revenue and our recurring expenditures with recurring revenue. The County has always been in tune with that and that's always been a goal and a practice that we've followed and been able to follow to this point.

They also recommended that we implement an immediate freeze on all vacant County employee positions. That action was taken on March 31st and you froze 34 positions, almost 35, and you'll see that later in the recommendation we have additional recommendations relative to freezes. They wanted us to implement an immediate freeze on all County employee salaries except for those governed by a union contract that is currently in place. They have also suggested that we try to maybe open up negotiations with our unions and speak to the increases in the economy and where we're at, and see if we can negotiate those down or away altogether until the economy recovers.

So we've not given cost of living increases, so to that effort we've done as much as we can there. And again, they go as far as to say if there's not sufficient budget to avoid budget overruns then they really consider or recommend that we consider furloughs, salary reductions, 32-hour work weeks or layoffs. And these are all things that we've been researching and trying to come up with various plans in the event that the County has to go there.

Lastly, or not lastly. Pardon me. But they asked that we implement an immediate freeze on contracts that affect the general fund. So we gave you reference material on all the contracts that are in the general fund, and that's in your cuts section. And we can explore that a little bit later. They asked that we discontinue the practice of providing funds to non-profit organizations, and they said go back to your departments and your program managers and try to implement further reductions in the operating budget and make every effort to maximize revenue. So most of the recommendations we have already been knee-deep in for at least a year, a year and a half. So we'll continue to move in that direction, obviously.

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. Teresa, on the discontinue practice of providing funds to non-profits. My question is not related to operating funds but more about capital. Have we – do we have some projects that the County is losing due to the recall recently?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, we do, and we have a list of those also for you in here. And if you want to go through it, it's in your budget cuts section and it's referenced under 15. And that will list everything for you and I can pull that up and summarize for you.

COMMISSIONER STEFANICS: That's all right. I'll wait until we get to that. But budget cuts, page 15. Okay. Thank you.

MS. MARTINEZ: Okay. So the next slide is a shocking slide. It says that I want to make it very clear that if we do absolutely nothing from this point forward, if we continue operating status quo, make no cuts, revenues continue to decrease, other costs that we couldn't anticipate increase, we could – worst case scenario – be looking at a potential \$12 million deficit in our cash reserves to start fiscal year 2012. That's if we do absolutely nothing.

So what I'd like to do on this slide is take a few minutes to give you a reminder of

how we got here and how we're forecasting \$12 million. Because we've thrown at least three separate meetings out to you where we've identified different forecasts on a potential deficit, and a lot of what-ifs are involved in these forecasts, so it depends on what materializes. But we last had a meeting in January and February where we had to make a commitment to our sole community provider. And we provided you scenarios at that time. We started with, I believe, three to four, and we ended with two. And each of those scenarios forecasted a deficit. And again, a lot of what-ifs, not knowing what would materialize. At that time we were forecasting a \$9 million deficit. And that wasn't Countywide, that was just managing our health programs, our jail medical for the adult facility, and the juvenile facility, as well as our RECC operations. And that was again making the assumption that health would continue with a full level, RECC would continue at a full level, and that jail medical would continue as it is.

So throughout the presentation we have a lot of research that we've put into your packets as to potential suggestions that we could look at in terms of trying to cut some of those cuts without compromising services.

We also had the March 31st retreat where you cut \$3.9 million, and we were forecasting a deficit at that time of \$14.5 million. We stand before you today and we say we've reduced that deficit to about \$12 million, and that's assuming that we do absolutely nothing, make no more cuts, live status quo and let everything go on – expenditures at their normal level and revenues decreasing. So what we did is we made some assumptions. One assumption that was all revenue and expenditures in fiscal year 12 would remain at least at the current level of fiscal year 2011. So there'd be no budget increases. We also know that in fiscal year 2011 we're recommending, or forecasting if you will, an additional five percent downturn in our GRT budget. If you'll recall, for fiscal year 2010, the current fiscal year that we're in, we forecasted a ten percent downturn, and I'm glad that we did because it's only been in May now that we've seen our total collections fall under budget. So we're eagerly awaiting June to see if we're going to stay at budget or fall below budget. I'm a little nervous, thinking maybe we should move up to seven percent, but right now, as the budget is submitted, we are forecasting our GRTs to be down an additional five percent, which equates to about another \$2 million.

And then with the expenditures, there were additional expenditures that arose that we did not have planned, if you will. We will be increasing the cost of our senior services by an additional just under \$300,000, and that is to take over the operations of the Edgewood Senior Center and the Chimayo Senior Center. We also had a small increase when the final calculation was done for the sole community provider commitment. It was larger than the estimate by \$86,000. We had the addition of two new FTEs, which was just over \$128,000. And we will be using cash reserves in many of our operations to sustain our operations in fiscal year 2011. That includes fire, that includes the RECC, and that includes health. It also includes jail. Jail will be reliant on the general fund in the next fiscal year and in future fiscal years until we can get our revenue up again.

So I just wanted to make sure that you had a history of how we've come up to the number that we're forecasting right now, based on the information that we know today.

So we'll go ahead and move to the next slide, slide number four. This is a summary for you of where the interim budget sits today. For fiscal year 2011 we are

currently at a budget of \$177 million. The pie charts if you will break down for you the sources and the uses by major category. You can see that our major sources of revenue are property taxes, currently budgeted at \$51.3 million, and our gross receipts tax is currently budgeted at \$41 million. We also have grants and intergovernmental agreements, charges for services. We have an "all other" category, which is all the small stuff if you will. We have operating transfers in and we are using \$22 million as it sits today to budget our interim budget. So obviously, that's not a number we're very comfortable with, but this is how we'd like to submit the interim and then make some forecasts as to what could happen to revenue, what could happen to expenditures, and give you a target goal of what additional cuts we'd like to see come through fiscal year 2011 as we continue to monitor the recession's impact on revenue. And then also pursue our revenue generating ideas in hopes that we can bring in more revenue and have less impact to services, programs and people.

If you look at the uses they're broken down by service delivery, public safety makes up \$49 million of the budget. General and administration represents \$31 million, health, welfare and housing is currently at just under \$17 million. We have highway, streets and transit budgeted at \$9.4 million. Environmental, water and sanitation at \$9 million, culture and recreation at \$2 million. We have a debt service component of \$18 million, and we have a small amount budgeted for the judicial center out of the general fund.

We want to point out that if you take the fund transfers out our total budget for fiscal year 2011 would materialize at \$139 million. We want to know that it's supported by \$116 million in revenues, and looking at \$22 million currently for use of cash reserves to balance the budget. When you compare this to fiscal year 10 you can see that we've done about \$6 million worth of savings and I think that can be attributed to the cuts that you've made as a Board as well as a lot of the cost-saving efforts that the County has currently undertaken.

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Teresa, that budgeted cash, \$22,702,000, you're saying that's reserves?

MS. MARTINEZ: It's cash. It's fund balance. It's cash, and within the use of that we've ensured that the statutorily required reserves have been maintained. Some funds will deplete their cash reserves or their cash balance by the end of fiscal year 2011. Some will have sufficient cash balance to maybe carry them for another year or possibly two years. So, yes, that's cash balance by all the various funds that we have.

COMMISSIONER STEFANICS: So, Mr. Chair, how much more cash are we using this year, or would we use for FY11 versus FY10? Are we jumping \$10 million? \$9 million?

MS. MARTINEZ: I do have the spreadsheet. Let me just get it. There's normal uses of cash reserve. A lot of the capital projects or the bond proceeds will have a carryover at the end of every fiscal year. So sometimes you could see an \$8 million carryover budgeted on a bond project that's large enough, so let me look and see if we can decide where how much is going to be of an increase.

Okay, we projected \$9 million and in years past I want to say we've used at least

\$5 to \$8 million. So it's not that extremely over what we've done in the past. But the amount that I'm talking to you about is just relative to the general fund cash. So if I have to guess, I would think that we're probably going – probably \$8 to \$10 million over what we would have done in a previous year. So we'll make a note of that and we'll confirm that number for you.

COMMISSIONER STEFANICS: So I want to be clear about this. We would be utilizing, at the high end, \$10 million more of cash reserves for FY11 than for FY10?

MS. MARTINEZ: On a basic estimate, yes. And I can tell you that because right now for the way we have our jail, our RECC, and our health component budgeted, that alone is going to use up \$6 million of cash. Now, the jail's only referring to medical. Then the general fund is going to have to use about \$6.5 million, almost, to make the general fund balance. So it's probably going to be more than that.

COMMISSIONER STEFANICS: So, Mr. Chair, just that last comment: It's probably going to be more than that. Okay. I'm trying to tie this down now. Last year, or the current year we're in, FY10, we used approximately \$9 million cash reserves?

MS. MARTINEZ: The current fiscal year? No. The fiscal year 2011, the general fund, we're forecasting we'll use about \$9.3 million in cash balance.

COMMISSIONER STEFANICS: For FY11. For FY10?

MS. MARTINEZ: Oh, through fiscal year 10. I'm sorry. You're right. And that's how we're using our estimate to get to the fiscal year 2011 balance.

We have a slide – go to budget FY 2011 budget, slide number 3, And we'll show you how we're forecasting our cash, if you will. So budget tab, budget 3 at the bottom, you'll see that this is our format for cash utilization. If you look at the general fund again, sticking only strictly to the general fund, we are forecasting that we will need \$6.5 million to balance our budget in fiscal year 2011. So the way we've done it is we've said, okay. What are we forecasting will be our beginning cash balance on July 1, 2009? We actually know that number and it's a projected actual. It was \$44 million. What is our reserve requirement? Depending on the size of our general fund budget, that can flow anywhere from \$14 to \$17 million. We are forecasting it at just under \$16 million right now. We have a capital package that was reduced during the course of the year to accommodate cuts, materializing we think, projected at \$900,000.

We had the acquisition of the Santa Fe Canyon Ranch for \$7 million. We have the judicial center complex project. To date we've seen our actuals include \$330,000. We had a \$4 million water rights set-aside that has basically been reimbursed from bond proceeds. We have the Growth Management Plan and Code Rewrite set-aside that we did and that will materialize at \$500,000. Our non-departmental materialized at \$242,500. We had set aside a recessionary contingency of \$5 million, and we're reflecting that as expended just to earmark that and save that in the event that things really go bad; we have that \$5 million to rely on. And we want to make that a common practice from year to year.

Our contingency is normally at \$1.5 million; we think we will spend \$1.3 million by the end of this fiscal year. We have a couple of projects that are potentially looking to the general fund for a loan that may be reimbursed by bond proceeds, but it would be a

timing issue before that money was returned to the general fund. So if we consider all of that we're saying that potentially at the end of fiscal year 2010 we will have a projected cash balance of \$9.3 million.

Then, as we go into fiscal year 2011 we look to add back in the reserve, if you will. So you see that the available cash-life for us with the reserve added back in, of \$15, 16 million. We would start the year with \$34 million in the general fund. We will need to have the statutory reserve requirement of \$15 million. We are forecasting a very much smaller capital package for the general fund – \$450,000, and we have total non-departmental which includes contingency of \$1.7 million.

Then you see that we are forecasting that we will need to use \$6.4 million in cash to balance the budget, so we reasonably, if all of this materializes, could be looking at the end of fiscal year 2011 with a cash balance of \$1.2 million above our reserve requirement. And the fearful thing is that in fiscal year 2011 many of the programs that are depleting their cash reserves, I think that by the end of that fiscal year we'll be looking to the general fund in fiscal year 2012 for support. And the general fund will not have sufficient dollars available to support everything as we know it today without dipping into its reserves. And that's not an option. We cannot dip into our reserves. We have statutory requirements.

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Teresa, is there a point where our cash reserves – having too many cash reserves prohibits us from implementing new revenues from taxes?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, in my experience, no. I have not dealt with that where it would prohibit us from entering new taxes. We do really good with our bond ratings because we've been fiscally prudent and we have sufficient cash reserves. But we have seen the cash reserves be threatened, if you will, in this recession. So we're fortunate, unlike many other entities that have had to dip into their cash reserves – they're already in layoffs or already doing percentage cuts or furloughs. We haven't had to go there. We're forecasting that the County, if things don't recover, we'll be there within a year, or maybe within a shorter time frame. So the point today is that we have cash reserves that have sustained us but we could quickly go through that if we take no action. So we can't continue to operate at the same level.

COMMISSIONER STEFANICS: Thank you, Mr. Chair, but that wasn't really my question. I understand about depleting. My question really had to do with if we have excess cash reserves, does that limit what we are allowed to do by the state in terms of implementing new taxes?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, I don't believe it does.

COMMISSIONER STEFANICS: Okay. I'm finished with that question.

COMMISSIONER VIGIL: Thanks. Teresa, with regard to the almost \$19 million in debt service, will any of that be retired in the upcoming year? When is the earliest retirement date of any debt service that we may have? And how does that impact our budget?

MS. MARTINEZ: Mr. Chair, Commissioner Vigil, as you know, we are

on a schedule where we go out to bond question every four years and then we have a bond sale every two years, so our scheduling is structured so that hopefully we always retire something as we incur something new. Now we have – let me give you the dates real quick of what would be – in fiscal year 2010 I don't believe that we – we have payments as far as I can see on everything here through the fiscal year. We did do a refunding and that actually saved the County almost a million dollars. So we've refunded an older bond and we recently have issued additional bonds for the completion of the Buckman Direct Diversion project.

And I don't believe we retire anything in 2011 as well.

COMMISSIONER VIGIL: Okay. Is there anything coming up in 2012 that you can reference real quick, and would that impact the forecast?

MS. MARTINEZ: A good number of the recent ones will take us to 2020, 2027, 2030. So I'm not seeing anything maturing or materializing in 2012. It looks like the soonest one would be a refunding that we did in the 2005 Series and that looks like it would be finalized in 2017. And the last one we retired was in 2008.

COMMISSIONER VIGIL: Okay. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Teresa, which is the largest bond that we have now that we're in debt? Is it the jail?

MS. MARTINEZ: Mr. Chair, Commissioners, we have several actually. The jail –

CHAIRMAN MONTOYA: Because that one we still haven't been able to do anything with.

MS. MARTINEZ: That was a 30-year debt service schedule that is non-callable in that we're in till the debt matures. But we have – the judicial center, we've actually issued several bonds for that. We've done some large ones in the \$50 million range, if you will, \$70 million range for water, for fire, for open space, for roads. So they're usually combined bonds. So we have several large bonds that are out there.

CHAIRMAN MONTOYA: Okay. Thank you. Any other questions? Commissioner Holian.

COMMISSIONER HOLIAN: Do we have any other bonds that we could refinance at lower rates or possibly using Build America bonds at very low rates?

MS. MARTINEZ: Mr. Chair, Commissioner Holian, that's something that – and it's an ongoing effort between the financial advisor that we have on contract and our bond counsel. They typically will alert us and we'll keep an eye out on the market to see if we have an opportunity. So we just did the refunding within the last six months, I want to say, so on the horizon right now, no. We don't have anything, but we're always looking to see if there's a benefit in refunding and if there's any savings that the County could realize.

Okay, we'll go ahead. One last note on this. I wanted to mention that the budget as it stands today does not include any capital projects. We intend to have those in there in the final submission, because we're still working with a lot of the departments trying to come up to as close an estimated carryover balance that they can forecast so that we can budget that in the final. So you'll see the budget go up by that amount when we give you the final submission.

We'll move now into our troubled funds projections, and again, I want to clarify

that a fund being classified as a troubled fund is mainly and only due to the fact that it's reliant on a GRT, and as we know, the GRTs are declining in this economy.

So we'll begin with Corrections. If you look at the Corrections Department we are currently forecasting revenue of \$4.1 million, and that revenue only represents any grant funding that we may have, and what we are forecasting that will be brought in with the care of prisoner revenue – revenue collected from other entities. We have an expenditure level of \$19 million. So if you just take net revenues versus net expenditures, what it takes to operate the Corrections Department, we are looking at a net deficit activity of \$14.9 million. Now, we want to point out that the inmate medical and administrative divisions have no funding sources of their own so they totally rely principally either on the revenue that's generated or the operational transfer that comes in from the general fund.

So we worked with Corrections during the budget hearings. We tried to make as many cuts as we could to basically reduce the amount of transfer that would be required from the general fund to balance next year's budget. And again, they have a Correctional GRT in addition to the care of prisoner revenue that will also be transferred in. Normally in a good year that brings in about \$5 million.

The Health Department, we currently have revenue to the tune of \$10 million. The revenue basically is two one-eighth increments. The Indigent GRT and the EMS GRT. We have expenditures for Health today totaling \$10 million. So if you look at the net deficit activity it doesn't look that bad. It's \$391,000. But I want to point out that we have other factors that are not even included in this calculation. We transferred \$900,000 for senior services, the cost to operate our senior services, to the general fund and made that a general fund service, because the Health resources were no longer sufficient to sustain that and we just learned that we would have an additional increase to our senior services budget. It also does not include a \$2 million transfer that we'll be making from the indigent cash balance to support the inmate medical care for our indigent inmates. We also have \$2.6 million that's being transferred to the RECC, which in fiscal year 2011 is basically mainly being funded from cash. So Health is seriously threatened by a lack of revenue, if you will. So that's something we need to have on the top of our minds, if you will.

As we proceed into the third troubled fund, that is the Regional Emergency Communications Center. It has really no major source of revenue. It has some small money dedicated towards grants that may come in and also some small revenues that are generated from printing and copying as requested. Their expenditures are currently at \$3.4 million so it's a net deficit activity of \$3.4 million. In 2011 we basically will be funding the RECC through the EMS healthcare fund cash balance, and then a portion from the RECC cash balance. You'll recall that we split the RECC into its own fund so that we could keep the integrity of their balances and not have it be merged with the emergency medical services fund.

The other tax that's out there, and I'm going to refer to it as the fire tax, because it's a long name, but I'll say it once so that everybody knows what I'm speaking to. It's the emergency communications and emergency medical services GRT. It can also be used to support the RECC, but the County has historically used that to exclusively fund the Fire Department. In future fiscal years the RECC will basically be looking to the

general fund and to the new fire tax to sustain it, because we will deplete the cash reserves this fiscal year in 2011 to balance the budget. So we are funding RECC next year mainly from cash reserves. That will deplete cash balances and then in 2012 general fund and fire will have to determine how we fund the RECC if everything remains the same.

We have our fire operations budget again supported by what I call the new fire tax. We're forecasting revenue of \$8.6 million, which is representative strictly of the GRT. We have expenditures at \$9.9 million. In fiscal year 2011 they will use \$1.2 million from their cash balance to sustain their operation. Now, we know – I just mentioned that 100 percent of the funds typically dedicated to the fire operations, they will be threatened in fiscal year 2012 in that they may have to support the RECC, and just to qualify, the JPA with the Town of Edgewood, that revenue source is not reflected here. So the deficit would be more like a million, because that JPA brings in about \$200,000 or a little bit more.

So the next slide is our detail slide on how we are currently balancing the budget.

CHAIRMAN MONTOYA: Excuse me. Wasn't the intent on the ECMS GRT to fund the RECC at some point?

MS. MARTINEZ: Mr. Chair, Commissioners, my recollection is that we at the time had indicated that we would use the GRT to support fire and then we would use the emergency medical services tax to support the RECC, and then that tax source would not be used for fire at all. So fire would strictly get the new fire tax. But the statute, and I believe our ordinance also allows that we can use it for the RECC if need be.

CHAIRMAN MONTOYA: Okay.

MS. MARTINEZ: Okay. This is our rainy day slide. This is currently how we have the budget balanced for fiscal year 2011. Several years ago we split up the indigent and the emergency medical services so that we could track where the revenue came in. So one fund represents the GRTs as they are collected and the other represents either the operations of our Health Department or our sole community provider commitment. As you can see we are proposing to basically use the cash balances of the indigent funds, the EMS funds, and the RECC operation fund to support the Health program as we know it today, the jail medical costs as we know it today, and the RECC as we know it today.

But I want to point out that after the end of fiscal year 2011 there will be no cash reserves in those funds. So these funds would primarily be looking to the general fund for support in fiscal year 2012 if we make no additional cuts. The fire operations will use just probably a little bit over a million. That will leave them with \$3.5 million remaining at the end of fiscal year 2011. The environmental GRT fund, which is mainly used for wastewater and solid waste, will be using \$306,000 to sustain both of those functions. That will leave a \$200,000 remaining balance.

Our fire excise GRT fund will be using \$3.4, almost \$3.5 million of cash reserves. That will leave it with \$600,000. And the road fund will use \$1.4 million. The road fund basically gets operational transfers in from the general fund every year and this represents a balance that has collected from year to year. So in fiscal year 2011 we're going to use their reserve balance and we will maintain the statutory requirement. And then there's

some small other various funds that will materialize at \$3.6 million.

The total balancing of the budget in fiscal year 2011, not including the general fund, is currently at \$16 million.

COMMISSIONER VIGIL: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Could you describe a little bit more about the \$3.6 million – all others, that varies?

MS. MARTINEZ: That's mainly going to be the special revenue funds that we have that are not specifically broken out here. Special revenue funds are supported either by a special revenue, which could be a GRT, and it has to be specifically used for support of what has been earmarked either by statute or by ordinance. So move of our GRT special revenues could fall in there. We would also have maybe the enterprise funds, what we have left in those. Right now we have two enterprise funds left. We have Housing and we have the RPA that are still classified as enterprise, so there would be some small use of the reserve there as well.

COMMISSIONER VIGIL: Thank you, Mr. Chair..

MS. MARTINEZ: Okay. The next slide is a brief history of the budgets of the elected offices. And this was Commissioner Vigil's request to who where are elected offices stand and what contributions have those offices made to the economy and the cuts and where we stood today. So we first started with the BCC. In fiscal year 2010 we basically reduced your travel, your supplies, your maintenance and your community funds. In fiscal year 2011 we have eliminated all travel, seminars and community funds. So to do a comparison for the three years that are noted there, you have a decrease of \$123,000 and you've cut 18 percent of your budget.

The County Assessor's office, in fiscal year 2010 we increased the FTEs, the capital expenditures and the operating costs. In fiscal year 2011 we recommended reduced travel and supplies, and there was also a request for six additional FTEs that are not included in these numbers. So the Assessor's office has grown by \$331,000 or a 13 percent increase.

The County Clerk's office, which is strictly the Clerk's office. It does not include any election-related expenditures. In fiscal year 2010 they reduced their travel, their supplies and their capital expenditures, and in fiscal year 2011 they were further reducing travel and supplies. So you can see that they've cut their budget by \$56,000 or three percent.

The probate judge had a slight increase due mainly to the cost of health benefits, and then in fiscal year 2011, we've eliminated all travel and seminars for that office. So they have a small increase of \$1,300 or three percent relative to the cost of health benefits.

The County Surveyor, you'll also see an increase and that's mainly due to the statutorily mandated salary increase that you approved earlier. They reduced survey operating costs in fiscal year 2010 and we eliminated all travel and reduced supplies in fiscal year 2011. So they'll have an increase of \$2,200, or an eight percent increase, mainly attributed to a salary increase that's required statutorily.

The Sheriff's office – this only includes strictly operational. It does not include any grant funding that they received. In fiscal year 2010 it was increased due to the way

we changed our insurance allocation. Typically in the past the allocation would remain in one centralized budget. In more recent years we've been trying to allocate that to the different operations. So that caused an increase for him. We also reduced his travel and his fuel, and in fiscal year 2011 we're reducing supplies, subscriptions and printing, and you'll recall that we added one new FTE, but that FTE, if you will, was a trade for contractual services for the extradition and transport of inmates. So they have a total increase of \$500,000 representing a six percent increase.

The County Treasurer's office. In fiscal year 2010 they increased their FTEs, the capital and their contractual services. In fiscal year 2011, which we'll get into a little bit later, they have requested an additional FTE which is also not included in here because that has not been approved by the Board. They represent an increase of \$48,000 or a six percent increase.

Next, we'll transition into what are we working on rather than just cutting everything and affecting people and services? We're also exploring options and ideas as to how we can generate additional revenue. We're currently pursuing and reviewing the process for an indigent mil levy. Our forecasts show that we could generate approximately \$6 to \$6.5 million if we levied one mil. The revenue generated could help fund our indigent claims and also sustain our sole community provider payments. This does require a voter approval and it's a one-time voter approval and this does not expire. So this is something that we're working on and also we'll watch, not knowing what the future of the Healthcare Reform Act will do to the coverage of healthcare.

We also have the Sustainable Land Development Plan that is currently almost completed, I think. So we have revenue options that are listed in that plan that basically would be dedicated to capital infrastructure. They would include such things as roads and sewer and other infrastructure improvements, but the main thing to note about this, they suggest special assessment districts. They suggest public improvement districts. They also recommend impact fees. All of these are driven by development. And we know that development is down right now. So this is obviously something we don't want to abandon but it's something that we want to pursue and when the economy recovers and when the development returns, these are options that we have before us. And with regards to the impact fees, they're recommending such impact fees for roads, water, sewer, law enforcement, fire, parks and recreation, open space, public trails and public trailheads. So that's a future opportunity that really doesn't solve our operational deficit, but it does help with future capital infrastructure. So those are items that we're currently pursuing. Additionally, I think it's too late for this fiscal year, but we're looking at – I believe you heard in years past from Pete Garcia, the concept of budgeting net-new as it relates to property tax. So we're looking at that with DFA and working with Legal on this as well. We know this is as of fiscal year 2011, DFA has indicated that there is a zero growth factor. We're in a negative growth factor so the growth factor that would be applied to this would be zero.

In fiscal year 2011 our property tax revenue is budgeted at \$38 million. This is an increase over fiscal year 2010. We increased it by almost \$2.5 million. The fiscal year 11 budget of net-new would be an additional \$500,000 over what we're proposing. Our comfort level is at \$38 million so we've got that in the budget for you today to approve. Also our fiscal year 10 property tax was budgeted at \$35.9 million and we are forecasting

that it could come in at least \$2 to \$2.5 million higher. We're waiting for the month of June to be collected to ensure that nothing drops there. So we're exploring that concept and that's something that we will apply in fiscal year 2012 which would help with addition revenue growth and help in having to make additional cuts.

We're also exploring the selling of our County-owned real estate. We're looking at this as an option to bring in significant amounts of revenue. Now, these would be one-time revenues; they would not be recurring revenues but they could be used to help one-time expenditures. The possible properties that we can think of to be sold today are the old Public Works Complex on Galisteo. We think we could bring in at least \$2 million for that, and the Santa Fe Canyon Ranch where we could potentially bring in what it was appraised at at \$7 million. So those are our revenue options. And the Revenue Generation Subcommittee is still plunging forward, if you will, with all the options they have going on more recently with the solid waste increase proposal. They're doing a lot of work on the business licenses. They're working with the film industry and our County-owned properties and seeing if there's any way for us to generate revenues there. So we'll continue with our revenue generating ideas and probably constantly report back to you on a monthly basis as to what options are available and what's feasible for us to implement.

COMMISSIONER VIGIL: Mr. Chair.

CHAIRMAN MONTROYA: Commissioner Vigil.

COMMISSIONER VIGIL: Teresa, on that point, and this probably isn't part of your presentation because it isn't in at least next year's foreseeable future, but one of the options would be if the judicial complex was complete we'd also have the old judicial complex as a revenue gaining source. I'm assuming you didn't present that because it probably wouldn't happen next year. But it could happen in the following year. So it's just going to depend on how fast we can move on that. Is that correct?

MS. MARTINEZ: That's correct, Mr. Chair and Commissioner Vigil. We have that on the back burner if you will, but we weren't comfortable forecasting anything for the next fiscal year. And we'll monitor it to see if it's something that could be budgeted in fiscal year 2012.

COMMISSIONER VIGIL: Thank you very much. Thank you, Mr. Chair.

MS. MARTINEZ: Okay, the next slide, slide number 11 is immediate issues that we think we need to alert you to for fiscal year 2011, or that we need to watch. Additional costs for the senior center – as I mentioned earlier we would be operating the Edgewood and Chimayo centers for a total cost of \$293,000. This is not a solid number because I still don't know all of the facts. I don't know the Agency on Aging, what that would materialize. I don't know the true costs. The City tells us what it's cost them to operate it so this is not a firm number but it is in addition to what we already had budgeted in fiscal year 2011. So this is a new cost for us that we have to accommodate.'

We have additional costs for the office of County Surveyor to increase to the statutory required salary level. We have lots of MCH state funding. So typically in years past we funded that program for a total of \$180,000. In fiscal year 2011 it's currently funded at \$58,756. We have an obligation to transition to an enhanced retirement plan for our detention officers and we're forecasting that could cost us at least \$450,000 and fiscal year 2011 is the year that we have as a goal to get that completed.

COMMISSIONER VIGIL: On that point, Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Did they receive – is the reason for that that they received a shorter requirement for service credits to retire? Can they retire in 20 years? Is that – and that must have just been recently statutorily passed because they were subject to the same retirement as FTEs, correct? I see Bernadette saying yes. Did that happen in this last legislative session?

MS. SALAZAR: Mr. Chair, Commissioner Vigil, this was not a result of this legislative session. We were doing negotiations with the detention officers under the last contract. There is a plan under PERA which they would qualify for and so they negotiated that into their contract.

COMMISSIONER VIGIL: Okay. And that has been cleared through PERA for corrections officers?

MS. SALAZAR: It has. It's an established plan under PERA. The steps we would need to take is we would have to have the vote, take it back over to PERA for their board to approve and then bring it back in front of the Commission.

COMMISSIONER VIGIL: What's the service requirement for the retirement for that? Is it 20 years? Or is it less?

MS. SALAZAR: It's actually a 20-year. They don't call it a 20-year; they call it an enhanced retirement, but it is 20 years.

COMMISSIONER VIGIL: Okay. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Okay.

MS. MARTINEZ: Okay, we mentioned earlier that we have insufficient general fund resources to meet our County needs overall. The funding of the capital package of \$450,000, we have total requests of just over \$1 million. So we have to determine how we're going to allocate that \$450,000 to our County needs overall. We have no additional funding for the SLDP and the code rewrite. We have a current unable-to-fund, if you will, \$4 million in capital expenditures for the Fire Department. We have ongoing potential decline of GRTs that may lead to additional cuts in the next fiscal year. And we have services such as fire, senior services, BDD operations that are provided to other governmental entities within or adjacent to our county limits, and this includes the Town of Edgewood, City of Santa Fe and the City of Espanola.

So if we have increased services that we have to provide that's obviously a potential budget threat as we struggle to maintain our budget at the level that we have it today. So I just mention that. We also want to clarify any significant unanticipated expenditures or drop in revenue will bring us back to the table for additional cuts.

COMMISSIONER STEFANICS: Mr. Chair,

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Teresa, on this last item, I'd like to clarify something. Any incorporated area receives their portion of property taxes, correct?

MS. MARTINEZ: Yes.

COMMISSIONER STEFANICS: Do they receive a portion of the gross receipts tax?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, whatever falls within the boundary of the incorporated area they would receive.

COMMISSIONER STEFANICS: So have we ever done a comparison of

these three entities, Edgewood, Santa Fe and Espanola, to identify what support the County is providing to those entities over and above their portion of the property tax, the gross receipts tax and any other revenue sources?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, we did one about two to three years ago centered around the Town of Edgewood. I believe we looked at the northern part of the county as well. So we're probably due for an updated spreadsheet that would show where we stand today with the three entities. I'm not sure if the City of Santa Fe was included in that analysis.

COMMISSIONER STEFANICS: Well, the reason, Mr. Chair, I'm bringing that up is if they are in fact getting – they're all incorporated. So if they're receiving their portion of property taxes, if they are receiving their portion of gross receipts tax, we should identify what other assistance we're giving to all of them and if some are receiving none and some are receiving a high percentage we should just have that for our information. So, for example – and I don't know this. Are we providing something to the City of Santa Fe? Library services of whatever. I don't know. So it would be good to look at – and I'm not sure whether it would be wise to look at this in terms of dollars and cents, or some type of percentage, but in terms of comparison.

MS. MARTINEZ: Okay. We can prepare that for you.

CHAIRMAN MONTOYA: Wouldn't the RECC fall under that category? Services that we're providing to the City of Santa Fe?

COMMISSIONER STEFANICS: I would think so. I would think that any service we're providing or any financial – either a service or financial support, we should just be aware of as we're going on planning because we're coming down to having to cut. We're coming down to less money and we should just be aware of what we're giving to other entities that are supposed to be self-sufficient. Thank you.

CHAIRMAN MONTOYA: Teresa, on the very first one, that was supposed to be a cost-neutral transfer in terms of senior services from the City to the County. Why are we paying \$293,000?

MS. MARTINEZ: Mr. Chair, the early estimates that I have were based on the information that the City provided which indicated it cost them about \$183,000 to run each facility. And then we were quoted that we could use a factor of about 20 percent back from the Agency on Aging. So that's why I said it wasn't a firm number and I don't have all the facts but my forecast or worst-case forecast was at \$293,000. So I still need to get more information on this one. I'm not firm on what AAA is giving us and I'm not firm on what would transition to the County upon taking over this operation.

CHAIRMAN MONTOYA: Because that was my impression. That was the only reason that I had even supported or suggested that those services come to the County, that we would be able to provide the services than what the City's doing right now. But I didn't realize it was going to cost us that much.

MS. MARTINEZ: Okay. I will also have a meeting with Steve Shepherd. We've talked that we need to meet and we'll get this clarified before the June session.

CHAIRMAN MONTOYA: Okay. Commissioner Vigil.

COMMISSIONER VIGIL: On the senior services, Teresa, is this number strictly operations for meals and administration? Does it include transportation? Transportation's a critical piece, particularly in our rural communities so I wasn't sure

how that was going to transition.

MS. MARTINEZ: Mr. Chair, Commissioner Vigil, transportation is included in that total estimate.

COMMISSIONER VIGIL: Okay. Does that mean that we would be providing our own transportation?

MS. MARTINEZ: Mr. Chair, Commissioner Vigil, those are the answers I don't have for you, so I don't know if we'd be providing our own transportation or if we'd have transitioning of van assets or if that's something separate we'd have to work out with the City. So these are the unknowns I still have to iron out.

COMMISSIONER VIGIL: It would seem to me that one of the things we want to do when we transitionalize for senior services is to make them seamless so that those residents receiving those services have no idea that we have transferred fiscal responsibility at all. So as much as we can assure our senior residents that kind of seamless service I think we need to create that as a focus.

MS. MARTINEZ: Okay. We will.

COMMISSIONER VIGIL: Thank you, Mr. Chair.

COMMISSIONER STEFANICS: On that point, Mr. Chair.

CHAIRMAN MONTROYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: It might be that once we take over the senior centers we can operate it for less. Once we have that service we can be analyzing what we can be doing differently, so let's keep that in mind as well.

MS. MARTINEZ: Okay. The next slide leads into our goals that we're setting for you. We've labeled it How can we stop the bleeding? And what you have before you are 30 options that we have thrown out there as potential areas or ways to come up with additional cuts in our budget. We're looking to try to cut an additional \$6 million throughout the course of fiscal year 2011. And the reason we chose \$6 million is it's half of what we are forecasting as a deficit. It's very close to what we are using in the general fund to balance the budget with regards to cash reserves, and what we'd like to do is do it over the course of the entire fiscal year, obviously making some cuts to be implemented in the time period of July through December, and then at mid-year we can review how the revenues are materializing. Are they coming in at budget? Are they falling again? And then that would kind of dictate how we proceed in the remainder of the fiscal year which would either be more cuts or reduce the number of cuts we have recommended and/or planned.

So what we did is we presented these options to senior staff on Monday and we them to basically rank the suggestions in order by blocks of time. Obviously, the first round of cuts or the recommendations would be implemented July 1st. The first block of time was July 1st through December. The second block of time was January through June of fiscal year 2012, and then we broke the next fiscal year into two six-month increments. And we asked senior staff to recommend when these cuts should take place.

So we have for you the results of that. We wanted to make the point that if we did nothing, if we made no cuts, a \$6 million reduction is the equivalent of 100 FTEs. So obviously we don't want to lay off 100 people or affect 100 people. So we took the exercise to the senior staff and you'll have before you how they ranked the recommended cuts and the order that they recommended it. The first block of time is July 1st, 2010.

That's the first six months of the next fiscal year. They recommended that we terminate all temporary positions, which would result of a savings of \$127,000. Again, that would exclude fire, PRNs and election workers. They recommended that we restructure our satellite offices which basically would save \$50,000. That would cut the temporary personnel that currently serve those offices and we would utilize existing personnel to run the offices.

The recommended that we eliminate office leases for three sites. That would include Corrections, Fire and the Assessor's office, resulting in a savings of \$135,000. They recommended the elimination of cell phones with a potential savings of \$90,000. And again, most of these recommendations should have no impact to law enforcement and fire. With regards to cell phones, the department directors would still keep their phones. We recommend the elimination of take-home vehicles, potentially saving \$63,000, again excluding fire and law enforcement. Eliminate all travel and seminars. That would save \$210,000. And this was basically based on the forecast of the fiscal year 2011 budget. So we're saying no travel whatsoever, regardless of the fact that you have a licensing or a certification requirement. That would basically be on the employee's dollar.

The recommended cutting the Assessor's legal services. That would result in savings of \$85,000. They recommended that we implement a hard freeze on all positions, and this would be any position that would become vacant during the next fiscal year. And this was a forecast that potentially it could save \$1.5 million. Obviously we would have to look at the public safety component and we're talking about doing that with some type of justification which is what we've seen at some other government units have done. They'll have the request be justified.

We're recommending – they recommended, pardon me – the termination of the TeleStaff project. This is a software program that the Fire Department is currently trying to implement. This is a rough estimate as to the cost. This is a scheduling software that would interface with the payroll system. They recommended reducing or terminating contractual services, and I want it to be clear that this included the Sustainable Land Development Plan and the code rewrite. That could potentially save \$100,000, and eliminate the graffiti program, which his about \$45,000 and represents one FTE. So senior staff ranked total cuts of \$2.4 million in the first six months of next fiscal year.

For the latter part of the fiscal year they recommended reducing the transfer station hours, trying to save \$25,000. Cutting the budgets of the elected officials to try to save \$1 million. Reducing upper management, which would affect Land Use, Public Works, Fire, Community Services. That could save \$749,000 and that could potentially affect five people. Cut the road maintenance by five percent. That could result in \$134,000. Cut the indigent primary care by five percent, saving \$90,000. Eliminate the Open Space program, saving \$335,000, affecting three people. And trying to cut the Corrections Department by ten percent, resulting in savings of \$2 million. With these it appears we could come up with total cuts of \$6.7 million,

If you move on to the next slide, you'll see that they in the first six months of fiscal year 2012 recommended an alternative, and the reason it's labeled alternative, two of the options we had in there were first round, cut salaries of all employees. One recommendation was that the percentages of 1, 2, 3, and the alternative was at the higher

percentages of 3, 4, and 5. The actually recommended that we do this in first six months of fiscal year 2012 resulting in savings of 2.1 percent. They recommended the elimination of the Youth Development program, saving about \$1.3 million. This is a very rough estimate, trying to offset it by what it would cost us to house our juveniles elsewhere and transport them elsewhere, recognizing that YDP currently has 30 FTEs budgeted.

Recommendation: to reduce the size of divisions of the HR, Finance, Purchasing, IT, Risk Management, General Services, Property Control, Planning and County Manager's office. That would save \$604,000 and would equate to ten people. They recommended cutting salaries to \$80,000 by two percent, saving \$86,000, and then they also recommended first round of cuts at the lower level so they both ranked in order if you will, and obviously, we listed the first questions, 3, 4, and 5 percent first because it was ranked higher. They actually recommended that we do a higher cut to all employees of their salary level at 3, 4, and 5.

In the latter part of fiscal year 2012, they recommended cutting the Fire Department by ten percent, potential savings of \$991,000, cutting RECC by five percent. That's \$173,000. Doing a second round of cuts to all employees if necessary at the percentages of 1, 2, and 3. Eliminating some divisions. Specifically named were the Community Services Department projects section, and the road projects, saving \$1.6 million, but affecting 21 FTEs. Reducing and eliminating our Health programs, which include MCH, Health Administration, mobile healthcare van and indigent to some extent with regard to FTEs. That would result in a savings of \$671,000, and that would affect 8.2 people

Reducing at-will employees, that would include at-will employees currently within the Corrections, Fire and RECC. That would result in savings of \$546,000 and potentially affect four FTEs. Also recommended reducing the size of our divisions to include Land Use, Solid Waste, Public Works, Affordable Housing, Teen Court, Open Space and the County Manager's office, resulting in savings of \$4627,000, and affecting 11 FTEs.

This is what the results of our exercise with senior staff was after we gave them the 30 options. There were 21 people that did the survey and these are the summary results of that exercise.

Next we have what would be Finance's recommendation for cuts that could be made and they're broken down by the respective time periods. We, in the first six months of next fiscal year recommend that we have discussions for possible reductions in programs, services, staff, and salary decreases with all our bargaining units, because we think that's going to materialize. We recommend cutting the salaries of anyone making greater than \$80,000 by two percent. We recommend restructuring the satellite offices, reducing or terminating contractual services, cutting road maintenance, cutting indigent primary care, cutting the Assessor's legal services, reducing our transfer station hours, implementing the hard freeze for all positions that become vacant in the next fiscal year, reducing or eliminating our health programs, eliminating all travel and seminars, eliminating take-home vehicles, eliminating cell phones and eliminating the TeleStaff project And terminating all temp staff positions.

The standpoint we took because we know that we have a goal of \$6 million that

we're trying to cut. We tried to get to half of that within the first six months of the next fiscal year. And we'd also like to structure it so that if we get to the inevitable point of having to affect employees, and that means either cutting or eliminating the programs altogether we could at least potentially give our employees three to six months notice before we know that's coming. So based on our recommendation in the first six months of the fiscal year we could cut almost \$3.3 million.

In the second period of the next fiscal year we recommended eliminating the leases for the three offices noted, eliminating some divisions, cutting the RECC by five percent, cutting the budgets of elected officials, cutting the Corrections by ten percent, cutting fire by ten percent, reducing at-will employees, reducing upper management, reducing the size of our divisions, our first round cut of salaries at the recommended level of 1, 2, and 3 percent. And if need be, last resort, use the higher percentages. If we did that we could have additional savings of \$8.7 million. So we did the lesser in the first six months of the period and hope that at mid-year we could monitor our revenues; we could see what our revenue generating ideas materialize and see if we do even need to move forward with additional cuts at that level, or maybe we can reduce the amount of cuts we would have to make.

And as you proceed into the next fiscal year, fiscal year 2012, we recommended if need be a second round of salary cuts for all employees reducing the size of the divisions, eliminating Open Space program, eliminating the graffiti program, and also researching our cost effectiveness and feasibility of contracting inmate medical services out. And in the latter part of the year, if we find that it's beneficial or maybe feasible, we contract for inmate medical services and we eliminate the YDP program, resulting in additional savings of almost \$5 million.

So you have before you the recommendations of senior staff, the recommendations of Finance, and what we've structured for you is an online server that you could do right there at your computers.

COMMISSIONER STEFANICS: Mr. Chair, I have some questions first.

CHAIRMAN MONTROYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. I'd like to talk about – well, first of all, in several of our budget sessions we've talked about trying to protect staff positions, and looking at what else we can decrease or eliminate. And as we go through this exercise there's a couple ways of looking at things. You can either cut and make everything bleed, or you can eliminate one big thing, if there is such a thing. And I've asked Roman if he had any ideas and I know it's a really difficult thing to talk about, but is there any one thing that we could do in the County that we could eliminate that would just take care of the entire problem?

And I'm not asking for you to prioritize, I'm just asking what are those things?

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, no, you would have to take a few things. We did this exercise with that in mind. We couldn't find one or two specific things. Rather, it's going to be a lot of other things. Because you can't – the one thing that's on here is you could maybe say we're going to close the Youth Development. That would probably be the biggest thing we could do. But then you're going to have a problem of – we're seeing that the numbers are increasing, the Santa Fe kids that are being housed there, so the burden would be on us then to find a place for them, plus our

facility is filling up with youth from other jurisdictions also. So that tells us that we might not be able to find a place to house our youth.

So the obvious one is close the youth facility, but as you start looking more into it it isn't that obvious or that easy to do. So we've looked around and there is – other than that, there's not really a major area that we can cut, other than saying let's take 100 employees and let's come up with some kind of ratio that each department has to, depending on the size, has to lay off. Five here, ten here, fifty here. That would be the only other major sweep we could do, get it over with and move on. So to answer your question there really isn't.

COMMISSIONER STEFANICS: So Mr. Chair, Roman or Teresa, if we eliminated – I'm just using this as an example, but if we eliminated the Youth Development Program, how much would that be per year savings?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, we're forecasting about \$1.3 million, after we consider what it might cost us, and this is based on research that we've done to transport our children elsewhere and also the cost of transporting them. So having them in other facilities and transporting.

COMMISSIONER STEFANICS: So, Mr. Chair, Teresa, what would all of Corrections, adults and youth, save us if we cut it.

MS. MARTINEZ: Well, the total budget is \$19 million for the entire Corrections operation. So –

COMMISSIONER STEFANICS: And we have to have money to house incarcerated individuals somewhere else.

MS. MARTINEZ: Right.

COMMISSIONER STEFANICS: So out of that \$19 million, what would we save?

MS. MARTINEZ: On the adult side we did an analysis that would show us what it would cost to house our inmates elsewhere and we were looking that we could save probably anywhere from \$2 to \$4 million, maybe higher. These are based on tentative numbers and tentative information that we have. So we need to meet with Corrections and make sure that we're considering all the factors, but if we only house our inmates, we're projecting we could save \$2 to \$5 million. So contracting out with others, the rates – I have to remember. Let me get to that slide. We did an analysis that showed what other entities basically were doing at the adult level.

COMMISSIONER STEFANICS: Okay. You answered that question. So Mr. Chair, the other question I asked at the March meeting was to identify all the leases that we have all over the county and what could be potential savings if we moved them, all those leased offices, into the ARC, or into the Youth Development Facility overall? The ARC and the YDP? So do we know that?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, I don't know that the ARC could sustain all of the leases that we have out there, so our early recommendations were obviously Corrections Administration, we should terminate that lease if possible, transition them into the ARC. We have a lease for Fire that represents three FTEs and a large storage area. So they possibly could go to the ARC as well. Now the Assessor's office would be an issue. There would be probably too many to fit everybody else in the ARC. But we could explore restructuring the setups that we have in

this building or in the Bokum building and see if we could accommodate that. But if we just eliminate those three leases we were talking about \$135,000.

COMMISSIONER STEFANICS: That's not much.

MS. MARTINEZ: No. We have total leases out there of \$494,000, when we look through all of the leases.

COMMISSIONER STEFANICS: Okay. That's all for right now, Mr.

Chair.

CHAIRMAN MONTOYA: Commissioner Holian, then Commissioner

Vigil.

COMMISSIONER HOLIAN: Thank you, Mr. Chair. Back to the Corrections. I would like to see an analysis done of what we would save if we only housed our own prisoners, as option number one. And then number two, if in fact we didn't have a jail at all or the Youth Development Program. What would it be if we housed our prisoners at other jails around the state and what it would cost to transport them and what it would cost to house them. So I'd just like to see those two options. Not that I'm suggesting anything right now at all, but I just would like to have that information if I could.

MS. MARTINEZ: Mr. Chair, Commissioner Holian, we can do that and just so that you know, in your retreat binders that you have before you today, under the retreat section starting on slide 9 you have some information and some early research that we've been able to conduct comparing what other facilities do and we'll put it into an analysis for you.

COMMISSIONER HOLIAN: Oh, and I would also like to see also what the situation would be if we had our jail completely full, as to what the bottom line would be in that situation as well.

MS. MARTINEZ: Okay. We can do that.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: I need some clarification on these recommendations, both by staff and by Finance. Are you asking us to take action on this today or just to approve the budget that you need to submit to DFA and then perhaps when we get some of the reports that we're requesting we can look at this again. Am I clear on that?

MS. MARTINEZ: You're clear on that.

COMMISSIONER VIGIL: Thank you, Teresa. One of the things I think – this is quite complicated. It isn't that easy because I look at the recommendation where we look at cutting FTEs for Open Space and Trails, COLTPAC is considering going to the voters to extend the Open Space and Trails GRT. If they do in fact and the voters approve we really have to comply with that request from the voters. So despite the fact it's an area we can look at cutting right now or for 2011 or 2012, however it is, some of the issues we're discussing cutting are really directly related to gross receipts tax. So that in particular has been a popular program with our community. Whether it continues to be with the economic downturn we have and whether voters decide to extend that GRT, or whether COLTPAC decides to make that recommendation. So the \$335,000 recommended for this is very tangential. It's going to be dependent on the outcome of what that committee's recommendation is and the voters. Some of these are as

complicated as that.

I don't think we can take action. I appreciate the recommendations but we really have to look at each one of these cuts with regard to what the consequences are for them. Thank you, Mr. Chair.

MR. ABEYTA: And Mr. Chair, Commissioner Vigil, those are all very good points, and this is why when we do move forward with cuts why we want to take it in six-month increments. Because you're right. Things could change over a period of time and when you look at Open Space, that's something that was slated for later because of something like that taking place, because if we do come up with a new revenue source, or GRT does increase, then some of these would come off the list. So thank you, because that's what we had in mind.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chair. Are you done with your presentation?

MS. MARTINEZ: Just about.

COMMISSIONER ANAYA: Okay. Then go ahead and finish.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. There's two things I want to bring up. A few months ago, Mr. Chair, I asked that the County do a poll of the public to find out what their priorities were for services that the County provides. And I don't think we've done that. And I think that that's rather important. Because as we talk about this COLTPAC recommendation, I don't know that the public would say that's the most important thing in this downturn. They might say it's more important for fire. They might say it's more important for health. I think that having some sense from the public – yes, we hear from individual members of the public but being able to hear from the masses would really help us identify where our priorities should be.

The second thing, Mr. Chair, is, just this morning, Roman, you talked about examining the structure of the County and the management. And I truly appreciate all the work the staff have done in prioritizing but I wouldn't want to identify some of that if you have plans that you think are necessary to clean up the County and to do things in a more efficient way. And I think that that needs to be reflected. That's why, I hate to tell you, you're being paid the big bucks, is to be County Manager. You go home with headaches at night, but that's the role you took on.

So in all of this, Mr. Chair and members of the Commission, I just feel like there's two maybe missing pieces. One is what the vision of our County Manager of what needs to change, and secondly, what is it the public identifies as priority services for a County to provide them. Thank you.

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you. That's exactly what I was going to say earlier. Bring up the public. I know we talked about closing transfer stations, I know we're talking about senior centers and youth programs. We might be up here trying to cut things that the public might – we all need those services but I'd like to piggy-back on what Commissioner Stefanics said is that we need to include the public and maybe we need to have three public meetings before this is over so we can see what do they want?

Thank you.

CHAIRMAN MONTOYA: In terms of these cuts, the ones that are effective on July 1st, these become permanent at that point? Or are they re-implemented January 1st?

MS. MARTINEZ: Mr. Chair, the only way they would be re-implemented, and it would probably be long term before they were re-implemented, is when the economy starts to recover. And I think as we've gone to all of these budget hearings and what I've heard as a directive is that yes, we're making these cuts but if ever we were to bounce back we'd like to see some of the things that we have cut come back. So to be able to bring them back in January, I don't think that's foreseeable. Bring them back in the future? Yes, once the economy recovers.

CHAIRMAN MONTOYA: Okay. Could you explain how you would restructure the satellite offices? Because they have proven very beneficial at least in my part of the district where people are grateful that they don't have to come over here and try and find parking forever, and certainly something that our constituents like in northern Santa Fe County. So what's the restructure?

MR. ABEYTA: Mr. Chair, we would leave the satellite offices open but we would staff them with staff that was taken from another department or division, and we would cut the temporary staff that was there. So we'd keep them open but would staff them with existing staff instead of the temps that are there now.

CHAIRMAN MONTOYA: Okay.

MR. ABEYTA: So it would be through restructuring, not just the satellite offices but look at where we could shrink down or reduce staff in other areas and reassign to the satellite offices.

CHAIRMAN MONTOYA: And when you were going through this exercise also I had mentioned at one of the meetings that we really need to take a look at what are the essential services that Santa Fe County has to provide, mandated by statute, and was that taken into consideration when you were going through this exercise in terms of – because I'm along the lines of Commissioner Stefanics. Sometimes you have to cut a limb off to stop the bleeding, unfortunately, but this kind of looks like perpetual bleeding or slow bleeding anyway, in terms of what's being proposed.

MS. MARTINEZ: Mr. Chair, Commissioners, at the March 31st retreat we had a slide that basically defined what was core services, and we worked with the Legal office on this, what was statutorily required and then what because an extended core function of the County by the nature that we grew. So all of these recommendations, as difficult as they are, are in line with our core services, and I'll just remind you that statutorily we are required to have a Board of County Commissioners, a Sheriff, an Assessor, a Clerk, a Treasurer. We're responsible for the courthouse, the district attorneys' offices, maintenance of our County-owned buildings and provide quarters for our County Health Department and district health officer.

So those are our statutorily required core services. As a result of those services we've extended our core functions to include what everybody commonly thinks is core: Public Works. We've extended it to the jail, the Finance Department, the Purchasing Division, the Human Resources, the Legal, Fire, which can also be volunteers, Information Technology, and our sole community provider payment. So all of this was

considered as we tried to make these recommendations.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: On the statutory requirements, Teresa, there's also, besides core services there's also responsibilities we have. For example, we're the fiscal agent for Maternal, Child and Health. For example, we're the fiscal agent and disburser of the indigent fund. There are additional administrative statutory responsibilities that we have that I would say you would have to include in terms of core requirements. Maybe not core services, but I think each one of those do provide a core service. So I'm not sure what else we're statutorily required to do, but I am recalling MCH and indigent.

CHAIRMAN MONTOYA: The DWI.

COMMISSIONER VIGIL: The DWI Planning Council is another one. That's correct, Mr. Chair. That kind of information I think should be a picture of core services. Because we actually are an arm of state government when it comes to these kinds of things, when they delegate these responsibilities to us we're supposed to fulfill it.

MS. MARTINEZ: Okay. We can begin to compile a list or we can interpret and we'll work with Legal to make sure we're not forgetting anything.

COMMISSIONER VIGIL: Okay. Thank you, Mr. Chair. Thank you, Teresa.

CHAIRMAN MONTOYA: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Mr. Chair. I'd just sort of like to get a picture of what it would mean if our economy recovered. So I wonder how much we're collecting in GRTs now compared to what it was, say, two years ago, which was probably the peak. So how much have we actually lost?

MS. MARTINEZ: I would say we've lost anywhere from eight to ten percent. We did a ten percent downturn and again, May was the first time we saw that go down. We had been holding at budget. So if you compare it to prior year collections I would say we budgeted it down ten percent and we've collected our budget request if you will, so we have at least seen a ten percent downturn. Sometimes it came in a little bit better than budget, so if I had to net it I'd say eight to nine percent.

COMMISSIONER HOLIAN: But that's just over one year.

MS. MARTINEZ: That's over one year.

COMMISSIONER HOLIAN: And last year was down from the year before, right? So at our maximum were we collecting around \$50 million a year in GRTs, and now we're collecting around \$40?

MS. MARTINEZ: \$41 million, \$42 million.

COMMISSIONER HOLIAN: And so potentially, if the economy started recovering, we might be able to get \$4 or \$5 million back just from GRTs?

MS. MARTINEZ: That is correct. And we have to recall we've had the fire excise tax sunsetted on us, so that would affect that number. But we could come up with a listing for you that would show a two-year historical. We basically have it in the budget book so we can convert that to a spreadsheet. Is there a possibility that we could try for fire excise tax again?

MS. MARTINEZ: Mr. Chair, Commissioner Holian, yes, and I do believe

that is our long-term plan.

CHAIRMAN MONTOYA: That's not until when though?

COMMISSIONER HOLIAN: Is there a limit to –

MS. MARTINEZ: I believe we have to wait one year.

COMMISSIONER HOLIAN: Okay. Thank you.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Mr. Chair, I have another question about the process. I understand that many people were involved over last year and this year in terms of coming up with revenue saving ideas, and now in terms of priority. Have you all considered the process of saying to department heads, here's the amount you'll receive: you come back with a plan?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, I know you suggested that a couple meetings ago. I think at one of the retreats you said we had to put our hats on and think about how we might do business differently or more efficiently. So I think everybody has been thinking along those lines. Have we actually done the exercise? No, we haven't done a coordinated meeting and tried to come up with: this is your allocation. How would you make ends meet? But that's something we could work on.

COMMISSIONER STEFANICS: Well, the reason I ask that question Mr. Chair, is because at the last budget meeting we did look at cost overruns. And when you're a manager of a department and you have a budget, that's one of the expectations is you'll live within the budget. And in terms of evaluation, if you're exceeding your budget you haven't met the expectations of your position. So part of this responsibility does come down to if someone wants to run a department and has a vision, and has the goals set, then you might want to think about giving them the leeway to get to their goals.

We could make some decisions, the 21 people could have made some decisions that really weren't about how they would get their work done. But if everyone was given a finite bucket of sand and told this is all you get this year, would they in fact manage it or not? Now, maybe this exercise has been tried here in the past but I just – now, when we say, Mr. Chair, Roman, that you had 21 senior management people there, you have 21 different directors?

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, that included division directors within departments. So it wasn't just major departments but divisions within those departments.

COMMISSIONER STEFANICS: Okay. And did the divisions within the departments have the opportunity to work just within their departments to come up with solutions for their –

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, no. But we have reached the point though where if we do what you say then they're going to come back with people, because that's going to be the only way they're going to be able to manage within it. We've cut their travel, we've cut their supplies, we've cut everything to the point where if I tell, say, the Fire Department, okay, here's what you have to live within, he may have to cut people in order to live within that budget. Same with Land Use, same with Finance, same with IT. That's the problem. We're at that point now. We've cut everywhere we can cut without affecting people or salaries, other than what we presented

to you today.

COMMISSIONER STEFANICS: Well, you just brought up something, Mr. Chair, Roman, in terms of Fire, which I had already been thinking about, but when we identified taking the summer interns and eliminating them, one of the things I had said is perhaps we still might have interns but maybe they would be volunteer interns. Which led me to thinking about the Fire Department. And how have we – how do we compare today with the numbers of volunteer firefighters with three or five years ago? Have the volunteer firefighters grown at the same pace that our internal paid staff have grown? And if so, great. And if not, then maybe we're not spending enough time on outreach and recruitment of volunteers.

But I think that living down my way, and I drive past our great facility every day, but we depend on volunteer firefighters, and I think several other areas of the county do as well. So I would want to make sure that we are continuing to put emphasis on that while we have a great staff.

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, I believe we have been aggressive with trying to recruit more volunteers, but as the Fire Chief has explained to me, people just aren't signing up to volunteer like the way they used to. He could come up and clarify but I think our numbers of volunteers continue to decline. And we continue to get more aggressive but it declines and that's why we have had a need for this project 48, to get more paid firefighting staff. But perhaps Chief Holden could clarify that.

STAN HOLDEN (Fire Chief): Mr. Chair, Commissioner Stefanics, we have made it a high priority at the Santa Fe County Fire Department to recruit and retain existing personnel. We've had a program now for over two years where we have a specific coordinator whose job it is to focus on recruiting and retaining volunteer firefighters, and I think we've done an excellent job. And with the help of this Commission we've also implemented one of the very few programs statewide that provides an incentive to our existing firefighters to stay with the County and continue to provide service, and they're doing so at a higher, higher level than they ever have in the past. I might also add they're doing so at a higher standard of training that has been implemented nationally and has come to us locally, where in the past years they might have been a County Firefighter I, now they are nationally recognized and state recognized as Firefighter Is as mandates.

So not only are we in an economy where a number of our volunteer personnel are having to work one or two jobs to maintain their own lives, they're also at the same time having to improve their level of skills and knowledge to continue to volunteer because of these nationally implemented standards. So I think we've been working very, very hard as a Fire Department to continue to make our volunteers feel as important as our paid staff.

COMMISSIONER STEFANICS: Mr. Chair, Chief Holden, do you have numbers to compare, like for volunteers this year versus last year, versus the year before. Just a ballpark.

CHIEF HOLDEN: Mr. Chair, Commissioner Stefanics, I think that what we have done is we have maintained our levels at about 320 total. And that's about what we have been at. Now, in the past though we saw almost 400 when I first arrived here in

1997 and over the years through retirement and attrition we saw the volunteer rank and file begin to decline. And I think with Captain Jaffa's help and with the help of the district chief officers we've been able to work collectively together to start first of all to stop the bleeding, because that's what other volunteer organizations across the country are experiencing, volunteers just aren't showing up anymore. They're not volunteering. As the Red Cross how they're doing with recruiting volunteers. It's just not happening and it's a national trend.

But at least we've been able to put a stop to it and little by little the program that Captain Jaffa has been implementing we're able to begin to see a rebound. But I can guarantee you that the County Fire Department is emphasizing our volunteer force just as importantly as we do our paid staff.

COMMISSIONER STEFANICS: Thank you. That's all for right now.

Thank you.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Thank you, Stan. I always appreciate the information you share with us. A real specific question. I was here at a time when volunteers did not receive any kind of reimbursement whatsoever. Do you have an estimate of the number of volunteers we had when that occurred, versus what we have today?

CHIEF HOLDEN: Well, going back to when we had over 400 volunteers, but when we implemented the incentive pay program, I think we had a little under 300 volunteers at the time. And what I would like to emphasize is that we are providing that incentive primarily and most importantly to those volunteers who are responding to the call and therefore making a significant difference to the public who's in need. We're not providing an incentive for people just to come for socializing activities or networking activities or lower level training activities, these are the people that are actually going out there and responding to the calls, that are getting up at two or three o'clock in the morning, in many cases impacting not only their family lives but also their professional lives to provide service to the public in Santa Fe County.

COMMISSIONER VIGIL: And Stan, just because I know you can be very frank with us, this is a hypothetical question, but one of the issues that's been brought up here is the potential of really passing the responsibility on to different divisions. If you were asked to cut ten percent of your budget, how would you respond to that, besides saying you'd rather not have to do it. I understand that would be your first response.

CHIEF HOLDEN: Mr. Chair, Commissioner Vigil, it's a reality and I appreciate the responsibility and the accountability that I have as the department director. Our job is not always easy and the decisions that we have to make are not always easy. But if we were asked to cut another ten percent, which would roughly be another million dollars, on top of the \$1.7 million that we've already cut as a result of the failure of the County Fire Protection Excise Tax, there's no way to get there without a reduction in personnel and a direct decrease in the level of services that we're able to provide to the public.

COMMISSIONER VIGIL: Would it be actual personnel or would it be salaries?

CHIEF HOLDEN: Well, hypothetically, Commissioner Vigil, yes. We

could make a recommendation to cut salaries across the board and not personnel.

COMMISSIONER VIGIL: Okay. Just thinking that that option is something we need to throw into the mix for everyone, because I still believe this is a shared responsibility and as long as we can consider and create a focus for this being a shared responsibility I think we work as a team and we'll get a better outcome. Thank you, Mr. Chair.

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. To follow up on Commissioner Vigil's questions, Teresa, what's out total benefits and salaries for the entire County? I'm flipping through here but I figure you'll know.

MS. MARTINEZ: Not off the top of my head, I'm afraid to say. We don't have it broken down here by that. Let me look at last year's and I can tell you.

COMMISSIONER STEFANICS: We already have attrition.

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, I know that our total salaries is about \$40 million. We use a 36 to 38 percent factor for benefits.

COMMISSIONER STEFANICS: So \$40 million plus –

MS. MARTINEZ: I'd say let's do 40 percent just to make it easier.

COMMISSIONER STEFANICS: So \$1.6 million, \$42 million, approximately. So even if – we couldn't even get to that \$6 or \$12 million just by looking at salaries. By keeping everyone and just looking at salaries.

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, we've done a couple of analyses like if we cut a percentage or if we did an aggressive 3, 4, 5 – our recommendation was to cut 3, 4, 5 percent and based on the thresholds that we currently give increases if we were doing cost of living. So obviously with the concept that the people making less money would take a lesser hit, we couldn't get to six million. So I think it would take a couple of options. We've explored what would a furlough do and we know that furloughs are difficult; they lead to overtime. We've explored the shaving concept and people being off during that week. Our initial estimate was \$728,000.

We've explored not paying holidays. So there's a couple of combinations that could maybe get us to the halfway point, but it would not get us to the six million.

COMMISSIONER STEFANICS: Mr. Chair, Teresa, I just found out a little while ago in looking at one of my extended paste-ups that the County actually pays a portion of every employee's PERA. If that changed, what savings would that be right there? Right now the County is paying 75 percent of the employee's portion of PERA and when I found that out I went oh, my gosh. That is really nice. Beside what the County's putting in. So if you were to put out their entire pay stub they would have three PERA deductions or contributions, one from the employee and two from the County. So if that PERA extra contribution was changed how much would that save the County?

MS. MARTINEZ: Okay, Mr. Chair, Commissioner Stefanics, we did this analysis. It's probably about six months to eight months old. At that time it was \$3.6 million, if we reduced the increased percentage that we contribute for every employee. So that's half of our six million.

COMMISSIONER STEFANICS: So \$3.6 million could actually save everybody's job. It would be more money out of the paycheck to PERA that is required,

but everybody's job could be saved at \$3.6 million.

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, yes. That is one –

COMMISSIONER STEFANICS: And then, if we needed to look at other programs or other ways to save we could look at that. Was that a consideration by the group of 21?

MR. ABEYTA: Mr. Chair, Commissioner Stefanics, no.

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, I'm being told that there may be a statutory issue with eliminating that additional three percent. So we'll need to explore that. We're under the impression statutorily that once you enter into that agreement you have to maintain it. So that's something I need to research.

CHAIRMAN MONTOYA: Say that again, Teresa.

MS. MARTINEZ: I'm just being told that the additional percentage that we've chosen to contribute on behalf of our employees for PERA, I need to look at the statute to see if it would allow us to basically negate that increased percentage. I don't know, but I need to research the statute on that. So that may not be a viable option.

COMMISSIONER STEFANICS: Well, Mr. Chair, Steve, I would ask you to research that and give us a legal opinion, because if we're talking about reducing salaries, unless there's specific language about this it's the same thing to me, it's reducing.

MR. ROSS: Mr. Chair, seems to me, but Rachel's gone to get the statute right now.

COMMISSIONER VIGIL: And Mr. Chair, from my experiences as an attorney in the retirement service there is a requirement that there be an employer-employee contribution. How it's matched I think is what we're talking about. And I do know the County has been very generous with regard to that so you do bring up a valid point. Whether we've entered into an agreement with PERA on that I think is what we need to resolve at this point in time. And I also think that the union contract is sort of a separate issue. So we're talking strictly about FTEs that are non-union. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Well, Mr. Chair, I just wanted to put that out. That's another possible amount of money to look at that would help protect employee positions but affect take-home pay. So I just want us to know that that's a possibility, if it's legally acceptable. Thank you.

CHAIRMAN MONTOYA: Okay. I just wanted to comment also, in terms of we're talking about shared cuts, shared responsibility across the board yet there are some budgets within different elected offices that the percentage is going up instead of it being at least held neutral, in terms of zero growth, and others are going down. In fact there's only two offices that are looking at a reduction. All the others are looking at an increase. So if we're going to share in this I think we need to share equally in terms of the cuts.

MS. MARTINEZ: Mr. Chair, at this point our intent was to show you what the results of the senior staff exercise resulted in and then give you the Finance Division's recommendation if you will. So we have completed or we have organized for you, if you would prefer to do it, an online survey that basically has the same questions

and the options we've explored here today. We have staff ready to assist you in doing the survey. We think it will take maybe 20, maybe 25 minutes. So that's something I put before you as to whether you would like to proceed and do that today. Is that something you'd like to do that we can assist you with and have it done before the next budget study session and we can show what the results are there? Or is this something you don't even want to entertain. It's up for your consideration right now. That would be the next progression in this presentation, have you do the online survey if you choose to.

COMMISSIONER STEFANICS: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: I think it would be – I would hesitate to do the online survey, because I do respect what our employees are saying but I would like to know what the public thinks about this and what they want to see continued. If the public had at the bottom of the list the transfer stations, maybe that's a clear message. If they had at the bottom of the list senior services, maybe that's a clear message. I don't know.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chair. I think public input is good but we need to have the public input from the county, from people that live in the county if they're going to be affected by transfer stations. Because the city folks could say, yes, we don't want transfer station hours and it doesn't affect them. So we've got to look at that. I think we need to have more public input, see what they have to say out there.

Is jail care our statutory requirement?

MS. MARTINEZ: Mr. Chair, it was not statutorily required as a core service. It became an extended function of Santa Fe County as we grew. So it was not statutorily core.

COMMISSIONER ANAYA: And I think that is the most drain to our budget – \$19 million, almost \$20 million. And I think we need to continue to work with our legislators on that issue. If we could get help there that would solve a lot of our problems. That would solve our problems. Cutting vacant positions? That's probably our first priority, correct?

MS. MARTINEZ: Mr. Chair, Commissioner Anaya, what we've done is we've frozen. We actually haven't cut anything yet but we've frozen the position.

COMMISSIONER ANAYA: And in terms of the PERA, I stepped out for a sec, but I think we need some more input on that and I know we have union contracts that we have to deal with. And the bottom line is that maybe we need some more options and more alternatives – more ideas on how we could possibly reduce the budget. But public input is important. Thank you, Madam Chair.

COMMISSIONER VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I think we also need to think more too about income. I think that's just really something that we haven't talked a lot about, but I think that in these hard times, cutting government – I know it seems like we need to do that but I think it may be counterintuitive, but we really need to explore options to improve our income because that will in turn improve the economy of our county as well. So one thing that I just thought about is we have a lot of land. Could

we build a building that we could rent out? Could we make income that way?

So I just think that we get caught up in this cutting thing and it may seem counterintuitive but we should go the other direction in trying to figure out what possible ways that we could make more money that we have available to us.

COMMISSIONER VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: So Madam Chair and Teresa, Roman, you had in one of the slide about assets that we could sell. If we sold those, those could only be used for non-recurring activities?

MS. MARTINEZ: Madam Chair, Commissioner Stefanics, typically that would be the philosophy. Now, we're not in typical times with this economy, so if we structured growth we would want to do is such that if we used the proceeds from the sale of any of our properties we'd have to have a long-term plan where if we rely recurrent expenditures on that \$2 to \$7 million that we might potentially bring in, we have to, within however many years it takes have them be sustainable. So in other words, whatever we make on the proceeds would carry those functions for a certain amount of time but then they would become a recurring expenditure that would need a reliant funding source to sustain them long term.

COMMISSIONER STEFANICS: Thank you.

COMMISSIONER VIGIL: Okay. Commissioner Holian.

COMMISSIONER HOLIAN: One other point too. I wonder if we could investigate about getting federal prisoners again in our jail and see if that's a possibility. Because as I recall hearing, they pay considerably more than any other, and I don't know if that's been looked into as an option or investigated.

MS. MARTINEZ: Okay. Commissioner Holian, I do believe that the Corrections director is exploring that especially with the recent successful completion of the DOJ audit, so I do believe that's an option that we're looking at.

COMMISSIONER VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Madam Chair. How do you plan on going about getting public input?

MR. ABEYTA: Mr. Chair, Commissioner Anaya, what we would probably have to do is hire a polling company to do a poll for us, where they would call or mail out a poll to the county residents and compile the data for us.

COMMISSIONER ANAYA: Do we have time to do that?

MR. ABEYTA: We could move on it really quick.

COMMISSIONER ANAYA: I was thinking more meetings. I know some people don't come to meetings, or a lot of people don't come to meetings. But what about the access to this presentation? Can they get access to that?

MR. ABEYTA: Yes, Mr. Chair. We can put that on our website. We can also put some poll-type questions on our website. But if you want it to be scientific and you want it to be representative of the county residents you have to hire someone to do it.

COMMISSIONER ANAYA: How much would that cost?

MR. ABEYTA: Maybe \$20,000 at least. But we can do it, and we do have the time. This is a two-year plan. What we're telling you is we've got to do something over the next two years to operate. So we can balance our budget for this next fiscal year and then you conduct the poll and then by mid-year though we would probably want to

start making recommendations for cuts at the latest. So we do have time.

COMMISSIONER ANAYA: I guess what I want to hear is what the public has in terms of core services. What do the public want? Do they want transfer stations? Do they want fire protection? Do they want police protection? That's what I want to know. Thank you, Madam Chair.

COMMISSIONER VIGIL: I would just follow up with a couple of things. I wanted to make an observation. If we were to recall cell phones, it seems to me the amount of dollars that we could save, is that \$90 million?

MS. MARTINEZ: \$90,000.

COMMISSIONER VIGIL: Thank you. We actually have already implemented a voluntary one. How much have we saved with that?

MS. MARTINEZ: We went from a monthly bill of about \$15,000, \$16,000 down to \$8,000 and \$9,000. We cut it in half.

COMMISSIONER VIGIL: Okay. It seems to me with modern technology – to me it seems like there's some really quick fixes here with modern technology. For example, if anyone tries to reach me on my phone IT has set it up where it will go to my computer. I'm accessible. I can actually be immediately accessible without a cell phone. I no longer have a County-issued cell phone but I'm still accessible. I remain accessible through constituency services, through the County Manager's office and through that. So it seems to me that that has been successful and maybe we need to continue to look at that. The other thing is I did not want the issue about the medical needs that our jail has go by without asking the question, was that not a DOJ requirement? And don't we have to continue with that in order to be compliant with that?

MS. MARTINEZ: Mr. Chair, you're correct. And what we did in your research information there's a slide that basically breaks down what the DOJ agreement requires and what we're currently providing. And there are some areas that we are requiring more than what is required. In order to be more in line with the DOJ requirements we would have to invest in the front end. So Finance's approach and something we want to work with Annabelle on is, okay, this is what DOJ requires, this is what we're currently providing, where is there room to potentially make cuts now that we're up and running a suitable medical component.

So yes. We would not want to compromise services. And you'll see in your packet material there are several slides on Corrections and discussions we'd like to have with Annabelle – is this even feasible? But we do believe that we're above DOJ requirements in some areas.

COMMISSIONER VIGIL: And frankly I would make the recommendation that it isn't comfortable for me to be sitting in a policy decision to make decisions with regard to where this needs to be cut and that needs to be cut. I think you all have engaged in a very appropriate process in bringing in divisions and departments to identify where cuts could be made. I think that based on where we're at now, we have a better picture of what we need to do in 2011 and 2012. I would request that you revisit with division and department heads, letting them know what recommendations have come forth from senior staff and from Finance, engaging them in the conversation and asking them where they would be able to participate in some of these cuts.

I don't like the idea that I have to sit here and say, okay, 10 percent cut here, 13

percent cut there. I don't have to deal with the day-to-day operations. Division heads do, department heads do, elected officials do. They know best. So my recommendation is as we move forward we need to keep them engaged. Keep them informed of where we are with our GRTs and where we're going. And I'd like to get further recommendations from them. Again, I say they know best because they're the ones that have to deal with the consequences of the cuts. And it isn't comfortable for me at all. Any other questions?
Commissioner Stefanics

COMMISSIONER STEFANICS: I lost my thought already. I think we'll have to keep going. But I think the two things that have come up is we have asked now for some kind of public polling, and it's really about core services. It's not about getting the public involved in how many positions we should have or anything like that. Oh, I know where I was going with this. The total budget, the total County budget, if every department, including electeds were set up in a proportion to that overall budget, and the percentage that was needed to get t the \$6 million or the \$12 million was assigned to each office based upon its proportion of the overall budget, that might be another method of going back and saying, here's your proportion to cut.

So, for example, if – what's the very smallest office we have here in the County, Roman?

MR. ABEYTA: Not the County Surveyor. That's obvious. I think you mean like the Treasurer. How many people?

MS. MARTINEZ: I would say at least ten, ten-plus FTEs.

MR. ABEYTA: Maybe the Treasurer.

COMMISSIONER STEFANICS: I'm talking about overall amount of money, too. Because if you started thinking about that, then that entity would have the lowest cut and then so on and so forth, if you did it proportionally. That's just another way to look at it. But I think that in terms of core services, getting to the County people, we would probably need like research and polling or whatever.

Now, were you able, Madam Chair, Steve, Rachel, were you able to come up with an answer for that PERA question?

MR. ROSS: Commissioner Stefanics, we're looking at it. There's actually some room here to work with. But we'll look into it and give you a complete answer by memo. But it looks like we might be able to work with this a little bit.

COMMISSIONER STEFANICS: Okay. Where I'm going with this is it might be a way that everybody keeps their job, but they end up with a little less money out of their paycheck. And it wouldn't be the percentage that we're talking about but it would be the County's contribution or part of the County's contribution. So I just think it's worth looking at. So I think that there are a couple of items that we've come up with for you all to pursue.

MS. MARTINEZ: So, Mr. Chair, at this time I think what we would recommend is that we go back and you've given us directives in terms of items that we need to research, presentations or analysis that we need to complete for you. We have a June BCC study session that we're either trying to schedule or may have already scheduled. So what we'll do is we'll try to prepare as much of this as we can by that date and then we can see what you'd like us to incorporate into the final budget submission to DFA, and I think we should allow the interim budget to be approved as it's currently

presented to you today and then we can finish the research and see what additional cuts may come throughout the course of next fiscal year.

COMMISSIONER STEFANICS: So, Mr. Chair, do we have a date for this June meeting? Hopefully it's on one of our BCC days.

MR. ABEYTA: June 8th.

COMMISSIONER STEFANICS: June 8th. So we'd meet in the morning or before the afternoon session?

MR. ABEYTA: Yes. We'll meet at 1:00 and the session will start at 3:00, the afternoon session.

COMMISSIONER STEFANICS: Okay. Will you remember to notice it?

MR. ABEYTA: Yes. It's noticed.

XIII. A. 2. Resolution No. 2010-100. A Resolution Requesting Approval of the Fiscal Year 2011 Interim Budget

COMMISSIONER STEFANICS: Okay. June 8th, 1:00 p.m. Now, today, Mr. Chair, Teresa, Roman, you need us to approve the interim budget?

MR. ABEYTA: Yes, which again, does not include any cuts. Just so you know, you're not acting on any of these –

CHAIRMAN MONTOYA: What page is that on?

MS. MARTINEZ: That's basically one of the earlier slides that shows the total revenue sources. I believe it's slide number 4. So we're asking you to approve an interim budget total of \$177 million.

COMMISSIONER STEFANICS: Mr. Chair, I still have – Commissioner Vigil brought it up earlier. There are some things here that could be done immediately, like the cell phones, the take-home vehicles, the travel and seminars. Maybe there's some things that we can tell you right now that are little things.

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, we agree with you and we'd be willing – we structured it as such that you could provide us direction via a motion today, and also approve the interim budget as it is today. So if you would prefer to give us some guidance today that is manageable.

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: What if we just left it like that and then when they come back to us you can give us some more feedback. Just approve it like it is and then that way we might not have to do some of those. They might come up with \$6 million. We just need to play the lottery.

COMMISSIONER VIGIL: Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Montoya.

COMMISSIONER VIGIL: I'd like to see us proceed this way: I'd like us to take action on the budget that is required to be sent before DFA. I think the \$177 million is something we can move forward with and we're safe in doing that. I'd like, based on the hearing that we've had today, which I think has been quite productive. There's quite a few pieces of information out there. I'd like to have staff meet again with

division heads before the June 8th meeting, have them come to us with how they can do a quick fix. And by June 8th I'd like to see some of those quick fixes as recommended by each department and division head and elected official and see where we are with that. And I think at that point in time, maybe it means that Corrections does come to us and say when our lease is over we can move into the ARC program. Maybe it does mean there are some cell phones I can remove and some I can't. These decisions do need some autonomy, and maybe one of the other options is we can turn in these many cars and implement it with whether or not the employee-employer contribution can be looked at in terms of a cost saving. I think we're in a good place to start looking at that, but I think the next step is to visit with our own folks on this.

So however you can structure that, talk to the Fire Department, talk to law enforcement, talk to the Assessor's office, talk to Finance. Talk to all of our department heads. We're at a place where we need to work together to show if you were to cut, where would you cut? And pose it hypothetically like I did to our Fire Chief. I think we need to start thinking in those terms. And then after you've got a hypothetical posing maybe we can get some concrete recommendations. Thank you, Mr. Chair.

With that I move we approve the 2011 interim budget as recommended by our Finance Department, \$177,573,299.

COMMISSIONER STEFANICS: I'll second.

CHAIRMAN MONTOYA: I have a motion by Commissioner Vigil, second by Commissioner Stefanics. Discussion? I just had one item that I think had been discussed and I don't see it anywhere now, on stopping the bleeding. That was looking at the "double-dippers." Was that eliminated for some reason?

MR. ABEYTA: Mr. Chair, it was eliminated and the reason why is because we don't have many of the double-dippers that are at-will, so we could run into legal problems with getting rid of all of the at-will.

CHAIRMAN MONTOYA: Oh, so they have to be at-will.

MR. ABEYTA: That would make it a lot simpler if they were at-will, but unfortunately, the majority, 90 percent aren't.

CHAIRMAN MONTOYA: Okay. Commissioner Stefanics.

COMMISSIONER STEFANICS: On that point though, did the state law not change then how the contributions are made for double-dippers? And what savings would that be to the County?

MS. MARTINEZ: Mr. Chair, Commissioner Stefanics, you're correct. It did change it and I believe – they have to contribute now but I'm trying to remember the dollar amount. It was \$190,000 in savings that the County would no longer contribute on behalf of that employee. So they now would make their own contribution.

COMMISSIONER STEFANICS: And that has already been worked into the interim budget?

MS. MARTINEZ: Yes, ma'am.

COMMISSIONER STEFANICS: Okay. Thank you.

CHAIRMAN MONTOYA: Okay. Other discussion?

The motion passed by unanimous [5-0] voice vote.

COMMISSIONER ANAYA: Thank you, staff.

COMMISSIONER VIGIL: Thank you very much.

COMMISSIONER ANAYA: And thank the firefighters for coming.

COMMISSIONER STEFANICS: Mr. Chair, I believe we had almost every department sitting out there in the audience, so we know there's a lot of interest.

CHAIRMAN MONTOYA: Absolutely. We just experienced a 50 percent cut in my own budget and it's – we had to cut staff. I had to cut staff. It was inevitable. There's no other way to look at furloughs. It's real unfortunate but you can't survive a 50 percent cut.

COMMISSIONER STEFANICS: Well, the one thing, Mr. Chair, that has happened is the Department of Health cuts to all of our clinics are pretty drastic as well. So I know that they're looking at downsizing as well. The one thing I didn't bring up, and maybe Roman and Teresa – don't respond, but you might look at whether or not there's any other services the hospital could absorb without our cost.

XIII. B. Growth Management

2. Update on Sustainable Land Development Plan [*Exhibit 1: Presentation Summary*]

JACK KOLKMEYER (Land Use Administrator): Thank you, Mr. Chair, good afternoon, Commissioners. After that cheery little session I don't know exactly how to go about here, but we have a very brief eight-slide presentation that we'd like to make for you if that would be okay. Or we could just answer questions if you'd like.

COMMISSIONER STEFANICS: Mr. Chair, does it cost money?

CHAIRMAN MONTOYA: They don't have any in the budget.

MR. KOLKMEYER: So we'll proceed with the slide presentation. It's pretty simple. But in listening to the last two hours of conversation, it's very interesting in relation to the Sustainable Land Development Plan that we've been working on for the last two years. We've been all over the county meeting with our constituents and residents for a long time and we've put our work into 16 chapters that include open space, renewable energy, public safety, transportation – we have a lot of feedback and a lot of information from your constituents on our Sustainable Land Development Plan. And I think it's going to be really important that we coalesce this plan with some of the budgetary issues that you've discussed today, because for example, as a result of the work we've done so far, many of your constituents are asking for new programs, new committees, new studies, new things to be done, in order for us to become not only more fiscally responsible but more sustainable in terms of our land use activities.

So we're compiling all of these things as we have been in the plan right now, and when we bring this forward to you we're going to make sure you've seen this thing so you'll understand we're talking about cutting but we're also talking about a new effort that maybe is a little different than we have perceived it in the past. So I just wanted to mention that as we start off here. We know that you're getting a number of questions on things related to the plan right now and after Robert goes through just an update of where we are right now we'll be happy to stand for any questions that you might have, because

we think that some of the questions that are being asked in the community right now are extremely important. So having said that I'll turn it over to Robert. Thank you.

ROBERT GRIEGO (Planning Manager): Good afternoon, Mr. Chair, Commissioners. I have a brief summary update of where we are in the process. What we wanted to do is get this information out to the public through our website to let people know where we are right now with the plan, just to give you a brief background. We came up with the second draft of the SLDP on February 5th. Staff has taken the lead role in this draft and we had a series of workshops where we met with the public to hear their concerns and to go over the plan and to get some public input.

We did 17 total workshops to review the Sustainable Land Development Plan. We've had several public hearings on the plan where we've presented information and gotten additional feedback. So based on that we wanted to let you know what the plan is right now, the purposes of the plan, just briefly is to direct the location and character of future growth to appropriate designated area. There's a fiscal responsibility for future growth, focus on community needs and values, protect and restore the natural environment and rural landscape and in the open spaces of the county. Conserve water and other natural resources for present and future generations. Redefine the zoning standards and development review process, provide appropriate County resources to implement the unified countywide growth management strategy, and ensure effective, transparent and ethical governance.

So as you know, the plan is now 15 chapters, what we call plan elements. The major components that we have here for the growth management strategy is something we're calling sustainable development areas. These areas will be areas that would establish future service areas and identify priority growth areas in the county. Part of this strategy includes the future land use map, which designates appropriate land use designations, including rural, agricultural, conservation, residential, mixed use and activity centers. There's also an official map that we're calling right now the preliminary official map, which will identify needs for future services in the county, including roads, facilities, open space, etc.

The Sustainable Land Development Code is the implementation portion of the Sustainable Land Development Plan, and this is an important piece. The Sustainable Land Development Plan will set the framework for the Code.

In regard to the review process that we've gone through, we've receive numerous public comments on the plan, on the draft. We've provided some proposed revisions. The proposed revisions to the draft that was released to the public in February are on the website now. These are only proposed revisions right now. We've got public comments on those revisions. We've then evaluated all the comments that we've received and have Countywide recommendations that were established through an internal County process through the County Manager's office. Those recommendations were provided to the CDRC in May. At that time there were some additional concerns from the public regarding the southern part of the county, which I'll get into in just a minute.

The proposed revisions right now, we've redrafted it. We've redrafted several sections of the plan, based on the comments that we've gotten. We plan on bringing the revised draft forward to the County Development Review Committee on June 24th so the draft will be available to the public prior to that in order to allow the public adequate time

to review the plan. There's still some outstanding issues that will need to be addressed throughout this process. We do have a meeting for southern Santa Fe County coming up on June 3rd at the Stanley Community Center. That information will be posted on our website. We're also advertising that in the local newspapers in the southern area of the county.

Within the land use element or Chapter 2 of the plan there's some issues regarding mining and developments of countywide impact and how the oil and gas plan is incorporated into the Sustainable Land Development Plan. There's also some concerns regarding the governance element that we've heard regarding the processes and procedures. We've made some recommendations on amending the plan to address a lot of these concerns.

So again, this process right now is to inform you that we've put together the summary update for the public in regard to what the plan is and what the next steps are. We plan to come forward to the CDRC on June 24th with the final draft and the CDRC will hear the draft at that time for public hearing and additional public hearings will be established as necessary. Then we will come before the Board with a recommendation from the CDRC. So that concludes my presentation. If there's any questions from the Board.

CHAIRMAN MONTOYA: Any questions? Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chair, thank you. Tell me again, what's the process? You're going to CDRC when?

MR. GRIEGO: June 24th.

COMMISSIONER ANAYA: June 24th. You moved it back a month?

MR. GRIEGO: We moved it back approximately a month, Mr. Chair, Commissioner Anaya. This was to give us adequate time to address some of the concerns that we heard at the CDRC meeting on May 13th regarding some concerns from the southern part of the county, and we are setting up a meeting to go out there and that will give us adequate concerns to address those concerns.

CHAIRMAN MONTOYA: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Mr. Chair. Thank you very much, Robert, for the presentation, and I think the summary is very helpful. I've been getting some emails that I've shared with you and I've also had some discussions with Legal. The issue of how the mining will be addressed in our plan, and then later in our code is coming up and I think we have a group of individuals getting pretty wound up about it. And I'm getting different answers or different perspectives from your department, from Dr. Freilich, from our Legal. So I think that's an area that everybody needs to put their heads together on. I'm reluctant to even respond to some of my constituents who are bringing up some of these issues, because I don't think we're clear here at the County on how it's going to be handled. So perhaps that could go on the list of things to do. Thank you.

MR. GRIEGO: Thank you, Commissioner.

CHAIRMAN MONTOYA: Anyone else? It's too nebulous to me in terms of an actual – the reality is we're going to be here for the final hearing – may not be here for the final hearing and people are still going to be coming forward saying I've never heard of this plan going on. They're trying to ram it down our throat. When are we going

to say when so that we can move forward and get this down so that then we can start – and I don't see Roman. Penny, is the code moving along too or are we waiting for this to get done before the code?

PENNY ELLIS-GREEN (Deputy County Manager): Mr. Chair, Commissioners, we are working on the code as well. I think we have almost all chapters that we're doing internal review for. And so I think the GBD was we'll see if the CDRC is at a point where were they'll be able to recommend approval of the plan on the 24th of June, and if they are then it comes to this body.

CHAIRMAN MONTOYA: Okay. So they may or may not act on it on the 24th.

MS. ELLIS-GREEN: That's correct. It will be put in front of them for approval and we'll see if they're ready to make that decision.

CHAIRMAN MONTOYA: Okay. All right. Thank you, Robert. Commissioner Vigil.

COMMISSIONER VIGIL: So I would – excuse me. I stepped out a few minutes. What was the last CDRC hearing that you had? I understand there are recommendations that are being additionally implemented. And the next CDRC you have will be a part of that. So is there any reason to suggest that they won't take action on it then?

MR. GRIEGO: Mr. Chair, Commissioner Vigil, no, there's not. We plan on bringing the final draft forward at that time, with all the revisions. Hopefully, we'll have addressed all the issues at that time. That's why we wanted to leave ourselves enough time to do that, after we go to the community meeting next week in Stanley. So we will have a final draft ready for the CDRC to make a recommendation to the Board on. We don't know whether they will make the recommendation at that time but we plan to have it ready for their recommendation.

COMMISSIONER VIGIL: Mr. Chair, first of all I want to thank Jack and Robert and all the staff who have worked on this. I've actually sat in on some of the meetings and partially on some of the CDRC presentations. This has not been an easy task. It has to be finite though. We need to get a product. And despite our desire to do that, even when we're at a place where we may think we have a product we are going to get some feedback from the community that says no, this isn't a product. You need to incorporate this particular language or that particular language.

I think one of the things that I've sort of heard communicated to the community that I like and that we need to give, we need to continue giving a message about and that is this is about input from the community. This is about their plan. This is a dynamic process. This is a guideline. Once we are able to incorporate a code we're going to be able to serve the community a lot better. And, yes, maybe not all the language that is desirable will be incorporated in this, but it really will have a broader framework to move our community forward on sustainability. And I think at some point in time the message has to be really clear that action needs to be taken on this. We could go on and on and on and never end to try to accommodate some of the requests that even I'm getting now.

So I think the timeline needs to be as strict as possible and I do not recommend that we consider any further extensions. Thank you, Mr. Chair.

CHAIRMAN MONTOYA: Commissioner Holian. Thank you, Mr. Chair.

Well, thank you, Jack and Robert and to the whole Planning Department. I think the meetings that you have had have been unprecedented as far as taking public input for something the County has done and I think it's been really incredible. I've witnessed it myself. The question I had is undoubtedly there are going to be areas where the community disagrees on certain issues. So in this draft that you have will you have decision points in there that the CDRC will be making recommendations on, or decision points that we will be making decisions on?

MR. GRIEGO: Mr. Chair, Commissioner Holian, our goal and our intent is to address as many of the issues as we can, so we've provided an evaluation on the public comments and that evaluation matrix is also going to be available on the website today. The idea is we identified – many of the comments – we identified how we were able to incorporate them, whether we were. There's still some outstanding issues that we're working through. When we come forward with the revised draft, which we anticipate to be available around June 10th, then the public will have an opportunity to review that. The idea is that we've addressed the comments to the best of our ability. There may be some comments that come from the CDRC, additional recommendations based on the public comments at that time. But our goal is to try to get as many issues resolved in the final draft that we can.

COMMISSIONER HOLIAN: Okay. So we'll have just one document, really, to look at.

MR. GRIEGO: Yes.

COMMISSIONER HOLIAN: Okay. Thank you, Robert.

CHAIRMAN MONTOYA: Okay. Anything else? Okay. Thank you, Robert. Thank you, Jack.

XIII. D. Matters from the County Attorney

1. Executive session

- a. Discussion of pending or threatened litigation**
- c. Discussion of possible purchase, acquisition or disposal of real property or water rights**

Commissioner Holian moved to go into executive session pursuant to NMSA Section 10-15-1-H (7 and 8) to discuss the matters delineated above. Commissioner Vigil seconded the motion, which passed upon unanimous roll call vote with Commissioners Holian, Stefanics, Vigil and Montoya all voting in the affirmative. [Commissioner Anaya was not present for this action.]

[The Commission met in executive session from 4:13 to 5:03.]

COMMISSIONER VIGIL: I'd like to call this meeting of May 25th back to order.

COMMISSIONER HOLIAN: Madam Chair, I move that we come out of executive session where we discussed pending or threatened litigation and purchase, acquisition or disposal of real property or water rights. Attending the executive session

were the five Commissioners, our County Attorney, Steven Ross, our other County Attorney, Rachel Brown, and our County Manager, Roman Abeyta, and our Assistant County Manager, Penny Ellis-Green.

COMMISSIONER VIGIL: I have a motion. Is there a second?

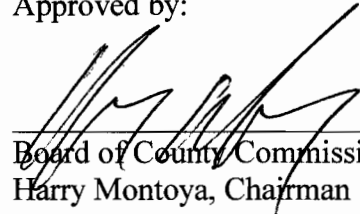
COMMISSIONER STEFANICS: Second.

The motion passed by unanimous [4-0] voice vote. [Commissioner Montoya was not present for this action.]

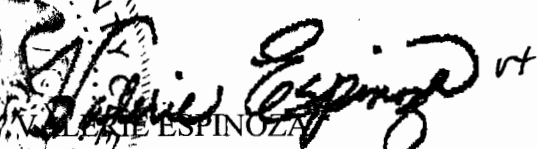
XIV. ADJOURNMENT


Vice Chair Vigil declared this meeting adjourned at 5:05 p.m.

Approved by:




Board of County Commissioners
Harry Montoya, Chairman

ATTEST TO:

VALERIE ESPINOZA
SANTA-FE COUNTY CLERK



Respectfully submitted:


Karen Farrell, Wordswork
227 E. Palace Avenue
Santa Fe, NM 87501



REC'D CLERK RECORDED 06/30/2010

2010 Sustainable Land Development Plan (SLDP) Update and Summary

Santa Fe County



May 2010

2010 Sustainable Land Development Plan Update

SLDP Update and Process

Santa Fe County is in the process of updating the 1999 Growth Management Plan through the Sustainable Land Development Plan (SLDP). The SLDP will be a statement of the County's vision for the future growth and development and will be a guide to achieve that vision through the year 2025. The view of the future expressed in the Plan will be shaped by local community values, ideals and aspirations about the best management and use of the County's resources.

To meet the need to create the new SLDP, Santa Fe County began the process in December 2008 and held a series of Charrettes in early 2009 throughout the County to get community input and participation in the process. A report on the process was presented to the community and to the CDRC in April of 2009. The first draft of the SLDP was presented to the CDRC in October 2009. The initial draft was prepared as a Five Volume plan and was over 1300 pages. Community members had several concerns about the initial draft which included the following:

- The SLDP was too complex and difficult to understand.
- The draft did not clearly recognize and honor the existing community plans.
- The SLDP did not clearly identify and focus growth areas and delineate how it would address sprawl.
- Did not adequately address governance, intergovernmental relations and regional planning.

Based on these major concerns and issues, the County developed a revised draft of the SLDP and presented that to the CDRC in February 2010. The County then held a series of SLDP Workshops from February through April 2010 to allow additional opportunity for the public to review and provide comments on the draft SLDP. Through this process, significant public comments were received and the County provided proposed revisions to the SLDP in April 2010. Additional public comments on the proposed revisions were received at CDRC Public Hearings and staff provided a summary evaluation and County Recommendations at a public hearing on May 13th, 2010.

Purposes for SLDP

1. Direct the location and character of future growth to appropriate and designated areas that include Mixed-Uses, Residential, Commercial and Industrial Uses
2. Ensure Fiscal Responsibility
3. Focus on Community Needs, Values and Feedback in Relation to Future Planning and Local Economic Development
4. Protect and Restore the Natural Environment, the Rural Landscape and Open spaces Between Established and New Communities
5. Conserve Water and Other Infrastructure Resources for Present and Future Generations
6. Redefine the Zoning Standards and the Development Review Process
7. Provide the Appropriate County Resources to Implement a Unified, County-wide, and Sustainable Growth Management Strategy
8. Ensure Effective, Transparent and Ethical Governance

2010 Sustainable Land Development Plan Update

SFC CLERK RECORDED 06/30/2010

SLDP Summary

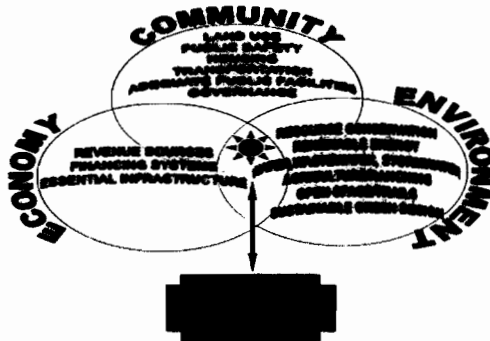
The 2010 Sustainable Land Development Plan ("SLDP") is a comprehensive revision and update of the Santa Fe County Growth Management Plan (General Plan). Santa Fe County recognizes the intrinsic importance of relationship to the past, the present and the future of our communities. Principles of clustered settlement, the effective use of infrastructure, respect for the land and wildlife, the understanding of open space, solar design principles, maintaining edges and connections, centeredness, the appropriate use of natural resources, and mixed use communities have been practiced for a long time.

There is a need to establish the relationship between future growth, public facilities, economic development, fiscal impact, community and environmental character, resource protection and quality of life. To meet these needs, the SLDP identifies reasonable growth and infrastructure extension areas and improves the ability of the County and service providers to provide public facilities and services. The SLDP identifies growth trends, existing and projected infrastructure deficiencies, future needs generated by new development, and provides the factual framework for future growth strategy. A key element of the SLDP incorporates a Sustainable Development Areas concept, which structures growth management planning and implementation. This mechanism establishes the framework for the implementation to be used to achieve sustainable growth for different areas of the County.

The SLDP will be the duly adopted, statutorily authorized General Plan for the unincorporated portion of the County. The SLDP implementation tools include the Sustainable Land Development Code, and Official Map and a Capital Improvements Plan ("CIP"). The SLDP will be the constitution for planning, public facility and services, fiscal, land use, housing, resource conservation, renewable energy and green development legislation, administrative regulation, and development approvals, financing and fees, all of which should be consistent with the SLDP.

The Principles of Sustainable Communities

Sustainability applies to both natural and built environments, which are shaped by human impact. People decide how, where and when to build buildings, neighborhoods and infrastructure (the built environment). People burn fossil fuels, consume land and water, and use the earth's natural resources. Developing and implementing strategies and programs which encourage a sustainable and green approach to the environment is vital to achieving overall sustainability. To be sustainable, a community must adhere to three key principles of sustainability communities: environmental responsibility, economic strength and diversity, and community livability. These three principles of sustainable communities relate to elements of the SLDP in the following ways:



2010 Sustainable Land Development Plan Update

Sustainable Land Development Plan Elements:

The Sustainable Land Development Plan Elements are organized topically as follows:

- Chapter 1: Introduction: A Sustainable Future for Santa Fe County Land Use Element
- Chapter 2: Land Use Element
- Chapter 3: Economic Development Element
- Chapter 4: Agriculture and Ranch Element
- Chapter 5: Resource Conservation Element
- Chapter 6: Open Space, Trails, Parks and Recreation Areas Element
- Chapter 7: Renewable Energy Element
- Chapter 8: Sustainable Green Design and Development Element
- Chapter 9: Public Safety Element
- Chapter 10: Transportation Element
- Chapter 11: Water, Wastewater and Stormwater Management Element
- Chapter 12: Adequate Public Facilities and Finance Element
- Chapter 13: Housing Element
- Chapter 14: Governance Element
- Chapter 15: Implementation Element

Each of the SLDP Elements contains the Directives set forth by the preamble of the plan. The descriptions of each element are summarized below. Within each Element, the “Key Issues”, “Keys to Sustainability” and “Goals, Policies and Strategies” specifically identify specific concerns, concepts, and determine and direct legislation as defined below:

- ❖ **Key Issues:** Statements of specific problems and concerns.
- ❖ **Keys to Sustainability:** Fundamental concepts for implementing sustainable development.
- ❖ **Key Directives:** Each Plan Element defines “Goals, Policies and Strategies” for specific County direction.
 - **Goal:** The SLDP intent to achieve a sustainable direction for the community in the future. Goals are public purposes toward which all legislation, administrative regulations, policies, actions, decisions, development approvals and programs are directed. Goals are phrased to express the desired end products of the SLDP.
 - **Policy:** Statements of government intent against which individual actions and decisions are evaluated. Policies direct the manner in which actions and decisions should be made.
 - **Strategy:** The specific action, tool or program that the County will implement to achieve goals and policies and solve issues and problems.

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Chapter 1: Introduction to Santa Fe County SLDP

- ❖ A Sustainable Future for Santa Fe County

- ❖ Vision Statement:

"Santa Fe County is a Place of Natural Beauty, Diverse Cultures and Enduring Sustainable Communities"

- ❖ What Is Sustainability?
 - For Santa Fe County, Sustainable development maintains or enhances economic opportunity and community well-being while protecting and restoring the natural environment upon which people, natural systems and economies depend.
- ❖ Key Principles for Sustainability
 - 1) Environmental Responsibility
 - 2) Economic Strength and Diversity
 - 3) Community Livability and Quality of Life

Chapter 2: Land Use Element

Key Issues

- Population growth and increasing competition for diminishing natural resources.
- Existing communities are not sustainable.
- Primary growth areas where infrastructure and services will be provided need to be identified.
- Unsustainable development patterns negatively impact the environment.

Keys to Sustainability

- Plan for Sustainability.
- Support communities in their efforts to enhance their quality of life through community participation and planning.
- Better water and land management is necessary to ensure the integrity of the environment, the viability of agriculture, and the ability to sustain on-going community development.
- Planning and development regulations must be comprehensive.
- Plan for Integrated, coordinated growth management.
- Direct growth to specific areas most efficiently served by public facilities and services.
- Develop mechanisms for density transfers to allow large property/ranch owners to transfer density for preferred development patterns.

Key Growth Management Concepts

- ❖ Establish Sustainable Development Areas
- ❖ Establish Future Land Use Map
- ❖ Establish Official Map
- ❖ Establish Capital Improvements Program

Key Directives

- ❖ Land use and development should be consistent and comply with the sustainability principles established in SLDP.
- ❖ The sustainable land development program should provide for rational development patterns, land use compatibility and adequate public facilities and services at adopted levels of service.
- ❖ The County will use the Sustainable Development Areas Map, Future Land Use Map and Official Map to guide land use, development review and infrastructure provision.

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- ❖ Clarify Zoning Regulations and Streamline the Development Review Process.
- ❖ Future development patterns should be compact to minimize sprawl and land consumption, provide transit options and meet mixed use objectives through the development of appropriate land use tools and land transfer techniques.

Chapter 3: Economic Development Element

Key Issues

- Conventional approaches to economic development have not produced a diversified economy.
- There is a lack of resources and strategies to prepare for impacts and effects of climate change.
- Deficient essential infrastructure to support appropriate economic development activities.
- Need for appropriate business services and support for small business and home businesses.
- Need a workforce trained for an emerging economy.
- Need for resource development and partnerships to support local economy.

Keys to Sustainability

- Strategic development of cluster industries such as the “green” industry, arts and culture, film, agriculture, outdoor recreation and ecotourism.
- Provision of employment-generating land uses and residential uses in mixed use development should be balanced to maintain a mix of jobs and housing.
- Local and regional community participation and organization is critical to strengthen partnerships.
- The County needs to prepare for anticipated environmental and economic impacts and address the effects of climate change.

Key Directives

- ❖ Pursue a diverse and sustainable local economy that integrates environmental and community needs and supports the local workforce and provides new opportunities for local employers and residents.

Chapter 4: Agriculture and Ranch Element

Key Issues

- Diminishing farm size and profitability.
- Need for enhanced food security and local food sustainability.
- Limited water supply and water quality issues.
- Shifting climate patterns.
- Fragmentation of agricultural land and development pressure.
- Lack of recognition of acequia governance and vulnerability of acequia systems.

Keys to Sustainability

- Support and promote local agricultural and value-added specialty products.
- Protect and support agricultural and ranch lands through a variety of incentives and tools.
- Support local food systems and food security, including seed and food sovereignty.
- The recognition of acequia governance and acknowledgement of their fundamental landscapes as viable land-based agro-economic systems
- Establish partnerships through the Food Policy Council as well as other local and regional organizations.

Key Directives

- ❖ Preserve, promote and revitalize agriculture and ranching as a critical component of the local economy, culture and character.
- ❖ Support local food systems and food security.

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- ❖ Preserve and support community-based agriculture and the acequia system as an important part of the County's heritage and agricultural sustainability.

Chapter 5: Resource Conservation Element

Key Issues

- Irreplaceable archaeological and historic sites are threatened.
- Archaeological, historic and cultural sites are not well-documented.
- The integrity of historic and traditional villages is eroding.
- Loss of community character.
- Conflict exists between industrial resource extraction and traditional communities.
- Maintaining the integrity of view sheds and scenic byways as resources.
- Wildlife habitats and migration corridors threatened.

Keys to Sustainability

- The County should coordinate with stakeholders to identify, map and protect archaeological, historic and cultural resources as well as develop and implement the Galisteo Archaeological Site Management Plan.
- The County should preserve and enhance the unique natural, community and rural-area character and design features in the County.
- The SLDP will require the use of Environmental Impact Studies for all new or expanding development in extraction of resources.
- Development should be sited and designed to limit the impact on viewsapes such as designated Scenic Byways.

Key Directives

- ❖ Protect and preserve the County's archaeological, historic, cultural, community and scenic resources.
- ❖ Protect, preserve and conserve the County's vast natural resources.
- ❖ Protect vegetation and wildlife, including rare, native species, threatened and endangered species.
- ❖ Scenic viewsheds should be preserved and protected as an important resource.

Chapter 6: Open Space, Trails, Parks and Recreation Areas Element

Key Issues

- Impacts of urbanization on open space.
- Acquisition of open space has been piecemeal and reactive.
- Lack of standards for internal open space preservation and trails for new developments.
- Lack of public access to County Open Space.

Keys to Sustainability

- Permanently protected open space.
- Preserve open space in all areas of the County with an emphasis on areas experiencing significant growth pressure including the southern portion of the County.
- Open Space management and maintenance
- Create an Interconnected Trails System.

Key Directives

- ❖ Acquire, preserve and maintain a significant amount of land to support a network of public and private open space, parks and trails throughout the County.

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Chapter 7: Renewable Energy Element

Key Issues

- Over-reliance on fossil fuels.
- Cost of Energy Efficiency improvements.
- High Costs of Renewable Energy, Regulatory barriers and Infrastructure Requirements.

Keys to Sustainability

- Need to acquire more data and information regarding greenhouse gas emissions in the County.
- Retrofit existing government operated and owned facilities with energy efficiency, water conservation and renewable energy measures.
- Provide incentives and invest resources and education in local community energy efficiency programs.
- Invest and leverage local resources for development of local renewable energy distribution.
- Support existing incentives and invest resources to provide incentives for Green Building practices.
- Enhance existing energy infrastructure and develop opportunities and strategies for green grid solutions to include a diverse portfolio of energy generation and distribution.

Key Directives

- ❖ Reduce greenhouse gas emissions and dependence on non-renewable energy use.
- ❖ Promote and encourage the development and use of sustainable, renewable energy production and distribution infrastructure and reduce dependence on non-renewable energy use.
- ❖ Create a Viable Green Energy Economy and Community

Chapter 8: Sustainable Green Design and Development Element

Key Issues

- On-going and excessive solid waste production and underutilization of collection and processing facilities for recycling materials and methane gas generation.
- Construction materials are imported from outside of the county and rely on industrial production methods thus increasing the embodied energy.
- Need for environmentally responsible sustainable green building development and design standards.
- Lack of integration of the built environment, the site and natural environment.

Keys to Sustainability

- Enhance Recycling and minimize solid waste reduction.
- Require green development; conservation of energy and production of renewable energy.
- Integrate site planning, communities and building design into a cohesive ecological design.
- Promote Durability and longevity in the design and construction of residential and commercial structures.

Key Directives

- ❖ Development should be consistent and comply with the principles of sustainability and conservation established in this Plan.
- ❖ Ensure that all new development is sustainable by requiring “green” building and development techniques.
- ❖ Limit solid waste production and support recycling to limit landfill use.

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Chapter 9: Public Safety Element

Key Issues

- Several residential areas in the County have insufficient water to provide adequate fire flows.
- Some rural residential development cannot adequately be served by County emergency services.
- The current emergency response system is not sufficient to service our population today.
- The impact of large scale developments on County emergency services should be addressed.

Keys to Sustainability

- A well trained and adequately staffed and equipped Fire Department greatly contribute to the County's public health, safety and welfare.
- Volunteer recruitment and retention are critical to the continuing success of the Fire Department.
- The County should mitigate emergency access and safety hazards through the proper enforcement of Fire Code requirements and appropriate educational initiatives for property owners.
- There is a need to develop community warning systems to initiate and facilitate mass evacuation, sheltering, and care in the event of a large emergency incident such as a wildland fire or other event.

Key Directives

- Preserve and protect public health, safety, welfare and property through adequate provision of law enforcement, fire and emergency response, and emergency communication services.
- Identification of funding sources for operational and capital growth
- Establish and maintain an 911 public education/community outreach program
- Obtain and utilize the latest in emergency communications equipment and technology

Chapter 10: Transportation Element

Key Issues

- Right-of-way issues.
- Road deficiencies and emergency response issues.
- Operation and maintenance issues.
- Impediments to transit provision.
- Need for consistent roads standards for rural and urbanizing areas.

Keys to Sustainability

- Address right-of-way issues and ensure adequate right-of-way for existing and future road needs.
- Mitigate emergency access issues.
- Identify adequate funding options for operations and maintenance of existing roads.
- Develop funding mechanisms including the Capital Improvements Program and impact fees.
- Coordinate road operations and maintenance.
- Plan and coordinate safe, convenient and efficient transit services.

Key Directives

- ❖ Coordinate with Local, State and Federal governments and transportation organizations to develop a cohesive, safe, and efficient transportation network and transit opportunities to serve County residents, workers, employers and visitors.
- ❖ Ensure safe, context-sensitive design standards for transportation improvements that reflect local preferences and the needs of all types of transportation users.
- ❖ Limit air, noise and water pollution due to transportation.
- ❖ Require consistent and efficient road standards.

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Chapter 11: Water, Wastewater and Stormwater Management Element

Key Issues

- Ensure A Sustainable Water Supply. .
- Discontinue Reliance on Groundwater as a Primary Water Source.
- Conserve water.
- Plan for Droughts and Emergencies.

Keys to Sustainability

- Require adequate facilities to include water and wastewater to serve primary growth areas.
- Improve the efficiency of water and sewer services.
- Equitably finance water, wastewater and storm water improvements.
- Provide backup for small systems.

Key Directives

- ❖ Land use and development should be consistent with water management, environmental and hydrological capabilities and constraints.
- ❖ New development will incorporate water conservation and reclamation measures.
- ❖ Water conservation will be required to maintain and improve reduced County-wide per capita water consumption.
- ❖ Protect groundwater as the County's secondary source of water to serve as a back-up supply.
- ❖ Provide for a sustainable long-term water supply capable of meeting current and future needs.

Chapter 12: Adequate Public Facilities and Finance Element

Key Issues

- Existing sprawling conditions results in inefficient infrastructure and public services.
- Need to ensure fiscal sustainability of the County.
- New development needs to pay for infrastructure and service needs generated by development.

Keys to Sustainability

- Fiscal stability is a cornerstone a sustainable community.
- Ensure the fiscal sustainability of the County through the efficient provision and phasing of public facilities and services that are funded through a full range of revenue-generating tools.
- Improve the balance between non-residential and residential growth through compact, mixed-use development zoning to increase revenue and reduce the burden of taxes on existing residents.

Key Directives

- ❖ Protect and enhance the County's fiscal resources and ensure high quality public facilities and services.
- ❖ Ensure that adequate public facilities and services are provided and maintained.
- ❖ Equitably finance facilities and services.

Chapter 13: Housing Element

Key Issues

- Lack of housing that is affordable to the local workforce
- Lack of special needs housing
- Affordable Housing needs to remain affordable through energy efficient design.

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Keys to Sustainability

- Affordable housing should be integrated into mixed-income neighborhoods.
- Energy and water efficiency should be considered as integral for all affordable housing projects.
- A flexible approach should be used for regulation and provision of affordable housing in different parts of the County.
- Housing should be directed to areas served efficiently by adequate facilities and services.
- Develop and support programs with private sector partners to be more efficient, cost effective, and maximize leverage of County funding.

Key Directives

- ❖ Establish a public-private program to provide adequate supplies of affordable, work force and senior housing ("affordable housing") for low, very low and moderate income Santa Fe County residents, households, families and employees.
- ❖ Support the development of a variety of housing types in appropriate locations to meet the diverse needs of Santa Fe County residents, households and families.
- ❖ Strategy 43.8.1: Support rehabilitation and repairs for existing low and moderate income homeowners to reduce energy costs and improve energy efficiency.

Chapter 14: Governance Element

Key Issues

- The Public has requested more involvement and transparency in County and community issues.
- Inadequate facilities and services; inconsistent or excessively long development review, inadequate resource protection, and other governance issues can negatively impact economic development and quality of life

Keys to Sustainability

- Community participation is a key to sustainability.
- Evolve the community participation and planning process to meet community needs.
- The SLDP should be established as the constitution to the SLDC and all other codes and regulations within the County.
- Ensure consistent and predictable Development Review process
- More emphasis on regional issues such as environmental and watershed protection, maintenance of roads, economic development and service provision

Key Directives

- ❖ Promote intergovernmental cooperation and coordination to address regional issues and support County
- ❖ Ensure clear, consistent, efficient and equitable development regulation and review.
- ❖ The public should be included in on-going growth management planning and development review activities in the County.

Chapter 15: Implementation Element

The binding principles, goals, policies and strategies of each Element form the core of the SLDP's Policy Framework. The Implementation Element describes the major tools for implementing the SLDP and achieving the SLDP's policy framework and includes:

- (1) Sustainable Land Development Code
- (2) Official Map
- (3) Financing Mechanisms for Adequate Public Facilities
- (4) Establishment of a Capital Improvements Program
- (5) Strategic Plan and Work Program.

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