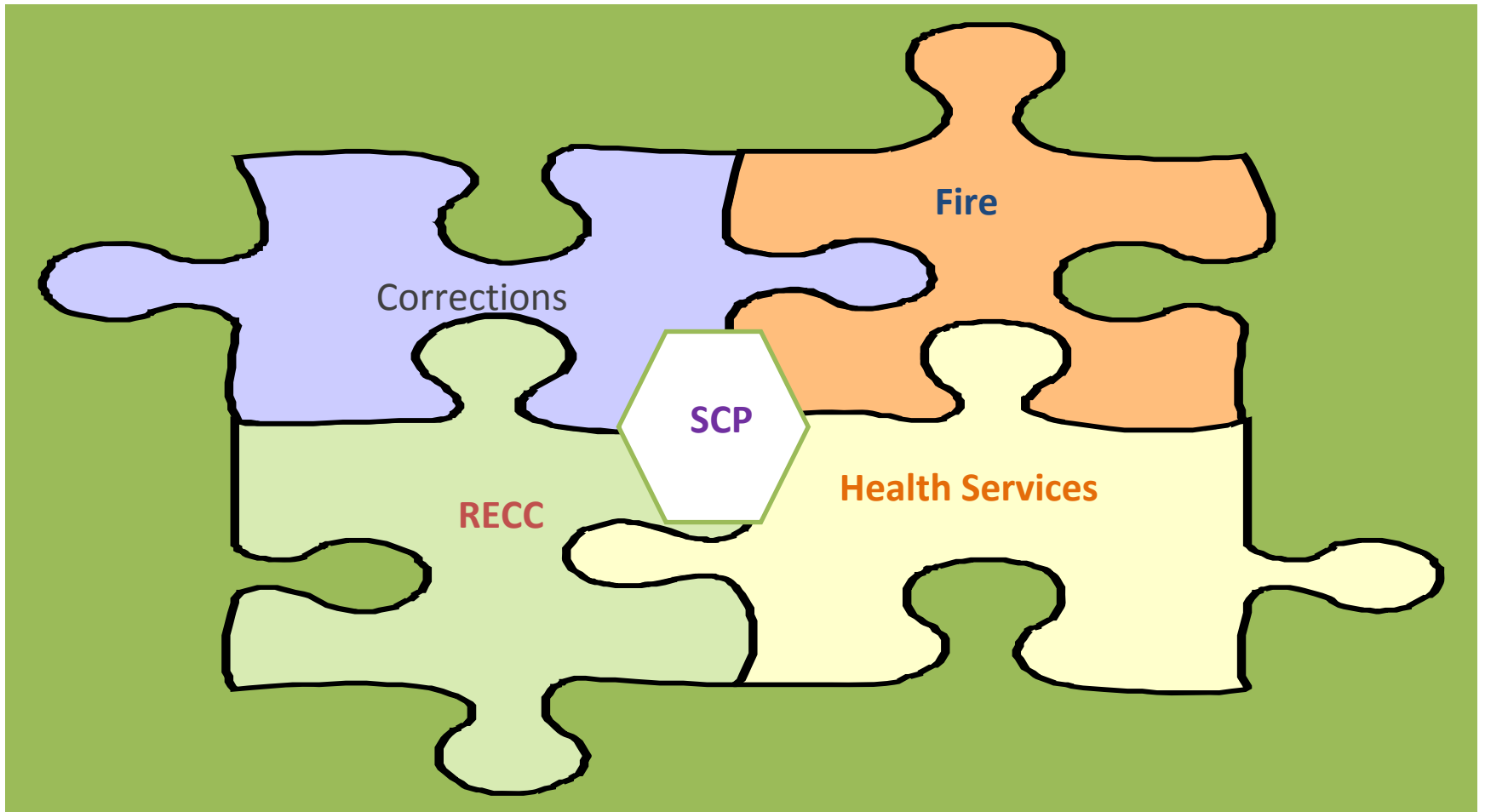


# Santa Fe County Board of County Commissioners



Budget Study Session  
February 1, 2011

# FY2012 Major Program Funding Issues



# Fiscal Year 2012 Revenue Estimates

## Funds of Primary Focus

	<u>FY12 Est. Revenue</u>	<u>% Change from FY11</u>	<u>\$ Change from FY11</u>
➤ <b>Indigent GRT &amp; Indigent Primary Care</b>			
➤ GRTs → Transfer In	\$ 4,146,750	↓ 3%	(\$128,250)
➤ <b>EMS Health GRT &amp; EMS Health Care</b>			
➤ GRTs → Transfer In	\$ 4,146,750	↓ 3%	(\$128,250)
➤ <b>RECC Operations</b>			
➤ Transfer In	UNKNOWN		
➤ <b>Fire Operations</b>			
➤ GRTs	\$ 7,464,150	↓ 3%	(\$230,850)
➤ Charges for Service (based on CY actuals)	\$ 669,000	↓ 16%	(\$131,000)
➤ JPA (based on CY actuals)	\$ 243,000	↑ 8%	\$ 18,000
➤ <b>Corrections Operations</b>			
➤ GRTs → Transfer In	\$ 4,146,750	↓ 3%	(\$128,250)
➤ Care of Prisoners (based on CY actuals)	\$ 3,900,000	↔	\$ 0
➤ Forfeitures Fund → Transfer In	\$ 275,000	↔	\$ 0
➤ Other Transfers In	UNKNOWN		

**NET CHANGE FROM FY 2011 (\$728,600)**

# FY 2012 Beginning Cash Balances

## Estimated Cash Balances at July 1, 2011

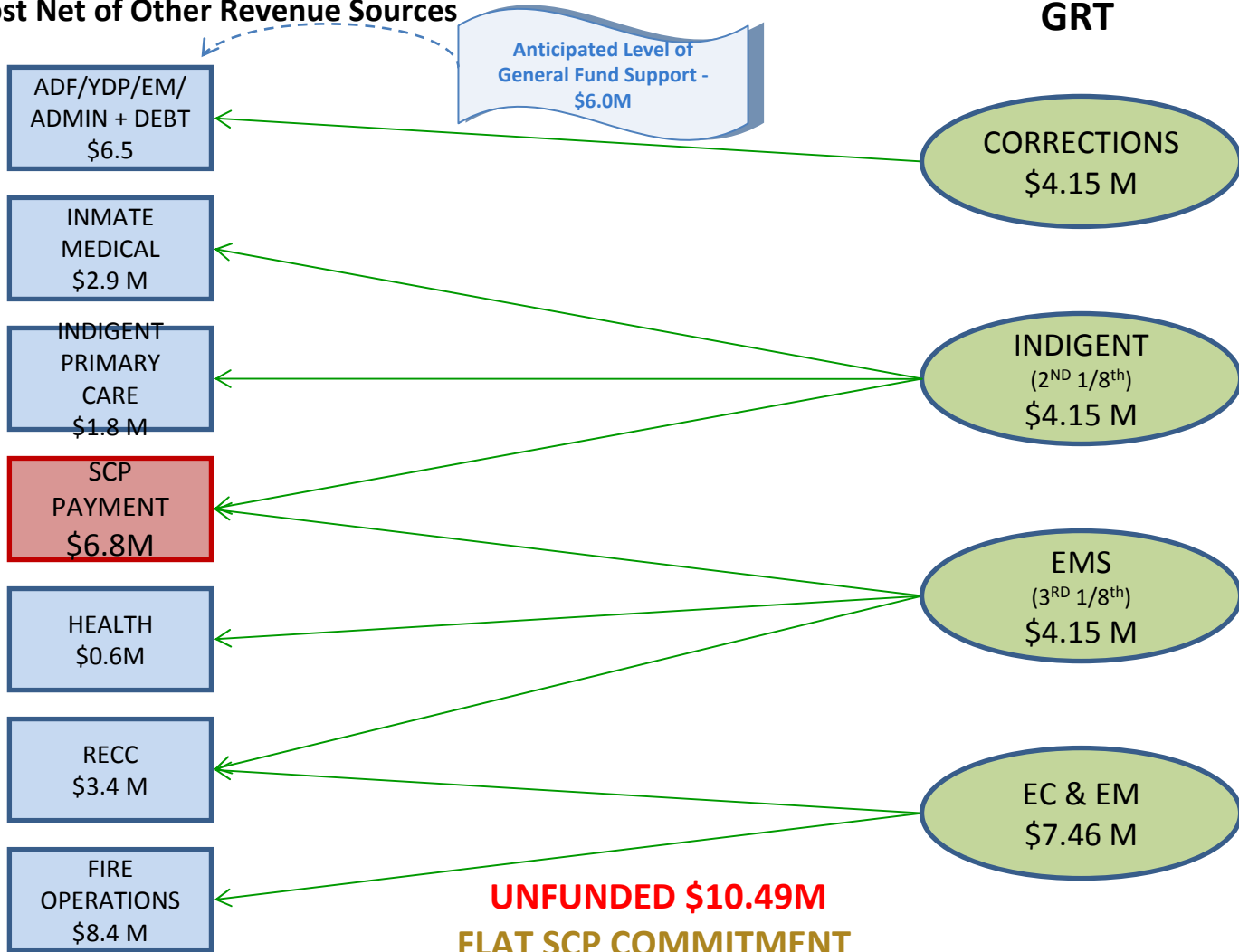
	<u>Cash Balance</u>	<u>Reserve Required</u>	<u>Usable Balance</u>
Indigent GRT Fund (1/8 cent GRT)	\$ 663,856	\$279,167	\$ 384,689
Indigent Primary Care Fund	\$ 152,960	\$152,960	\$ 0
EMS GRT Fund (1/8 cent GRT)	\$ 598,465	\$292,650	\$ 305,815
EMS Health Care	\$ 45,988	\$ 45,988	\$ 0
RECC (Unrestricted)	\$ 314,244	\$283,877	\$ 30,367
EC & EM GRT* ( ¼ cent GRT)	<u>\$3,939,498</u>	<u>\$774,675</u>	<u>\$3,164,823</u>
<b>TOTAL ESTIMATED CASH BALANCES</b>	<b>\$5,715,011</b>	<b>\$1,829,317</b>	<b>\$3,885,694</b>

\* Known as Fire Operations

# Which GRT Can Fund What Program?

Program Cost Net of Other Revenue Sources

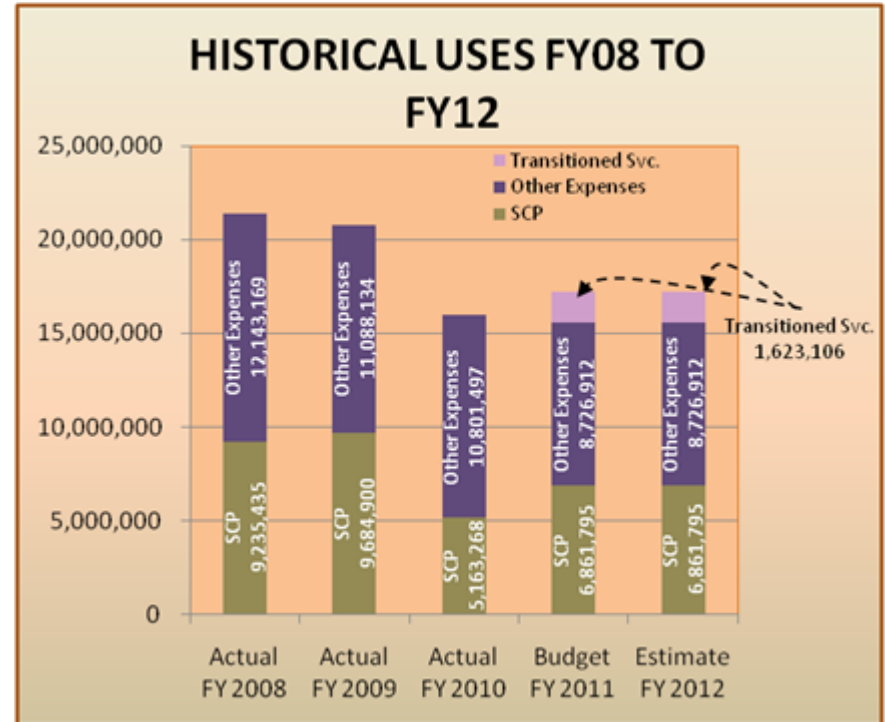
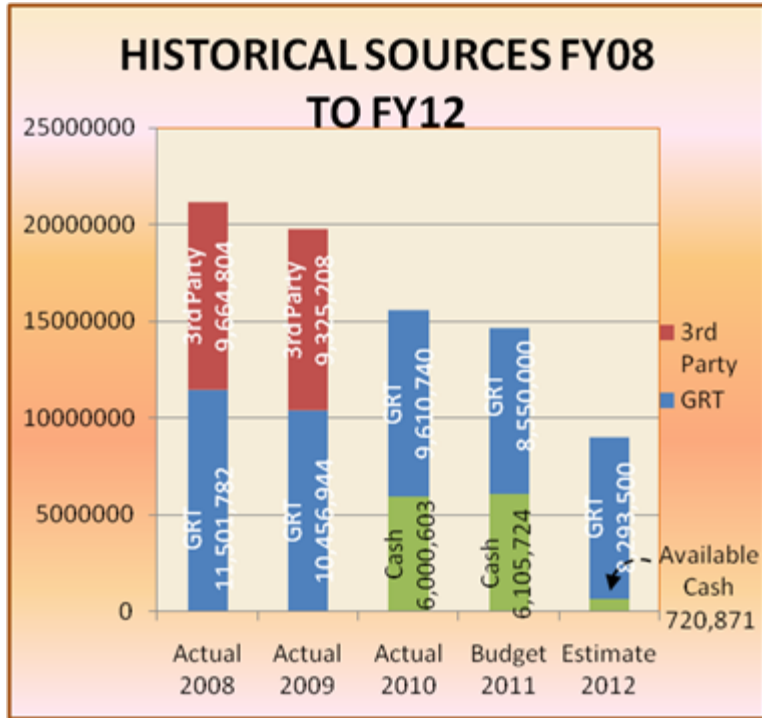
GRT



TOTAL PROGRAMS \$30.4M

TOTAL GRTs \$19.91 M

# What happened in those Funds?



From FY 2008 until FY 2011 recurring revenue (sources) in the Indigent Funds, EMS Health Funds, RECC Fund and Inmate Medical services decreased by \$12.6M.

The use of cash to balance these budgets went from \$0 to \$6.1M since FY 2009.

In FY 2012 cash balances are not available for use anymore.

From FY 2008 to FY 2011 recurring expenses (uses) in the Indigent Funds, EMS Health Funds, RECC Fund and Inmate Medical Services decreased by \$5.8M. Of that, direct services of \$1.6M were cut from the SFC budget but were provided by a third party (\$2.4M).

# What happened in those Funds?

Lost Revenue

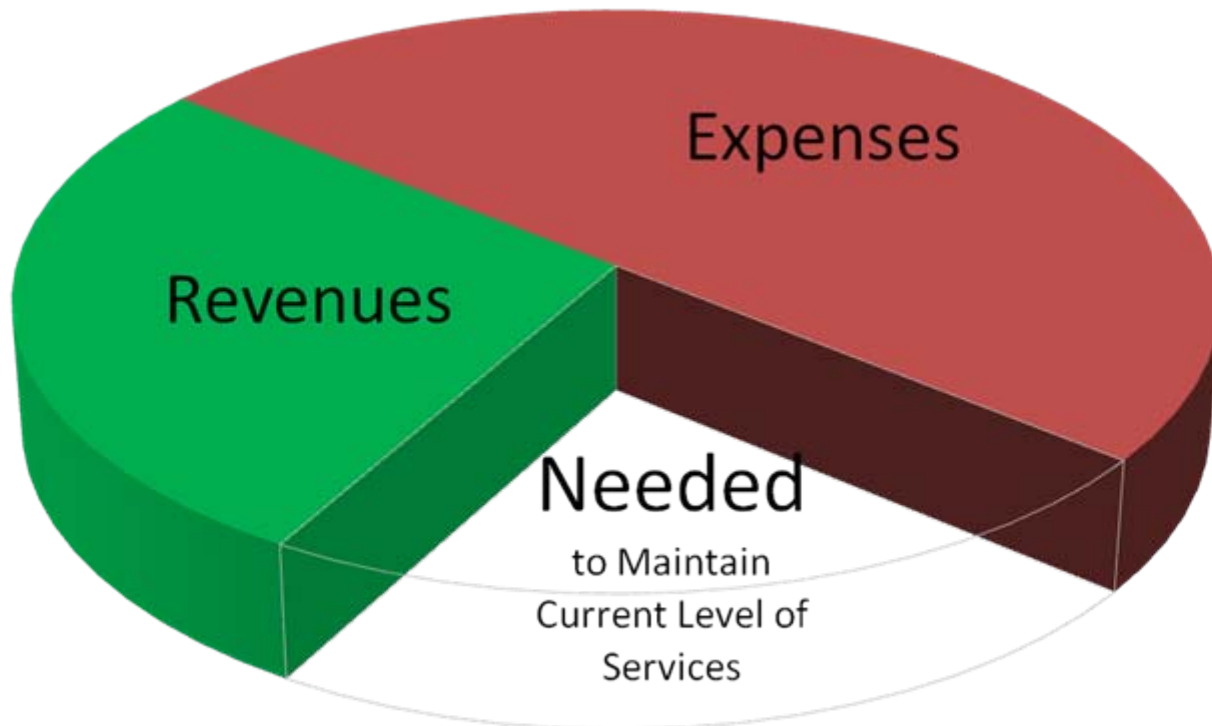
\$12.6 million

Reduced Expenses

\$ 5.8 million

**NEEDED**

**\$ 6.8 million**



# Fire Division Operations

- FY2011 budget was balanced with use of cash reserves totaling \$528,100.
- FY2011 budget has been greatly assisted by the aggressive pursuit (and receipt) of grant funding.
- If FY2012 expenses remain flat, we will need an estimated \$900,000 in cash reserves due primarily to loss of GRT revenue.
- This does not include support of the RECC. Historically, the Fire Division funding has been separate from the RECC. However, the JPA implies that the EC & EM GRT will be used for RECC operations. If so, \$3.4 million will be needed from this fund's cash reserves.





# RECC

## \$0 Revenue - \$3.4M Expense

### What has been done?

- ✓ Program has been cut \$.4M since FY09 without impacting service. Additional cuts **will** impact service which in turn **will** impact public safety.
- ✓ Was funded by using its own cash and a fund transfer (much of which was cash) from the EMS Health Care Fund in FY11.
- ✓ Attempts have been/are being made to negotiate a more favorable JPA.

### RECC Options Under Consideration

1. Split Up County and City Dispatch  
 Est. Operational Savings for the County **\$1.6M**  
 (This is an operational savings, capital costs would increase by an unknown amount.)
2. Stays Regional - City of Santa Fe Pays More  
 Est. Savings for the County **\$0 - \$2.3M**
3. Stays Regional - No Change to JPA  
 Savings for the County **\$0**

### BENEFITS TO STAYING REGIONAL

- 👍 Regional dispatch considered by Public Safety management to be the preferred option.
- 👍 Regional dispatch is eligible to receive grant funding from DFA to use on capital and training expenses (unfortunately no salaries/expense which makes up 92% of the RECC budget.)
- 👍 Other jurisdictions for which SFC's dispatch is "back-up" are not impacted.

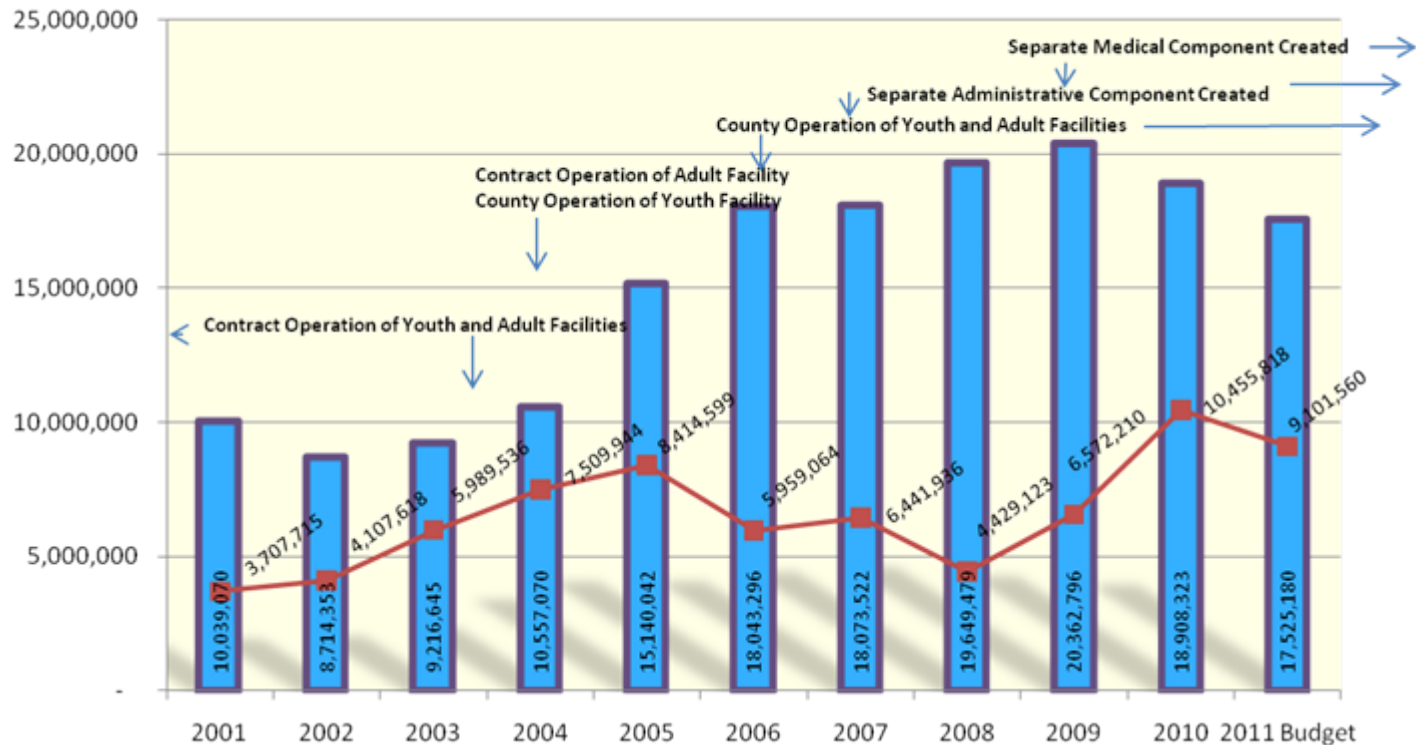
### BENEFITS TO SPLITTING THE RECC

- 👍 Immediate relief to SFC budget which, in turn, minimizes adverse impact on the EMS Fund, the Fire Operating Fund and the General Fund.
- 👍 Dispatch under more direct control of the Sheriff's Office and Fire Division may be more favorable to the "rank and file" in those functions.

**🗨️ CITY STAFF HAS INDICATED AN INABILITY TO PROVIDE RECURRING FUNDING TO THE RECC DUE TO BUDGET ISSUES AT THE CITY.**

# Corrections – Historical Perspective

## Corrections Department Expense 10-year History



- ▶ The red line above indicates the level of General Fund support provided to the Corrections Department over the 10-year period.
- ▶ Starting in FY 2006 the Correctional GRT began supporting the Corrections Department providing between \$4.3M and \$5.2M per year in addition to the General Fund support illustrated above.

- General Fund **can not** continue same level of support based on other demands countywide.
- Changes **must** occur – increase paying beds or establish level of operation to reduce expenses.
- General Fund support should be no more than \$6.0M per year.

# Here we are today - Corrections



## Corrections Operating Fund

### All Sources

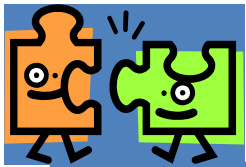
Est. GRT	\$4,146,750
Care of Prisoners	\$3,900,000
Forfeiture Fund	<u>\$ 275,000</u>
<b>TOTAL</b>	<b>\$8,321,750</b>

## Corrections Operating Fund

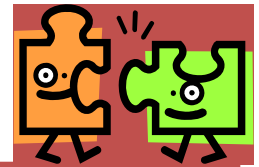
- ❖ Corrections Administration
  - Currently \$850,121
- ❖ Adult Detention Facility
  - Currently \$10,504,928 [ADF Population](#)
- ❖ Inmate Medical Services
  - Currently \$932,983 + \$2,000,000 transferred from Indigent Funds
- ❖ Electronic Monitoring
  - Currently \$703,607
- ❖ Youth Development Program
  - Currently \$2,343,501 [YDP Population](#)
- ❖ Debt Service
  - FY12 Payment \$2,252,005

Competing Needs: \$11.2 in expenses covered by \$8.3 in revenue  
(net of GF support, Care of Prisoners & Forfeiture Fund)

***This is a \$2.9M shortfall without funding SCP***



# Corrections – How do we balance?



## Suggestions Made for FY 2011:

- Increase revenue sources at both the Adult and the Youth Facilities \$2.0 M
- Establish a level of operation for the ADF
- Transition the County's youth population to other facilities via contract & close the Youth Facility \$1.4 M
- Consider contracted medical services versus county operated \$1.0 M

## What Materialized thus far?

- Care of Prisoner Revenue is not meeting budget (\$588K)
- Transitioned direct services to a 3<sup>rd</sup> party (\$723K)
- Maintained hard freeze at \$487K, slightly less than initial forecasted amount
- Need stronger cost saving measures if paying beds do not increase
- Youth facility is doing operationally better, slightly!

# Corrections – FY'12 Budget Management?

- Reduce medical component to minimal DOJ standards → Possible Savings of \$500K or more.
- Fully contract out medical services → Possible Savings of \$200K - \$500K
- Restructure administration. → Possible Savings of \$ 200K - \$ 750K
- Declare a certain level of operations that will not continually rely on General Fund support. → Reduce General Fund support to \$6.0 M versus the current \$9.0 M
- Increase revenue.



# Here we are today – Indigent Funds

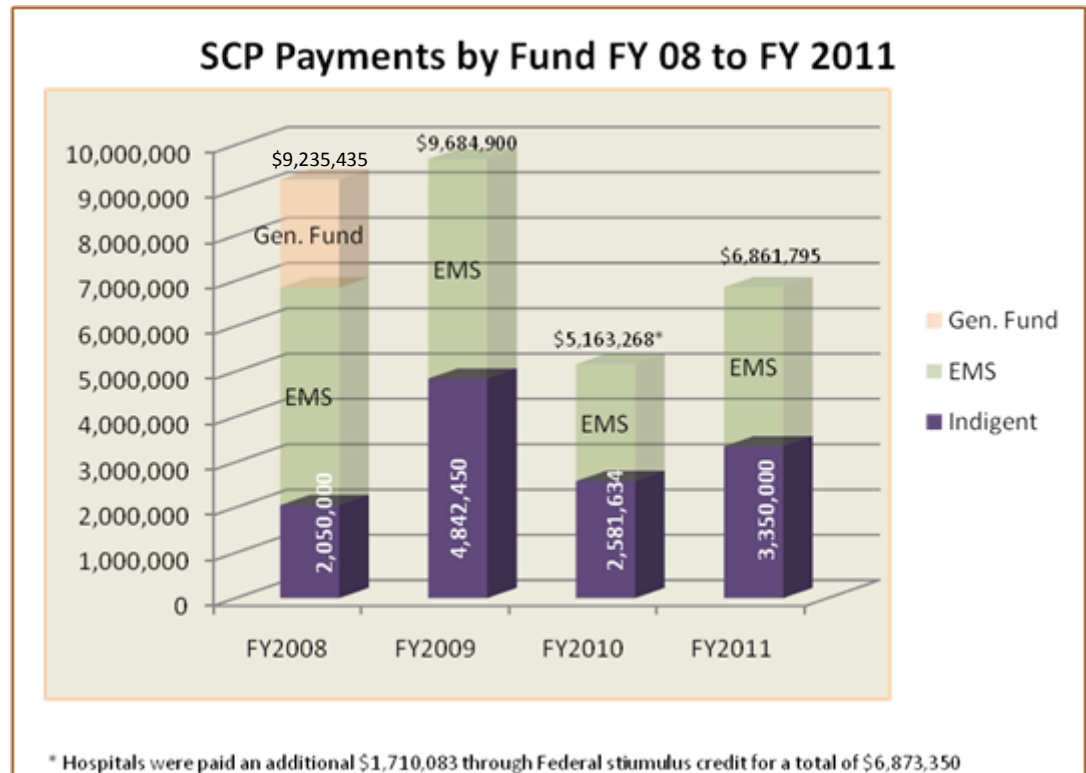
💰 The Indigent GRT Fund has historically been a primary source of funding for the SCP Commitment.

## Indigent Funds (220 & 223)

💰 Indigent Primary Care  
○ Currently \$1,835,548

💰 Transfer to Inmate Medical  
○ Currently \$2,000,000

💰 Sole Community Provider  
○ Currently \$3,350,000  
(Total payment is \$6,861,794)

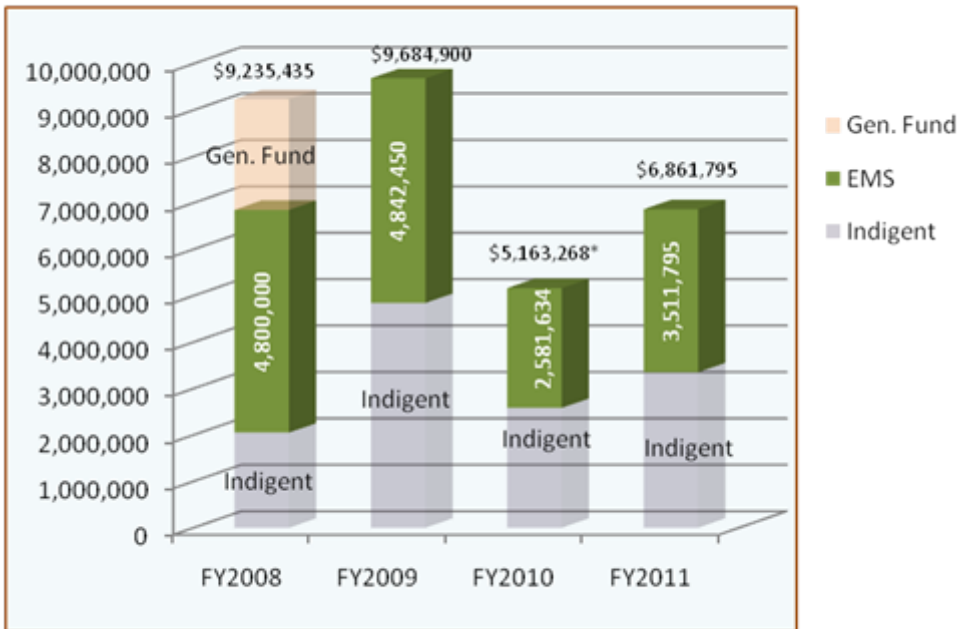


# Here we are today – EMS Funds

## EMS Funds (232 & 234)

- 💰 Health Administration
  - Currently \$283,822
- 💰 Maternal Child Health
  - Currently \$58,206
- 💰 Mobile Health Van
  - Currently \$209,828
- 💰 RECC
  - Currently \$2,650,000  
(Total RECC budget is \$3,406,525)
- 💰 Sole Community Provider
  - Currently \$3,511,794  
(Total payment is \$6,861,794)
- 💰 The EMS GRT Fund has historically been a primary source of funding for the SCP Commitment.

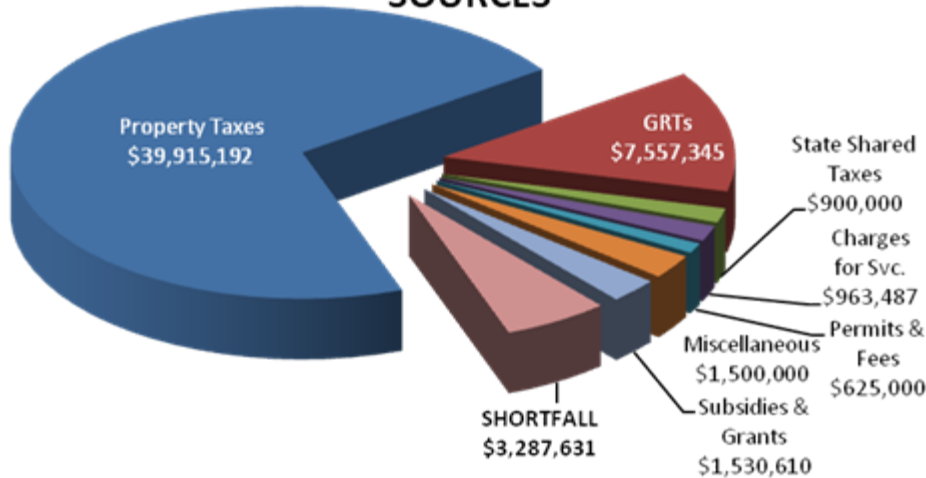
SCP Payments by Fund FY 2008 to FY 2011



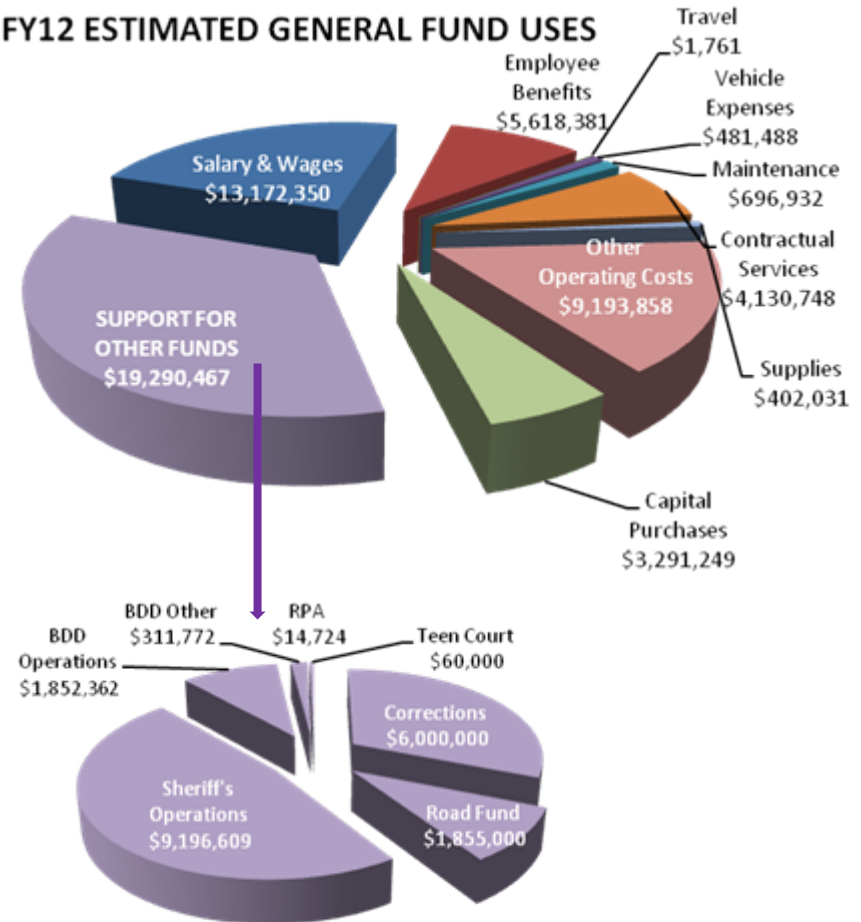
\* Hospitals were paid an additional \$1,710,083 through Federal stimulus credit for a total of \$6,873,350

# General Fund Predictions

**FY 12 ESTIMATED GENERAL FUND SOURCES**



**FY12 ESTIMATED GENERAL FUND USES**

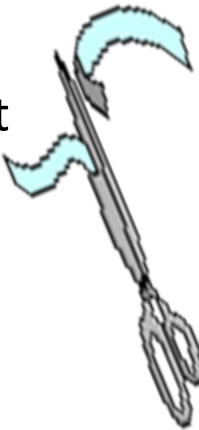


The General Fund will recognize an estimated \$3.3M shortfall in Fiscal Year 2012 if operating expenses remain flat. This is primarily due to reduced estimated revenues as well as increases to BDD support and support of the Road Fund.



# FY'12 Possible Budget Cuts

- Furlough of non-public safety staff for 1 day per month. Reduces budget by \$1.5M
- Eliminate payments to fire volunteers. Reduces budget by \$.23M
- Return shift schedules to 4-10s at EM and YDP. Reduces budget by \$.1 M
- Revise RECC shifts to 4-10s schedule eliminating 8 hours of OT per pay period per shift employee. Reduces budget by \$116K
- Reduce Community Project & Road staff \$460K (less funds = less projects)
- Non-core programs and services should be reduced or eliminated. This equals people or services or both
- Santa Fe County must define what is considered "Core Government" services
  - Eliminate Graffiti Pgm \$46K
  - Reduce Transparency Costs \$40K-\$120K
  - Reduce Boys & Girls Club funding \$50K - \$100K
  - Eliminate Library Funding \$80K
  - Eliminate Youth Recreation \$60K
- Reduce cell phone and take-home vehicle by \$50K



**Possible cuts total \$5.6 million**

# Suggestions for SCP

Sole Community Provider Commitment and Related County Operations		
Current Commitment & Use of Cash		
		FY2011
		Current
<b>Special Revenue (GRTs)</b>		\$ 8,550,000
<b>General Fund</b>		\$ 1,167,529
<b>Total Revenue</b>		\$ 9,717,529
<b>Health Adm</b>		
	EMS	\$ 283,822
<b>Indigent</b>	Indigent	\$ 1,835,548
<b>MCH</b>	EMS	\$ 58,206
<b>Mobile Health Van</b>	EMS	\$ 209,828
<b>Seniors</b>	GF	\$ 898,219
<b>County Fair</b>	GF	\$ 207,610
<b>Jail Medical</b>	Indigent	\$ 2,000,000
<b>Teen Court</b>	GF	\$ 61,700
<b>Subtotal Health Related</b>		\$ 5,554,933
<b>RECC</b>		
	EMS	\$ 3,406,525
<b>SCP</b>		
		\$ 6,861,795
<b>Total Expense</b>		\$ 15,823,253
<b>Cash-Surplus/Need</b>		
		\$ (6,105,724)

Reflects current \$6.861 M SCP Commitment

Reflects use of cash totaling \$6.1 M

# Suggestions – Option 1

Sole Community Provider Commitment and Related County Operations		
Proportionate Cut of 40% to all Programs and Fund Remainder from Cash		
		FY 2012 Option 1
<b>Special Revenue (GRTs)</b>		\$ 8,122,500
<b>General Fund</b>		\$ 700,517
<b>Total Revenue</b>		\$ 8,823,017
<b>Health Adm</b>	EMS	\$ 170,293
<b>Indigent</b>	Indigent	\$ 1,101,329
<b>MCH</b>	EMS	\$ 34,924
<b>Mobile Health Van</b>	EMS	\$ 125,897
<b>Seniors</b>	GF	\$ 538,931
<b>County Fair</b>	GF	\$ 124,566
<b>Jail Medical</b>	Indigent	\$ 1,200,000
<b>Teen Court</b>	GF	\$ 37,020
<b>Subtotal Health Related</b>		\$ 3,332,960
<b>RECC</b>	EMS	\$ 3,406,525
<b>SCP</b>		\$ 7,300,000
<b>Total Expense</b>		\$ 14,039,485
<b>Cash-Surplus/Need</b>		\$ (5,216,467)

- ▶ Reflects an SCP Commitment of \$7.3 M
- ▶ Programs were cut by a proportionate share of 40%
- ▶ Anticipates use of Cash totaling \$5.2 M

# Suggestions – Option 2

Sole Community Provider Commitment and Related County Operations		
Cut Small Programs, Transfer Primary Care to Hospital & Fund Remainder from Cash		
		FY 2012 Option 2
<b>Special Revenue (GRTs)</b>		\$ 8,122,500
<b>General Fund</b>		\$ 1,167,529
<b>Total Revenue</b>		\$ 9,290,029
<b>Health Adm</b>	EMS	\$ 283,822
<b>Indigent</b>	Indigent	\$ 184,263
<b>MCH</b>	EMS	\$ -
<b>Mobile Health Van</b>	EMS	\$ -
<b>Seniors</b>	GF	\$ 898,219
<b>County Fair</b>	GF	\$ 207,610
<b>Jail Medical</b>	Indigent	\$ 2,000,000
<b>Teen Court</b>	GF	\$ 61,700
<b>Subtotal Health Related</b>		\$ 3,635,614
<b>RECC</b>	EMS	\$ 3,406,525
<b>SCP</b>		\$ 7,300,000
<b>Total Expense</b>		\$ 14,342,139
<b>Cash-Surplus/Need</b>		\$ (5,052,110)

- ☞ Reflects an SCP Commitment of \$7.3 M
- ☞ Transitions Primary Care –Indigent to hospital
- ☞ Cuts small programs – MCH and the Van
- ☞ Anticipates use of cash totaling \$5.0 M

# Suggestions – Option 3

Sole Community Provider Commitment and Related County Operations		
Cut Small Programs, Transfer Primary Care to Hospital & Fund Remainder from Cash		
		FY 2012 Option 3
<b>Special Revenue (GRTs)</b>		\$ 8,122,500
<b>General Fund</b>		\$ 1,167,529
<b>Total Revenue</b>		\$ 9,290,029
<b>Health Adm</b>	EMS	\$ 283,822
<b>Indigent</b>	Indigent	\$ 184,263
<b>MCH</b>	EMS	\$ -
<b>Mobile Health Van</b>	EMS	\$ -
<b>Seniors</b>	GF	\$ 898,219
<b>County Fair</b>	GF	\$ 207,610
<b>Jail Medical</b>	Indigent	\$ 2,000,000
<b>Teen Court</b>	GF	\$ 61,700
<b>Subtotal Health Related</b>		\$ 3,635,614
<b>RECC</b>	EMS	\$ 3,406,525
<b>SCP</b>		\$ 8,200,000
<b>Total Expense</b>		\$ 15,242,139
<b>Cash-Surplus/Need</b>		\$ (5,952,110)

- ◆ Reflects an SCP Commitment of \$8.2 M
- ◆ Transitions Primary Care – Indigent to hospital
- ◆ Cuts small programs – MCH and the Van
- ◆ Anticipates use of cash totaling \$5.9M

# Suggestions – Option 4

Sole Community Provider Commitment and Related County Operations		
Reduce Small Programs, Transfer Primary Care to Hospital, City Support of the RECC & Fund Remainder from Cash		
		FY 2012 Option 4
<b>Special Revenue (GRTs)</b>		\$ 8,122,500
<b>General Fund</b>		\$ 1,167,529
<b>City Share - RECC (68% call ratio)</b>		\$ 2,316,437
<b>Total Revenue</b>		\$ 11,606,466
<b>Health Related Programs</b>		
<b>Health Adm</b>	EMS	\$ 170,293
<b>Indigent</b>	Indigent	\$ 184,263
<b>MCH</b>	EMS	\$ -
<b>Mobile Health Van</b>	EMS	\$ -
<b>Seniors</b>	GF	\$ 898,219
<b>County Fair</b>	GF	\$ 207,610
<b>Jail Medical</b>	Indigent	\$ 500,000
<b>Teen Court</b>	GF	\$ 61,700
<b>Subtotal Health Related</b>		\$ 2,022,085
<b>RECC</b>	EMS	\$ 3,406,525
<b>SCP</b>		\$ 7,300,000
<b>Total Expense</b>		\$ 12,728,610
<b>Cash-Surplus/Need</b>		\$ (1,122,144)

- Reflects an SCP Commitment of \$7.3 M
- Transitions Primary Care – Indigent to hospital
- Cuts small programs – MCH and the Van
- Reduces Corrections Medical Costs
- Anticipates use of cash totaling \$1.1 M
- Reflects a City contribution based on a 68% call ratio

# Suggestions – Option 5

Sole Community Provider Commitment and Related County Operations		
Reduce Small Programs, Transfer Primary Care to Hospital, City Support of the RECC, Decrease Corrections Medical & Fund Remainder from Cash		
		FY 2012 Option 5
<b>Special Revenue (GRTs)</b>		\$ 8,122,500
<b>General Fund</b>		\$ 1,167,529
<b>City Share - RECC</b>		\$ 500,000
<b>Total Revenue</b>		\$ 9,790,029
<b>Health Adm</b>	EMS	\$ 170,293
<b>Indigent</b>	Indigent	\$ 184,263
<b>MCH</b>	EMS	\$ -
<b>Mobile Health Van</b>	EMS	\$ -
<b>Seniors</b>	GF	\$ 898,219
<b>County Fair</b>	GF	\$ 207,610
<b>Jail Medical</b>	Indigent	\$ 500,000
<b>Teen Court</b>	GF	\$ 61,700
<b>Subtotal Health Related</b>		\$ 2,022,085
<b>RECC</b>	EMS	\$ 3,406,525
<b>SCP</b>		\$ 7,300,000
<b>Total Expense</b>		\$ 12,728,610
<b>Cash-Surplus/Need</b>		\$ (2,938,581)

- ☼ Reflects an SCP Commitment of \$7.3 M
- ☼ Transitions Primary Care –Indigent to hospital
- ☼ Cuts small programs – MCH and the Van
- ☼ Reduces Corrections Medical & Health Administration
- ☼ Anticipates use of cash totaling \$2.9 M
- ☼ Reflects a City contribution of \$500,000