

SANTA FE BOARD OF COUNTY COMMISSIONERS

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COMMISSION CHAMBERS

COUNTY ADMINISTRATION BUILDING

SPECIAL MEETING

May 15, 2002 – 1:00pm

Amended

Notice of Special Meeting & Agenda

Notice is hereby given that the Santa Fe Board of County Commissioners will hold a Special Meeting on May 15, 2002, at 1:00 p.m. in the Commission Chambers at the County Administration Building, 102 Grant Avenue, Santa Fe, New Mexico to discuss the following items:

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Presentation of Proposed Fiscal Year 2003 Budget
- V. Resolution 2002- A Resolution approving the Fiscal Year 2003 Interim Budget
- VI. Adjournment

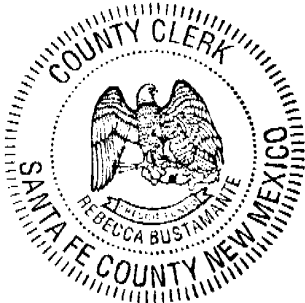
The County of Santa Fe makes every practical effort to assure that it's meetings and programs are accessible to the physically challenged. Physically challenged individuals should contact Santa Fe County in advance to discuss any special needs (e.g., interpreters for the hearing impaired or readers for the sight impaired)

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SANTA FE
BOARD OF COUNTY COMMISSIONERS
SPECIAL MEETING

May 15, 2002

Jack Sullivan, Vice Chairman
Paul Campos
Marcos Trujillo
Javier Gonzales
Paul Duran, Chairman [excused]



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COUNTY OF SANTA FE } ss
STATE OF NEW MEXICO
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED
FOR RECORD ON THE 28 DAY OF Aug A.D.
20 02 AT 2:44 O'CLOCK 2:07 P.M.
AND WAS DULY RECORDED IN BOOK 318-358 OF THE RECORDS OF
PAGE 318-358 SANTA FE COUNTY
WITNESS MY HAND AND SEAL OF OFFICE
REBECCA BUSTAMANTE
COUNTY CLERK, SANTA FE COUNTY, N.M.
Marcella J. Jarama
DEPUTY

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SANTA FE COUNTY

SPECIAL MEETING

BOARD OF COUNTY COMMISSIONERS

May 15, 2002

This special meeting of the Santa Fe Board of County Commissioners was called to order at approximately 1:35 p.m. by Vice Chairman Jack Sullivan, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

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

Members Present:

- Commissioner Jack Sullivan
- Commissioner Marcos Trujillo
- Commissioner Javier Gonzales
- Commissioner Paul Campos

Members Absent:

- Commissioner Paul Duran

Approval of the Agenda

- A. Amendments**
- B. Tabled or withdrawn items**

COMMISSIONER SULLIVAN: One item that needs to be included on the agenda after item IV. Presentation of the budget is a continuation of the executive session of May 14 regarding strategies preliminary to collective bargaining with the Sheriff's Department. So I would propose that after the budget presentation.

ESTEVAN LOPEZ (County Manager): Mr. Chairman, I've been told that there may be some members from the public that would like to address the Commission here today. I would recommend that to the extent that the Commission wants to accommodate such as request that perhaps we should do that before, right after approval of the agenda.

COMMISSIONER SULLIVAN: Okay, so some brief presentations from members of the public regarding the budget. Is that okay with the Commission?

COMMISSIONER TRUJILLO: Regarding the budget or regarding the issue for executive session?

MR. LOPEZ: Mr. Chairman, I would assume that either one would be appropriate given that both affect the budget.

COMMISSIONER TRUJILLO: Okay.

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COMMISSIONER SULLIVAN: So we have two items for amendment of the budget. A time for members of the public to speak to the budget or to the negotiating and we will limit that to two minutes, and that will occur after approval of the agenda, and then a continuation of the executive session will occur after the presentation of the proposed fiscal year 2003 budget. Are there any other additions or corrections? Seeing none, what's the pleasure of the Commission?

COMMISSIONER CAMPOS: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Campos.

COMMISSIONER CAMPOS: Motion to approve the agenda as amended pursuant to your request, your suggestions.

COMMISSIONER TRUJILLO: Second, Mr. Chairman.

COMMISSIONER SULLIVAN: There's a motion and a second. Any further discussion?

The motion to approve the agenda as amended passed by unanimous voice vote

Presentation of Proposed Fiscal Year 2002 Budget

COMMISSIONER SULLIVAN: Are there members of the public who would like to bring forward any issues to the Commission regarding either the budget or the collective bargaining with the Sheriff's Department? I understand there's someone that's planning to come in at 2:00 so I guess we'll move forward from that issue to the—and perhaps go back if this individual comes in, to the presentation of proposed fiscal year 2002 budget. Katherine or Estevan.

MR. LOPEZ: Mr. Chairman, I'm going to turn over the presentation of the budget to Katherine. I would simply like to acknowledge all of the work that Katherine and the Finance Department has done in preparing this budget. This is the first time that I've been through the entire process and I've been very impressed with the attention to detail and really the professional manner with which this whole thing has been handled and without further ado I will turn over the presentation to Katherine.

KATHERINE MILLER (Finance Director): Thank you, Estevan. I'd also like to acknowledge Paul Griffin, he's our budget administrator and all the charts, graphs, spreadsheets—Paul has spent a great deal of time putting this together, along with Sharon Vigil and Susan Lucero. So I'd like to thank them for the time that they've put in, numerous hours after 5:00 in putting the presentation together and the budgets that you see before you.

The budget as we've prepared it, I have a presentation of the overall budget and general fund, special revenue funds, enterprise funds and capital package. The presentation follows along with tab 3 of your book and the pages are numbered at the bottom, we just stamped numbers because the system doesn't number them but as we go to a slide I'll reference the page because it does look a little bit different in order to fit on the screen.

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Basically, the County budget as it has come together at this point, this is the interim budget that we need to submit to DFA by May 31. We're requesting your comments, instruction, and potential approval today of the interim budget.

We submit that to DFA by the 31st of May. They then review it and come back with their comments and we come back to the Board with the changes that are required by DFA and any changes that the Commission has. Bring that back to the Board for approval and then submit a final budget to DFA, typically, in the beginning of July. So what we're asking for today is a review of the interim budget and hopefully approval of that and if not approval, any changes that you would like to direct. We'll make those changes and then come back on May 28th for approval if we don't pass the resolution today.

The first slide that we have is the summary of our entire budget. The entire County budget is \$90 million, \$90,100,223.

COMMISSIONER GONZALES: Mr. Chairman, just a question real quick, just so we can follow along. If you can just reference where you are in the book too as you go along, that would be great. Just to get that up front so we know.

MS. MILLER: Okay.

COMMISSIONER GONZALES: Or where what we're looking at might be in the book.

MS. MILLER: Okay, this slide is the first, the slide that you're looking at right now is the first page under tab 3 in the books that you have. And like I said, it looks a little bit different, because to fit it we had to go with the landscape version on screen, versus in your book. Essentially, the entire County budget is \$90 million. That includes transfers. Transfers are sort of counted twice into the fund which is the revenue actually comes in and then when we transfer them to another fund. So without transfers, the entire County budget as it stands is \$81 million.

There's also cash that's not budgeted in individual bond funds and things like that and those come forward throughout the year when cash balances are determined and revisions to the budget need to be made. Those are not reflected. Overall, the County typically has about a \$100 million annually.

COMMISSIONER TRUJILLO: I see that we've got the anticipated GRT taxes included in the budget? \$16,914,000, right? And those will be effective in July?

MS. MILLER: Commissioner Trujillo, those are—we have budgeted a portion of the new gross receipts. This is all the gross receipts taxes that we have. This is all funds. It has the three 1/8s that we have across the county. It also has the new quarter percent for the months from January through June of 2003.

COMMISSIONER TRUJILLO: So this includes the referendum.

MS. MILLER: Yes it does. We did include it and when we get to the special revenue funds, I'll point out where that has been brought into the budget. But this is just a general overview of all funds that the County has. There are specifics in the back of tab 3 as to each fund and what comprises the \$16 million of gross receipts as well.

The next slide, this is the top part, page 2 in your book. This is the top part of that.

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We could not fit it all on one page but it gives you the breakdown of the \$90 million, all fund types and sources of revenue and the transfers to other funds. At the beginning, property taxes, we have this year in property taxes, current year, prior year and penalties and interest, about \$21 million. We are anticipating that to be about \$23 million in 2003. So that is our major area of increase in the general fund budget. We also have a little bit of an increase in gross receipts tax although it doesn't show up on this particular chart. These are more for you just to get an overview of what the entire County budget looks like.

If there's no questions on that right now, we'll potentially reference back to this spreadsheet but I just wanted you to have an overall view of what the entire County budget revenue sources and uses are.

COMMISSIONER CAMPOS: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Campos.

COMMISSIONER CAMPOS: A couple of questions for Ms. Miller. You have interest income on page 1. We're earning income all year on our investments?

MS. MILLER: Mr. Chairman, Commissioner Campos, we have a variety of investments. The primary place that our funds are invested is at that state investment pool. There is a local investment pool which we participate in. We also have, by statute we're limited to investments in US backed treasuries, T-notes and T-bills. We also have investments in those. The money off of, the interest off of those investments rolls into our general fund for operating purposes.

COMMISSIONER CAMPOS: What about budgeted cash? What does that mean?

MS. MILLER: Mr. Chairman, Commissioner Campos, budget cash—every year we end up having revenues that are not spent and they fall into our excess funds which we call cash balance. Each year we budget some of that cash for one-time expenditures. So where you see throughout the budget, budgeted cash, it is not a new revenue source but essentially funds left over from a prior year.

COMMISSIONER CAMPOS: Thank you.

MS. MILLER: Okay, let's go to page 3 in your book, the next page. There is a chart on the sources and uses by fund type. We're broken down by general fund, special revenue funds, which are the 200 funds, general fund is 101. Then special revenue funds are those funds where the revenues generated in those funds, either by gross receipts tax or other sources are for specific uses. Those are special revenue funds. Enterprise funds are the housing, the jail, and the water and wastewater, as well as we also put the RPA. We're the fiscal agent for the RPA so that is considered one of our enterprise funds.

Capital improvement funds, those are the 300 funds like road project funds, housing improvement funds, things along that line and then debt service funds, those are the 400 level funds, general obligation debts and our gross receipts tax debt, equipment loan through NMSA, those type of funds. That's how our budget is broken down and that number, the \$90 million ties to the total revenue for the County.

COMMISSIONER TRUJILLO: So the difference between the \$90 million

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and the \$80 million—is that a contingency fund?

MS. MILLER: Commissioner Trujillo, that is the difference between the transfers. We receive \$80 million in revenues and budgeted cash. But when we transfer \$10 million of that from, say, general fund to other funds, what bumps it up to \$90 million is that transfer is counted twice. It is seen as a revenue again in the fund that it's transferred to. So I just separate that out to show that actual funds coming into the County are \$80 million. But when we transfer from the general fund over to the jail fund, we transfer approximately \$5 million, that shows up in our budget as a revenue again, even though it is not a new revenue. So I just split that out for you so that you understand that we have approximately \$80 million of revenues, and then \$10 million of transfers between funds.

The next slide is actually page 5 in your book, and this is the general fund. Primarily, all of our operations for County staff and law enforcement, even Public Works, Solid Waste and Road—road maintenance receives most of its money in the way of transfer from general fund, but most of the revenues that cover the expenditures of those government type items are in general fund.

As I said before we have special revenue funds and those are restricted funds, and we'll get to those next, but the majority of our budget is in general fund. Out of this \$90 million, \$36 million of it's in general fund. And the department budgets, most of their operating budgets come from the general fund. Our primary revenue source for the general fund is property tax revenue. This year we're estimating \$23 million in gross receipts tax, \$4.5 million. Intergovernmental grants are typically states grant or there are federal grants that pass through the state. \$2.9 million—our charges for services are all the fees that we charge for recording, for permits, things of that nature and those go into the general fund as well.

\$1.3 million—our interest for general fund is estimated to be one million. That's actually down because interest rates are down so we're anticipating lower revenues in the areas of interest this year.

And state-shared taxes, those are gasoline tax, motor vehicle tax, things like that, \$800,000. Transfers from other funds, this is primarily from environmental gross receipts tax to help fund the solid waste program, \$465,000, and then budgeted cash of \$1.9 million. That's estimated to be available cash from this year's budget of excess revenues and expenditures that are not incurred that were budgeted. Totally \$36 million, and then we have transfers out to other funds of \$7.9 million, those are to funds like the jail and road maintenance that make up most of that transfer.

COMMISSIONER TRUJILLO: So, Katherine, help me understand. We're going to get an injection of GRT monies into the general fund and we're also going to get an injection of solid waste monies from fees into the general fund, right?

MS. MILLER: Mr. Chairman, Commissioner Trujillo, we did increase the solid waste permit fee from \$3 to \$25. On the next page as a matter of fact, if you look on page 6, I guess this will be in the fees and charges for services. The reason there's actually

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a net decrease is because of the MOA between the County and St. Vincent but there will be about \$160,000 in revenues from permits. And we have put that money towards increases in the solid waste budget, positions and reclassifying positions to accommodate the seven day a week schedule in the solid waste at the transfer stations.

As far as gross receipts to the general fund, we actually have a reduction in gross receipts revenue to the general fund. On line 2, on that particular spreadsheet, you'll see that we had \$6.1 million this year budgeted for gross receipts revenue and it will go down to \$4.5. The reason for that is that that number is made up of the three 1/8s that go across the county. And DFA instructed us that the third 1/8, when the Commission took to the voters requesting that that third 1/8 be allocated for health and emergency services, they said that that needed to be in a separate fund. So we have moved that to a fund, along with the associated expenditures. That is fund 232 and we'll cover that under the special revenue fund.

The gross receipts tax referendum that passed last month, that is also a special revenue fund, it does not go to the general fund. It's called the County Capital Outlay fund and the money in that fund will be allocated per the ordinance that the Commission passed. And it has one item that we have budgeted for and that is County Road 73 co-op money. We'll request money from the state and have an \$80,000 match. That is one use that we're recommending that those funds be used for. Other than that, there's no impact on the general fund for that gross receipts tax.

COMMISSIONER TRUJILLO: But there is an impact if we can tap into the GRT for future unanticipated projects. We don't have to utilize general fund monies, right? If they're in the area of what's delineated in the referendum for capital improvement.

MS. MILLER: Mr. Chairman, Commissioner Trujillo, yes. If it is in the area—and this will show mostly in our capital package, where we budget for road projects, we have typically budgeted money as a transfer from general fund to the road project fund or to try and make up the difference on a project where the state has allocated money and it's not sufficient to complete the road project or where a County match is required we've used general funds, we would now be able to use the County capital outlay for those type of projects.

COMMISSIONER TRUJILLO: As a result then can you tell me that the general fund will be more buoyant for this coming year?

MS. MILLER: Mr. Chairman, Commissioner Trujillo, I'd like to say that, however, we've had several demands on the general fund as a whole without any actual tax increases to the general fund. As I said, property tax has increased because the valuation in, the net new, as found by the Assessor's office was a substantial increase and that's where we went from \$21 million+ to \$23 million. ???gross receipts tax, we are not anticipating much of an increase there. We've had increases across the County in operational areas. We're bringing on the new public safety building, that's a 45,000 square foot building I believe with all the costs associated with operating that facility and we're not getting rid of any of our other facilities. We will still have the law enforcement

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complex here and have to maintain those facilities for the organizations, part County staff and DA's and things like that that move into those facilities.

We also are taking on regional dispatch out at that facility and that's got quite a few costs associated with it. So, yes, the general fund has increased, but we've also increased in several areas throughout the County and that has absorbed a lot of those costs. As we go through the general fund budget, a lot of those things will come out as to where the increased revenues are going throughout the County.

COMMISSIONER TRUJILLO: Mr. Chairman, we had anticipated these expenditures as recurring in last year's budget and we had planned that we would have to make these expenditures out of the general fund without the GRT. That happened, right?

MS. MILLER: Mr. Chairman, Commissioner Trujillo, yes. We had, as these changes were being implemented by the Commission we anticipated that there would be some growth in property tax and just growth in gross receipts tax revenues to accommodate those changes as they were being brought in throughout the past year. Knowing those things would need to be funded, we're building them into the growth that we anticipated. We're fortunate that the County does not rely on gross receipts tax as much as municipalities and that Santa Fe County has a strong property tax base. So it does allow us to respond to growth issues with the increases in property tax revenues, the net new, and also with a fairly steady economy as far as our gross receipts tax revenue goes.

I know that throughout the state, many municipalities suffered from the 9/11 events and their gross receipts tax revenues have stayed flat. Even in talking with the City that's a concern that they've had that they will not experience any increased revenues this year. We actually will experience some but not to the degree that we have in previous years where we've had tax increases.

COMMISSIONER TRUJILLO: Thank you, Katherine.

COMMISSIONER SULLIVAN: Katherine, one clarification, the GRT money that the bond issue or the tax election provided for will not begin to show up in our coffers until about March of next year. Is that right?

MS. MILLER: Mr. Chairman, that is correct. The tax goes into effect 1 January. That's when businesses will start to charge that to their customers. We actually do not receive our first distribution on that until the end of March, 2003.

COMMISSIONER SULLIVAN: So basically, what this general fund revenue picture shows, as I see it, is that a budget of about \$34.2 million versus a budget last year of about \$36.3 million. So we're actually projecting \$2.1 million less and some of that, \$1.6 million of that, I assume is that one 1/8 percent that was moved to a non-general fund position in the budget. So overall, it looks like we're either flat or slightly lower on overall general fund budget. Is that a fair assessment?

MS. MILLER: Mr. Chairman, that is somewhat fair. It's very difficult to see that because of the effect of moving the revenue and expenditure for that third 1/8 and the MOA with St. Vincent to fund 232. If you look in your packet, since we're on this subject, to page 10, you can see the difference in fund 232. For fiscal year 2002, the

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budgeted expense was \$3,893,000. If you look, find 232, EMS health care fund, fiscal year 2002 approved budget, it's \$3,983,000. This year, fiscal year 2003, the one that we're discussion right now, it's \$7,287,000. That's the effect of moving those expenditures and revenues from general fund to fund 232. So there we have a \$3.2 million increase and if you were to look at that relative to the general fund, it's not an overall loss to the general fund, but about a million dollar gain. It's not that much.

COMMISSIONER SULLIVAN: Percentage-wise.

MS. MILLER: Percentage-wise.

COMMISSIONER SULLIVAN: Percentage-wise, just to keep it simple, how much increase in revenue, all revenues, do you anticipate that the County will be seeing this year over last?

MS. MILLER: Net of all revenues? Probably three to four percent.

COMMISSIONER SULLIVAN: Three to four percent. Good.

COMMISSIONER TRUJILLO: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner.

COMMISSIONER TRUJILLO: If you and the Commission would indulge in me, we have some representatives here from the Pojoaque Valley School District that are here to talk about the Pojoaque Valley recreation program, and rather than having them stay here for the duration of the budget deliberations, if we could get them, give them the opportunity to speak for about five to ten minutes I'd appreciate that.

COMMISSIONER SULLIVAN: All right. Is Mr. Blea available?

COMMISSIONER TRUJILLO: And Eileen Chavez I think is here too.

MARK BLEA: First of all, thank you very much for allowing us this opportunity to speak to you. I'm Mark Blea, Superintendent of Schools in Pojoaque. With me is Ms. Eileen Chavez, who is our assistant middle school principal, also serves in the capacity of summer recreation program coordinator. And also Marcy Martinez, one of our employees that works with the program as well.

I'm not sure where this program stands at this point in your budget but I did want to highlight some of the contributions that this program gives to the children of northern Santa Fe County. We have approximately 170 to 190 kids that participate every summer. These are some of the activities that they have. There's summer employment opportunities for the high school students who serve as mentors and caretakers. It offers employment for teachers, instructional assistants, college students, for the summer. Help with daycare for parents. As we know, many of these parents are working and these kids wind up staying at home throughout the summer and at least for the month of June, they have a good healthful environment to be in, with a lot of recreational activities.

Transportation is provided. Therefore there are some opportunities for our busdrivers as well for some employment. We provide breakfast and lunch during the program for these students and also for some satellite programs around the area. Some of the activities they go through are drug awareness and conflict mediation activities, math, science, music, reading activities are provided. The wildlife centers provides live animal presentations. There's now a

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beautiful swimming pool in the Pojoaque Fitness Center run by the Pojoaque Pueblo that we want to take advantage of. Before they had been bussed to Los Alamos.

The Santa Clara Health Outreach Program provides presentations on health issues. The Fire Department and ambulance personnel conduct safety presentations and other children within the area, not just Pojoaque schools, have a place to be in for at least a month during the summer. I can't begin to emphasize how much the parents in that area appreciate this program. I believe it was back in 1992 when Santa Fe County was running the program directly, and at that time they asked the school district to help run the program and we've been doing so ever since and would be happy to continue if allowed to do so. With that, I'd be happy to have Ms. Chavez or myself answer any questions you may have about the program.

COMMISSIONER TRUJILLO: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Trujillo.

COMMISSIONER TRUJILLO: The recreational opportunities in northern Santa Fe County specifically in and around the area of Pojoaque, the organized recreational opportunities are quite limited. If you come to Santa Fe, there's an abundance of facilities and recreational programs that the youth can utilize, can tap into. This is probably the only program in that area that taps the whole spectrum of our youth in our community from the K through the 12th grade. Is that correct?

MR. BLEA: That's correct, Commissioner.

COMMISSIONER TRUJILLO: And that being the case, the benefit to the community would augment in the area of family and health care and counseling and other mentoring opportunities. What would happen if this program would not be in place in the Pojoaque Valley, serving the Pojoaque Valley and surrounding communities?

MR. BLEA: I'd like to have Ms. Chavez respond to that since she directly deals with the program.

EILEEN CHAVEZ: Having directed this program for the past four years, I've heard directly from some of those parents that they really would not have anywhere for their children to go. Their budgets are already strained, so baby-sitting would be an extreme expense. There is the Boys and Girls Club if they can afford \$55 per week, they would be able to send their children there if there were spaces. Other than that, they have become real dependent on this program.

And I have a couple of letters of support from parents in regard to that and some of our parents were very adamant about this program continuing, so they signed. It's not a petition but it's in support of this program, that they would really like to see it continue.

COMMISSIONER SULLIVAN: Any further questions of Mr. Blea or any of the Pojoaque contingency? I guess not. We appreciate your efforts in this program, obviously. It's a valuable program and I appreciate your coming down and briefing us on it this afternoon.

MS. CHAVEZ: Well, we certainly appreciate the support you have given us. Thank you very much.

COMMISSIONER SULLIVAN: You're welcome.

MR. BLEA: Thank you.

COMMISSIONER SULLIVAN: Is there anyone else in the audience that wasn't here when we first took comments from the public that would like to make any comments. Okay, Katherine, would you continue please?

MS. MILLER: Mr. Chairman, Commissioners, in answer to your question about general fund revenue, the overall increase is about three percent or \$1.1 million. If we were to take that \$3.2 million that increased over in the other fund and add that to the \$34 million of recurring revenues over fiscal year 2002's in revenues, it would have been around \$37.2, if we had left status quo with the MOA and the third 1/8 being in general fund. It equates to about one million dollars, net increase to the revenues in the general fund.

COMMISSIONER SULLIVAN: Okay. Three percent we'll call it.

MS. MILLER: Yes.

COMMISSIONER SULLIVAN: Continue please.

MS. MILLER: So with that three percent, what we've done, if you look back at page 6 in your packet which is the general fund revenues and general fund uses, pretty much you can see after looking at the revenues, the net amount available in the general fund increase was about a million dollars to spread out over all of the different departments and the elected officials' offices. So the expense section of that spreadsheet, about the middle of the page, shows where those changes were made.

In the Manager's office, there's actually a decrease of \$742,000. Some of that shifted to the Health/EMS fund. In legal, there's a net decrease of \$11,000. They are requesting an increase of one of their part time attorneys to move to a full-time position, but we also same money in the insurance category. So we had a net decrease in the legal department. In Finance there's an increase that has to do with the capital package and increases countywide and one requested position, but that net increase is essentially within the department. It has more to do with capital and County increases.

In Community Health Development, there's a \$380,000 net increase. That's in the area of, I believe that's mostly in contractual work and the organization that we did last fall. It is not operational increases in community health. In Land Use there's a net \$37,000 decrease. That's due to the fact that the open space portion of Land Use moved to Facilities Management Department. In Public Works, \$88,000 net increase. That's predominantly increases in the solid waste. There were more increases than the \$88,000 but net in the department overall it was \$88,000.

Project and Facilities Management, there's a \$203,000 that's due to the fact they did take on all of the open space and also the facilities management from Community Health and Economic Development when that reorganization was done, the Facilities Management Division was created. Or the Project Division, I'm sorry.

Then in the Fire Department you'll see the \$2.4 million decrease. That's because that moved to the EMS/Health fund. In the County Clerk's office, there's a \$108,000 net increase. That's for, predominantly for three positions being requested and that's the next area we're going to talk about are the position requests.

In the Treasurer's \$9,800. That's basically the cost of living increase. They didn't have

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any operational increases to their budget. In the Assessor's, \$56,000 increase. That's also predominantly cost of living increase. There are very few general fund operational increases in their budget. In the Sheriff's there is a net decrease of \$357,000. That's because we moved over \$400,000 out of—it was almost \$500,000 out of the Sheriff's Department for dispatch into regional dispatch, which is under the Manager's section of the Health and Emergency services refund.

And under the Sheriff's Department there's also a request for three positions, and that's also in the next section that we're going to talk about. The Administrative Services, well, obviously Probate, \$256 I think she asked for a chair and that was the only increase. There weren't any operational increases in her budget. I think that one went about five minutes. I appreciate that. I'd like to thank Ann for that.

COMMISSIONER SULLIVAN: We'll discuss that chair later.

MS. MILLER: Administrative Services there was a \$453,000 increase, that's due to the fact that that department did not exist until the reorganization and Human Resources and Safety Services were taken out of the Resource Development Department and moved to a separate department. And then the surveyor also had some requests to a total of \$2,800.

COMMISSIONER TRUJILLO: Mr. Chairman, Katherine, all indications that I hear are that Land Use does not have enough staff in Code enforcement and/or for community planning. Didn't they submit any new positions in their budget? They did?

MS. MILLER: Mr. Chairman, Commissioner Trujillo, in the next section that we're going to discuss, the employee requests are next. I just wanted to give you a general overview of the operational increases and then we'll move to the FTEs that predominantly affect general funds. So overall, operational budgets did not increase. They were held relatively flat. Most of the changes are in personnel areas and we tried where we could to just reallocate expenditures either from contractual services or some other area to cover employee expenses.

The main area that increased in the general fund expenditures is in the transfers. As I noted, most of these areas stayed relatively flat and operationally they went down, but if you look at fund transfers, we had—the jail enterprise fund went from a \$4.1 million transfer to \$5.3 million. And that's due to the fact that our population has increased, our per diem that we pay to our contractor has increased and our revenue from outside sources has substantially decreased. And that is one of the last issues that we'll discuss. But that's an overview of the general fund revenues and expenses.

If we could go hop to the FTE requests, I'd like to go to that chart. In your packets I believe that is page 40. The packet as it's put together, we put in all of the requests made by departments and elected officials in the first column, that's the department or elected official's office where the request was made, then the type of position, whether it's an exempt, permanent, or term position, as requested or what was given. Then the next column is the request as asked by the department or elected official. Then what it would cost, salary plus benefits to fund that position, and then what the Manager recommends in the last two columns. In some cases there were several positions requested and only one or two recommended.

I'll give a brief overview of what those positions were. In the County Manager's office,

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there is a policy analyst position. It's requested that that position be moved from the Manager's office to the Projects and Facilities Management Department under the Projects Division. It is currently a policy analyst's position and it would be reclassified as a project manager position.

In the Legal Department there's a request to just reclass the assistant County Attorney position to a full-time position. It's currently at .6 of a position. In Finance, we're requesting a project and grant administrator to help implement the GASB 34 requirements of project and accounting standards. Also to help administer numerous grants that the County receives.

COMMISSIONER GONZALES: Could I ask you a question on that, Katherine?

MS. MILLER: Sure.

COMMISSIONER GONZALES: Are you using general fund money to fund that position?

MS. MILLER: Mr. Chairman, Commissioner Gonzales, what we've done is in some cases we have hired contractors to help, so some of the funds that were previously allocated for contracts where we've hired auditors to come in or accountants on contract to assist in that, we took \$20,000 of those funds and moved it from contractual services to help fund that position and the rest is general funds. Where we can, and we currently do charge admin fees to grants, we dump that money into the general fund as a whole and spread that out against the cost.

COMMISSIONER GONZALES: I guess my point on that particular point, the project costs and the grant administrator, can't those entire fees, if they're in fact going to cover the administration of the grants be charged to the grants themselves and be recouped through the overhead, therefore minimizing the impact to the general fund?

MS. MILLER: Mr. Chairman, Commissioner Gonzales, on the grants that we are allowed to charge an administrative fee, we do. And we do put that directly back into the general fund, not to specific positions but to all positions in Legal personnel, Finance, that support that grant.

COMMISSIONER GONZALES: So of the grants that come in, what percentage would you say we were actually able to recoup some type of administrative fee?

MS. MILLER: We've been successful at about seven percent with grants like CRAFT grant, DWI, anywhere from seven to 12 percent.

COMMISSIONER GONZALES: That's what we get to recoup in overhead, but would say over 90 percent of the grants we get we get to recoup that fee?

MS. MILLER: Unfortunately, no. Several grants don't allow it. Federal grants do allow for an administrative cut and as we try to obtain those grants we put in for an overhead administrative cost.

COMMISSIONER GONZALES: It just seems to me that it might be, as you do assign other positions to other special revenues that this position itself would funded or categorized as being paid for out of that overhead that you get to recoup as opposed to using general fund monies. And where we fall short you would have to make some type of contribution from the general fund. But rather just having it come in where we can, I'd rather

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see a program if possible where we're actually funding this position with the overhead that we're allowed to charge on those grants.

MS. MILLER: Mr. Chairman, Commissioner Gonzales, there are actually a couple of grants to look into to see whether those are—that I don't think we're currently collecting an administrative fee off of that we may be able to do that as well.

COMMISSIONER GONZALES: Because I'm assuming that if there are grants that require some type of administrative effort or some type of compliance effort, that those type of grants would also come with the ability to charge some type of overhead rate. And I guess where I'm going with this is pretty simple. I'll cut right to it and that is I want to make sure that if we do fund this that in fact the County can aggressively go out and get grants because we have a person ready to do it and we don't necessarily do what we've done in the Manager's office, not to blame Estevan, but where we will fund a position for a particular issue and then all of a sudden other priorities come up and those individuals are doing something different than what they were otherwise funded for.

So I guess what I'm saying is that if we do fund this, I want to see grants administration, not necessarily this person being used to go out and support other activities of the Finance Department. And if tie it to the revenues, it seems like we can ensure that, but if you tell me and say today that's what we're going to use it for then that's all I need.

MS. MILLER: Mr. Chairman, Commissioner Gonzales, we can try to set up, especially on the grants where I'm aware that we are receiving an administrative fee, and currently just kind of dumping it into the general fund, we can actually attribute that to particular salaries and specifically this position and other positions throughout the County that support those grants, because there are several in Purchasing and in Legal that do that as well, and personnel.

COMMISSIONER GONZALES: I appreciate you putting this in because it breaks down the barrier of going out and pursuing grants, which can be extremely timely and costly in the actual administration of them and there's no reason why the County shouldn't take advantage of literally the millions of federal dollars that are available to come in, and certainly not having the personnel to administer those grants is a good enough excuse and with this person in place, hopefully we'll be able to do it. Thank you.

COMMISSIONER SULLIVAN: Katherine, I believe that we already do that, don't we, no some of the grants, particularly the DWI grants, there are administrative portions of those that go into Robert Anaya's department budget, don't they?

MS. MILLER: Mr. Chairman, what we do right now, for instance on those, there are DWI grants that actually send funds to deputies. Then there's specific positions within Robert's department that are funded but then there's a portion of those grants that the money just goes into the general fund to cover general overhead. And it's not tied into a specific position but it is shown as general fund revenue to offset just general operating costs related to those grants. But we can actually track those more specifically as Commissioner Gonzales was requesting.

COMMISSIONER SULLIVAN: And I know that some goes to the Legal

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Department on some of these grants. We also take off some legal administrative expenses.

MS. MILLER: Mr. Chairman, yes. But like I said, we don't actually say, okay, \$5,000 of this goes to Legal, \$10,000 goes to Finance, \$5,000 goes to personnel. We actually just put it into the overall operating revenues of the general fund.

COMMISSIONER SULLIVAN: So do you think there would be \$55,000 there that would fund that?

MS. MILLER: Mr. Chairman, we actually gave up about \$20,000 of contractual money so we'd need about \$35,000 and I think we can find that.

COMMISSIONER SULLIVAN: You gave up \$20,000—

MS. MILLER: In professional services and what we've been currently using. I said this to Estevan, rather than go out for contract work that we have done with accountants, I've offered to take that out of our budget and put it towards this position to help on the implementation of GASB 34. It's going to require us to go out and actually account, inventory all our roads and fixed assets, all of our infrastructure. So we need an accountant in Finance to help set that up and that's on the project side, and the cost allocation of any project that we do. But that's not going to be—once that's established, it will just be maintaining that so what we were hoping to do is then also, with the numerous grants, especially the water grants of \$300,000 that we received for local water systems and \$600,000 that we have, that this person be able to assist staff in those areas with grant administration, and also on the grants that we currently have.

COMMISSIONER SULLIVAN: Would this person write grant applications?

MS. MILLER: It's our hope that as soon as we get a system in place to actually track the cost that the first thing that they would do is set up a project and cost tracking system so that we can, once we get a grant, we can actually track it much better than we do to exactly where the money goes when it's a project. And especially when it goes for infrastructure. Then, once that's implemented, that they would also, along with grants administration on the financial side, help attain more grants through grant writing.

COMMISSIONER SULLIVAN: Because I think Commissioner Gonzales was viewing this person as a grant writer and I'm not clear that that's—there's a difference between tracking the GASB requirements and grant writing.

MS. MILLER: Mr. Chairman, I agree. We would like this person to have more of a financial side and actually be able to put the financial requests of grant writing together, not so much narrative and program aspects.

COMMISSIONER SULLIVAN: Okay. Go ahead.

MS. MILLER: In the Community Health and Development Department there's a request for a senior services coordinator and a fairgrounds custodian. Both of those requests, actually they were requested as full-time FTEs and it was suggested that those go to half FTEs and then those were not recommended in this budget cycle by the Manager. The Land Use Department requested a community planner. Actually two community planners and that was kind of revised to a community planner and an economic community planner. Also a plans examiner I and a development inspector. The Manager's office is recommending one

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community planner and one economic community planner.

MR. LOPEZ: Mr. Chairman, to go to Commissioner Trujillo's earlier question regarding Code enforcement, there was a request in the Land Use Department's budget for an additional Code enforcement. That's the one that's termed development inspector. And at the time that the request came forward, it was anticipated that perhaps this might be funded via trying to establish some fines that might be used to also help Land Use in enforcement mechanisms. Since then, it was determined that even to the extent that any such fines might be levied or approved by this Commission, those would not come back to the general fund but rather go to the court, I believe. So that wouldn't really generate any additional revenues for us to work with in terms of funding another position. So that's part of the reason that we went away from that.

COMMISSIONER SULLIVAN: And a question, Katherine or Estevan, one thing we've talked about, at least I've talked a little bit about it informally to Chairman Duran is what we would do with an economic community planner. Now, we have of course the County economic development park, once we unscramble the lease conditions for that. And I'm just wondering whether that it might not be worth considering putting that whole operation over to the private sector. We're seeing a lot of development plans come forward with millions of acres of square feet in them out in the Route 14 area, which seems to indicate that the private sector feels there's some market for commercial developments out there. It would seem that rather than running that, that once we unscramble the lease conditions with the State Land Office, we might just put that out for an RFP and turn it over to the private sector to maintain and operate.

MR. LOPEZ: Mr. Chairman, regarding our economic development park, certainly that's an option that perhaps we ought to consider. My thinking relative to this position specifically is that for the last several years there's been money set aside in the budget for economic development initiatives, contract work on economic development initiatives. And yet we've never really had a coordinated effort for any such work to the extent that it's been done to really mesh well with our community plans we're working so hard to develop all over the county.

I feel like this is an integral portion or an integral piece of the overall planning process. To the extent that we were able to actually fill such a position, I think that that person probably would be the appropriate type of person to help us determine whether we ought to put the State Road 14 economic development out to private entities or whatever the case might be. Another use or another purpose that an individual might fill would be to help us assess fiscal impacts of community plans as we develop them. As you know, we're currently initiating a fiscal impact study of the Community College District. That probably ought to be something that we just do as a matter of course as we develop community plans. So that's kind of what I envisioned with this. I think relative to whether we take the economic development park to some sort of a private entity or whatever, that to me is something that could be workable.

The other thing that I'd like to point out is that perhaps we might even think about this in terms of a term position. It doesn't necessarily have to be a permanent position yet and get a

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feel for whether there's any value of it.

COMMISSIONER GONZALES: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Gonzales.

COMMISSIONER GONZALES: On a point to that discussion, taking it one more step forward, why wouldn't we maybe just create some contracted positions for Land Use. We know that there's a certain amount of communities out there that need planning. What happens when the planning is over with? What are we necessarily going to do with these employees? Granted, we'll always need to reaffirm plans or not, but it seems that if we take this out of the FTE slot and give it to the Land Use Administrator or the planner, in some type of one-time contractual amount then they could allocate these monies to maybe some subcontractors that they could oversee some of their work or maybe term out the position.

This might be a way for the Commission and the Land Use Department to determine on an annual basis where it's best to use the money. I agree with Chairman Sullivan that an economic community planner, we've been trying to fund it one way or another. It never really worked out, so privatizing that effort might be the way to go. Maybe we'll wait till Roman comes up to ask that question of him but it just seems, we know there are a lot of communities that want to participate in the planning process. We've held them off because we haven't had the personnel. What happens when those community plans are done.

Granted, it may be a two or three-year process that we're involved in these communities, but what happens after that third year? We've got these planners in place that may have completed a task and then we maybe have to redefine what their roles are.

MR. LOPEZ: Mr. Chairman, I don't know that we need to make a decision right now on this. I would just point out relative to specifically the economic development planner, the money that we would propose to fund this position if it were approved, it has been in the Manager's budget for contractual services relative to economic development, so if the desire of the Commission is to move it back in that direction I think that that certainly could be done and supportable. I would simply support that we put it under the Planning Division if that's what we're going to do.

COMMISSIONER SULLIVAN: I think the same comments could apply to the planner itself. They may work themselves out of a position. And actually, a case could be made that contractually, that individual or that firm stays with the project, whereas occasionally we have turnovers and with community plans taking two or three years, some times we end up with different employees who don't have the history on the community plan. Whereas a contractor stays with it, does the market study, does the public perception aspects of it.

So I don't think contractors can do it completely. I think Mr. Kolkmeier has always advocated that there has to be a thread of County direction throughout the planning process, that we can't just turn that over to a contractor. But I think we can perhaps maximize or make the effort to make the department more efficient by supplementing with these contractors.

Let me ask what the format is here, Katherine. We're going to go down through these increases requested for the FTEs, and then what are we doing?

MS. MILLER: Mr. Chairman, that's entirely up to you. As the budget is

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presented to the Board today, it is a balanced budget. If the Board wants to make any changes and allocate funds elsewhere, this is one area typically that the Board has done that is to either recommend changes in the FTE requests or to recommend not hiring some of those FTEs and putting money elsewhere. Those are all—either putting it to contractual services or to some other program. All of that is at your discretion. As I said, the budget as we're presenting it is a balanced budget for recurring revenues, covering recurring expenditures and the capital packages and some term positions funded with cash. Any changes that you'd like to make along the line, if there's positions that the Manager's office has recommended that you do not feel we need at this time, or that you'd like to make changes to, do you want to do them as we go? Or if you'd like me to go through everything and then go back and make your recommendations for changes.

COMMISSIONER SULLIVAN: I think it's better to go through everything, but my question was, after we get through this, is that the end of your presentation or are we going other places here?

MS. MILLER: That's the end of the general fund when we get through this, except for capital package. And then I just wanted to touch on the special revenues funds, especially fund 232 because that's where there's several of these FTE requests coming in in the Fire Department. And I just wanted to touch on the enterprise funds, but not in great detail though. This is probably the most detailed area.

COMMISSIONER SULLIVAN: Okay, we'll go ahead and finish these FTEs then, and just one final question. Of the 17 that have been recommended if we total up these two pages through the County Manager's office, what has been our increase in the FTEs traditionally over the last couple of years, each budget year?

MS. MILLER: Mr. Chairman, if you look to the last page of this section, page 42, it gives you a history of what we have done by department and Countywide as far as positions go. So that will give you an idea of the trends that we've had. Back in fiscal year 1997, the County had 408 employees. With the 2003 recommendation we would have 493, but we will be losing I believe 14 positions to the regional dispatch. So we'll still be paying for those positions through supporting the JPA but as far as actual County position, they will no longer be with the County.

So you can see that's a fairly large increase compared to other years.

COMMISSIONER SULLIVAN: So this year we're up to 493. Currently we're at 481?

MS. MILLER: Yes.

COMMISSIONER SULLIVAN: So that's 12. That doesn't jibe with the 17.

MS. MILLER: Term positions are not in there. These are permanent.

COMMISSIONER SULLIVAN: Oh, these are permanent positions. Okay. So it looks like in permanent positions we've been going up around ten or so each year except back in 1998 we were down to 407 and then in '99 we had a big jump up to 438. So a big jump in '99 and then in 2000 we went for 454. Okay. That answers that. Thank you.

MS. MILLER: And Mr. Chairman, the reason we had that large jump in 1999

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was that's when we brought on fire regions and actually went from a volunteer staff to a paid staff.

COMMISSIONER SULLIVAN: Okay. So are we finished with Land Use and on to Public Works?

MS. MILLER: Yes.

COMMISSIONER SULLIVAN: Okay. Public Works.

MS. MILLER: In Public Works, a lot of the requests in Public Works were for overtime and merit increases. What we did just so that the Board understands what we did with merit increase requests, the Manager actually recommended no merit individual merit increases but a merit pool, based upon a percentage of the salary for each department. And we're recommending a one percent merit pool, which equates Countywide to about \$150,000. But within each department it's three, four dollars an hour available for the department director or elected official to distribute where they see it's needed within their department.

COMMISSIONER TRUJILLO: Katherine, Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Trujillo.

COMMISSIONER TRUJILLO: Let me understand. So you allocated merit monies on the basis of payroll, one percent on the basis of payroll, so the department got one percent of their payroll for merit increases?

MS. MILLER: Mr. Chairman, Commissioner Trujillo, yes. We're requesting that. We do not give it to individuals. That was an issue in last year's budget process, that there were some individuals who received merits and others who did not. Rather than bringing it to the Board to make a decision on an individual, which they might not be familiar with their performance, we're trying to make a pool Countywide that department directors and elected officials could access for those individuals which they felt they needed to give a merit increase to or for retention if an individual would be leaving.

Now that amount, and it can be a half a percent, one percent, we can take it out. But that's what we have built into the overall budget.

COMMISSIONER TRUJILLO: Did you work with personnel to do this allocation?

MS. MILLER: Mr. Chairman, Commissioner Trujillo yes we did.

COMMISSIONER TRUJILLO: There's alignment issues and things like that. How are we addressing those? Because one percent seems to be a nominal budget for merit increases.

MS. MILLER: Mr. Chairman, Commissioner Trujillo, it was not to be an amount in the budget to address those issues as far as a particular class of employees being paid what they should be being paid as far as the County, the City, the state. It was purely to allow for some flexibility within the department salary allocation for merits or retention, because for the last three or four years, the only thing the departments have received is a flat COLA and that's it.

COMMISSIONER TRUJILLO: What was the total merit kitty that we had Countywide?

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MS. MILLER: Countywide, it's \$150,000. That's including the associated benefit costs that go it.

COMMISSIONER TRUJILLO: Which is less than one percent of payroll Countywide?

MS. MILLER: Yes.

COMMISSIONER SULLIVAN: That's in addition to the overall three percent increase that was given to employees last year, right?

MS. MILLER: Yes.

COMMISSIONER GONZALES: Mr. Chairman, is there, as part of our—and this is probably for Estevan and Katherine, as part of your managerial process, if department heads are able to find efficiencies through the normal course of their operations, and those efficiencies come in the form of recurring revenues, are they given the discretion to use those recurring revenues to go towards salaries within their departments?

MR. LOPEZ: Mr. Chairman, I don't think that we have a policy in that regard that goes across the board at this point. I think we can—

COMMISSIONER GONZALES: I was just going to say, is there a reason why? It seems to me that if we create the incentives or allow for department heads and elected to, through the normal course of their operations to find efficiencies or work ways to build in additional merits that we would increase that and not necessarily discourage it. Is that a policy issue that we'd have to make up here?

MR. LOPEZ: Mr. Chairman, it's probably just something that we have to really develop at this point. I don't think that there's any reason that we want to discourage that sort of thing. It's just not something that we've developed at this point. I think in general we've probably looked at things on a case by case basis when an individual department can demonstrate a certain efficiency or something or perhaps a revenue stream, and then have a specific request that they tie to it. To the extent that we can we'll try and support that.

COMMISSIONER GONZALES: Well, I'd like to, through this budget process provide at least some direction that would create the maximum flexibility for managers to find those efficiencies, to use them however they feel they need to, whether it's to increase pay or whatever other uses that they might have. Thank you.

MS. MILLER: Mr. Chairman, Commissioner Gonzales, in response to that, a lot of the FTEs that we are recommending was based upon those type of efficiencies and suggestions. So a lot of them are funded with manager's ability to find saving somewhere and by improving a process or increasing a revenue somewhere through becoming more efficient. So we did try to, where someone could do that, reward them in some way, although we couldn't tie it directly as you're saying.

Mr. Chairman, Commissioners, then the next area overall was Public Works. As I said, that's what we did with the merit increase issue we were hoping for. That's one percent to address it Countywide. Then their overtime requests, those are basic repeat overtime requests. We funded those at the same or slightly increased level this year depending on what they were using in the current year. Most of their changes came in the area of solid waste. They're asking

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for a reclass of an equipment operator to a crew foreman and a request of a truck driver 2 to a transportation crew foreman and a transfer station caretaker, all of those things we are recommending approval of based upon the increase in the solid waste fees.

Then also their overtime for fund 204, which is the road fund, that is at the same or slightly higher levels than fiscal year 2002.

In Project and Facilities Management, there's a request for two custodians. This is for the new facility out on 14. That should be onboard by July 1 and they're requesting two custodians for that facility. They also requested a web content administrator, telecommunications specialist, a reclassification, three GPS technicians. Those are term positions we currently have funded with savings from this year when they had vacancies and that. They're just requesting that that money be rolled into next year to fund them for five more months.

Then increases in that, we did not recommend any specific individuals, and then that would be the transfer of the policy analyst from the Manager's office to a project manager in the Projects Division. As you can see, the only positions that are being recommended in this case are the custodians for the new facility and the term GPS technicians. And also the move of the position from the Manager's to the project manager position.

In the Fire Department, they're requesting a fire protection specialist 2, that's to assist in the high volume of reviews that they have to do for development permits and whatnot. That one is being recommended. Also a fleet mechanic to maintain the fleet of all the emergency vehicles, and that individual will be housed at the new facility. That's being recommended, and the EMS captain, I'd like to make a point on the EMS captain. That position is contingent upon an amendment to the MOA with St. Vincent's and that is if they purchase the mobile health van, and we actually take possession of that out at our facility, and maintain it and essentially operate it. That would come at an increase to the MOA, rather than coming from St. Vincent's to the County to take on that responsibility. That position is contingent upon that agreement going forward. And I don't know where that stands at this moment. I think it's something we still have to negotiate with St. Vincent's.

And then the other issues are reclassifications that we did not recommend and then increased overtime. Those positions, the four fire regions, they're 24/7 operations. There's always overtime in a 24/7 operation. They have been using this overtime and we've made budget adjustments at the end of the year. We're just requesting that an appropriate amount of overtime be budgeted at the beginning of the year and that we would bring in revenues from the JPA with Edgewood to cover that overtime increase. And that's essentially what we've been doing every year but we've just done it at the end of the year instead of at the beginning in the budget process.

Under the County Clerk's office the Clerk is requesting a recording clerk. We have had a large increase in documents that are being recorded and our general fund has reflected that increased revenue. So we're recommending the recording clerk. Also, she's requested a voting machine technician and that would be a new position. That position is needed to address the issues of going from a Class B to a Class A county and the increase in the voting machines that

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we have. Then there's currently a term position that is funded through December 31st. The Board funded it last December for one year, and she's requesting this staff position be funded for a full year from, not just to December 31st but through June.

In the County Treasurer's, there's no personnel action specifically being recommended, just to go in the merit pool along with the rest of the County. Same with the County Assessor's, no new FTEs requested. The County Assessor agreed with the concept of a one percent merit pool. And then their appraiser certifications, we're recommending those and they only receive them if they receive their certification. But the money is available in their budget so we are recommending that those certification incentives be put in their budget.

Under County Sheriff, they requested overtime of \$618,000. We're recommending \$296,000. That's also based on the fact that regional dispatch will be moved out of the Sheriff's office and they incurred about \$100,000 worth of the overtime in fiscal year 2002. They'll probably run about \$450,000 to \$500,000 in overtime, \$100,000 of that will more than likely be dispatchers. So we've come up with a recommendation of \$296,000. It's actually, I think \$275,000 with benefits, something like that, the Associated County portion of that benefit side.

Then they also requested ten deputies. We're recommending one new deputy. They requested six court security and transport officers, those are half-time. We're recommending two half-times for a total of one. They also requested three SWAT team member positions. It's SWAT pay. It's on top of their deputy salary. That's \$3,000, we're recommending that, and they've requested three clerk-typists, and actually, we had discussed having one of those positions funded to put in the front office but it is not built in here. But when they move to the new facility, there'll be a desk out front and either Fire or the Sheriff needs to staff that position. It's not a current one that they have. So that's something that would need to be added to this if they need a new individual up front.

The County Surveyor requested a survey technician, but he also stated that if went forward with some document imaging to the Clerk's office, he would like to see that money put there first. So we did not recommend that.

Administrative Services requested a receptionist. They're moving to one of the other buildings and they do not have any administrative support, but we do not recommend that at this time. And Utilities requested a water and wastewater operator assistant so that they would need two in wastewater. They're currently using environmental gross receipts to meet their budget. We're requesting that they get some of their revenues up in that division before they hire another wastewater operator. So we did not recommend that.

Any questions on the positions that were requested? I stand for questions, Estevan, or also any of the department directors or elected officials regarding their position requests.

COMMISSIONER TRUJILLO: Just one question. I see where there's the proposed budget from the department head and there's the Manager recommends. And what criteria was used to derive that recommendation? I understand budgetary constraints is one of them. Anything else that was used to come up with that recommendation?

MR. LOPEZ: Mr. Chairman, Commissioner Trujillo, basically the way we developed the Manager's recommendation, we considered each of the department director's

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requests individually and item by item. And we really, when we started this whole process, the requests far exceeded our available revenues so we went basically item by item to kind of— working with the department directors, prioritized that department's needs. So these things are part of that whole discussion. There was an arduous process in which we worked through all of the things until we finally got the budget overall balanced. In doing so I kind of think we really assessed what the highest priorities were for each department.

MS. MILLER: Mr. Chairman, Commissioner Trujillo, we also, many of the directors and elected officials gave up that they currently have in their budget in order to help fund a new position. The Clerk, for instance, she's got Clerk's filing fees that can be used for some supplies and things like that, relative to that. That can't be used for FTEs, but where those funds were available to substitute something in general funds she offered up transferring those expenditures to the Clerk's filing fee fund. Also, if a position could help generate revenues by increased productivity, we associated some of the revenues along with that. Or if we were currently covering that work, that they'd like the new FTE to cover, if we were currently doing that on contract, they gave up contractual services funds and requested that those be taken out of their contractual services line item and put to their salaries and benefits.

So many of these positions do not have a bottom line impact to the budget. The community planners, both the economic community planner and the community planner, the funds to fund those two positions came from contractual services in the current year budget. So instead of requesting those again, plus an FTE, they said, Well, we would not need to request contractual money if we had an FTE to do this work.

COMMISSIONER TRUJILLO: Thank you.

COMMISSIONER SULLIVAN: Do you want to go to capital projects now?

MS. MILLER: Okay. We could do the capital package which is under tab 4.

COMMISSIONER SULLIVAN: I'd like to set a time line here. Is it reasonable to anticipate that we'll be concluding around 5:00, including the executive session, Estevan?

MR. LOPEZ: Mr. Chairman, obviously that depends on the amount of discussion but we're shooting for that. I think right now we're on pace such that we could probably get done by 5:00.

COMMISSIONER SULLIVAN: Because I think, is it the idea that we probably should have the executive session before we make any proposals for moving or reductions or additions or budget juggling. Wouldn't that be your feeling?

MR. LOPEZ: Mr. Chairman, that would be our recommendation.

COMMISSIONER SULLIVAN: Okay. So at this point we'll proceed ahead with the descriptions and then we'll take care of the executive session and then we'll do our budget juggling. And then we'll go home.

MS. MILLER: Sounds good. Mr. Chairman, Commissioners, the capital package, we put in what was requested by department and then what is recommended by the Manager. Also we discussed this with the individual department directors and elected officials and although not necessarily happy, everybody agreed that this was an acceptable capital package for their department for fiscal year 2003.

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One area I would like to point out under the Commission budget capital requests. We have typically funded, at least the last two years, \$50,000 per district. This year we're recommending \$35,000. It's due to the fact that we did not have a great deal of excess revenues this year, so our capital package and our available cash to budget in fiscal year 2003 is around \$2 million, some of that for term positions. In the last two years, it's been around \$2.5 million. And it's due to the fact that we had an economic downturn so there's not as much excess revenue to fall out of the budget for a capital package.

But it's still a fairly responsive capital package in light of all that we've done in the last two years. I won't go into detail on each one. If you'd like to just look over it and if you have any questions—under the Commission, what I did is if I heard a request at some point this year for something, in the budget process, for something specific, I just noted it. It does not mean that it has to go there; it's at your discretion. I just built it in there as a reminder that it's something that has been mentioned by an individual Commissioner so I put it in as a note to bring it forward.

COMMISSIONER SULLIVAN: Any questions on the capital package?

COMMISSIONER GONZALES: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Gonzales.

COMMISSIONER GONZALES: Katherine, did you say that it was all going to be funded out of excess cash from this year? Okay. So all the money to fund the 2003 capital budget is going to be coming from the 2002 budget.

MS. MILLER: Mr. Chairman, Commissioner Gonzales, basically, what happens, we make an estimate of where we will be at June 30, based up current expenditure rates, whether all our positions are full. We estimate a few hundred will fall out in vacancy savings and then we also talk to the departments about which projects they're currently working on that they won't complete and need to rebudget next year, thing like that. So it is based upon what our current cash balance is right now, what our current obligations are, what revenues we anticipate receiving now between and the end of the year and what expenditures we have between now and the end of the year. And what is left, left over money has been what we've put toward the capital package or budgeted cash, which is about \$2 million.

COMMISSIONER GONZALES: Tell me again, you cut the Commissioners capital projects because—

MS. MILLER: Because we cut everybody's.

COMMISSIONER GONZALES: You cut everybody's.

MS. MILLER: You have to be fair.

COMMISSIONER SULLIVAN: Also, Katherine, the \$1.4 million is what you're talking about as being from last year's capital fund. There's another \$13 or \$14 million in this budget that is from other approved capital funds. I assume those are outside grant sources and so forth.

MS. MILLER: Mr. Chairman, those are outside of general fund, cash balance. Those are things like the open space, the \$8 million there, the \$4 million for the Public Works Facility. \$4.5 million for the Fire Department, that's the \$13 or \$16 million you referred to.

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It's predominantly those other funding sources for capital.

COMMISSIONER SULLIVAN: Because I think that's where, and correct me if I'm wrong, the money is that Commissioner Trujillo was looking for. This page doesn't have a number but it's the third page in the capital package. I see \$2.48 million under the capital outlay GRT fund.

MS. MILLER: Yes, Mr. Chairman.

COMMISSIONER SULLIVAN: And it's not for anything specific yet. It just says capital improvements and acquisitions. That will be determined by the Commission during the course of the year, I assume, but that's where that money comes in.

MS. MILLER: Yes, Mr. Chairman. That's what we're anticipating in revenues and all I did is ask that the budget administrator set up the cost centers, one for water and wastewater projects, one for open space projects, one for road projects and one for other. Based upon the way the ordinance was written, that's the percentages as it breaks down for those four months. And the only one that we actually budgeted an expenditure against, an actual expenditure, was the \$80,000 for road projects.

COMMISSIONER TRUJILLO: Is this the place, Mr. Chairman, where we can petition for funding from general fund. I see that on the Commission, we've got the recreation, Pojoaque Public Schools, \$20,000. Is that coming out of the allocation that District 1 receives for the Commission?

COMMISSIONER SULLIVAN: It looks like it is because underneath that I see other contractual services, which I bet means Trujillo.

MS. MILLER: Yes.

COMMISSIONER TRUJILLO: So where does—we fund the Girls and Boys Club for recreation purposes and things. Where does that come from?

MS. MILLER: Mr. Chairman, it goes to the Housing Fund but we do it as a \$75,000 transfer from the general fund to that fund at the moment.

COMMISSIONER TRUJILLO: Why can't we use general fund monies to fund the Pojoaque recreational program? I don't want to set a precedent now that the Pojoaque Valley recreation program will be funded out of this allocation, because that will put the next Commissioner in a very precarious situation. All the other Commissioners, or all the other districts get \$35,000 and District 1 gets \$15,000. So I'd like to have some discussion if this is the appropriate time, if not later, to see if we can fund the Pojoaque Valley recreation program out of the general fund. I understand that it used to be funded from cigarette tax monies and we're not receiving those this year as a distribution formula changed or something happened. So hopefully that will be rectified in the future so that we can tap into that fund.

But I don't want to set the precedent today that will mandate or that will require the next Commissioner to fund this program out of the district's allocation for projects. It's quite a viable program. It serves the community well and I think that it's in the best interest of the Commission to fund this program from a reciprocity standpoint. The City of Santa Fe has an abundance of recreational programs that are paid for by the residents of Santa Fe County. I think it's only right that the outlying areas receive the same courtesy.

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COMMISSIONER CAMPOS: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner.

COMMISSIONER CAMPOS: I would just ask that we discuss this after going over everything and that we wrap it up at the end.

COMMISSIONER SULLIVAN: You want to have this discussion before we go into executive session or would that be appropriate after?

MR. LOPEZ: Mr. Chairman, I would prefer after.

COMMISSIONER SULLIVAN: Okay. Commissioner Trujillo's comment was one of the items in the capital package, the first page. So we're still on the capital package. Are there further comments on the capital package.

COMMISSIONER CAMPOS: Did you want our comments or are you going to walk us through it?

MS. MILLER: Mr. Chairman, Commissioner Campos, I wasn't going to go through anything individually. As I stated, we did go through this package with the individual department directors and the elected officials' offices and if there's any comments in general that you'd like to make on this or if you have any specific questions—I would like to point out under the Project and Facilities Department on page 2, under information technology, there was a discussion a couple of Commission meetings ago about document imaging and what we were going to do as far as document imaging. After talking with the Clerk, since it was pretty much decided that that was the office where document imaging would need to take place from the starting point and I want to point out that the Surveyor, the Assessor and the County Clerk all requested something in the way of document imaging and IT responded by trying to make it a Countywide request and have the consultant come in and do a review.

Their review actually said that this would be a five-year, \$6 million project or something like that. We obviously did not, in this budget, allocate anything along that line, but what we did recommend or bring forward was \$125,000 of general fund money and \$125,000 of Clerk filing fee funds to address starting a pilot project in the Clerk's office. So that was one of the issues that I know was a rather large issue of this debate of how we would approach it. This is a recommendation talked over with the Clerk and with the IT Division as this is something that we could at least dip our toe in and see what that does.

COMMISSIONER CAMPOS: Ms. Miller, who's going to manage the document imaging project?

MS. MILLER: Mr. Chairman, Commissioner Campos, I would actually like the Clerk to be present in that discussion because I think she has some concerns as to, since it was the Clerk's office where we were hoping to start that, she had a lot of the ideas on how to do that.

BECKY BUSTAMANTE (County Clerk): Mr. Chairman, Commissioner Campos, I would be managing it. What is happening is most of the Clerk's office have gone into at least for recording purposes as far as giving out receiving numbers and just documenting some of the ones that are coming in. I plan to work and I have been working with the title companies here in town and they are mostly going into imaging and they're helping me out

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with some of their discs. In fact I have quite a few of the discs already from a lot of the documents from previous years. It's just a pilot project to try to see if we can move forward.

COMMISSIONER CAMPOS: My understanding is this is a pilot project that the County would like to move towards as a whole, not just the Clerk's office.

MS. BUSTAMANTE: I agree.

COMMISSIONER CAMPOS: Does it make sense to have the County actually supervise and run the program because it actually is going to grow to cover the whole County, as opposed to being controlled out of your office?

MS. BUSTAMANTE: Well, the documents and stuff would be controlled in my office. I think we do right now, the County, with the ASA-400, the way we do things right now, the County does play an important role, but the documents that we use are the ones that we develop the system together and they have a back-up. So I don't see really any difference.

COMMISSIONER CAMPOS: Well, I do. I see the difference that this is a County project that we'd like to see grow as opposed to being focused in one department. I think we should have someone in the County administration managing this program so that we have Project A, if it works, we go to B, C, it will be more coordinated and it will be designed to serve the entire County. That's how my thinking of that would be.

MS. BUSTAMANTE: So I'm not sure what you're saying.

COMMISSIONER CAMPOS: I know you have the money but I think the best thing to do is to have probably the information systems department run it.

MS. BUSTAMANTE: Well, I guess I would disagree then.

COMMISSIONER CAMPOS: Okay.

COMMISSIONER TRUJILLO: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Trujillo.

COMMISSIONER TRUJILLO: For this specific project there is ownership in the County Clerk's office. Am I not correct? I think the County Clerk applied for outside funding for this project, or am I totally off the wall?

MS. BUSTAMANTE: Not on this particular funding, no. We're going to be using the Clerk's fee monies.

COMMISSIONER TRUJILLO: So how would you—

MS. BUSTAMANTE: But to answer Commissioner Campos, I don't think that we have ever been alone. The ASA-400 is not, we work with that with the IT office, so it's not something that I am controlling. I think it was developed together, but I certainly do have some control as far as where we need to be, what needs to be imaged, what the documents need to be indexed, what we want to be indexed, etc. And yes, I do think it needs to be in the Clerk's office deciding that.

COMMISSIONER SULLIVAN: Anything else?

COMMISSIONER CAMPOS: Ms. Miller, is there anything else we need to look at closely on the capital package?

MS. MILLER: Mr. Chairman, Commissioners, I believe that for the most part, many of the items are replacement vehicles for older vehicles. We have a rotating schedule with

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the Sheriff's Department trying to at least buy 15 new vehicles per year. This year we actually bought 30 to catch up for previous years, so in total we bought 30 vehicles in fiscal year 2002, so we're recommending 15 for next year. We've also, based upon requests from the departments, asked what their top three priorities were and tried to fund all of those top issues in each department and where they left out vehicles and equipment it was pretty much can we put that off for another year and in agreement we did. So much of what you see in there is based upon moving to other buildings and adding programs and where we did add, we needed maybe some computers or office furniture and if we don't add those positions we'll take the corresponding capital request out with those positions as well and where there are requests for replacement vehicles and equipment, as I said, it was based upon their top priorities.

COMMISSIONER CAMPOS: As far as document imaging, you have some capital monies, but what about the employees that will have to come with this project, new employees that will have to come with this project?

MS. MILLER: Mr. Chairman, Commissioner Campos, in this particular scenario and what we budgeted, we were not budgeting to add any FTEs in the next year. It was primarily through contractual work and any internal equipment that we'd need in the Clerk's office to deal with that issue. But how are you projecting for additional revenues to cover expenses of FTEs after this next year? The information that we received recently was that we could maybe have 3, 4, 5 to 7 people on board to manage this, which would be a significant increase.

MS. MILLER: Mr. Chairman, Commissioner Campos, that's one of the issues where there does seem to be some disagreement as to what would be needed in the Clerk's office and part of the reason why the Clerk asked for a smaller funding and a pilot project within her office. She didn't believe that it would require that many more FTEs and the plats and things like that could be contracted out. So we have not added those positions in there at this time with the idea that we would look at doing some small area of the Clerk's office under contract, see where that went, and then make a determination from there.

COMMISSIONER CAMPOS: Okay, so this is a one-year project and in year two we'll talk about how much it's going to cost to have employees take care of this project. Okay.

COMMISSIONER SULLIVAN: Two other quick things that I had and one was on the fourth page, under GOB Series 1997, down near the bottom of the page, the fourth page in capital package. This is just a quick one. The disinfection system upgrades in the County Route 50-F Paseo C de Baca water line. Is that part of the Valle Vista water system?

MR. LOPEZ: Mr. Chairman, Gary, do you want to answer that?

COMMISSIONER SULLIVAN: It's Paseo C de Baca and Valle Vista.

MR. LOPEZ: No, Paseo C de Baca is not part of the Valle Vista system. That is the southernmost portion of La Cienega.

COMMISSIONER SULLIVAN: And where is the disinfection system upgrades? Where is that going? I bring that up because they talked last night about the problems that we had or the perceived problems with the Valle Vista water system, health problems that

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hopefully aren't health problems. Is this involved with that?

GARY ROYBAL (Utilities Director): The system upgrades are yes, to be able to bring that system up to a higher level of operations. There is old equipment there that's being replaced.

COMMISSIONER SULLIVAN: Okay. So the \$40,000 in that category is where it says disinfection systems upgrades does pertain to the Valle Vista system.

MR. ROYBAL: Yes, it does.

COMMISSIONER SULLIVAN: Okay. That's what I wanted to check. The other thing is, somewhere in the Fire fund and there's a great deal of equipment and vehicles and trailers and so forth in there, we've had several requests this year to help out communities that have run out of water. Cerrillos has been one and we've had others. And my understanding is that the County has no vehicles or trailers that can haul potable water, that all the water comes either from the sewage treatment plant or comes from the river or wherever they get it and the vehicles aren't cleaned or chlorinated.

I would think, I'm not proposing to add anything here but in terms of juggling some of these equipment requests around, there are situations where the communities don't qualify for an emergency declaration under the governor and that's what's needed to get the National Guard trucks out there. So it may be a very short-term thing that we don't need to make a big deal of, a day or two of help or something of that sort, but I would ask that the Fire Department consider somewhere in this equipment list that they're going to be working with next year that they get a trailer that is specifically designated for hauling potable water, because I think we're going to have move of these coming ahead of us and we can respond quickly that way. Did you want to totally agree with me, Stan?

STAN HOLDEN (Fire Chief): Mr. Chairman, Commissioners, we know that this is an issue and we're already internally looking at how we can resolve that issue in this year's fiscal budget. So we're not planning on it for next fiscal year. So we're trying to make appropriations within this existing budget to resolve that. But we need to meet with the County Utility Department because it's really an issue that has to be resolved with access to water and the Fire Department particularly has not access to water other than the County system. So we'll work cooperatively with the County Utility Department to try to resolve that issue.

COMMISSIONER SULLIVAN: Okay. Thank you. Appreciate it.

COMMISSIONER GONZALES: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Gonzales.

COMMISSIONER GONZALES: Thank you. I just want to know has the state done any outreach through their emergency management coordinators in terms of developing the plan that they have to submit to FEMA to receive the homeland security funds? Do you know if that's taken place?

CHIEF HOLDEN: Mr. Chairman, Commissioner Gonzales, the first meeting has been conducted with James Leach and there has been some outreach from the Department of Public Safety from one of their lieutenants who's been assigned by the secretary to do an outreach to the local communities and we've assigned the Fire Marshal, Hank Blackwell to

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work with them in the interim initially to make sure of the County's interest.

COMMISSIONER GONZALES: Right. And the reason I bring that up, Mr. Chairman, is under the capital package, that's what all the homeland security funds are going to be about is paying for capital. So I'm just wondering, of this package that was submitted for the EMS and the protection fund and the law enforcement, how much of that could fit under the guidelines of homeland security? All of it, or would be fund this still and you would create an additional package that the homeland security funds would actually pay for?

CHIEF HOLDEN: Mr. Chairman, Commissioner Gonzales, are you referring to the matching that's going to be required? No.

COMMISSIONER GONZALES: No, I'm actually referring to—the state's going to create or generate some type of need analysis based on what we need at the County to do whatever we need to secure the communities. And that's going to require some type of equipment to do that, whether it's—I asked the Sheriff yesterday if he was on the same channel with the City and I think he said no, so we don't have any sharing of communication channels, any sharing for the training preparedness and all those things. But there's a lot of capital equipment that I'm going to assume is going to need to be purchased to meet some of the needs of the community. Will some of these meet those needs, or will there be a whole other list that's going to be generated of capital equipment that this would be paid for? Are we going to wait until we get that invitation to supply that or how are we going to deal with that?

CHIEF HOLDEN: Mr. Chairman, Commissioner Gonzales, the answer to your question is yes, we plan on waiting until we find out exactly what the state is going to be willing to finance before we put together our needs analysis.

COMMISSIONER GONZALES: Aren't you going to need that needs analysis before the state knows what they're going to finance?

CHIEF HOLDEN: Well, we know what we need. But bringing it forward at this point as part of a budget without having the revenue source—

COMMISSIONER GONZALES: No, I'm not asking for it in this budget but just wanting to know will any part of this budget request that you're requesting go to fulfill any homeland security needs?

CHIEF HOLDEN: No.

COMMISSIONER GONZALES: Okay. Thank you.

CHIEF HOLDEN: And to answer your questions in regard to communications, the answer that you got from the Sheriff Ray Sisneros was absolutely correct, but if you'll recall, part of the overall plan for the regional communications center was to bring all those dispatchers into one consolidated center so that while we may not be able to talk in the field agency to agency, we can communicate at least now within the same dispatch center agency to agency.

COMMISSIONER GONZALES: So in the capital equipment that you're purchasing for that dispatch agency, it's not going to include the ability to be on the same channels?

CHIEF HOLDEN: Not in the field.

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COMMISSIONER GONZALES: Okay. It seems to me that would be where you guys start then, right?

CHIEF HOLDEN: It's significant.

COMMISSIONER TRUJILLO: Mr. Chairman.

COMMISSIONER SULLIVAN: Commissioner Trujillo.

COMMISSIONER TRUJILLO: In looking at the Public Works capital allocation, I don't think that even touches the tip of the iceberg regarding what they need. They don't have any fire trucks or water trucks or solid waste equipment or things like that. Will they be able to use their GRT, their portion of the GRT during the year?

COMMISSIONER SULLIVAN: I don't think so, but is that—GRT is for—

MS. MILLER: For infrastructure. Mr. Chairman, Commissioner Trujillo, that GRT that was passed is not for Public Works equipment. It actually says, I believe, in the legislation as well as in our ordinance for roads and building structures. Basically infrastructure, water systems, water rights acquisition, that type of item. We do have funding for Public Works in the area of, I think under the fund—where is that? GRT facility bonds proceeds, transfer station improvements, \$250,000 as well as what's in the general fund.

COMMISSIONER TRUJILLO: And you have an item here under Project and Facilities Management, property control, roofing at Rio en Medio, \$12,000. Isn't that a new facility? That's a brand new community center in Rio en Medio, Chupadero.

TONY FLORES (Project Development Division Director): Mr. Chairman, Commissioner Trujillo, that's for Phase 1. The new facility is Phase 2, which encompasses the meeting room and the kitchen facility. So the existing facility was not improved any with any of the state appropriations that were used for Phase 2. So that's for the existing Phase 1 portion of it.

COMMISSIONER TRUJILLO: Okay.

COMMISSIONER SULLIVAN: Commissioner.

COMMISSIONER CAMPOS: Mr. Chairman, would it be appropriate at this time to discuss the Commission capital package request as suggested by Commissioner Trujillo. You'd like to do that?

COMMISSIONER TRUJILLO: Sure.

COMMISSIONER SULLIVAN: Well, we were going to—I think the Manager's recommendation was that if we were going to discuss whether individual projects should be in or out of that that we do that after the executive session. From the Commission packages.

COMMISSIONER CAMPOS: Okay. That's fine.

COMMISSIONER SULLIVAN: Okay, if there's nothing else on the capital projects then let's move along smartly to the other funds.

MS. MILLER: Okay. Paul, if you would go to the special revenue section. Essentially, that's the general fund in a nutshell and the capital package and I just want to go to the special revenue funds, which in your book under tab 3, page 9, real briefly. It's approximately \$24 million worth of special revenue funds. These are the funds, if you look on

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page 10, that are outlined on page 10. These are correction fund, property valuation fund, road fund. I just want to point out on that spreadsheet four funds. Road fund, 204, that's the road maintenance fund. Their budget is about \$2.3 million. \$1.7 million of that does come from the general fund. The rest of it is from state. That's page 10, tab 3. And that fund 204, that's where all the road maintenance. We are not using any of the GRT to assist in road maintenance. The new GRT, it's only going to be used for road projects. I just wanted to point out that we did not make any major program changes there. We're just continuing with supplementing that fund with general funds at about \$1.7 million annually.

Then the next fund I also wanted to point out. It's just an area that I'd like the Commission to be aware where we are spending a great deal of County funds and it doesn't necessarily show up in our general fund, because it's under special revenue funds and that's with fund 220 and 232. That's the Indigent Fund and the EMS/Health fund. Those two funds, if you look at page 11 and 12, these are how we fund our sole community money with St. Vincent's and all of our indigent needs in the County. The Indigent Fund itself is \$4.1 million and sole community match money that we use with the state funds, we're only funding about \$449,000 out of indigent. The rest of that, if you go to page 12, is coming from the EMS/Health fund, just as when we took that issue to the voters about four years ago we said if the Indigent Fund does not have enough revenue to sustain the indigent issues it will come from that health or the diverted GRT. And we are using in the EMS/Health fund, we're using \$3 million for our match money.

Now approximately \$2.2 million comes into this fund comes into the fund with St. Vincent's, but the rest of it is GRT funding the sole community as well as the four fire regions, the fire admin and the regional dispatch. I bring up this fund in particular, fund 232 for the Commission's attention because we have \$6.7 million worth of revenue coming into this fund. Those revenue sources are listed at the top, and we have \$7.2 million worth of expenditures out of this fund. We're using approximately \$500,000 to \$600,000 of cash to supplement these recurring operations. We knew this when we brought on the four fire regions that it would take a while to get those up and running and cover all of our recurring expenditures with recurring revenues. That has been going down every year, the amount of cash that we're using. We have approximately, after next year, \$1.6 million worth of cash left so we can continue on this for maybe two years but I would just recommend that we watch this fund closely not to increase any of the recurring expenditures but to let the revenues catch up with those through negotiations with St. Vincent's, increased GRT revenues, ambulance revenues and things like that.

COMMISSIONER TRUJILLO: Katherine, Mr. Chairman, because of the GRT, are we not realizing some savings to the general fund out of Road Department or Public Works expenditures? And if we are realizing some savings, can we apply those monies to equipment? The Public Works Department is probably the most visible department in the County and we're lacking in the appropriate equipment and sometimes manpower, and I'd like to see more money dedicated for salaries and equipment purchasing in that department. Because I know, I can conjecture that we are realizing the sayings from the general fund because of the

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GRT and monies going for road projects out of the GRT.

MS. MILLER: Mr. Chairman, Commissioner Trujillo, we can certainly go back and look at that but we won't actually see much savings in the general fund due to the new GRT. It is predominantly capital and most of what we have budgeted as far as general fund revenues that are affected by that GRT, it's on one road project, \$80,000, that we would have used for general fund cash balance, we use from the new revenue. That's the only expenditure that we're putting to that fund. Everything else would need to be funded with general funds that's coming from solid waste or the rest of Public Works.

COMMISSIONER TRUJILLO: Well, during the year, things that are not identified on the list, we're fixing low-water crossings, we're doing rip-rap infrastructure, we're paving roads that were not approved by the legislature. We're tapping into the general fund. Now we can use GRT monies for those purposes. That savings that we're getting from the general fund, I think we should get creative and apply those monies to salaries and equipment for the Road Department for Public Works.

MS. MILLER: Mr. Chairman, Commissioner Trujillo, if the Commission would like to reduce the transfer from general fund to road maintenance fund in the area that we can as far as money that's going directly to road improvement, that's the only general fund transfer or general fund expenditure that could be substituted with the new GRT.

COMMISSIONER TRUJILLO: And how much are we realizing financially there?

MS. MILLER: We currently transfer from the general fund to the road maintenance fund \$1.7 million. Most of that is salaries. However, there is probably some of that in road materials that could be substituted with the GRT, not a substantial amount, because it has to be a road improvement, not just road maintenance. But if—and we'd have to get with Public Works and determine exactly out of their budget what that is and bring that back to you as to something that might be able to be substituted with those funds.

My only concern on that is that that GRT was to—I think part of the reason we were allocating that to roads was to deal with new road issues, not ones we were currently maintaining with our existing funds. So that's a policy decision. If the Commission directs that we can look at it.

COMMISSIONER TRUJILLO: I think it's worth looking at and studying.

COMMISSIONER GONZALES: Well, I want to correct that really quickly because people get very sensitive. We weren't going to use that money for new road issues. It was not—

MS. MILLER: Upgrade existing roads.

COMMISSIONER GONZALES: Yes, to upgrade existing roads for safety issues. And I just wanted to be real clear on that. That doesn't move its way into the budget because we can imagine the outcry.

MS. MILLER: Incorrect use of words here.

COMMISSIONER SULLIVAN: Plus nobody wanted to vote for that anyway.

COMMISSIONER GONZALES: But it goes along with your discussions with

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Commissioner Trujillo that with the general fund monies that are going towards materials to put in, we've had very limited. And that's a result of the roads we have today. But those clearly could be absorbed now by the GRT and honor the commitment that was made to the public that we were going to start using that money to invest more into the existing County roads to upgrade them to safer areas. So you're probably not going to want to, it seems to me, continue to use general fund money to pick up that purpose, right?

MS. MILLER: Mr. Chairman, Commissioner Gonzales, yes, it would be great to take some of that expenditure off of the general fund as far as the transfer to the road maintenance fund, where, specifically on materials. I don't believe we would be able to justify it for FTEs.

COMMISSIONER GONZALES: Of course.

MS. MILLER: But on basecourse and things like that where we are improving existing roads that expenditure could be shifted to the GRT.

COMMISSIONER GONZALES: The only quagmire we have now is that because that's money's not going to be generated for another six months, the question is how do you—do you fund it in the materials fund and then whatever's not spent when we start generating this GRT could be used to move into other causes and do we wait until the Commissioners in January have a change to review their six-month budget. But I agree with what you're saying, Commissioner Trujillo. That money should stay in Public Works to go toward the employees and the material costs be absorbed by the GRT.

COMMISSIONER SULLIVAN: I think we just have to be careful. We have of course the strategic road plan that we're just starting to do. We want to prioritize those roads. I think maintenance is one thing. That would be replacing, let's say, gravel on an existing gravel road. I would consider that maintenance. But taking a dirt County road and bringing it up to County standards with gravel and drainage, I would consider that a road improvements project. And that's what I hope we can isolate in this strategic plan and that's why I asked for a prioritization of roads so that we can look at those roads that need upgrading. And then once they do, then we take whatever GRT money the Commission is willing to allocate, given the fact that 75 percent of it is going to water, and begin to work down that list and tick them off.

COMMISSIONER GONZALES: Good luck. Commissioner Campos is already nodding no.

COMMISSIONER CAMPOS: The road vote didn't turn out except in a negative way.

COMMISSIONER SULLIVAN: No, we didn't get much support for the roads I have to say. Anyway, are there any other questions on the special revenue funds sources and uses. Okay, is there anything else, Katherine?

MS. MILLER: Mr. Chairman, I would just get with Public Works and out of that road maintenance fund, whatever was, the portion of that budget that was for road improvements we can take a look at in the existing budget what was designated for road improvements in the way of materials and look at supplementing that or exchanging some of

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that expenditure for a transfer from the County capital outlay fund instead of the general fund.

COMMISSIONER SULLIVAN: As long as it's upgrading a road and not maintaining an existing road. I think we have to keep that distinction clear. Otherwise, we're going to be criticized for using gross receipts tax money for just maintenance and dumping into the general fund and it disappears into that area—this group, we've committed to a one-year audit of that fund. We want to be able to clearly show to that audit group that x-dollars went to y-projects in a very clear sense so the voters have what they voted for.

MS. MILLER: Mr. Chairman, that's correct and that's why the only expenditure that we did budget was County Road 73 because it was a complete overlay and improvement to that road. So it wasn't just patching holes.

COMMISSIONER SULLIVAN: Where is County Road 73?

MS. MILLER: I believe it runs into Tesuque.

COMMISSIONER SULLIVAN: I should have known.

MS. MILLER: And it's been on the improvement plan for quite some time.

COMMISSIONER SULLIVAN: Why did I even ask that question?

MS. MILLER: That would be District 1.

COMMISSIONER SULLIVAN: Are we ready then to go into executive session to discuss strategies preliminary to collective bargaining?

Matters from the County Attorney

1. Executive session

a. Discussion of strategies preliminary to collective bargaining

Commissioner Campos moved to go into executive session pursuant to NMSA Section 10-15-1 (5) to discuss the matter delineated above. Commissioner Gonzales seconded the motion which passed upon unanimous roll call vote Commissioners Campos, Trujillo, Gonzales and Sullivan all voting in the affirmative.

[The Commission met in executive session from 3:50 to 5:00.]

Commissioner Trujillo moved to come out of executive session having discussed only the matter outlined in the agenda, and Commissioner Sullivan seconded. The motion passed by unanimous voice vote.

COMMISSIONER SULLIVAN: We finished the presentation, Katherine, on the budget? Is there anything else that you or Estevan need to present to the Commission.

MS. MILLER: Mr. Chairman, I'm complete with my presentation unless there's any area of the budget that the Commission would like addressed as far as special revenue funds or—there is one issue that I did want to bring up as far as debt service, just for the Commission to be aware. Our debt service on GO bonds will go up about a million dollars in fiscal year 2003. That will be spread out over the entire property tax base, but I bring that up

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because we brought in two new bond issues, the \$8 million open space and the \$8.5 for Public Safety and Public Works. I just bring that to the attention of the Commission because when tax bills come out in the fall, there will be an increase, not in operational, but in County debt.

It will be minimal per thousand. We won't know what that is until we send that schedule into DFA but I just wanted to note that for the Commission and that it was based upon elections held last year or the year before.

COMMISSIONER GONZALES: I have a question.

COMMISSIONER SULLIVAN: Commissioner Gonzales.

COMMISSIONER GONZALES: On the capital, and this is completely different, but I just wanted to provide direction on the new building that's going to be dedicated on July 1st I guess or whenever it comes to be.

MS. MILLER: Public Safety?

COMMISSIONER GONZALES: The Public Safety Building. I wanted to ask that on the 28th that we allow time for the naming of the building, to rename, up for consideration to the Commission to rename the Leo Gurule Building from where it currently is as a Public Safety, for the name to transfer with the new Public Safety Building. I just want to bring that to the Commission for consideration and evaluation. But we named the existing Public Safety in honor of Leo Gurule who was killed in the line of duty. And I think it's only fair that his name travel with the new Public Safety Building. And I don't know what that would mean to the old one. It may be that that frees that up or there's two or whatever it might be.

MS. MILLER: You'd like us to bring that forward on the 28th.

COMMISSIONER GONZALES: On the 28th when you come back with the rest of the budget issues and the naming of it, so we can get that—Thanks.

COMMISSIONER SULLIVAN: So what are the wishes of the Commission in terms of direction to the staff regarding the fiscal year 2003 interim budget? Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Chairman, I think we need to look at the FTE increases, the 17 positions and see if we can address those more effectively by 5/28, by the next regular BCC meeting, see if we can look at those for saving a little bit of money.

COMMISSIONER GONZALES: Mr. Chairman, along those lines, I could probably provide direction to the staff to come back with a reassessment of FTEs and see if there are any additional cuts that can take place.

COMMISSIONER SULLIVAN: Is that a motion from Commissioner Campos, seconded by Commissioner Gonzales? Is there discussion on the motion? Hearing none, all those in favor say "aye."

The motion to assess the FTEs presented in the interim budget passed by unanimous [4-0] voice vote.

COMMISSIONER SULLIVAN: Are there any additional items? Seeing none—

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COMMISSIONER GONZALES: Wait, wait, wait. Are we voting this on the 28th or did we already vote on it in its entirety?

COMMISSIONER SULLIVAN: The 28th.

COMMISSIONER GONZALES: Oh, I thought we were just going to vote on the FTE package.

COMMISSIONER SULLIVAN: We'll vote on the whole thing the 28th.

MS. MILLER: Mr. Chairman, I would like to request that if there are any other items that we did not include in this budget that you need in this budget aside from us addressing going back and looking at the FTE requests and cutting some of those, I would like that direction now, if there's anything additional, because what we bring back on the 28th needs to be in final format for submission to DFA.

COMMISSIONER SULLIVAN: So I think what Katherine is saying is don't come back with any increases on the 28th.

COMMISSIONER GONZALES: No changes to the budget basically.

MS. MILLER: So if there are any other requests—

COMMISSIONER SULLIVAN: No other cuts. No other additions, I think is what you're asking.


MS. MILLER: Yes. That's my basic question.

COMMISSIONER SULLIVAN: I think we need some cutting, not some adding.

ADJOURNMENT

Vice Chairman Sullivan declared this meeting adjourned at approximately 5:05 p.m.

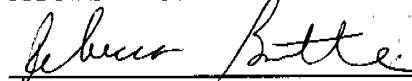
Approved by:


Board of County Commissioners
Jack Sullivan, Vice Chairman

Respectfully submitted:


Karen Farrell, Commission Reporter

ATTEST TO:


REBECCA BUSTAMANTE
SANTA FE COUNTY CLERK

