

COUNTY OF SANTA FE ) BCC MINUTES  
STATE OF NEW MEXICO ) ss PAGES: 43

I Hereby Certify That This Instrument Was Filed for  
Record On The 13TH Day Of July, A.D., 2006 at 10:55  
And Was Duly Recorded as Instrument # **1441905**  
Of The Records Of Santa Fe County

Deputy *Valerie Espinoza* Witness My Hand And Seal Of Office  
Valerie Espinoza  
County Clerk, Santa Fe, NM



**SANTA FE COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
**SPECIAL BUDGET MEETING**

**June 19, 2006**

- Virginia Vigil, Vice Chair
- Mike Anaya
- Paul Campos
- Jack Sullivan
- Harry Montoya, Chairman [telephonically]

**SANTA FE COUNTY**  
**SPECIAL MEETING**  
**BOARD OF COUNTY COMMISSIONERS**

**June 19, 2006**

This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 3:42 p.m. by Vice Chair Virginia Vigil, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

Roll was called by County Clerk Valerie Espinoza and indicated the presence of a quorum as follows:

**Members Present:**

Commissioner Virginia Vigil, Vice Chairman  
Commissioner Paul Campos  
Commissioner Jack Sullivan  
Commissioner Mike Anaya  
Commissioner Harry Montoya, Chairman [telephonically]

**Members Absent:**

[None]

Upon motion by Commissioner Anaya and second by Commissioner Campos the agenda was unanimously approved as published. [Commissioner Montoya was not present for this action.]

**IV. Discussion and Possible Action on FY07 Interim Budget**  
*[Exhibit 1: Supporting Material]*

GERALD GONZALEZ (County Manager): Madam Chair, Paul Griffin will be covering the details of the budget items and he's going to begin with a review of the actions that we need to move forward, and then of course down the road we'll be dealing with infrastructure financing because as you know, capital financing projects and

programs intersect with the budget process so it's an aspect of what we'll be discussion today. With that, I'll go ahead and turn it over to Paul Griffin, who I think will be taking the lead with respect to the discussion on the budget.

COMMISSIONER VIGIL: I believe the chairman has just joined us.  
Chairman Montoya?

[Commissioner Montoya joined the proceedings telephonically at 3:45.]

COMMISSIONER MONTOYA: Yes. Can you hear me?

COMMISSIONER VIGIL: Yes. Can you hear us?

COMMISSIONER MONTOYA: Yes, I can hear you.

COMMISSIONER VIGIL: Thank you for joining us. We have actually called the meeting to order. We are under item 4. Discussion and Possible Action on FY07 Interim Budget. Our County Manager has just turned the meeting over to staff with regard to that. The only thing we've done prior to your coming is approval of the agenda and roll call. Thank you for being here.

Just before staff begins the discussion I'd like to recognize Judge Jim Hall. Judge Hall, thank you for joining us and I think you also have court personnel with you.

JUDGE JIM HALL: Here with me is Steve Pacheco.

COMMISSIONER VIGIL: Welcome, Steven. Thank you for being here.  
Will you be wanting to address the Commission at all, Judge Hall?

JUDGE HALL: I'm really here just to observe and to check on the status of the judicial complex. I'm just her to answer any questions.

COMMISSIONER VIGIL: Thank you. Okay, we'll turn it over to staff.

PAUL GRIFFIN (Budget Administrator): We're here today in part to look at the budget as it stands now and as it will evolve very soon into the final budget, what we sometimes call the original budget for fiscal year 2007. We'll walk through this handout that I have, page 2 here. Again, today we're reviewing the 2007 budget. If there are any changes that are desired to be made to that you're certainly welcome to propose those changes

By June 27, that's a week from tomorrow, the changes are going to be incorporated into the budget and that budget is going to be rolled over for a database for 2007. As of July 1, we will begin to cost against that budget so it's important that we have the changes made before that date. So I intend to roll the database actually early on the 28<sup>th</sup> of June. If we make changes to that then they'll be made by means of resolutions and budget amendments, BARs.

Technically, we have until July 25<sup>th</sup> for formal Board of Commission adoption. That is because the submission of the final budget to the state is not due until July 31<sup>st</sup>. The reason for that is that we need to know some actual amounts in regard to how much cash we have in funds and so forth and so on and we'll not know those numbers until about the 15<sup>th</sup> of July. So for those accounting purposes the state does not require the final budget to be submitted until July 31<sup>st</sup>, but we will have a budget in place and be costing against it as of July 1<sup>st</sup> this year.

Page 3. Just to go over again the changes that occurred from 2006 original budget to the 2007 budget as it stands now. We'll talk more about the general fund. The general obligation bond debt service has a \$5 million increase because the new bond for water and roads has a \$4.5 million payment in the first year. That really ramped up the amount

of debt cost that we have for fiscal year 2007. Those are general obligation bonds. Those are the money or the revenue from that derives from property taxes, over and above property taxes for general operating purposes.

The jail operations fund is up \$1.7 million, that's the enterprise fund that runs the adult facility, the youth facility, electronic monitoring. More than half of that amount of money will be derived through care of prisoners revenue. About \$500,000 of that addition will come from the general fund this year. The detox program's fund, we have the sobering center which anticipates the beginning of operations, so the change in that is up \$500,000. The enterprise water fund is up \$400,000-plus because of some capital projects that they're involved in.

The EMS/Healthcare fund is up \$284,000. This is one of the two funds, EMS/Healthcare and Indigent fund, that there are some budget issues that are of concern to me in regard to our ability to continue funding the programs that come out of those funds. And we'll talk more about that too. But the overall change is a little under \$300,000, because we scaled back in the EMS/Healthcare in regard to the expansion of that fund, because we simply don't have any more cash or any other kinds of revenue to keep that fund from increasing any more than that amount.

The fire tax/one quarter percent fund, is way down because there were significant capital expenditures this year and they're not anticipated, at least not yet, in the fire tax/one quarter percent fund for next year. Bond proceeds fund, many or several of our bond proceeds funds are simply unbudgeted as of yet because we need to know carryover costs and they're in the middle of projects. We will not know those until July 15<sup>th</sup>. Those funds generally get budgeted by means of resolution once we know the carryover and the cash involved with those.

And everything else, out of \$32,000, there's \$1.3 million and there's about 45 items there and I won't try to even detail that.

Page 4, we'll look at the general fund because that is the important fund, at least from my perspective, because that derives its revenue, 75 percent from property tax and about 12 percent from gross receipts tax, and then everything else that comes into the fund, fees and everything else, accounts for the remainder, which is about 12, 13 percent of that fund.

This year we have a 1/16 gross receipts tax that became effective January 1<sup>st</sup>. We will collect an entire year of that. I have set that money aside until we decide what we're going to do with that. We're going to look at this budget and the expenses out of the general fund, and also out of the jail fund this year to see how we go for the first three or four months before we make a decision on that because we want to make sure that we can meet our obligations to the general fund.

Also there are various purposes for which that set-aside has been announced that it will fund and all of those decisions will be made during the course of the fiscal year.

The capital package is up about \$400,000. Most of that has to do with Public Works, heavy equipment that we're buying through return of front-end money that came from the general fund and now is being refunded to the general fund and we decided to use that money for heavy equipment for Public Works, continue the road programs.

The community service is essentially the senior program that had to be moved from the EMS/Healthcare fund back to the general fund because of the problems in the

EMS/Healthcare fund. And so it's in the general fund now and it represents a \$325,000 hit on the general fund that we haven't had before. Human Resources has a \$277,000 increase. We have a 42 percent increase in County employees from 06 to 07 because of the assumption of the jail, mainly, and so we have hired a number of Human Resources people to deal with that. At first we hired those people to work in the jail and now they've come back over to Human Resources and centralized.

Animal Control – this says administration/enforcement/animal control, that's the Sheriff. They're up \$275,000, half of that is gasoline, increase in gasoline expense. The other half is just normal, what we call escalation. That's just the increase in costs of everything and out of a \$7 million budget that's very nominal escalation.

Fund transfers out, again, we're going to send \$483,000 to the jail fund. There is some money were not going to send over to other funds this year so that mitigated that down to about \$221,000. That's the change from the 06 budget.

County Manager administration has an addition of three employees, and we'll get into these employees and where they came from down the way here.

Legal has three employees. Legal took on contracts and two of those three employees are associated with the contracts, another one has to do with the attorneys and legal work done there.

Solid Waste took on two new employees, and they also had significant gasoline expense. Information Technology took on three employees, two of which were working out at Corrections for the jail and now have been absorbed into Information Technology. If they were out in Corrections before, they were being funded in another fund, although that's – I can say that but we're still topping off the jail fund with general fund transfers so it's still from the general fund.

All other organizations account for \$17.5 million of this \$46 million budget have a sum change of \$364,000 – many, many different changes.

Page number 5. This is what the general fund funds. Someone was asking me, well, where can we make reductions in the general fund? I thought, well, I need to show what the general fund is now funding and what kind of programs it's now funding. The general fund budget is all baseline in 2007. We have not made any big additions to the general fund programs, no new services, no expanded services. It's all a baseline budget. So if cuts are made in the general fund, then you get to pick and choose from these particular services dealing with the infrastructure, dealing with elected officials or dealing with straight services that we provide from the general fund to the community. You get to pick among those what you want to reduce in terms of the amount of effort being conducted by any of those organizations.

Next page, number 6. This is what happened during fiscal year 2006. I didn't add up the numbers here – I've got 13 people here that came into the general fund budget in 2006. You can see the resolution number under which they came in and these are all people that the Board's already voted on and these people have been hired and they exist in the budget. They're not proposed to come on in fiscal year 2007; they're already there because of actions that have been made during the fiscal year. We did bring some people in from Corrections again and those have been added to the general fund as well.

Page 7 is exactly the same page that you received in the workshop in May. Again, it's what I call a rolling staff list and these are people that are scheduled in the budget to

come be hired in the County, at least the ones that are shaded with color are, and the yellow-shaded people are scheduled to come on – they were originally scheduled to come on in the fiscal year 2006 budget and we have held them off and we are budgeting those people to come on during the year in 2007. In addition to the 20 requests we received for additional people in the general fund, the orange or pink-shaded positions are scheduled to come on during the fiscal year 2007. We have budgeted only for during fiscal year 2007 time frame. You cannot add up the annual costs of these people and say if we cut this and this and this we're going to make this much money for 2007 because you have to prorate it against the time these people are scheduled to come on in 2007.

There is a total of about \$280,000 for all of these people or set aside for when they come on and they will come on by means of a vote by the Board during the year, by means of resolutions. The positions that do not have shading were positions that were asked for for fiscal year 2007 and they just did not make the list of people that we have in the budget that are coming on.

Notes and issues, very similar to what you had before. The general fund budget consists of baseline budgets. Decreases in these budgets will result in decreases in current services. There is nothing added to the general fund budget. If you want to go out and find additional money in the general fund budget that has not been budgeted about the only place I can think of is the 1/16 cent GRT set-aside. That's set aside because we wanted some serious discussion about the use of that money. We actually, from a financial standpoint, wanted to wait until we saw how things were going with our finances before we committed that money.

There are \$6 million in new and expanded service general fund budget requests not in this budget because we simply did not have money to do it. Much of the increase in this budget came about because of actions that were committed and performed during fiscal year 2006, so if we develop new programs and fund new initiatives during the year, we're going to get to a budget cycle for 2008 and lo and behold, the money will have already been spent. That's not good news because the budget cycle, in the springtime where we develop a budget for the next year and is a time when people warm up to wanting new services and new programs or expanded services and we'd like to budget it then, at least we'd like to be able to tell everybody that that money is available, but in the case this year that money was pretty well soaked up by actions that were taken during the year.

The most significant 2007 budget issue is the continued ability of the County to fund the array of health and emergency services defined in the Sole Community Provider and MOA agreement, solely from GRT and EMS/Healthcare and Indigent funds. We've reached the ability to even fund the SCP from taxes, notwithstanding the historical funding of at least part of the Fire Department from that GRT. The budget revenue and expense of the Corrections program, now all operated by the County, are going to require continued scrutiny in order to maintain financial stability. I took a lot of time this spring going through the Corrections budget and try to bring it down to the point where it would not become a substantial budget issue for 2007. I hope I'm right. If I'm not right then that's where we look at additional funding out of the general fund and I'm hoping that everybody will behave and we will come out right on that. But we do need to look at it continuously.

Page 8a, which I just threw in to show you the St. Vincent's MOA budget impact. You can see where we were in 2003 and what the MOA was for, the array of services that was spelled out in the memorandum of agreement with St. Vincent's Hospital. You can also see what is spelled out in the latest agreement, which applied for most of 2006 and until we get a new agreement, applies to the 2007 budget. My main concern is that we have spread the amount of services, we have redefined the services that are flowing out of that agreement to the point where we're to our limit of our capability of even funding it through taxes and we have no extra money to fund the traditional things that we have funded in the past, namely fire.

So this fund has my real concern as I have told the County Manager. This trail is so well beaten and I've tried to tell everybody as much as I could about this and repeat it and repeat it because it is a serious problem. In fiscal year 2008, if we do nothing and let this run until 2008, we will be in probably \$1 million problem with absolutely no ideas as to where we're going to get that revenue from. We will have to cut back services. So we need to look at it and look at that entire St. Vincent's MOA program. After fiscal year 2007, there's no more cash in either the EMS/Healthcare fund or the Indigent fund. We have been running deficit budgets for four years using up cash that we should have used up. It was a conscious decision that we made, but we're really to the end of that line now. The Sole Community Provider program has really risen rather startlingly in the last three years. So we need to relook at all of that.

Strategies for the future, they're really not that much different than I gave you before. I've already talked about Sole Community Provider and MOA agreements. We need to bring those under control and have them attainable within the current taxation that we have on those two fronts. We need to broaden the base of the fire excise tax. This has been discussed already and to widen that to the entire county and that would provide funding for the emergency communications center. It would also benefit the City. It certainly would benefit our Fire Department too.

Number 3, it's my own belief that Bernalillo County, hurting as they are, in regard to the operation of their jail, will be before the legislature to expand or to get enabling legislation to increase the GRT for Corrections. If they do, then we should be behind them in line to propose that because Corrections will again become a problem to us in 2008.

Then finally, the last item is to look very seriously at the County and its ability to provide service and more importantly, its ability to expand services or to create brand new services that we haven't had before, and what our revenue ability is to sustain this kind of growth. Right now, as I say, in 2007 I don't have any money to sustain growth or brand new services. So I look askance at anybody who recommends new services because I don't have the resources to deal with it.

So that is what I have to say about it. I would be very, very careful about increasing this budget. In the general fund you almost have to take money away from somebody to create it for something new. Or make the decision to use the set-aside that we have in regard to the 1/16 GRT. And I don't think it's time to do that yet. I think we have another three to four months before we should look at that for any purpose right now. Any questions?

COMMISSIONER ANAYA: Madam Chair.

COMMISSIONER VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Paul, page 5, for example, the first one that says Human Resources, it's plus \$276,00, is that --

MR. GRIFFIN: Yes, they went up \$276,000 this year, and as you look at the last page, you look at the page before it says \$277,000. I'm sorry. I didn't look at the page before it so I rounded off the wrong way. That has to do with the additional employees in Human Resources because of the growth of County employees since last year.

COMMISSIONER ANAYA: So all those are increases.

MR. GRIFFIN: Yes. These are increases. There are a couple with decreases and they have reasons. Let me give you some reasons for increases. I should explain this a little bit. Human Resources, obviously, is because of the growth of County employees. They did assimilate some people from Corrections. Corrections had its own Human Resources organization for a while and now it's all centralized into Human Resources. The Manager took a position out of the Commissioners' budget, it has to be the strategic planner, so of that \$201,000 increase, \$96,000 of it at least comes from the Commissioners' budget. Notice the Commissioners went down \$96,000 and the Manager went up \$201,000. So that's where that comes from.

Legal has a similar tie with Finance. Legal took over the contracts with two people and you can probably figure about \$60,000 or \$70,000 for those two people. That came from the Finance budget which shows a minus \$18,000 in 07 versus 06, mainly because those positions went over to Legal. But I decided not to make little adjustment here and there because I wanted to state what was in the budget. But they do have explanations.

COMMISSIONER ANAYA: Okay. Where does the money budgeted for the water and wastewater projects?

MR. GRIFFIN: Water and wastewater is budgeted primarily in the capital outlay GRT fund. And 75 percent of that \$9 million budget in fiscal year 2007 is earmarked for water and wastewater projects. Half of that has to be regional, half of it is supposed to be county. That is generically budgeted. When I talk about a generic budget I recognize the revenue and I simply set for the expense without really knowing what it's going to be used for. It's put in an "other" category, whatever, and during the year, when the projects arise and the money needs to be spent then that will be brought to the Board and the Board will recognize it and we will make a budget adjustment specifically to a project that is associated with water or wastewater. But those are what we call generic budgets.

COMMISSIONER ANAYA: So how much is in that?

MR. GRIFFIN: A total of \$9 million of which 75 percent is water and wastewater. Another 15 percent is open space. So figure \$1,350,000 for open space, \$6.75 million I think it is for water. And then the rest is divided between roads and simply infrastructure, buildings. And we generically budget of that last ten percent, five percent for roads and five percent to the infrastructure.

COMMISSIONER ANAYA: So you're saying \$6.75 million for water and wastewater projects. Is that regional or is that county?

MR. GRIFFIN: Half of it is regional, half of it is county.



COMMISSIONER ANAYA: Of the \$6.75.

MR. GRIFFIN: Yes. That was enabled through the ordinance passed by the Board when we started the capital outlay GRT. I have a lot to say about that.

COMMISSIONER VIGIL: Thank you, Commissioner. Any further questions. Commissioner Montoya, do you have any questions?

COMMISSIONER MONTOYA: I guess maybe not a question but a concern is with those new FTEs that are being projected, I guess based on what I just heard, is it critical that we continue to fill those positions and create those positions or should we hold off to see where we're at maybe a year from now?

MR. GRIFFIN: We have held off the yellow highlighted positions. You don't have a list but if you have your old one from the May workshop, it's the same list. But the yellow highlighted positions, there are maybe 11, they were held off all through the fiscal year 2006, because they were originally placed in the 2006 budget and we didn't bring them on. We have another six positions listed from requests for 2007. And if you don't have the list, those 2007 consist of an affordable housing specialist, a land use code enforcement officer, a parts clerk in the Public Works Department, a database administrator in IT, a maintenance specialist in building in PFMD, and ten temporary election workers, which I kind of think is a given because we are going into a general election.

COMMISSIONER VIGIL: Any response, Commissioner Montoya?

COMMISSIONER MONTOYA: Well, I guess I'm still waiting for a response to my question. Do we continue to fill the ones that have not been filled that are being projected, or do we hold off?

MR. GONZALEZ: The earliest positions that would be filled are scheduled for September, so I think that would give the Commission an opportunity to step back as we move through the initial part of the budget process, take another look sometime in August and see where we are. Obviously you would have the authority to be able to postpone filling those positions, the ones that are slated. Of the ones that are currently slated for filling, six of those would be filled, the earliest would be September 1<sup>st</sup> and then the remainder wouldn't be filled until January 1<sup>st</sup> of this coming year. So if, after looking at the list and looking at the budget and how we're moving forward, the Commission decided they wanted to postpone filling all or any of those ten positions, they could do that.

COMMISSIONER MONTOYA: So we'll have that opportunity by September?

MR. GRIFFIN: Yes, you certainly will. They're not scheduled to come on until September, so you can make whatever decision you want about them between now and then.

COMMISSIONER VIGIL: Commissioner Campos, I saw your hand, and then Commissioner Sullivan.

COMMISSIONER CAMPOS: Question for our County Manager. I assume that none of these positions will be filled unless before September sometime unless the County Commission affirmatively says, yes, we want these positions filled?

MR. GONZALEZ: I believe they've already been authorized but you would still need to say step forward and fill them.

MR. GRIFFIN: If I could get in, because the true answer here is money has been set aside for them to come on that date, but the position by title has not been written into the budget. So these would – I think the Board does pass on positions by title and if that is so, then you have the opportunity to do that.

COMMISSIONER CAMPOS: Because I would prefer that discussion, that we presented at a County Commission meeting the proposal so we can rule on it.

MR. GONZALEZ: And that's no problem. We would have done that in any event. Three of those positions, by the way, I just would point out are sort of statutorily driven, either by federal or state law, is my understanding. Two of the County Clerk positions and then the County Sheriff's position, the two voter information specialists and the one sexual predator enforcement officer are driven as I understand by either state or federal law.

COMMISSIONER CAMPOS: Can we double-check to make sure that they are required?

MR. GONZALEZ: We'll be glad to do that although I know the Sheriff has been very vocal about indicating that he's being required to provide the sexual predator registration, but we will double-check that.

COMMISSIONER CAMPOS: Okay. Thank you.

COMMISSIONER VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I think that's good to be able to look at each of these as they come up. I think we need to give some direction in advance though because very often the notices go out and the advertisements go out and then they're presented to us and it's almost a fait accompli so there may need to be some change in the procedure.

Gerald, what happens – there's no date on these six additional FTEs in addition to the ten that are waiting in the wings for 2007. When are they going to be brought in? Or be proposed to be brought in?

MR. GRIFFIN: I didn't put a date down. I think that they're set for March of 07. They're off in the future.

COMMISSIONER SULLIVAN: There were some dates on May –

MR. GRIFFIN: Were there dates there? I don't know what I did.

COMMISSIONER SULLIVAN: There are some dates in the May one. I don't know if those are still applicable. I'll read them to you. Under the Manager/affordable housing was September 1, 2006.

MR. GRIFFIN: Oh, really. Okay.

COMMISSIONER SULLIVAN: The Clerk positions, then of them, was October 1, 2006. The Land Use was February 1, 2007. Public Works parts clerk was February 1, 2007. PFMD database administrator was February 1, 2007, and PFMD maintenance specialist II was February 1, 2007.

MR. GRIFFIN: Thank you.

COMMISSIONER SULLIVAN: If that's still the plan for those.

MR. GRIFFIN: I imagine that is if you have those dates down. That's great. Evidently I didn't preserve it in my file. I probably wrote them down and didn't get them in.

COMMISSIONER SULLIVAN: And I would also ask that we look at both the Sheriff's staffing and requirements and the Clerk staff and requirements. If we look at this list of increases over just the year we've got an \$83,000 increase in recording. We've got \$51,000 increase in elections. So that's \$134,000 in the Clerk's office and the Sheriff's office is \$275,000. So they're among the highest of all the increases in a single year. So I think we need to take a hard look at those and perhaps back off on some of those FTEs until the future.

The one other question I had, Madam Chair, and Mr. Chair in absentia –

COMMISSIONER MONTOYA: I'm here.

COMMISSIONER SULLIVAN: Is I think we need to begin to bite the bullet and provide operations funds for the Vista Grande Library and I don't see that in the budget. Of course the first thing Paul asks is, that's fine; where do I get the money for it? And I say you get it from some of these 16 FTEs. The only thing we don't fund a portion of is – although we fund all of our senior centers, we have also a library that we operate and they're running on fumes out there. They're sustaining it with fundraisers which is good. They got a little construction money from the legislature this year which is good but we really need to program in a basic operating budget for them and it's really not a major item. We're looking at something on the order of about \$25,000 to sustain just the normal increase and that's – their operating budget out there I believe is more than \$100,000 a year.

So I ask the Commission to think about that as well. It's an area that we've just left on its own but it's grown. They're a victim of their own success. Their outreach has become extensive and the time has come I think to begin to fund that with some level of sustainable, predictable operating funds. Thank you, Madam Chair.

COMMISSIONER VIGIL: You're welcome. Any other questions?

COMMISSIONER MONTOYA: Madam Chair, how much was that again, Commissioner?

COMMISSIONER SULLIVAN: I was recommending \$25,000, which would be, my understanding, less than a quarter of their actual annual budget. The rest comes from voluntary contributions and book sales and a number of other sources, none of which are the County.

COMMISSIONER VIGIL: With regard to that, unless there's any other comment – were you wanting to comment on that?

MR. GRIFFIN: Yes, this is tough because my wife is a librarian. What the heck. The pure, cold equation's concern from the finance side, the question I asked myself when this was first proposed is, this is one library in one particular location in the county. There must be – I don't know how many libraries in this county, and if I do it for one am I going to have \$25,000 times however many libraries we have in the county. \$25,000, hey, I could work that in from a finance standpoint, but is there going to be a line behind you asking for their \$25,000? That's my main, pure, cold equation financial standpoint on it. I think it's a great purpose. I really do.

COMMISSIONER VIGIL: I would just comment that I would be concerned about isolating one particular service in the county for operations when there are so many other valuable services in the county, both health and human services that as deserving and perhaps even as needy. I'd like to get creative with regard to helping

Eldorado because the infrastructure that has been created out there has been through the legislature and the County and they've achieved quite a bit through their volunteer program. It would be nice to be able to fund them through some kind of operational funding.

The issue that I see is once we start doing that do we cross over the line as to whether or not these are County employees, and if they are, do we incorporate them into our County FTE system I'm not real clear on that. I know that other agencies that we've been able to help similarly to the Vista Grande Library, such as La Familia Medical Center handle their operations independent of the County. They are just as worthy and they provide a service to the community. So I'm not real clear whether or not we could actually cross over that line to provide operations funds for services that are provided throughout the county.

I know that we don't have difficulty with capital because that usually funnels through the legislature and the legal parameters are real clear on that. I'm not real clear on the operations. Commissioner Sullivan, I think you want to respond to that.

COMMISSIONER SULLIVAN: I think, Madam Chair, it's a valid question and I think we've worked that out already in the past through the funding that has been done through the Commission's discretionary funds. We've been able to fund programs which include after school reading programs and summer reading programs for the children, and we've done that on a contractual basis with the library. And it's true we have a lot of needs. La Familia is one of them. Last year we funded La Familia over \$600,000. So I think we're doing our share there.

I think \$25,000 is pretty small compared to that but it's hard to compare healthcare services to library services and apples to orange. But I think it is the only facility, the only County-owned facility that we do not fund any operational funds for. All the community centers we fund operations for. Every other facility that Santa Fe County owns, it provides some level of operational funding for except that library. There are no other libraries in the county that Santa Fe County owns. There are obviously other libraries in the county, but that makes this one quite a bit different I think. We have an obligation. We birthed it and I don't think we can just abandon it in a parking lot somewhere. So it's a modest request I think and I'd ask folks to give some thought to it.

COMMISSIONER VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: Well, just briefly. It seems that we're to the point where you have to start saying no seriously to a lot of projects. We get thousands of projects which are all worthwhile, which all have merit, but we can't fund them all. We've got to look seriously and we've got to start thinking about where are we going to draw that line. If you start adding \$25,000 and \$25,000, 50, 60 times, it adds up to a lot of money. So I know you're adding it once but you've added a lot of other things to it and we've got to look at the big picture, and I am concerned about adding \$25,000 here and there, because it all adds up. There's going to be no end to good projects that we want to fund, but we don't have the resources. We have to understand that.

I think the County Commission discretionary fund we should look at seriously. There's \$200,000 that I think the Commission should spend together on some serious things that we need, like certain positions or certain equipment that we need. I think it's

being used very ineffectively. So I think we have to look hard at that. Thank you, Madam Chair.

COMMISSIONER VIGIL: Thank you. Commissioner Montoya, do you have any comment on the Eldorado Vista Grande Library request for operations funds of \$25,000. Commissioner Montoya.

COMMISSIONER MONTOYA: Well, I guess I would be the first one in line right behind Commissioner Sullivan because I'm using the discretionary fund now to fund the Pojoaque summer recreation program to the tune of about \$20,000. That's certainly a program that has been going for probably close to 20 years if not more, that I think is being sustained right now through that discretionary fund and I think that would be one program that I would like to see continued if we're going to consider doing rather than using the Commissioners' discretionary fund.

COMMISSIONER VIGIL: Okay. Any other response to that?  
Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, Gerald, where are we in terms of working with the Town of Edgewood on their wastewater system? Have we done anything with that? I know that they're starting to talk about that now and I'd like to see if we could maybe help them out.

MR. GONZALEZ: Madam Chair, Commissioner Anaya, the last that I know of is the appearance they made before the BCC where we had the long discussion about what the requirements would be for partnering with them and we laid out, I think, a list of criteria that would need to occur before we could do that, part of the issue being getting County benefit with regard to the project. Same issues that arisen with other projects like La Cienega water system and Eldorado, with respect to the water and sanitation district. So I think Legal has outlined what the requirements are and so far, nobody has come forward from any of those three entities and stepped up to the plate, so to speak with respect to fulfilling them.

There is one agreement that's moving forward as I understand. I think that's Chimayo. I've forgotten where it is but there is one system up north that is agreeing to the conditions that the County has set.

COMMISSIONER ANAYA: Thank you. I'll get with them and talk with you again so we can get those ironed out.

MR. GONZALEZ: Okay.

COMMISSIONER VIGIL: I think we do, as Commissioner Campos brought up, need to discuss the issue of discretionary funds. If they are a part of the interim budget. I believe there is \$200,000. Is that the correct allocation?

MR. GRIFFIN: That is correct. That's \$40,000 for each Commissioner.

COMMISSIONER VIGIL: And there has been some discussion with regard to that. I'd like to poll each one of the Commissioners on this with regard to their position on the discretionary funds. Would anyone like to start with that, their position on it? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Madam Chair, I think it works well. I just allocated – it will be coming up in the next Commission meeting \$13,600 for the commuter transit project in Santa Fe County through the regional transit district. I think that's a good countywide initiative. There are other uses that I think we've been utilizing

the funds for, the largest one has been the Vista Grande Library. Just like Commissioner Montoya's Pojoaque summer recreation program, I think these are excellent investments. I think we can tighten our belts. In the past we've approved every FTE that the staff has brought forward. No one has wanted to be the bad guy or gal. I think it's time to tighten our belts. And it's time to say what are some of the more cost-effective things that we do and things that directly impact the public. I consider youth activities to be right at the top of that list or very close to the top of that list. That's how I evaluate them and that's why I think I get pretty good value for the dollar in terms of public services that I have control over but I think the public needs to understand also that these are also subject to a) legal scrutiny for legality, and b) to Commission approval.

That transit item will be on the next Commission agenda. Even though it's discretionary funds it's there for Commission approval. I think with that small section of the budget words pretty well and pretty smoothly, quite frankly.

COMMISSIONER VIGIL: Thank you, Commissioner Sullivan.  
Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Madam Chair. I strongly support the Commissioners' fund. I also am going to have on the agenda a lot of the money that I have is going to go to purchase some property in the southern part of Santa Fe County for a 4-H facility, so if we wouldn't have had that money there then this property would have gotten away from us and we are currently in negotiations with this. So I strongly support the money that is coming to the Commission. There's a lot of other things that I've used this money for and not had to come and ask the Commission. It is there at our discretion and sometimes we need money now and fast and that gives us the ability to use that money. Thank you, Madam Chair.

COMMISSIONER VIGIL: Thank you, Commissioner Anaya.  
Commissioner Montoya, your position on discretionary funds.

COMMISSIONER MONTOYA: I agree with what Commissioner Sullivan and Commissioner Anaya said. I think it's certainly something that has been utilized in my district and also when some other countywide projects that otherwise I wouldn't be able to assist even in a small way. I think that given the history of the past I think we're probably about as low as we've ever been with the discretionary fund at \$40,000. I think \$25,000 was the least that we had since I've been on the Commission. It just went up to \$40,000. If there's other ways that we can find to fund some of these projects, the acequias and summer recreation and those sorts of things that are coming out of my discretionary fund then I'd be willing to take a look at where we're going to continue to fund those types of projects. Otherwise I think the way it is being handled right now is working for me.

COMMISSIONER VIGIL: Thank you, Commissioner Montoya.  
Commissioner Campos.

COMMISSIONER CAMPOS: Madam Chair, thank you. My position simply is that it should be eliminated and we should use it for example, to hire FTEs. Commissioner Sullivan said, well, let's cut back on FTEs and let's continue the expenditures that we all do every year for different charities or different purposes but an FTE is a person who's actually on the line producing a service that is necessary. And the reason they're on that list is because there's a lot of demands being made on different

departments and our departments and employees aren't able to deliver the services. And we're behind. It's not like we're way ahead. There may be some FTEs that could be shifted around. Maybe some could be eliminated. Most of these are needed.

These new positions and you know there's demands for these FTEs. And government is supposed to provide certain services and instead we're using this money like we're giving away candy because we're Commissioners. It's a kind of a political agenda more than anything else. It's all spent on districts. It's all spent in small ways. It doesn't have the impact. It's not efficient. And I think it's wrong. The taxpayers said here's the money. The County Commission is responsible for doing something good for the County. Do it focused. Get the job done. We're not doing it. We're wasting some money. Thank you, Madam Chair.

COMMISSIONER VIGIL: Thank you, Commissioner Campos. And I'll just state my position on it. I think your position is altruistic. I don't believe that we're receiving candy for these services. What it's able to provide and how it's able to fill the gaps for the needs of our constituents is I think critical to them. We are currently a Class A county and as a Class A county the needs, and this has been processed to us numerous times, the needs of our County, we haven't been able to catch up with and that will only continue. Since the 2000 Census there are more people in the county than there are in the city and that is not going to change.

The issues in rural communities are different than the issues in urban communities. I think this provides an opportunity for us as representatives of our constituents and actually first responders. I know that many of the departments within the County receive many complaints on the roads issues, on graffiti, but those complaints start and come to us usually and we are elected to represent our constituents in our districts and to be able to be responsive to our constituents in our districts' needs. I think probably though, my only concern would be, and I would pass this task on to staff, that we are able to identify, either through process or through the scope of service or through funds wherever we can to make sure that these transactions do pass legal muster.

I had constituency services, Rita Maes, do a little bit of research on this since the issue received some publicity and most of the counties, San Miguel, San Juan and Dona Ana in particular do provide discretionary funds for the Commission. I don't believe Bernalillo County does but the remainder of those counties do and they've had to define and clarify how those funds, where they're actually received from and how they get distributed. And I think San Juan County actually gets their funding from the PILT funds and the remainder of the counties get their funds from the general fund. But there are several benchmarks that I think would be critical: where those funds come from, where they are placed, how they are defined and within what scope can we disperse them within legal muster.

So I would defer this project to staff so that as we do move forward with any discretionary funding that we be able to clarify it and define it within my recommendation. Is that understood, Gerald, clearly? Any response from Legal or Gerald if they have any.

MR. GONZALEZ: I guess I would want to know from a staff's standpoint is the task to come forward with a recommendation about how to use the funds and

screen the use of the funds, or develop a pathway in terms of contracting? Am I on the right track here?

COMMISSIONER VIGIL: I think we do need to look at procedure but I also want to make sure that we're using appropriate funds for appropriate purposes and make sure that that legal benchmark is met. And once we're able to identify where these funds will come from and how they get dispersed I think we should be able to have some definitive parameters as to how they're dispersed to make sure that all the transactions that occur are legal.

MR. GONZALEZ: Okay. I think I have that. At least I'm going to try to put my hands around it a little bit. What we'll do in the Manager's office is work with Legal, perhaps come forward with a memorandum or some guidelines, sort of outlining what can be done and what cannot be done and I'll put that in front of the Commission. Is that sort of where we're heading?

COMMISSIONER VIGIL: That's my sense. Does anyone else have a response to that? Commissioner Campos.

COMMISSIONER CAMPOS: Madam Chair, not really, but I had a comment, not to that. I'm opposed to the program, period. I think it's a bad program. But Commissioner Montoya did state that \$40,000 was the lowest it's ever been in his administration. I don't think that's correct. I think it had been either \$15,000 or \$20,000 and had been increased recently. I'm not sure exactly when but in the last year or so, Commissioner Montoya, it's been raised to \$40,000, and I think there's been a proposal to raise it up to \$50,000 by some Commissioners. So I think that's the context. It was up to \$50,000 in the Javier Gonzales administration. We had started bringing it down and I think we had gotten it down to \$15,000 and now it's back up again. Thank you, Madam Chair.

COMMISSIONER VIGIL: Thank you, Commissioner Campos.  
Commissioner Sullivan.

COMMISSIONER SULLIVAN: I think one of the reasons for that is that we're not looking at services that impact – that are out there that the public is demanding. We're looking internally and we're growing ourselves internally and we're not looking at what the impact of that FTE is out on the field. These 16 FTEs represent \$736,000 of our \$46 million general fund budget. Now, I understand, as Paul says, they don't all come on line at once, but their net effect, cumulative effect, is year to year, and so once we make those commitments, we've made a commitment to \$736,000 plus raises and benefits and cars and cell phones, and offices and desks and chairs and pencils and computers and so forth, forever. Because government never decreases; it only grows.

I think there are some places and I'm a little disappointed that the Manager's office hasn't been more – hasn't wielded the scalpel and has left it to us. I certainly would be glad to wield the scalpel if someone gave me the scalpel but we have five people to do that job. But I think the impact of \$736,000 – the Commissioners' discretionary fund pales in comparison to what we have to deal with on the increase in personnel at the County. And I don't see an evaluation mechanism as to how we rank effectiveness of these increases that results to services to the community. I think that's what's needed to help people come forward when all the positions, six of them come forward on



September 1<sup>st</sup> which is pretty close. Plus now another one. Seven, eight. Comes by October. A really detailed analysis of what these people are going to do. Thank you.

COMMISSIONER VIGIL: Thank you. Commissioner Campos.

COMMISSIONER CAMPOS: Just in response. It seems that it's pretty clear that we have certain statutorily requirements that are our principal obligations as County government, and I think if we stay focused on those principal obligations of County government we're on safer ground. We're trying to stretch a little beyond that to help a lot of these non-profits and they all have great things that they're doing and they all need a lot of money. But if we stick to our primary responsibilities we'd be much better off. That would be my suggestion to use that as a guideline.

COMMISSIONER VIGIL: Thank you. Commissioner Montoya, do you have anything else to add on this subject. We're probably going to need to take action on the interim budget recommendation. We have one more item.

COMMISSIONER MONTOYA: No, I don't have anything else to add.

COMMISSIONER VIGIL: Thank you. Did you want us to take action on this?

MR. GRIFFIN: No, you don't need to. This budget will increase mainly because I am going to include the capital side of the budget, the road projects and also the infrastructure projects that have been approved by the state legislature. We know what those are. I've been waiting until this week to find out what the roll-over, where we are in mid-project so that I can make money available in the final budget, so come the first of July, we won't come to a screeching halt because we don't have budgetary money to continue working.

The budget will probably go up, oh, fairly substantially because of these two capital considerations. I want to get those into the final budget so that we don't have to do an emergency measure with the Board in the middle of July because we suddenly don't have money to construct roads.

COMMISSIONER VIGIL: Paul, when will we see the increase, the capital increase to that budget?

MR. GRIFFIN: That will roll over with the budget on the 28<sup>th</sup> and I will, when it comes time for you to approve the final budget, that will be in that budget. There are no surprises there; they're simply the legislature approve items, money we're going to get from the state. Plus anything we have already gotten from the state and we're working on right now but have not completed the project. We want to roll that money over until next year. So there's no real local revenue impact in regard to this.

COMMISSIONER VIGIL: Okay. Thank you. So no action is needed on item IV. Unless there is no further discussion –

MR. GRIFFIN: One more thing. I will emphasize the very last page, item 4. I think it's important for us to construct this baseline, not only on the expense side, but on the revenue side. I have a lot of records on revenue. I keep month to month data on all revenues going into the general fund, and I'm noticing some revenues beginning to break down, if you will. We're not collecting money for one reason or another. Fees have not been changed for one reason or another. A good solid look at the revenue side, particularly regarding fees for services, licenses and what not, I think is in order. I think it would bring in – it would probably bring in the requisite amount of money that some of

you have been talking about to take care of some of these other programs that you're interested in. And I think it's time to really look at that very carefully. So I'd really advise that.

COMMISSIONER VIGIL: Thank you.

#### V. Update and Discussion on Infrastructure Financing

COMMISSIONER VIGIL: Who will take the lead on this? Is that you, Mr. Gutierrez?

JOSEPH GUTIERREZ (PFMD Director): Thank you, Madam Chair. Paul Olafson is passing out a brief presentation for you. *[Exhibit 2]* The purpose of today's discussion is to talk about infrastructure and financing. We have some recommendations. Staff at the management level for the last two months have been meeting on infrastructure issues and how best to deal with them and how we can finance them.

COMMISSIONER VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: I've got to be signing off.

COMMISSIONER VIGIL: Thank you for joining us.

COMMISSIONER MONTOYA: All right. Thank you.

[Commissioner Montoya left the meeting at 4:55.]

MR. GUTIERREZ: The areas of infrastructure that we've been talking about are water, roads, fire protection equipment and County facilities. For today's discussion we're just going to cover fire protection equipment and County facilities.

On page 2 of the presentation, it's to explain the current capital needs and funding resources to show funding options and show some recommended steps for BCC action to initiate in terms of capital financing based on the needs the County has for the future. Again, we're not looking for action today, just for discussion.

Start off first with the fire needs. Fire has a five-year plan and obviously the challenge with a five-year plan is how do we fund this five-year plan. The County has an option of implementing a 1/4 percent emergency services GRT. That would generate approximately \$9 million on an annual basis. There's also the issue, and Paul Griffin talked about this before. Paul talked all about operation dollars. These are in addition to operation dollars. How can we supplement the declining operation and maintenance funds that the Fire has gone through, and this is part of the issue of the MOA. Currently, Fire has a 1/4 percent excise tax, I think and it's in the unincorporated part of the County. That generates \$1.7 million a year. And this is due to sunset at the end of 2008 per the legislature.

The other issue the Fire Department has is they are looking to remodel four fire stations and they need \$1.5 million to do that. These dollars are actually authorized. We went to the voters with a \$72 million bond sale. The only issue we have with that is the first bond sale was for \$20 million and this \$1.5 wasn't included in there. I'll inform you how we can correct that issue.

The next issue we have is the administrative renovations, the new courthouse and public use space needs. To fund these facilities and complete them we have two options in front of you. Right now we could -- we have about \$25 million in bonding capacity from the 1/16 GRT that's currently implemented and we have the possibility of

generating another \$20 million of bonding capacity if we exercise an option that we have, and we're also looking at possibly putting this out in November. But there's another slide that will cover that further on.

We also have the capacity to go out to the voters in another two years for an additional \$20 million of GO bond capacity. I want to mention on this \$20 million GO bond capacity, this would be a no-net increase tax to the voters. This would be out of property tax. So this wouldn't raise the property tax to the voters.

The next slide shows Fire financing options. We talked about the 1/4 percent emergency services GRT that's not implemented at this point. We're estimating it would generate about \$9 million. The funds would be used to fund the paramedics and firefighters countywide. It would also provide the equipment that would be needed to cover the fire issues that we face in the county. This will in turn help reduce the fire insurance cost to the citizens. These revenues may be shared with cities and municipalities within the county. This tax would have to be approved by the voters. We're looking at possibly at placing it – and we have a recommendation at the end – on the November ballot this year. The tax would go into effect in July 2007 and the actual cash that we would start collecting wouldn't come in until September 2007.

The other financing options for Fire, we would have to take action to remove the sunset for the 1/4 GRT that expires at the end of 2008. Again if we were to take this to the voters, this would not be a new tax so there would be no net tax increase to the voters by removing the sunset. We have until – well, it expires December 31<sup>st</sup> and it generates about \$1.7 million a year. And this \$1.7 million, again coming back to what Paul talked on the operations side would be a possibility of relieving some of that stress that the general fund has in terms of some of the key items that Paul pointed out in his budget presentation.

The other part is a \$1.5 million reauthorization that the Board would have to place in front of them and vote on to fund the remodel of four fire stations and that's something that we were going to assist Stan on and probably start that project some time in July or August.

The courthouse, admin renovations, new courthouse and public use space financing options. Again, I talked about the \$20 million it represents. No tax increase to the citizens It requires Board action. The 1/16 GRT that would raise \$25 million for the County admin, courthouse and public space needs, that is not an increase in tax currently. The 1/16 is in place. It would require Board action. We would look at possibly selling those bonds in the spring of 2007. The other opportunity we have is in 2008, repeating the process that we have in 2006 and that would be an additional \$20 million of GO bond, again, representing no tax increase to the voters.

The next page pretty much shows this \$20 million equation. We have the capacity, approximately every two years for the next ten years. I talked to Kevin Powers, our financial advisor, they have a financial spreadsheet where they go out ten to twelve years, and based on a conservative tax increase, property values of five percent, records show, or history shows that the property values have increased approximately 7.5 percent. The County has the ability every two years or every four years, whenever they exercise their option, based on a debt management process, again to raise dollars for capital infrastructure without having a tax increase to the voters. And it keeps the tax rate

basically at the same for the next ten years, anticipating the five percent increase in property values.

Again, the last slide, we took this kind of in order. The first three items there would require Board action. To implement the 1/4 percent emergency services GRT. The BCC would have to take action by passing a resolution to put it as an election question to the voters in November of 2006. The \$20 million for County facility, the GO bond, that would also take the same action by BCC in July to place the question in front of the voters in 2006. The \$1.5 million GO bond reauthorization, that's something that wouldn't have to go to the voters, that's just a Board action reauthorizing the use of the \$20 million of bonds that have already been sold.

The next item, remove the sunset 1/4 percent fire protection GRT. We had a discussion at staff and we would take the next 18 months to evaluate that to see if we would make the recommendation to place it on the ballot in terms of seeing the outcome of the 1/4 percent emergency services GRT. If that were implemented we'd have to analyze the financial condition of that tax and see if we would recommend the removal of the sunset, the 1/4 percent.

The next item is two years from now, again, because the infrastructure needs for the County are going to be there for the next five, ten and fifteen years, that we have a financing option that would create capital for the County. And even in 2008, in terms of what we've discussed with the Commission, in implementing and financing and building a new courthouse, looking at renovating the admin facilities, things like that, we would definitely need those dollars made available.

The last thing that wouldn't require voter action is to pass a resolution for the sale of bonds and we estimate \$25 million. It could be higher, and again, those dollars would be used for the new courthouse.

Rather quickly, it presents some very sound options for the Commission in terms of financing the infrastructure needs. Again, the general fund and the operations that Paul discussed doesn't take care of the real infrastructure needs that the County faces. And we all see in terms of dollars that the legislature allocates to the County in terms of infrastructure needs, those go more towards non-profits. They really don't go to assist the County in terms of the admin needs that the County are facing at this point.

COMMISSIONER VIGIL: Questions? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Madam Chair or Gerald, what do we see as the role of the state in this? We do pay state taxes and although we appreciate what the legislature has done in the past in getting I think a reasonable amount of funds back to Santa Fe County, where we have some substantive issues to deal with and fire may be one of those, certainly the courthouse is one of those, I think a voter in seeing those issues on the ballot would want to know what's the priority. And we did not do very well on getting courthouse funding through the legislature and I think the voters could read that as it's not a priority.

I think this Commission feels otherwise, having seen the conditions, but I see all of these potential mechanisms here and I'm just wondering where the state steps up to the plate. Do we have that programmed in here anywhere? Anybody?

MR. GONZALEZ: I guess it rests in the discretion of the legislature to decide where and when they'll step up. Obviously we went to the legislature this last year

in order to seek funding for a courthouse. Although there were some initial indications of receptivity, ultimately that did not prevail. I don't know that other than what they provide through their loan program, the options that are available through New Mexico Finance Authority and the Water Trust Board and those kinds of things, I don't know that the state has indicated that they're going to come forward any time soon with a program that would address the kind of needs that we're talking about here.

I just don't think that that's in the cards. But it doesn't prevent us from continuing to go and ask for funding and we'll do that again this next time around. I know we've discussed that with the courts that we will again initiate the discussions with the executive and with the legislature about seeking funding for a new courthouse. Obviously we're dealing with unfunded mandates here and unfortunately, that's not anything that we can control at this point, but it's certainly something that we, every year, gear up for in order to go see if we can find funds out of our state delegation in order to support the kinds of things we think are necessary and that we don't have the state program for continued funding for.

COMMISSIONER VIGIL: Madam Chair, just to finish. I think that we need to somehow make that known. Clearly, traditionally, a courthouse has maybe not had the PR and voter appeal of a spaceport. But we're not going to build a spaceport here and so I'm not sure why we're going to build a spaceport anywhere, but nonetheless, we need to I think – let me put it this way – assist the executive branch in establishing its priorities. In absence of that executive branch we'll of course establish the priorities that they feel are most appropriate. But then I think we need to do that, and maybe that will come forward.

We have a lobbyist program now that we're talking about a full-time lobbyist as opposed to a session lobbyist. I think that's a good idea. I think we need to parlay these funds where we're constantly picking up the tab for everything. This is similar to what we were doing with St. Vincent Hospital. We need to say, look, we've got \$5 million here, Mr. and Ms. Legislators, are you willing to match it? And the same way with the executive branch. Are you willing to match it with your 1/3 of the capital funds? And start off that way and say we need \$15 million and will you match it five and will you match it five and bring it in as a partnership proposal rather than asking for a gift. I think that makes sense. Otherwise, the legislators say, well, you've got the funds, you can handle that and you don't need to get that money from the legislature.

So I think we need to change our strategies a little.

COMMISSIONER VIGIL: Thank you. Any further questions?

Commissioner Campos.

COMMISSIONER CAMPOS: Also, we have to keep in mind the big picture of the jail. If Bernalillo goes go and get authorization to go from an 1/8 to a 1/4, whatever they're asking for GRT, how many GRTs will the voters vote for? Are we getting to the end of voter inclination to support good projects with GRT? I don't know. We're going to be hitting, what? We're at 6.625 in the city and over 7 in the county. So we're going to be pushing 8, 9, 10 percent here. When do the voters draw the line and how do we sell jail GRT? Who really wants to support the folks at the jail? Not many. We have all these things that we have to juggle and we've got to look at it a little bit.

COMMISSIONER VIGIL: Judge Hall. Please come forth so that you're on the record, please. Speak to the mike.

JUDGE JIM HALL: Thank you, Madam Chair and Commissioners. I'd just like to make a couple of comments. If you're discussing putting something on the ballot for November that needs to happen. We're not going to know what the legislature is going to do before that in any event. So I don't think there is any way we could rely on the state as funding something prior to November of 2006, so I think we ought to follow both of the tracks that are recommended here and go ahead and pursue this GO bond funding through the voters in November if you think that's necessary to fund a new courthouse, as well as a track of trying to set ourselves up with the legislature.

The real point I want to bring up, and the judges will support you either way, either with the voters or with the legislature or both. We really want to aggressively support this publicly, and I think perhaps the public mood may have changed a bit about the courthouse because we've spent so much time pointing out the need for a new court facility. So maybe the tide has turned a bit. But the one thing I want to emphasize, what has to happen either way is to the extent we can be more precise about what we're going to do, the better. So I think if we're going to go with the voters, if we're going to go to the legislature, we need to take the steps to complete the acquisition of the property, to address the issues with the tenant that is on the property because that is a potential public relations problem, frankly, in front of the voters or the legislature. I think we need to get that completed. We have not yet gone out for RFP for the architect. There's reasons for that and Joseph can explain them, but I think that needs to happen immediately so that we have a very clear proposal that we are presenting to both the voters and the legislature in terms of the court facility that we're going to build.

Once we have an architect on board – I know we're not going to have final plans that are completed by November or by the legislative session, but they can have something that is a much more concrete proposal, and frankly, that's been a problem all along. It's just sort of been, it's a new courthouse and we're not exactly sure of the total cost. I think that background stuff, as far as finalizing acquisition, taking care of the tenant and getting an architect on board needs to happen now, because we need that for purposes of persuading either the voters and the legislature and the governor of the need for this project.

So my principal point would be to urge you – I'd encourage you to go both tracks, to the voters and to the legislature because that gives us the greatest opportunity, but let's get the information in in the form of the architecture and get those other matters out of the way so we can be very clear what we're requesting. So that's what I would urge of the Commission.

COMMISSIONER VIGIL: Thank you, Judge Hall. Any response?  
Questions?

COMMISSIONER CAMPOS: Well, the discussion after the last failure before the legislature was exactly that. Get our RFP out. I thought that was out already two months ago. I guess it's not. The property, I don't know where the acquisition efforts are. As far as dollars, we do have the 1/16 GRT. Roman Maes suggested by July we should be talking to the Governor's office and laying down very concrete proposals so he's on board and doesn't feel left out. The same argument was made by some of our

legislators. They said if it's big and you come to us in January or December, that doesn't work. That's the kind of response we got.

COMMISSIONER VIGIL: Where are we with regard to the year-round lobbyist, Gerald? On our state lobbyist.

MR. GONZALEZ: It's my understanding that the RFP is about to go out if it hasn't already. I don't see John Michael here. I know we took a last look at the draft so it's my understanding if it's not out already it should be out sometime in the next week or so.

COMMISSIONER VIGIL: Okay.

MR. GONZALEZ: We wanted to get it out in time to have somebody on board, hopefully at the beginning of July because that's when we really hit the beginning of the peak interim budget committee season.

COMMISSIONER VIGIL: Okay. I agree with Commissioner Campos. We need to expedite that and get moving. I have one point, one question for clarification. Finance's recommendation under budget strategies, number 3, is to support the efforts to increase the Corrections GRT from 1/8 to 1/4 cent. That's on page 9 on Paul Griffin's report. How is that reflected, where is that reflected on your recommended BCC actions?

MR. GUTIERREZ: Madam Chair, Paul's recommendation is something that is not in place yet. His expectation is that Bernalillo will lobby the legislature to increase that.

COMMISSIONER VIGIL: And we'll dovetail on that.

MR. GUTIERREZ: That, if it were imposed, would probably be used for operations, because that's where the dollars are needed at this point. So it wouldn't be an infrastructure capital type of item more than likely.

MR. GONZALEZ: Madam Chair, that will be a subject for discussion by the Manager's affiliate when we get to the Association of Counties.

COMMISSIONER VIGIL: Okay. I also am really strongly agreeing with Judge Hall. We really need to create some clarity in our projects and identify the funding sources, be able to implement a strategy on that with regard to how we go to the legislature. So I'd like us to pursue all of the tracks as recommended. I know that we do have the Association meeting in Taos coming up this week. Perhaps we'll gain some more information on statewide legislative initiatives that might be able to give us further clarity on what tracks we will be pursuing. I know that there's going to be a special session on state inmates and county inmate reimbursements, which has been a critical issue and that may impact.

The question I have for you at this point in time is we have been and have enacted the authority for the County to include public improvement districts. Does that factor into any of these budgeting – or is that going to be looked at as a separate budget item should developments come forth. Does anybody have that answer? Steve Ross, you're looking at me like you do.

MR. ROSS: Madam Chair, those would be budgeted as they came in and are approved. Since there are none in and approved right now there's nothing really to budget at this point. I think there is a deposit to the extent that the deposit is probably budgeted.

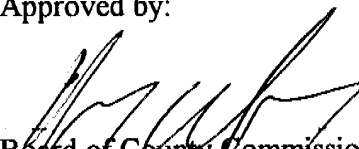
COMMISSIONER VIGIL: Okay. Very well. If there's no further questions I see I have a quorum that I might be losing. So seeing no further questions,

thank you gentlemen for all your work on the presentations. Thank you, Gerald and Steve Ross and Jack Hiatt and every staff member who is here. I appreciate the information you exchanged with us and look forward to the outcome.

**VI. Adjournment**


Vice Chair Vigil declared this meeting adjourned at approximately 5:20 p.m.

Approved by:



Board of County Commissioners  
Harry Montoya, Chairman

Respectfully submitted:

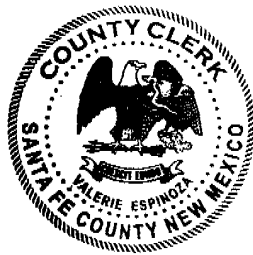


Karen Farrell, Wordswork  
227 E. Palace Avenue  
Santa Fe, NM 87501

ATTEST TO:

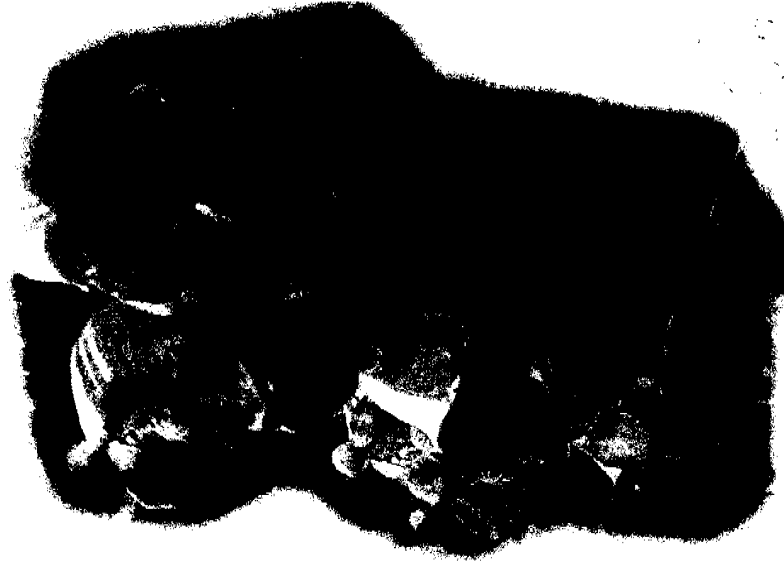


VALERIE ESPINOZA  
SANTA FE COUNTY CLERK

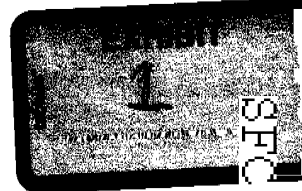




Santa Fe County  
Board of County Commissioners



FY 2007 FINAL BUDGET  
STUDY SESSION  
JUNE 19, 2006



CLERK RECORDED 07/13/2006

SANTA FE COUNTY  
FY 2007 FINAL BUDGET STUDY SESSION  
JUNE 19, 2006

**NEXT STEPS IN THE BUDGET PROCESS**

1. June 19, 2006 (today) – Review of the FY 2007 Budget and changes thereto.
2. June 27, 2006 – All changes incorporated into the Final Budget. FY 2007 Budget database created in the financial computer system. Subsequent changes only by Resolution and Budget Amendments.
4. July 25, 2006 – Formal BCC adoption of Final FY 2007 budget.
5. July 31, 2006 – Submission of Final Budget to State DFA

SANTA FE COUNTY  
 FY 2007 FINAL BUDGET STUDY SESSION  
 JUNE 19, 2006

**FY 2007 BUDGET CHANGES FROM FY 2006 BUDGET BY FUND**

FUND	FY 2007		FY 2006		CHANGE	EXPLANATION
	BUDGET		BUDGET			
* GENERAL FUND	46,404		41,372		5,032	SEE DETAIL
* GEN OBLIG. BOND DEBT SVC	9,176		4,170		5,006	NEW BOND
* JAIL OPERATIONS FUND	22,529		20,824		1,705	ADF, YDP
* DETOX PROGRAMS FUND	1,491		976		515	SOBERING
* ENTERPRISE - WATER FUND	1,784		1,345		439	CAPITAL PROJ
* EMS-HEALTH CARE	9,603		9,319		284	SCP
* FIRE TAX 1/4% FUND	1,698		2,310		-612	FY06 EQUIP
* BOND PROCEEDS FUNDS	8,216		11,864		-3,648	UNBUDGETED
ALL OTHER FUNDS	32,775		31,446		1,329	
TOTAL FY 2007 BUDGET	133,676		123,626		10,050	

SANTA FE COUNTY  
 FY 2007 FINAL BUDGET STUDY SESSION  
 JUNE 19, 2006

**FY 2007 BUDGET CHANGES FROM FY 2006 BUDGET  
 GENERAL FUND**

	FY 2007		FY 2006		
ACCOUNT DESCRIPTION	BUDGET	BUDGET	BUDGET	CHANGE	EXPLANATION
* SET-ASIDES	3,857	1,313	2,544	1/16 GRT	
* CAPITAL PACKAGE	2,376	1,999	377	PW HEAVY EQ	
* COMMUNITY SERVICES	325	0	325	SENIOR PROG	
* HUMAN RESOURCES	790	513	277	42% INC CTY EMPL	
* ADMIN./ENFORCE./ANML CTRL	7,112	6,837	275	\$135k GAS	
* FUND TRANSFERS OUT	8,878	8,657	221	\$483k INC TO JAIL	
* COUNTY MANAGER ADMINIS.	1,035	833	202	3 EMPLOYEES	
* LEGAL ADMINISTRATION	986	786	200	3 EMPLOYEES	
* SOLID WASTE	1,731	1,591	140	2 EMPLOYEES, GAS	
* INFORMATION TECHNOLOGY	1,708	1,601	107	3 EMPLOYEES	
ALL OTHER ORGANIZATIONS	17,606	17,242	364		
	46,404	41,372	5,032		

SANTA FE COUNTY  
 FY 2007 FINAL BUDGET STUDY SESSION  
 JUNE 19, 2006

**NON-GRANT COST CENTERS SUPPORTED IN THE FY 2007 BUDGET  
 GENERAL FUND (\$ thousand change from FY 2006)**

INFRASTRUCTURE	ELECTED OFFICIALS	SERVICES	
HUMAN RESOURCES	+276 SHERIFF	+275 SENIOR PROGS	+325
MANAGER ADMIN	+201 RECORDING	+83 FUND XFERS	+221
LEGAL	+200 TREASURER	+60 SOLID WASTE	+133
INFORMATION TECH	+107 ELECTIONS	+51 LU - DEV REVIEW	+74
RISK MANAGEMETN	+99 ASSESSOR	+51 TRAFFIC ENG	+44
PROPERTY CTRL	+94 SURVEYOR	+5 LU - PLANNING	+40
PFMD PROJECT DEV	+61 PROBATE	+3 LU - PERMITS	+35
FLEET SERVICE	+32 COMMISSIONERS	-96 COMMUNITY CTRS	+34
MAIL ROOM	+14	OPEN SPACE	+13
BUILDING SERVICES	+14	BOYS & GIRLS	+0
PUBLIC WORKS ADM	+10	HOUSING ADMIN	-3
PW PROJECT DEV	+10	COUNTY FAIR	-9
PFMD ADMIN	+6	LU - ADMIN	-52
FINANCE	-18		

SANTA FE COUNTY  
 FY 2007 FINAL BUDGET STUDY SESSION  
 JUNE 19, 2006

**ADDITIONAL PERSONNEL IN GENERAL FUND  
 ACTIONS TAKEN DURING FISCAL YEAR 2006**

ORG	POSITION	EXPLANATION
MANAGER	ADMINISTRATOR	1 RES 2005-109
MANAGER	VOTOR OUTREACH COORD	1 RES 2005-109
MANAGER	STRATEGIC PLANNER	1 COUNTY STRATEGIC PLAN
HR	HR ASSISTANT	1 RES 2005-111
HR	PAYROLL CLERK	1 RES 2005-111
LEGAL	ASSISTANT COUNTY ATTY	1 RES 2005-109
LEGAL	CLERK	1 RES 2005-109
SOLID WST	TRANSFER STATN CARETAKER	2 RES 2005-145
IT	MICROCOMPUTER SPEC	2 FROM CORRECTIONS
IT	NETWORK ADMIN	1 FROM CORRECTIONS
IT	SYSTEMS ANALYST	1 FROM CORRECTIONS

**SANTA FE COUNTY  
FY 2007 FINAL BUDGET  
STUDY SESSION  
JUNE 19, 2006**

**FY 2007  
GENERAL FUND  
STAFFING LIST**

(yellow) – From the  
FY 2006 Budget

(pink) – Selected from  
FY 2007 Budget  
Requests

(white) – Other FY 2007  
Budget Requests

FROM FY 2006 BUDGET - ROLLING STAFF LIST		ANNUAL
Land Use	9-1-06 Transportation Planner	60,000
County Clerk	9-1-06 Voter Information Specialist	34,221
County Sheriff	9-1-06 Sexual Predator Enforcement Officer	54,125
Human Resources	9-1-06 Employee Development Program Spec	60,000
Manager	9-1-06 Growth Management Coordinator	60,000
PFMD	9-1-06 Contract/Procurement Specialist	60,000
County Clerk	1-1-07 Voter Information Specialist	34,221
Finance	1-1-07 Accountant III	62,000
PFMD	1-1-07 Maintenance Specialist II	37,639
County Clerk	1-1-07 Recording Clerk	31,803
<b>FROM FY 2007 BUDGET REQUESTS</b>		
Manager	Affordable Housing Specialist	69,504
Land Use	Code Enforcement Officer I	34,694
Public Works	Parts Clerk	26,021
PFMD	Database Administrator	75,171
PFMD	Maintenance Specialist II	40,477
Clerk	Temporary Election Workers (10)	26,616
<b>Requests not accommodated in Interim Budget</b>		
Manager	Economic Development Planner	69,504
Manager	Subdivision Review Analyst	69,504
Finance	Senior Budget Analyst	55,600
Public Works	(2) Equipment Operator I	65,052
Public Works	Solid Waste Compliance Officer	44,814
PFMD	Systems Administrator	75,171
PFMD	Project Manager	54,933
PFMD	Field Coordinator	52,042
Assessor	Temporary Employee	25,285
Sheriff	Corporal / DWI Forfeiture	45,797
Sheriff	(2) Deputy Sheriff / Patrol	90,957
Sheriff	Computer Forensic Lab Analyst	45,479
Sheriff	Deputy Sheriff / School Resource Officer	45,479
Housing	Maintenance Specialist II	34,694

SANTA FE COUNTY  
FY 2007 FINAL BUDGET STUDY SESSION  
JUNE 19, 2006

BUDGET NOTES AND ISSUES

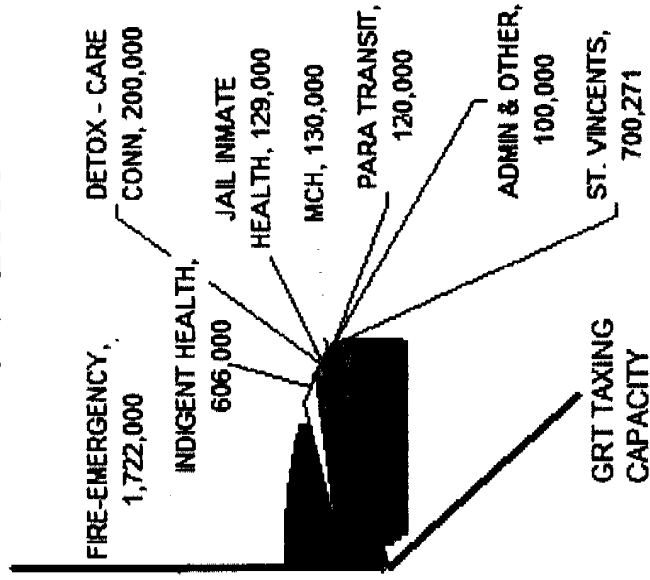
1. The General Fund Budget consists of BASELINE BUDGETS. Decreases in these budgets will result in decreases in current services.
2. There are \$6 million in new and expanded service General Fund budget requests not in the \$46 million General Fund budget.
3. The most significant FY 2007 budget issue is the continued ability of the County to fund the array of Health and Emergency services defined in the SCP/MOA agreement solely from GRT in the EMS Health Care and Indigent funds.
4. The Budgets (Revenue and Expense) of Corrections programs, now all operated by the County require continuing scrutiny in order to maintain financial stability.



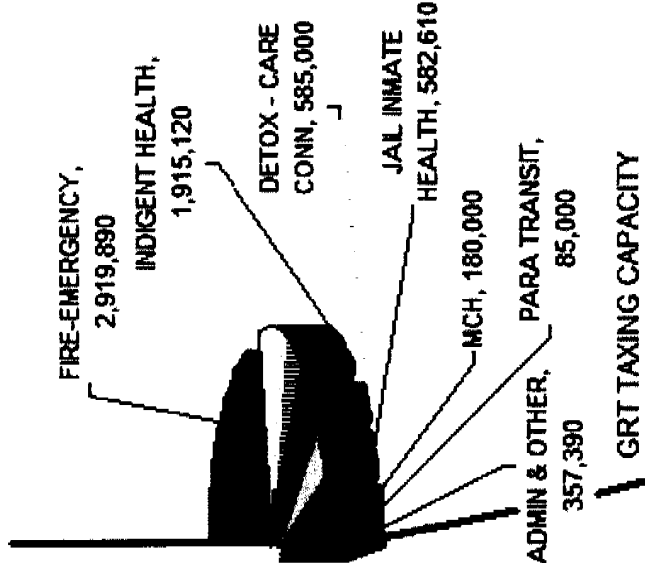
**SANTA FE COUNTY  
 FY 2007 FINAL BUDGET STUDY SESSION  
 JUNE 19, 2006**

**ST. VINCENTS MOA BUDGET IMPACT**

**FY 2003**



**FY 2006**



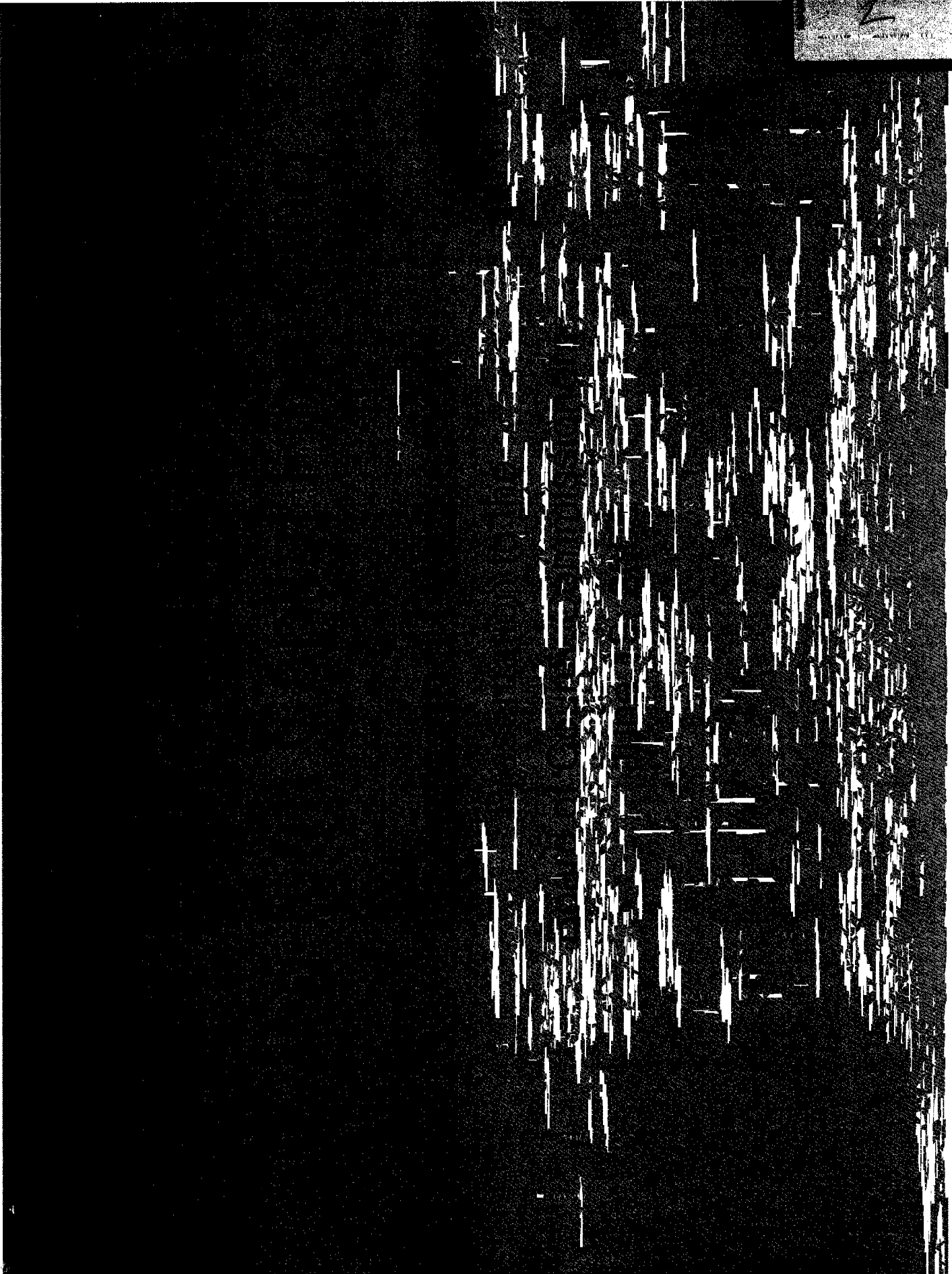
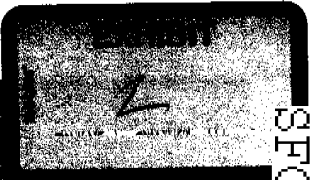
- A. Sole Community Provider payments through the MOA has reached GRT taxing capacity.
- B. After FY 2007, No more cash in EMS Health Care / Indigent Funds

SANTA FE COUNTY  
FY 2007 FINAL BUDGET STUDY SESSION  
JUNE 19, 2006

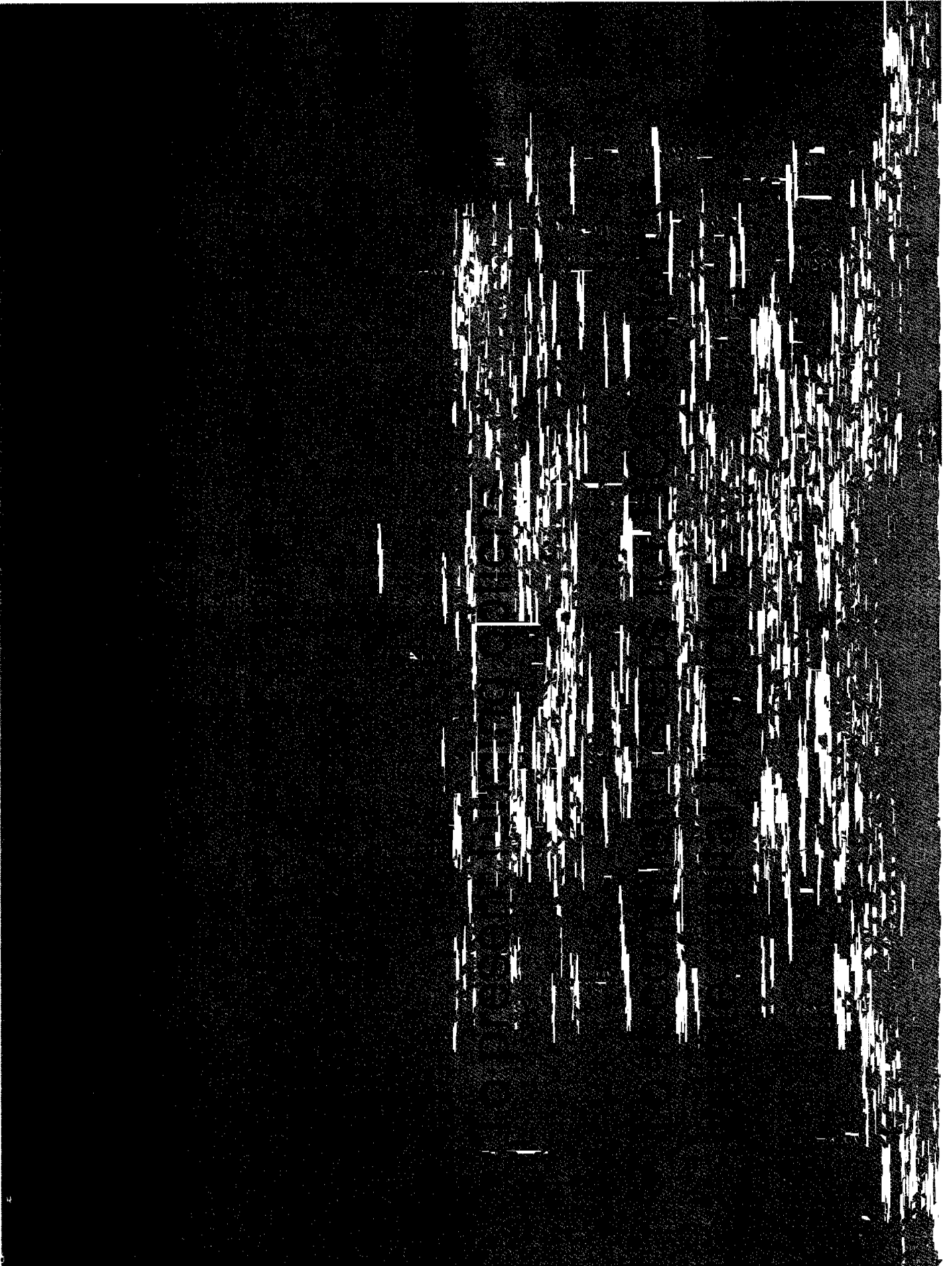
BUDGET STRATEGIES FOR THE FUTURE

1. Bring the SCP/MOA agreements under control and attainable within current GRT resources.
2. Broaden the base of the Fire Excise Tax to cover the entire County, with funding for Regional Emergency Communications Center (also benefiting the City).
3. Support efforts to increase the Corrections GRT from 1/8 cent to 1/4 cent.
4. Construct a 3-year baseline revenue and operations plan for Santa Fe County services and organizations, and link the budget forecast to the strategic planning process.

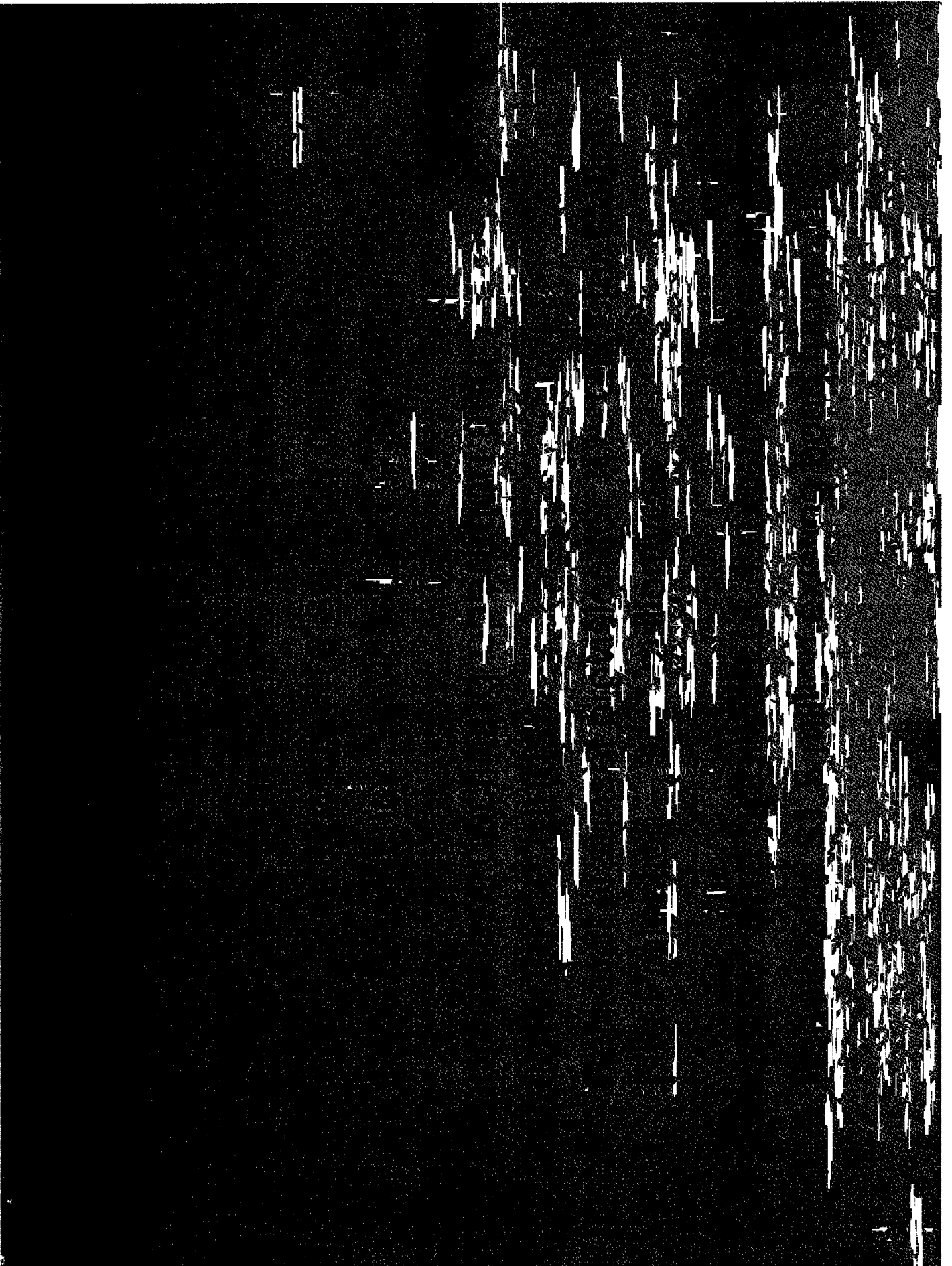
SFC CLERK RECORDED 07/13/2006



SFC CLERK RECORDED 07/13/2006



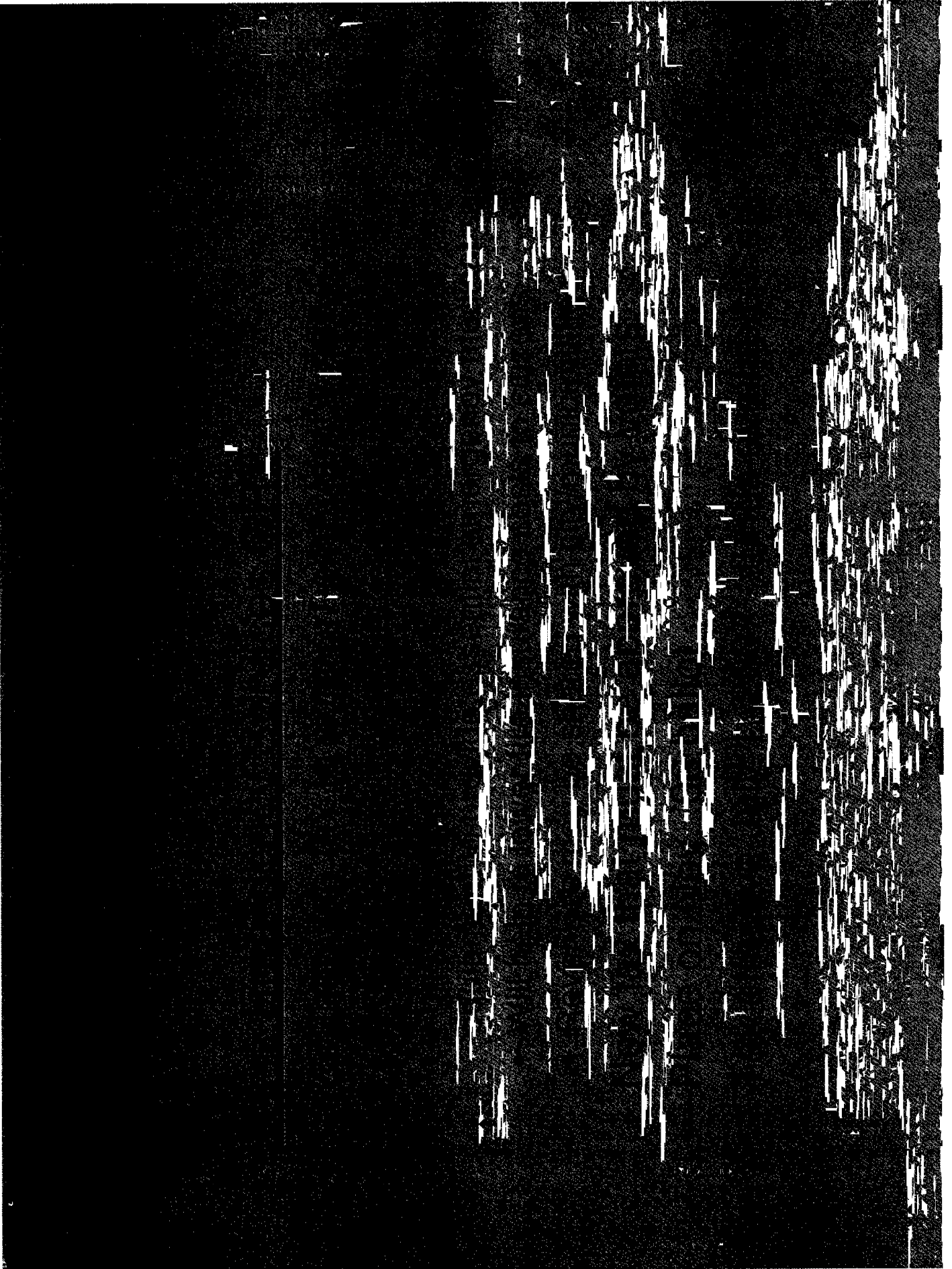
SFC CLERK RECORDED 07/13/2006



SFC CLERK RECORDED 07/13/2006



SFC CLERK RECORDED 07/13/2006

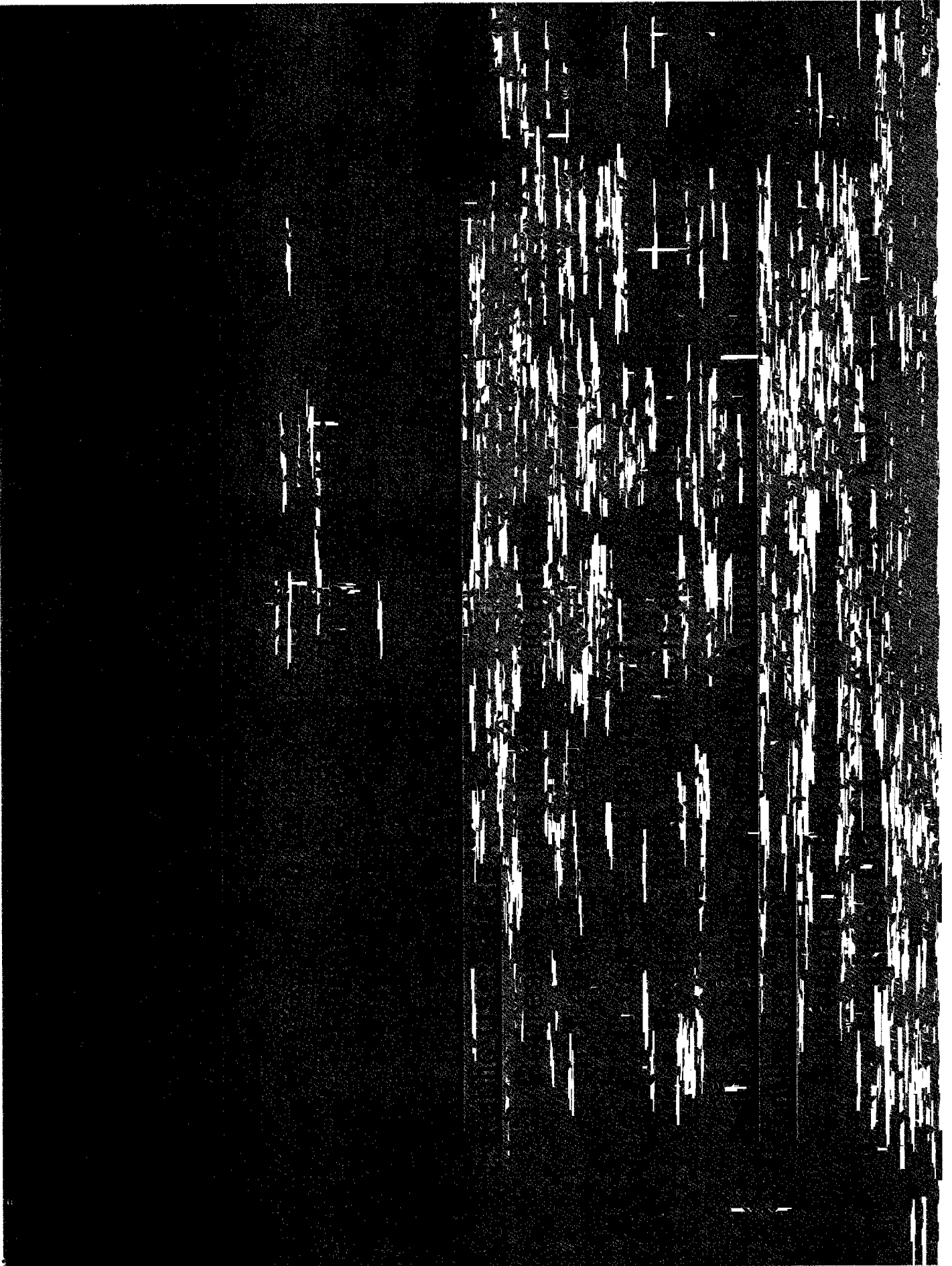


SFC CLERK RECORDED 07/13/2006





SFC CLERK RECORDED 07/13/2006



SFC CLERK RECORDED 07/13/2006

