

**SANTA FE COUNTY**

**BOARD OF COUNTY COMMISSIONERS**

**FY 2020 BUDGET SPECIAL MEETING**

**April 23, 2019**

Anna T. Hamilton, Chair - District 4  
Henry Roybal, Vice Chair - District 1  
Rudy Garcia - District 3  
Anna Hansen, Chair - District 2  
Ed Moreno - District 5

SFC CLERK RECORDED 05/21/2019

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**SPECIAL MEETING**

**FY 2020 BUDGET STUDY SESSION**

**BOARD OF COUNTY COMMISSIONERS**

**April 23, 2019**

**I. A.** This budget study session of the Santa Fe Board of County Commissioners was called to order at approximately 1:35 p.m. by Chair Anna Hamilton in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

**B. Roll Call**

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

**Members Present:**

Commissioner Anna Hamilton, Chair  
Commissioner Henry Roybal, Vice Chair  
Commissioner Rudy Garcia  
Commissioner Anna Hansen  
Commissioner Ed Moreno

**Members Excused:**

None

**C. Approval of Agenda**

KATHERINE MILLER (County Manager): Madam Chair, I just want to note that since we posted the agenda, on April 18<sup>th</sup> we did amend the agenda to add executive session for bargaining strategy preliminary to collective bargaining negotiations. But otherwise, the agenda is as printed.

CHAIR HAMILTON: Excellent. Thank you very much. So what's the pleasure?

COMMISSIONER HANSEN: I move to approve the agenda as amended.

COMMISSIONER ROYBAL: I'll second.

CHAIR HAMILTON: Thank you. I have a motion and a second.

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

COMMISSIONER GARCIA: Madam Chair.

CHAIR HAMILTON: Commissioner Garcia.

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COMMISSIONER GARCIA: I'd just like to recognize a couple of elected officials out in the audience: County Assessor Gus Martinez, thank you for being here. County Treasurer Pat Varela, thank you for being here, as well as our Probate Judge, Cordilia Montoya. Thank you as well as our Sheriff, Sheriff Mendoza. Thank you four for being here.

## **II. PRESENTATION, DISCUSSION AND DIRECTION ON FY 2020**

### **A. Review of Budget Calendar**

GARY GIRON (Finance Director): Madam Chair, Commissioners, Manager, this is going to be a shared presentation today that will include parts from me, parts from Erika Thomas, the Budget Administrator and John Tennyson, our Budget Analyst. And I'm sure that the Manager will be involved in the discussion as we move through the presentation.

So I'm going to start out by going through where we're at in our budget calendar for this year, reminding you that anything on the calendar that's in blue is something that has already been done in our process to make sure that we have a budget ready to roll by the end of this process. All the items in green are things that we are doing now that are in process, and items in yellow are next steps that will facilitate our final budget approval.

In April and May, fixed assets and capital requests were evaluated and a list of recommendations was assembled. In today's study session you will see fixed asset recommendation and FTE requests for you to consider, and then after today, as we move through the process, we will start working on the interim budget that will be presented to the Board of County Commissioners on May 28<sup>th</sup> for approval. The budget will have everything agreed to to date and additional direction from the body from today's meeting and the May 14<sup>th</sup> meeting.

In June we will work to assure that the budget is ready to submit for final approval to the Board, including salaries and benefits, capital requests, and the operating budget. And that will be at the 6/25 meeting. And then we'll be ready to roll into the next fiscal year with the budget.

And then on the next slide, you saw these estimates on April 9<sup>th</sup>. None of these budget estimates for funds have changed and so if you have any questions about that we'd be glad to answer, and then I will let Erika pick up.

### **II. B. FY 2020 Revenue Estimate**

ERIKA THOMAS (Budget Administrator): Good afternoon, Madam Chair, County Commissioners. As we move forward, as Mr. Giron had mentioned, our revenue estimates are staying steady with some growth. That's presented on slide 3.

## **III. C. FY 2020 Budget**

### **1. Ongoing Operations Funding Requirements**

MS. THOMAS: On slide 4, this is the operating budget requests, without any estimated compensation packages. So it's with the compensation as it stands at this

point in time with the FY 2020 operating requests. Overall, we had a \$675,000 increase year over year.

CHAIR HAMILTON: Quick question. It looks similar to what you project preliminarily; is that true?

MS. THOMAS: Yes. Slides 3 and 4 are identical from the last budget presentation. It was just kind of a reminder of what we were doing and how we're going forward.

Did we have any questions on the operating budgets from last session or today?

CHAIR HAMILTON: Any questions, Commissioners?

COMMISSIONER GARCIA: Madam Chair.

CHAIR HAMILTON: Commissioner Garcia.

COMMISSIONER GARCIA: So Madam Chair, Erika, some of the last estimated budget revenues that you have, that you handed out the last time, it's a little different than this one currently.

MS. THOMAS: This isn't the operating budget. This is all revenue estimates across all funds. So this chart is all funds, which includes debt service, regional transit, self-insurance.

MS. MILLER: Madam Chair, Erika, he's referring to the total FY 2020 budget request of \$122,529,612, is slightly different from what was presented at the last budget study session, of \$122,779,000. So there was a \$200,000 difference and he's wondering what that is.

MS. THOMAS: Oh, okay. So in Community Services there was a request in there, and after vetting it, and it was my mistake. When we went through the budget hearings we adjusted that amounts and then after I reviewed the budget again I noticed that placeholder was in there for one of the departments.

MS. MILLER: Madam Chair, Erika, that's the Youth Services. So if you recall, Madam Chair, Commissioners, that in last year's strategic planning we discussed having a Youth Services Division. There was additional funding for programming in the Community Services request for youth programs but that funding would only be in there if the Board approves the Youth Services Division Director. So we took it out of the base request because that's more of an expansion request, versus what you're seeing here on the 2020 budget request. We had asked the departments and elected officials' offices to keep the budgets as flat as possible. And so we pulled out that expansion request because if the Board does decide to add the position then we would add some programming funds as well. So that's why that \$200,000, \$220,000 difference. Because it's tied to whether you approve that FTE.

Those are specific funds directly related to Community Services type programs, special revenue funds, but I had Erika pull it out of the base request because it would be an expansion.

CHAIR HAMILTON: So it is some place in the future expansion.

MS. THOMAS: It's in a future slide here.

CHAIR HAMILTON: Excellent. Thank you.

MS. THOMAS: So my apologies, Commissioner Garcia. It was just a correction on my side that I needed to make.

CHAIR HAMILTON: Go ahead.

MS. THOMAS: So I'm going to go ahead and move on to slide 5. This is also very similar to the last Board meeting. We did add another line and I'll go over that momentarily. So this is our estimated funding for ongoing operations. Our full-year cost of additional FTEs from last year, it increased our base budget in 2019 by \$392,000, so that will be included in this year's budget. Our growth in our base budget is \$675,000, and that was previously on slide 4. We are recognizing that there will be health insurance premium increases at a full-year cost of \$600,000, or \$599,000. We are recommending a one percent employee rate increase on the employee side.

And then from 2019, our COLA and union allocations for a full year were \$817,000. Mind you, we start those primarily in January of 2019, so the current budget is only holding half a year so we have to ensure that we're supporting that next year so we will need about \$408,000 going into FY 2020 for ongoing expenses from last year.

And the last bullet point is our FY 2020 estimated employee compensation package. It totals \$2.3 million. In a further slide our HR Director will come up and speak to that number, but these are numbers we estimated going forward in our ongoing FY 2020 operating budget.

CHAIR HAMILTON: Commissioner Garcia.

COMMISSIONER GARCIA: Madam Chair, Erika, is it appropriate to ask now regarding the recommendation of the one percent for employee for health insurance premium increases? Or should I wait for the Director from HR to get up here? I guess what I'm interested in is to see if the County is going to assist in compensation. If it went up five percent, is the County going to put in four?

MS. THOMAS: You're exactly correct. So of the \$600,000, of the total, the employees' side would only go up one percent and we'd absorb the difference.

COMMISSIONER GARCIA: And Madam Chair, Erika, do you know what the difference is, that the County is actually going to be absorbing? So that way each employee knows that we're actually – it's going up this much but they're putting in this much and the County is putting in this much.

MS. THOMAS: Right. The last estimate we received from our broker – granted, these are all estimates – I believe we don't get the actual numbers – we get them between May and August. So it's really hard. We really have to make an estimate to what we think it will be. I believe the total impact, we'd be picking up about – I think it's about 90 percent of it, to be honest with you, because it's a little less than \$100,000 on the employees' side.

MS. MILLER: Madam Chair, Commissioners, so our Gallagher insurance broker, what they do is they give us estimates of what they think our premiums will go up to, and I believe the total estimated – we took a conservative approach and it was around three percent total, which is \$600,000, of which one percent on employee premiums. So we already pay anywhere from 70 to 80 percent or 100 percent – do we pay 100 percent of any premiums, or are we only up to 80? So we pay 70, 75 or 80 percent, based on your salary, of insurance premiums currently. So to Commissioner Garcia's question, say an employee where we're paying 80 percent and the employee is paying 20 percent, we're saying on that 20 percent that they're paying, we're recommending a one percent increase, and that the County would pay the rest of the increase to the premium. So if the premium goes up from \$100 to \$103, the County would be covering the majority of that.

You'd be covering 80 percent of that \$30 and the employee would be covering 20 percent and a one percent increase on their 20 percent. If that makes sense.

So it's a very small percentage. We also are trying – we went to self-insured and we just have the one provider, which is Presbyterian. We broke away from the state's plan and I don't know if they've received their estimate. But we understood they were looking at an increase of three to four percent for state employees. We have – since we broke off on our own we've only had one increase to the County employees. The County has absorbed the rest and that was last year of one percent and we're just recommending that same increase to the County employees' side this time.

We're hoping – one of the things that really drives this is that our healthcare claims stayed at a lower rate and we have less employees hitting that insurance and us also having to cover all of the County's portion of the claims. So the County pays in and the employees pay a premium every pay period. That goes into a fund. Out of that fund is how we pay the claims. So every time an employee or an employee's covered family member goes to the hospital and a claim is submitted, we pay that claim.

We have insurance for large claims that once an employee's claim gets to a certain level, insurance covers that. But that premium has gone up every year, because it just does. Because you cover longer and longer time, as well as price of healthcare services is estimated to go up at ten percent. So when you look at what we need to generate in the way of premiums into the fund to cover our claims, that's what drives how much that \$600,000 estimate is. What we believe additional funds we need to generate into the fund to cover our claims and help cover that portion of the employees increase as well.

CHAIR HAMILTON: Thank you.

## **2. FTE Requests and Recommendations**

MS. THOMAS: Thanks. And moving on I'd like to call our HR Director Greg Shaffer to present our FY 2020 FTE requests and our employee compensation.

CHAIR HAMILTON: Thank you. Welcome, Mr. Shaffer.

GREG SHAFFER (HR Director): Thank you, Madam Chair and Commission members. I'm going to briefly highlight the requests that have been made from various departments and elected officials. You've seen them before so I'm not going to spend a great deal of time going through them in detail at this time.

The analysis of these requests is going to be an iterative process. At this point in time, the first cut of the analysis was to look to determine whether or not the request aligns with the strategic plan objective. That information is captured in the third column of the slide that is currently being projected. In addition, we attempted to calculate a cost relative to the requested positions. Our methodology there was to budget or project that each position would be budgeted at the mid-point of the anticipated pay range for the position. That would translate into an annual salary and we would add to that a 40 percent benefit factor to come up with a total estimated cost for the position for a full fiscal year.

The positions that have been requested are a satellite office specialist position for the Senior Services CSD Department and Division, a Youth Services Administrative Program Manager for CSD, two voter information specialists for the Clerk's Office and

their Bureau of Elections, a senior planner for the Growth Management Department relative to housing initiatives, a GIS technician for Growth Management Department, an IPRA or FOIA codification specialist for the Sheriff's Office, a department administrator for the IT Division within the County Manager's Office, and an IT radio technician for the Public Safety Department/Fire Division.

So the next part of the analysis that the County Manager has asked us to undertake in consultation with the elected officials and departments making the requests is to do our poor best to analyze what we think are the two parts of the equation that you ought to look at whenever you consider an FTE request which is the existing capacity of current staff, as well as the existing and anticipated workload that is being projected in support of the request.

On that score, we would note that when you look at capacity you're going to assess: do you have the right capabilities? In other words, do you have current human resources that have the correct discipline or skill set? So in other words if you need a brain surgeon, the fact that you have spare legal capacity isn't of much use to you. So you're assessing the actual skills and disciplines of your existing team members. It seems to us you'd want to look at where your time is being spent, in terms of are we working on the right things? For example, those tasks that align with our strategic plan, as well as an assessment of efficiency in terms of are we spending too much time on the things we do work on. In other words, it's no great shakes to do 20 hours of work in 40 hours. And so we want to look at the efficiency of our use of existing resources as well.

You're going to also want, it would seem to us, to look at the existing and anticipated workload. Can we gainfully occupy approximately 1,800 hours of an FTE's time once you subtract your sick leave, your annual leave and any holidays? You're going to look at such things as when is the additional capacity needed? How much work is there or will there be and how long will it take to complete? And what will we do if there's any capacity that's not immediately needed with the FTE?

I think the challenge that we'll eventually have in doing such an analysis is that the quality of the data varies within the County on both fronts, in terms of assessing capacity as well as the demands of the workload. We are looking long term with the Manager's Office and the IT Department to identify and potentially implement the solutions that will enable us to better make those assessments in terms of a time and effort reporting system that would allow for more robust management as well as better data-driven budget decisions.

I would just close by noting that the impending creation of a central administrative campus may change our ultimate assessment on those fronts, and it's possible that a transition to a new, more efficient and consolidated space might yield efficiencies in terms of how we use our human resources, and it's also therefore possible that we may be able to repurpose some existing bandwidth to meet the needs that are reflected in the FTE requests.

So again, in summary, I think that FTE requests challenge us to assess both capacity and demand, and we'll be working with the requesting office and departments between now and May 14<sup>th</sup> to complete that assessment to the best of our ability. I'd stand for any questions.

CHAIR HAMILTON: So are there questions on the floor at this point?

One quick question. There's some additional that we'll be discussing about this in executive session that has to do with details of the compensation package.

MS. MILLER: Madam Chair, yes. We won't talk about FTE requests, but compensation packages relative to union negotiations, essentially so you understand where that \$2.3 million that's listed in the presentation, where that's directed and our strategies relative to negotiations, which is something we can't discuss out here.

But I wanted to point out that much of this budget and budget increase – I don't know if you heard the news today but coincidentally, the City of Santa Fe is going through one of their first budget study sessions and they commented in the media that they have an estimated \$6 million budget increase. Our estimate is roughly \$4 million. The other thing that they said about their \$6 million budget increase is that predominantly it's going to salaries and compensation packages, and that's what you're going to see in our proposal for the budget, that the majority of new revenue is directed at dealing with our union contracts, our employee compensation, our employee healthcare, increases in retirement contributions and a carry-forward of last year's compensation package.

Last year we did cost of living increases on January 1 which is half way through the year. So those costs – so you only budget – like last year we budgeted half of it. At this point, when you see on the slide before the FTE slide, you're seeing it with figures that show here's the additional amount that's been built into the budget to carry that cost of living increase from last year through a full year. So we have to first factor that in and then we have to factor in any increases that we might provide through union negotiations, or for non-union, any cost of living increases that we would look to implement at some point during the year.

So when we give you these figures we're first of all bringing forward a full year cost increase from last year's and then we're estimating which ones will be a full year increase this year and which ones will be partial year increases.

And so that's – and we don't break that out here. We're just showing you what we believe that that cost will be based upon amounts provided for negotiations.

CHAIR HAMILTON: So just for clarity, this \$578k, if you go to the previous slide, is just for everybody else, because I can do it on my screen, does not appear in any of those numbers.

MS. MILLER: Correct.

CHAIR HAMILTON: Because those include all the other personnel costs, but not new FTEs.

MS. MILLER: That's correct.

CHAIR HAMILTON: So if we go back –

MS. MILLER: Even a couple of slides, not in there, either. So that is base budgets – and I wanted to make this point on that. What we asked the departments and elected officials to do is to keep their operating budgets and take salaries and benefits out of that. But the rest of their operating budgets, we said could you keep them flat. What they did – it's not to say every single expenditure is estimated to be the same as last year. Some had contracts that they don't need next year so they utilized that funding and said, okay, well, I'd like to put that maybe to travel. Or it might vary a little, but for the most part what's covered in there – contractual services, travel, supplies, and non-capital items, the regular inventory exempt stuff that they utilize just to do regular business – fuel, out

of state travel. And where you see the \$600,000-some increase, some of that is related to increases in utilities, increases to software licenses, increases in cost of travel. A lot of seminars and workshops have an increase in their fee, increase in cost of airfare. But most of the departments, as you can see, if they had an area like that where they had an increase, they had an area where they might have been able to decrease it and keep their budgets flat.

So for the most part, that's what you're seeing there. Salaries though are kept identical to what they were this year right now.

CHAIR HAMILTON: And then it's reflected separately in the slide that follows.

MS. MILLER: In the following slide, what it takes for us to then build in the other things.

CHAIR HAMILTON: That's the \$2.3 million.

MS. MILLER: So depending on what you approve relative to cost of living increases and the different compensation packages for the different unions, that would be on top of that base budget.

CHAIR HAMILTON: I just wanted to get a little more clarity. So when you go to the next slide, it looks like – and is this the right time to have this discussion on FTEs? It looks like two of them have some justification of being needed because the positions needed to address some central strategic plan initiatives. So the others may or may not be needed to address regular base work kind of efforts and if I'm not mistaken I hear that we don't have a real good sense of that yet.

MS. MILLER: So Madam Chair, I would say that's correct. Two of the requests are put in there based upon the fact that when we did the strategic plan last year these were areas identified as needing some focus. That does not negate the other requests. It's just saying these specifically were put forward because of the discussions during the three-day strategic planning last year as being areas of focus, and that is the Youth Services Administrative Program Manager. You could just as easily say, well, we're not ready to do that; let's wait a year to create that division. Or also the senior planner for Growth Management, that is one related to housing and affordable housing construction, because we had very specific things relative to increasing our inventory and we don't have anybody who works on actual development of affordable housing. So those two were related to that.

Now, as we had the different directors explain their requests, they also could be related to the strategic plan but they weren't specified as an initiative in the strategic plan that we wanted to accomplish.

CHAIR HAMILTON: right. Commissioner Hansen.

COMMISSIONER HANSEN: Madam Chair, Commissioners, County Manager, on these FTE requests, I recognize that the Growth Management Administration is something that we really want to move forward with. So that seems a reasonable request. I also feel that the Sheriff is asking for a FOIA certified specialist and since the Sheriff was not here when we did the strategic plan he might not have had – the previous Sheriff might not have put that on the strategic plan. And I know that our County Attorney's office is kind of inundated with FOIA requests, and so that might be a reasonable thing. And then I do see over here on this other page under the Sheriff, we

have a \$39,000 decrease so that would kind of cover this FTE request. Correct?

MS. THOMAS: Madam Chair, Commissioner Hansen, the reason for the decrease is there was a program that is no longer happening so it decreased. They actually had a base increase but it's showing a decrease because I believe it's a DWI seizure program, so we had a revenue and an expenditure that matched that, so it's showing there's a decrease but in their operating budget they did have a small increase.

CHAIR HAMILTON: So this is a recurring revenue that's not covered by that.

COMMISSIONER HANSEN: Okay. But I think that is an important thing for us to consider as an FTE request at the Sheriff's Office. I'm going over this list and recognizing that I agree with Greg on the point that when we consolidate our campuses things are going to shift and things are going to change because we're going to be in a different position. And so adding numerous other positions at this time might not be the best time to do it. But I do feel that since Sheriff Mendoza was not here when we did the strategic plan, that might have been something he might have put on the strategic plan as something that he needed at that time.

I think the Clerk also needs help, especially with the fact of the changes that we have with the new rule where she's going to have to have same day registration. I know we don't want to lose any of our voting locations, because I think that is really important to have more voting locations. I'm assuming this is the correct time to discuss these.

CHAIR HAMILTON: Yes. I believe it is.

COMMISSIONER HANSEN: I'm just giving you my feedback from what I'm seeing here.

CHAIR HAMILTON: Right.

MS. MILLER: Madam Chair, yes. We want your feedback. But I would like the Board to keep in mind what Greg said. We have not had an opportunity to analyze is there enough work, because some of these position requests came forward without background data as to whether there's a true need for the position or whether a re-allocation of existing resources can be done.

One of the things about adding FTE is that's not something we take away. So it is a cost that then is built in and recurring pretty much forever unless we have a recession and we just don't hire. We have rarely if ever taken away a position once it's established. So I'm trying to create a process that determines, gives you a little more data in making these decisions, because sometimes we just add them because we have money. And I don't know that that's really the best way to make the decision of whether or not we should add FTE in particular areas.

I think where Greg was coming from is the hard part from an HR perspective is that it's vetted by HR and Finance, one, do we have enough money to afford positions, and number two – because what you're going to see is there's not a whole lot of money to work with. If you do this, then there's other things you don't do. And is that what you – so we're not making a recommendation at this point because while I agree it's something to talk about I think you wanting to see, well, what exactly will these positions do? As Greg said, how many hours, 1,800 hours – you want to know that there's 1,800 hours worth of work for these particular positions and position descriptions.

We have not had that formal of a process of evaluation in recommending FTEs.

We added back two budget cycles ago when we added the tax and we added all of those FTE, most of those Public Safety FTE were added because there was a plan in place that showed, for instance, how the Fire Department intended to grow and staff, as well as the Sheriff's. So we added three Sheriff's deputies at the time because there was a goal of 100 Sheriff's deputies and that was based on the prior Sheriff. He had laid out why that was the staffing level he needed for our population and for the patrolling and the work that they do at the courthouse, etc.

Same with the Fire Department. When we increased by 18 firefighters and FTE there, that was based upon staffing levels at our different 24/7 regional fire departments. These have not had that kind of – there wasn't like a plan laid out where we said, okay, when we hit this amount of calls or when we hit this amount of IPRA requests or when we hit this amount of voter registration that means we need another voting person. I'm just throwing those out as examples. I'm not picking on them in particular. I'm just saying we don't have any analysis available to say, yes, at this point, when we have this volume of the GIS requests, as Erle had stated at our last budget study session. We don't have a process of being able to evaluate that and say to you, yes, at this point – this is the point where we should be looking at adding another one of these type of positions.

And so what Greg was saying, that's what he's trying to establish in order to make that recommendation. Whether we can have something that formal by May 14<sup>th</sup> or by this budget decision, we may not. We may request, hey, could we hold off on FTE allocations until mid-year, and hold some money aside for that.

That's just kind of the preface of where we are. We are not at a place of just saying, oh, because somebody asked for it we think they should have it. We're trying to actually give you some more empirical data to say, yes, we can actually see that at this point is a good point to add another GIS technician. Or at this point, when you've hit this many special elections or whatever, consolidation of elections or this many precincts and this many different things that we have to do it reaches a point where you would add that type of FTE.

Just like – and we went through this, just so you know, we went through this previously with road maintenance. Well, let's just add another road maintenance crew. Well, and I think also at one point, oh, let's just add another wildland crew. And you found in both of those cases that the department directors, the Fire Chief and Public Works at the time said, that doesn't make sense for us to do that. We don't necessarily have the equipment to have a whole other maintenance district, and we don't have the management to manage another wildland crew.

So it's not just throw this number on the table. So we're just letting you know that that's some of the process that we haven't been able to establish on some of these requests yet, and we want to be able to say that we think that that's a justified request, based upon the workload that's currently being carried and what we see the future workload being.

CHAIR HAMILTON: So that's specifically why I had made the comment, brought forward the comment, and it was kind of a question about how much – that we don't have all of the background information for that. I would say – I would add that the Growth Management Senior Planner, we actually have a lot more information for that. As a matter of fact, that's been discussed so many times. We have moved forward on buying

properties and what not to move on. So we have a lot more information on that need than on any of the others. The fact that the Teen Court is in the strategic plan may add some weight but it doesn't make the decision that it's needed this year compared to next year.

I think you answered maybe both of my other questions. One of them what the ongoing process is and is it possible that we'll have some additional information by May 14<sup>th</sup>? One thing I think we wouldn't have no matter what, is information on how things might play out after the move, and potential efficiencies that might be gained and it might change where you need people and what kind of people you need. So there is some benefit there. But because of recognizing that, in that context, what's the possibility of being a little bit conservative and reserving – having some budget in reserve should there be a more or less mid-year clear need that we would then be able to move on? Or would decisions now be all or nothing, yes or no?

MS. MILLER: Madam Chair, I think that's a perfectly fine option, and we have done that before, where we said we're just not going to add any FTEs right now. We don't have to. The one thing that we have that's kind of nice is that unlike the state where they just have the legislature come in and they have one shot at making their budget, we can do budget adjustments throughout the year. We can't do any in July and August until the final budget is approved but if we reserve some capacity on the table of our revenues, we could do the move and revisit this at mid-year. And so let's just hold off on making FTE decisions right now and revisit that at mid-year and see if we do have efficiencies, or see if we have some other need that we hadn't considered relative to us all being located in different places.

CHAIR HAMILTON: Right. Recognizing some of the examples you gave of the additional kind of information we had when we knew we were hiring more fire fighter medics and more Sheriff deputies and what not. We had a lot more information. I think that's a really good option, although honestly, I do think we do have a lot of information on the housing person. So that's frankly – as long as we can – and not only that, I think it's wise to know what we're giving up for FTEs. So if we go through the whole budget and then have the option of postponing the FTE decision but not necessarily for a whole year I think that's ideal. Commissioner Garcia, did you have a question?

COMMISSIONER GARCIA: My questions were actually answered regarding the efficiency of the existing resources, validating the capacity. I just would like to know from either the Manager or HR Director what the timeframe is for that and how are we going to do that?

MR. SHAFFER: Madam Chair, Commissioner Garcia, I think that there are a variety of ways you could potentially do that. Certainly time and effort reporting software for federal and other grants exists that allows you to capture that information on a very granular level. That is something that we've begun to explore with the Manager's Office and our IT Department as to what that might look like across different departments and where you might want to start. That's sort of a robust, long-term plan.

In the interim there may well be additional data and additional things that we can draw upon, working with the elected officials and other departments to help make that assessment, I believe in terms of between now and May 14<sup>th</sup> we'll be able to report back this is what we have and allow you then at that time to make a decision as to whether or

not you have enough information or whether you want to delay a decision until a future date when more robust and granular information can be provided. So I hope that answers your question, Commissioner Garcia.

COMMISSIONER GARCIA: So I understand what the Chairperson is talking about possibly waiting to mid-year on some of these positions but I'm just very interested to see how our HR Department is going to – how and if they're capable of actually doing that. So I could just maybe sit down with Manager Miller and/or the HR Director and see what the vision of the County is, how we get there.

One of the other things I'm interested in and I don't know how it works here, whether – Manager Miller, correct me – is merit raises. How are we dealing with merit raises and how do we deal with merit raises after the budget and once the budget is approved?

MS. MILLER: Madam Chair, Commissioner Garcia, I'm really glad you brought that up, because that was another thing that's not in here that I wanted to discuss. And it came up last year during the strategic plan, that our merit system is – well, it's getting better as far as structure goes. It's not very good, because the way that budgets are set is we put – as soon as the interim budget is approved or right about the time the interim budget is approved, what goes into salaries and benefits is what actual – we budget the position at actual. And so if somebody's at \$20 an hour as of May 15<sup>th</sup>, it's going to go into the budget system starting July 1 at \$20 an hour. If it's vacant it goes in at mid-point, correct?

So say there's a range of \$15 to \$25 for a position, and it's vacant, it would go in at \$20 an hour. But if somebody comes along and they're hired at \$18 an hour, immediately that department has \$2 an hour of what we call salary savings. And what departments and elected officials have done is use that for merit increases. And as I've said before, the Public Safety unions or non-AFSCME unions don't have merit increases. They have scales and they're paid based on a scale of so many years of service in a particular position.

I personally think that our merit system is broken. I don't think we have a good way of assessing whether somebody deserves a one percent merit or a six percent merit, and, if a department doesn't have turnover, they don't necessarily have money to give merits. I believe that we should have a central merit pool and that we do evaluations and that the best are the ones who receive merits. But out of that entire pool, so that we can actually quantify how much we provide in merits, and that it should be very specific of how you qualify for a certain level of merit.

And the reason I believe that is we're getting big. We're no longer a small county that it's very easy to quantify what that cost is for us. It's getting bigger and bigger and as you have a thousand employees in all these departments and salary savings in each department, it's building up our base budget without really knowing where that funding is going. That's one reason. Two, as we've discussed before, there is an issue with pay equity. There's the Equal Pay Act which applies to governments and we need to make sure that we pay the same amount for the same job. If people have the same level of experience and they're doing the same job they should be making the same pay. You can't have one person making one amount and another person making another amount just because they accepted the job for less. It creates an inequity and the County has to

figure out how equalize that. And we're not one to take pay away from people because somebody got paid too much for a job.

So to your question right now, as the budget is built it's built in the way that we've done it for several years and that is if you have salary savings you have the ability to put in for merit increases for your employees utilizing those salary savings. If you have none you have little to no ability to do that, which is where I think we should actually have instead a separate merit pool and not have it based upon because somebody came in for less money but have it based upon because those were the cream of the crop of employees across the County that deserve the merit increase. But that takes time to set up a system like that.

And it was one of the things, by the way, out of the strategic planning process that was identified as something that having a more equitable and I guess maybe I'd call it predictable way of providing merits and assessing people for merits.

CHAIR HAMILTON: Thank you.

COMMISSIONER GARCIA: Just real quick. Madam Chair, Manager Miller, thank you for that, letting me realize how you're actually thinking about this. One of the examples I have, let's just assume we have a blade operator, a grader operator that's been working for the County for 23 years, 20 years. That's a very critical machine how to operate, how to run it, and so on and so forth. This individual has 23 years experience and he knows where every single bar ditch is in the county. He knows every single utility line, where every culvert is. Then we hire a young individual out of – let's just say high school, college. As long as we're still realizing that experience – same job title is important, so long as we can still look at that within our merit increases and how that works. That's what I'd be interested in.

MS. MILLER: Madam Chair, Commissioner Garcia, I think – and I'm going to have Greg add to this. There's two different things there. One, what we've tried to do and I know there's growing pains with this, with the departments because I get texts about it all the time as does Tony, is we've tried to establish a way to evaluate within that range, where does a person fit if you're doing the hiring. I gave that example of a range that is from \$15 to \$25 for a job, and let's just break it into three or four dollar increments. The bottom of the range is, say, \$15 to \$18.50. Middle of the range is \$18.50 to \$22 and top of the range is \$22 to \$25. Something like that. That's where somebody who's super experienced, as you say, should be in the top of that range. Somebody new coming in, somebody who has little to no experience and would qualify at the bottom of that range. Somebody with average experience should come in somewhere in the middle of that range.

One of the issues we've had also is our ranges haven't moved with COLA. Greg and I have discussed this at length that our ranges should move with COLA because if somebody does get a cost of living increase or a merit, before you know it they're hitting the – if they're in that higher level and they've been there for a long time they're hitting the top of the range. And we shouldn't be paying people over the range because in my opinion on that one, then what's a range for, if you're constantly paying people over the range?

However, there is a maximum amount at some point that a certain job is worth, because that's just the going rate for that type of job. And quantifying what that is exactly

is obviously somewhat subjective but we're trying to make it as objective as possible by saying justify where a person is in their range with their experience level, and then their exception quantity or quality of work. And to actually be able to explain it, not just because this guy's been here for 25 years; he should be paid the top of the range. That doesn't necessarily mean he's the best worker or she's the best worker. But you need to be able to quantify it: Where does that person fall within the range? What statistically and factually makes them better, not just their experience level but also their quality of work, and justifying it in the range and in your request for a merit increase. Do you want to add to that?

MR. SHAFFER: The only additional thoughts, Madam Chair and Commissioner Garcia, I would add that we are certainly evaluating this and all stages of discretionary compensation requests, discretionary meaning you have a choice to make. As the County Manager said, there are certain segments of the County workforce where the salary is predetermined based upon your rank and your years of service. That's what we call non-discretionary. You don't have a choice. The contract is dictated, what the outcome is.

But as it relates to these areas where we do have a choice, we are trying to, and have instituted processes that ensure that we are looking at the qualifications of the individual that you're proposing to hire relative to the minimum qualifications for the position. We're looking at other people within the department or elsewhere within the County who may arguably be doing similar work to see if there are any internal justifications that might sway the analysis one way or another, and we also are, in appropriate cases, taking into consideration any market forces that might influence the decision of what the starting salary is.

So it is a process. It is, to the extent we can make it so, based upon actual data. We endeavor to justify our decisions relative to what we think an appropriate salary is and then over time it is through the merit process and the evaluation process that you would expect to see true salary growth, not COLA salary growth, which is really standing still. But looking at true salary growth based upon your accumulated experience as well as actual documented performance in the position. So just in terms of explaining the process from the beginning, when you hire an employee you're looking at the starting salary based upon their qualifications, what others are doing, what have you, and then over the lifecycle of an employee you're going to be looking at their accumulated experience as well as their actual performance in the job. And under those acts that the County Manager referenced, a bona fide seniority and merit system actually is a means by which you can justify differences in pay.

MS. MILLER: Madam Chair, I had one other thing to add. One of the things that we also do throughout the course of the year at times, and Commissioner Garcia mentioned equipment operators. So at one point it was really identified we were losing a lot of our equipment operators and we could not – we were losing them and also we could not recruit. And so we went and did a class and comp study on that one classification of workers. And that's where we looked at not just experience but we really looked at the market, and the market had changed.

And so we went in and actually made an adjustment, and worked with the union to adjust that particular classification of employee, and I believe – this was a few years

ago – but we actually upped the starting salary and upped the range for those positions and upped the budget. So we also do that. So there's not just cost of living, not just the ability to get a merit, not just our union regular contract negotiations. We also, when we see a need in particular classifications in the County we do research. HR even has had consultants who have done classification and compensation studies for us. We are probably due to a complete overhaul of our classification and compensation plan and our ranges anyway, because I don't think it's been done for quite some time.

And I've looked at some of the other counties and how theirs are and we definitely could use improvement in this area. I think when you have close to a thousand employees and you have 500 job descriptions and 60 ranges and all these different classifications. It's problematic. So we're trying to rein that in and clean that up. And so we're doing that on a case by case basis right now, but I actually think it's something that we should look at a complete overhaul of our class and comp plan.

CHAIR HAMILTON: Does that mean we need a budget item for that?

MS. MILLER: I've been thinking about whether we need to do that, but I didn't notice that HR requested it so it I wasn't really sure that was something they were ready to bite off that big of a bite of the apple yet.

COMMISSIONER GARCIA: Just really quick on that. Madam Chair, Manager Miller, thank you for that. Regarding consultants or how the HR Department is going to move forward on this. I don't know how we do this but I think we should actually create some sort of a team and get employees involved. Because many, many, many, many, many years ago when the union first came aboard to Santa Fe County I remember walking into the HR Department and I asked the two young ladies what they were doing. They said we're going through all of our list here of all the County employees to see who's going to be in the union and who's not. I said, okay. How do you do that?

Well, should code enforcement be in the union or not? Well, I think they did put them in the union. So I said do you guys know what his job title or their job title is? Well, they enforce the code. So I would just hope that we get really deep down into what exactly – other than just what their title says, what exactly are they actually doing. Animal control. Has anybody been out there on a ride with an animal control when they're chasing snakes or they're chasing dogs? Just because it says animal control, I feel their job title is a little bit more challenging than what the actual job title says. So whether we hire consultants or Greg's team actually does that, just see if we could maybe get staff involved, or the Assessor's Office that actually sit in there and say what exactly do you guys do? Go knocking on the door? Have a better sense. That's all I'm asking Thank you.

CHAIR HAMILTON: Good idea. So are there other questions on the floor? Commissioner Moreno.

COMMISSIONER MORENO: We have all these challenges and a lot of employees now. I think with the more than half million dollars sitting there, I think it would be a good idea to start working on a new tool for HR, because if we don't we're going to be in a mousetrap, the wheel, and never being able to solidify something and have the structure with supervision, and recruitment, the whole thing. I think that's imperative. That's my take. Thank you.

CHAIR HAMILTON: Thank you. If there are no other questions at the

moment, should we move on to the next piece of the agenda, or continue with this presentation? I know there's a little more on employee compensation. So Mr. Shaffer, I think you've got the floor again.

## **II. C. 3. Employee Compensation Options**

MR. SHAFFER: So with regard to employee compensation, there are a variety of components that go into that that are unrelated to new FTE requests. Again, we're talking about at this point really existing staff and compensation packages. So there's a potential cost of living adjustment that would impact non-union employees as well as those members of certain bargaining units that have negotiated as part of their collective bargaining unit that they will receive any generally applicable cost of living adjustment that the County passes I believe that AFSCME 1782 and AFSCME 1413-M, the medical unit within the Corrections Department fall into that bucket.

And then in addition, there are the other unions that are itemized. 1413, the Corrections union, the Fire union, the RECC union, and the Sheriff's union that are due for true economic re-openers. We're negotiating how money that the Board allocates will be deployed with regard to their workforces. The Corrections union, the Fire union and the RECC union are on a more critical path in the sense that their contracts have either expires or are about to expire or due for economic re-openers whereas the Sheriffs union contract is good through the end of this year. But in terms of sequencing negotiations the priority has been initially with regards to those unions that either have expired agreements or are due to expire or are due for an economic re-opener per the terms of the agreement.

So that's really all that I would add and we can discuss in executive session further the preliminary bargaining strategy relative to those negotiations. But I believe that that \$2.3 million figure does include a two percent COLA. Is that correct? Manager Miller or Erika, for what's included in that figure for non-union employees and those unions that piggyback off of generally applicable COLAs.

MS. THOMAS: Madam Chair, that's correct.

CHAIR HAMILTON: Thank you. So I was going to ask and if you can't or shouldn't answer it you can maybe do it later in executive session, but some of the information that is input to the \$2.3 million is known and some of it is still estimated and can still change. So do you have an estimate of variation around that? I'm not looking for dollars and cents so much as is it big? Is it little? There is variation around that \$2.3 million, right? There's some we don't have the information on, so they're estimates, true?

MS. THOMAS: Madam Chair, Commissioners, as HR and the unions move through negotiations there may or may not be a variable. That's unknown right, but the two percent, until that's passed it's an estimate at this point.

MS. MILLER: Madam Chair, maybe to be more clear, that \$2.3 million includes amounts allocated per the BCC for individual contract negotiations as well as a two percent cost of living for half a year.

CHAIR HAMILTON: Okay. That's a pretty good number then.

MS. MILLER: Non-union and other.

CHAIR HAMILTON: Thank you. Sorry for interrupting. So yes, thank

you. That answers my question. So are there other questions at this point or can we roll along?

**II. C. 4. 54<sup>th</sup> Legislative Outcomes**

MS. THOMAS: All right. So the next slide just highlights the legislative session updates. I just kind of wanted to go over those that may impact us. The first one is impacting Corrections, which is House Bill 364, which addresses restrictive housing. Within that, this primarily affects the adult facility. There is a capital request this year for improvement to enhance and comply with this legislative session and that would be in our wreck yard. When we bring the capital requests forward we could discuss that particular one.

The next one that has a direct impact to our operating budget, so it affects all of Santa Fe County, is House Bill 501, which increased the PERA contribution on the employer side only. I want to be very clear. It's not on the employee side. It's the part that Santa Fe County picks up. The regular plan, which is most of our population, our current rate is 9.5 percent. It's going up to 9.8, so it's .3 percent. Our enforcement plan is going from 18.9 percent to 19.15 percent, so it went up about a quarter of a percent. And our fire plan is going up from 21.65 percent to 21.90, which is another quarter percent. So overall it's less than one percent but the size of our payroll, it does have a financial impact and I will go over that in the next slide with the dollar amounts.

And then I wanted to just briefly hand it over to the County Clerk, just as a reminder of some upcoming changes that may financially impact us.

GERALDINE SALAZAR (County Clerk): Yes, thank you. For the County Clerk's Office and Clerks throughout the state there was House Bill 407, which is I believe Chapter 112. So in this bill there are a lot of changes within the Election Code, within the Local Election Act, a change also, that in the future County Clerks will have to figure out how to do same-day voter registration on election day, which is going to be an enormous task.

Right now, county clerks throughout the state, and my staff and I are discussing and trying to figure this out: How are we going to do this? Because we have concerns. Clerks have concerns. We have concerns in our office. Who will we allow to do same-day voter registration at a voting convenience center, because there's a lot of information there with personal, identifiable information. And so we have some concerns, and so we're working with the Secretary of State's Office, all other county clerks. The clerks will be meeting next week at the County Clerk's Office warehouse to discuss more about House Bill 407, Chapter 112.

So there are a lot of changes, a lot of demands, and as I mentioned before in the last year, the last two years, the workload data implementation into our systems, from Service, which the Secretary of State's database system, ERIC, which is a national database system that we participate in where we send letters to voters who are registered in Santa Fe County, all over the country, to states that participate in this program. So we have to send out mail-outs.

We just finished the list maintenance portion also. So there's a lot of demands regarding data. And so I want the Board to understand that there are upcoming costs, I'm

sure. We will do the best we can and I want you to know that the County Clerk now is rather fiscally conservative. The Clerk's Office hasn't grown and grown with FTEs as the County itself has grown and grown. And so we who run elections, I'm sorry to say, are gluttons for punishment. We're thrown all these laws, these requirements, and we just keep going.

My staff needs some type of respite. And part of that respite is the request for two voter information specialists. So that will help ease some of the problem. My DOE management team – there's two who have said we have to hire more people to deal with the demand of data entry. We deal with felon issues. We deal with voter registration issues. Now we're going to deal with same-day voter registration in the future, and so it goes on and on. And we're ready to do what we have to do. As I mentioned, sorry to say, we are gluttons for punishment, but, because we take our job serious, but we need the support of the Board and understand that your County Clerk hasn't been requesting FTEs every year and growing rapidly.

She has scraped her budget, worked with County Management, to make sure that we have salary adjustment. Early on, when I came in as Clerk, we had staff that were working for the County five to seven years and they were making \$12 and change. Yet they're cross-trained to work in all kinds of areas. When we have an election all staff from the different divisions – records, recording, who work in probate have to pull together and work in elections. If we have a high volume recording episode or cycle in the office we all have to pull together.

So our number one priority is customer service and we don't ever want to compromise that. But we also have to meet our statutory duties when it comes to data entry, working with the issues of felons, now same-day voter registration. And so, as we have been plied on with all of these laws and changes the need is there. And that's why we're asking for this. And so I want to prepare you. Even after I'm gone there's going to be more responsibility.

So support your County Clerk's Office as you always have and we appreciate the fact that many, in fact Finance has always recognized how hard we work because they see the cycles and the needs of elections and recording. So continue to do that. And if you ever have any questions please feel free to ask. Thank you.

CHAIR HAMILTON: Commissioner Hansen.

COMMISSIONER HANSEN: Clerk Salazar and Madam Chair, when you're doing the same-day election, now we have a cut-off at 60 days or 30 days.

CLERK SALAZAR: Twenty-eight.

COMMISSIONER HANSEN: Twenty-eight. There is no cut-off now. So even during early voting anybody who comes in and wants to vote they can register that day and vote and it goes up until election day.

CLERK SALAZAR: Chair Hamilton, Commissioner Hansen, yes. We're preparing to roll this out for early voting, same-day voter registration for early voting. It won't impact us for same-day voter registration until 2021. But we have to plan ahead because we work on our calendars a year or two in advance. So we need these things in place.

COMMISSIONER HANSEN: So it won't go into effect until 2021.

CLERK SALAZAR: Same-day voter registration.

COMMISSIONER HANSEN: Okay. Same-day.

CLERK SALAZAR: For election day. But there is same-day voter registration for early voting.

COMMISSIONER HANSEN: So that will be in effect.

CLERK SALAZAR: Yes.

COMMISSIONER HANSEN: Just getting everything clear.

CLERK SALAZAR: Thank you.

COMMISSIONER HANSEN: Thank you. I appreciate that.

CHAIR HAMILTON: So Erika.

MS. THOMAS: Madam Chair, Commissioners, to the next item which would affect Santa Fe County as whole is House Bill 479. I will be working with the Finance Director. It's a 61-page bill so we're vetting through it. So basically it's de-earmarking certain gross receipt increments, and so it's redefining on a simple term what we can and can't use them for. Some may be less restrictive in that sense but as we get more details we'll update it through the County Manager's Office and Manager Miller probably can add to that.

MS. MILLER: Madam Chair, Commissioners, we don't know if this will affect ours, but just to give you examples of – we have certain increments that are general fund. Our first 1/8, our third 1/8, our four 1/16. But then you have – and our hold harmless increments, even though you by ordinance have dedicated them to certain initiatives, they can still be considered general purpose. But there are other GRT increments that are very specific. One of those is – I know a couple of you went to the New Mexico Counties wrap up of the legislative session. One of them is Corrections GRT can only be used for paying debt on correctional facilities, and counties wanted that loosened up a little so it could be used for other operating costs.

We have some GRT increments that are very specific, like quarter cent capital outlay, quarter cent fire and EMS, a 1/16 environmental and another 1/16 infrastructure. But I will say even if this legislation were to allow for those earmarks to be removed, we have ordinances in place, so it wouldn't just be automatic. That statute says these can be utilized a little more flexibly than they currently are statutorily. You would have to revisit our existing ordinances relative to any GRTs if you so chose. I could say that in most cases with our GRTs they are already dedicated to something that we would need more, so I doubt that freeing it up is going to change the way we build our budget that much. So in other words we do not have too many GRTs that are dedicated to a specific purpose that we don't utilize that entire GRT plus some general fund to actually make those things happen.

An example of that is the 1/16 of environmental and infrastructure helps our solid waste and then it's still not enough to cover the cost of solid waste services so we end up adding general fund to that as well as the fees that we charge.

So I'm just saying while this could have some positive impact on the County I don't see us changing our budget process too much, so I don't know that we would really revisit any of the ordinances we have in place or that we would recommend doing it. I don't know that it would help us all that much and we already did a kind of rewrite of one of our GRTs a few years ago to purpose it towards general fund and include it in our ability for bond payment coverages. So we've done a lot of cleanup regardless of whether

this legislation affects us or not.

CHAIR HAMILTON: Erika.

MS. THOMAS: Thank you, Madam Chair, Commissioners. And the last one on the list affects Santa Fe County. It's House Bill 6. There's actually 15 items on the gross receipts tax reporting that it affects but the main one that affect Santa Fe County is the remote sellers and market place facilitators, which is internet sales. They vet that to start in July of 2022. So most of these are in the future. A compensating tax, which would start in July of 2021 probably wouldn't impact us too much because it affects mostly industrial work in Santa Fe County. And then there's a one percent road fund. This one's unforeseen. In talking to the Association of Counties, they foresee it looking similar to the law enforcement protection fund, where the counties can apply for funding and receive something similar to a grant.

So those are coming down in the future but they're not necessarily going to be happening this next fiscal year.

CHAIR HAMILTON: Great. Thank you. Commissioner Hansen.

COMMISSIONER HANSEN: Wasn't there – didn't this bill that the Sheriff brought up about domestic violence keeping their guns, taking the guns and storing them – didn't that come up and didn't that pass? Didn't it get signed into law? So won't that affect the Sheriff's Office?

MS. THOMAS: Madam Chair, Commissioner, I would love to look at that bill. I apologize. I was looking at bills that may increase our revenue or affect our operating budget, but we can address that bill. Do you know what the – I don't know what the bill number was off-hand.

CHAIR HAMILTON: We can get that offline.

MS. THOMAS: Yes. I'll make a note of that.

COMMISSIONER HANSEN: Because I know it will have some impact on the Sheriff.

MS. THOMAS: On the Sheriff's Office. Okay.

COMMISSIONER GARCIA: I have a question for Manager Miller.

CHAIR HAMILTON: Commissioner Garcia.

COMMISSIONER GARCIA: Maybe you can answer. Did the state legislature this year talk about the last GRT tax that the County Commission has to – we have the ability to implement it. And also, does that have to go out to the voters, if the County Commission decided to do that?

MS. MILLER: Madam Chair, Commissioner Garcia, so ever since the state started the phase-out of the hold harmless distribution of the tax that would have been collected on food and medical services, there's been a lot of discussion around the Roundhouse about removing the ability to implement the three 1/8s of hold harmless gross receipts tax capacity that was given to counties and municipalities. But House Bill 6 would have been where that was the closest to tax reform, and they actually did not remove any of the local governments' ability to impose any increments that they have.

They also did not remove the hold harmless distributions. So there's a 15-year phase-out on those distributions and the initial House Bill 6 had it stopping and basically telling local governments if you need to make up that money, use the increments you were given. But they didn't. That actually was removed early on in House Bill 6. So we

still receive our distribution and it still reduces by seven percent per year, but then you also have growth in the actual base, so we haven't been losing seven percent per year. It's probably been – out of that amount, they started reducing that a few years ago, I think in 2015, and at that time we received about \$4.2 million or so per year, and now we receive about \$3.3 million.

So it's been phasing out across all funds at about \$200,000 a year. So it's not too bad, because we've had growth in the rest of our gross receipts tax over that same time frame.

So relative to the hold harmless increment that is still available, we have instituted – the first 1/8 we instituted to use for improving and maintaining our facilities, as well as the construction of the new admin building and the renovation of this one. So that's what the first 1/8 was imposed for. And then two years ago we imposed the second hold harmless increment, and that one is dedicated to public safety and the behavioral health crisis triage center. So a portion of it goes to operating the center. We have been putting those funds aside to help finish building the facility and we have been spending some of it for the contractor who will ultimately operate that facility. And then the other – and I can't remember the exact percentage. I want to say it's about 2/3 and 1/3, something along that line. The other percentage went to Public Safety and it funded 18 new firefighters, three new Sheriff's deputies, four RECC staff and a few different corrections positions, three or four different correction positions. It wasn't detention officers, it was other staff within the adult facility, and then some administrative staff to support that. That was the second 1/8.

And then we have the third 1/8 that's still available and it is not required to go to the voters. If you chose to do that you would do that by resolution. You could impose it. It can only be imposed January 1 or July 1 of a given year. So you would have to go through the process of imposing it and then it becomes effective, either on a January 1 date or a July 1 date.

CHAIR HAMILTON: As a follow-up to that though there was also discussion of tax reform, which would change, broaden the base. One concept had to do with broadening the base of the GRTs so percentages could be lowered. But that didn't actually get accomplished, did it?

MS. MILLER: Madam Chair, Commissioners, House Bill 6 is the closest they got to tax reform. And I think a lot of it has to do with tax reform. If we go back to taxing – particularly in GRT. They didn't even venture into property tax really. But in gross receipts tax, one of the things that has made New Mexico kind of enviable in other states is we have a gross receipts tax, not a sales tax, and we also tax services. But over time, since that was done – I think it was passed in the 1980s, every legislative session there's been an exemption, exclusion, a deduction, a credit, and so over time, that really stable revenue stream of gross receipts taxes has been eroded, the base of it.

So many things have been taken out of it that what we've seen is the rate has just gone up and the actual base of what's taxed has gone down. So when they talk about doing tax reform the idea was put all those things back in the base, including food, medical services, all of that, put it back in the base, and bring the overall rate down because you have some areas in the state of New Mexico where the gross receipts tax is over nine percent.

But you have this battle at the legislature constantly which is regressive. If you go back to taxing food, you go back to taxing medical services, that would be regressive and hurt the lower income people versus individuals who say, really you should tax everything but just bring the overall rate down.

So what came out of those attempts at tax reform was House Bill 6 which basically said de-earmark – well, actually 479 was one of them – de-earmark some of them, especially for counties. Try to make them less specific so that maybe you don't need to raise taxes because you can utilize the tax you have in place more efficiently by directing it elsewhere instead of what the legislature saying you can only spend that dollar on this thing.

So that was one piece of it. Adding in internet sales is another, trying to make sure that local governments could receive compensation off of internet sales, and then also compensating tax, making sure that local governments receive some of the compensating tax.

Also in House Bill 6, which doesn't really affect counties as there were some changes to income tax and some other areas that are all state related. So we didn't outline that. But that House Bill 6 was the best that they could get in the way of tax reform this year.

CHAIR HAMILTON: Thank you. So we have a chance of getting through this. Shall we move on to fixed assets? Is that everything? Yes, Commissioner Hansen.

COMMISSIONER HANSEN: The number of that bill that I was speaking about earlier is Senate Bill 328.

CHAIR HAMILTON: Thank you.

MS. THOMAS: So the next slide is just a summary of all the slides we just addressed. It's our operational revenue for all funds and our operational budget requests, an estimate of what our health insurance premiums may be for a full year, and I did round up, because I like round numbers. House Bill 501, the PERA increase, we're making an estimate at this time along with the employee compensation increases. So that's estimated at about \$250,000, the \$2.3 million for the estimated employee compensation package, which is on slide 7, and then the second half of the year of our employee compensation package from 2019. So the full year was I believe \$816,000, so the half that we need to fund for 2020 is \$408,000.

So the balance of our estimates is roughly \$695,000 for strategic planning initiatives which includes FTEs for affordable housing and youth services. Associated costs of programming of the affordable housing program, youth services and economic development.

CHAIR HAMILTON: Excellent.

## **II. D. Fixed Assets**

MS. THOMAS: For the fixed assets we're going to hand it over to John Tennyson. He's our budget analyst and he's going to present the fixed asset section.

CHAIR HAMILTON: Thank you, John.

JOHN TENNYSON (Budget Analyst): Good afternoon, Madam Chair, County Commissioners, Manager Miller. I'd like to give you a brief background on the

process in which the fixed asset items requested by the department and the recommendation process that we went through. Starting in November of 2018 the Budget Division opened a database for the departments to go ahead and enter a request that they would have for their fixed assets or their capital requests. Based upon that it would go into the database, the departments would enter which fiscal year that they are requesting for, whether it will be fiscal year 2020, 2021, 2022, and so forth, which strategic plan population goal this refers to, what type of asset is requested, such as IT equipment, vehicles, heavy equipment or any other requested items, whether it is a new or replacement item. Most importantly they would assign a priority ranking starting with number one, which is the highest need for the department and then going forth based upon their needs. And then the department research items and they would get estimated costs that would concur with their requests. So they would give quotes as to how much an item would cost for that request.

In early February Finance, along with Growth Management reviewed the fixed asset requests to ensure accuracy in funding. After these items were reviewed a small committee of Santa Fe County staff from various departments reviewed each item and recommended items for approval along with the County Manager's Office.

On April 4, 2019, the VURB Committee, which is the Vehicle Utilization Review Board, which reviews vehicles that were being requested, met to review and either recommend or not recommend the vehicles that were being requested for FY 2020. The criteria for which the vehicles would be recommended are reviewed by the committee which includes Chris Narvaiz and Dean Kitchens from Fleet who helped provide a more in-depth look at which vehicles qualified for replacement.

Public Safety vehicles are exempt from the VURB. So just a little additional information on that one, just as a side note, Fleet and Sustainability, the divisions within Public Works are working in conjunction with all approved vehicles to provide a more fuel efficient setting for those vehicles.

So as we move on to your slides, you will see on slide 10 the fixed asset requests and recommendations. You'll see a breakdown of the departments, what they requested for vehicles, IT and software, and machinery and equipment. So you'll in one department, the Community Services Department, they requested a total amount of \$110,179 and there were recommendations for \$39,327 for that department, and so forth. You'll see for Corrections, the same thing. They requested \$523,500, and we're recommending \$325,600.

Overall, you'll see that all the departments requested a total of \$9,227,250 worth of assets. The total department recommendations are for \$6,654,455, which we do show as a decrease from last year's request of – it was recommended and approved of \$6.9 million, roughly. And I'll stand for questions on slide 10.

CHAIR HAMILTON: Just for clarification, the recommendations are your recommendations, working through criteria with each department head? Is that correct, more or less?

MR. TENNYSON: Madam Chair, Commissioners, they are part of the groups that went through the entire listing of what departments requested and based upon that it was recommended based on if a vehicle needed to be replaced, not replaced –

CHAIR HAMILTON: Right. I'm just asking, the recommendations aren't

– you guys looked at it, it was your department working with each department.

MR. TENNYSON: Yes. There are people in various other department that are part of the committee.

CHAIR HAMILTON: Which you pretty much said, but I just wanted to make sure that was correct.

MR. TENNYSON: Yes, that's correct, Madam Chair.

CHAIR HAMILTON: Okay. Commissioner Hansen.

COMMISSIONER HANSEN: I know we talked in the strategic plan about moving to electric vehicles and charging stations. I know they kind of have to go together. We need both of these things and yesterday I did speak with Jamie from PNM about the Volkswagen settlement that there seems to be money coming out, that that seems to be available. So I want to make sure that we're following the strategic plan and working with getting vehicles that are – we obviously need the charging stations along with the cars.

We can't buy electric vehicles without charging stations and having them throughout the county. It's really important to me. I think it's important to all of us as we move forward and so I just want to know how that was taken into account in this recommendation.

MR. TENNYSON: Madam Chair, Commissioner Hansen, for that question I will refer to Erika, that she can answer that question for you.

MS. MILLER: Madam Chair, Commissioner Hansen, one of the things also that I've asked them to make sure that they do with this list, particularly the vehicles, is go back – Sustainability worked with Fleet Management on recommendations relative to vehicles. However, not all the vehicles on here are necessarily the most energy efficient options that they could have purchased, so I asked Erika to go back with the vehicle list in particular, for instance with IT. They had a request for Escapes, and I said well, are those at least hybrids, or are they just regular gasoline. So they're supposed to go back through this list between now and when it's brought forward for approval to make sure – and meet with Sustainability to make sure that the vehicles on the list are the most fuel efficient hybrid version that they can get.

Relative to electric plug-in vehicles, we do not have the infrastructure in place, nor is there contractually an easy way to purchase an electric vehicle. I'm working with Claudia and her staff about looking at locating charging stations. As you know we would have charging stations at the new facility but I also want to make sure that we have charging stations for County fleet building at this building, at that building, at Public Works and at Public Safety, so that once we get moved we actually have the ability to utilize electric vehicles between our facilities.

As you know the county is 2,000 square miles and it is not practical for electric plug-in vehicles for, say, our Sheriff's deputies. They'd be out of juice by the time they got to Edgewood.

COMMISSIONER HANSEN: Or be able to catch speeders.

MS. MILLER: I don't know. I've been in a Tesla. They're pretty darn fast but I don't think we'll be buying Teslas. So what we're looking at is simultaneously making sure we have a mechanism to purchase those, putting it in the budget to say, okay, County IT make sure your vehicles are electric plug-in. Electric plug-in aren't on a

state price agreement at the moment. It took us over a year to get the one vehicle, a Nissan Leaf that we have. And it's because also the way that there's a \$7,000 rebate on it, we had to lease it for a certain portion of time, which we don't do leases over fiscal years without a non-appropriation out, because that would be creating debt.

So there's some challenges with purchasing electric plug-in vehicles that I have asked Claudia to really find a way to make it easier, as well as look at all the places that we need the actual infrastructure or the charging stations in place to be able to utilize them. I don't see, for instance, it'd be great if our senior vans could be electric but they'd have to stop mid-meal route to charge. There are cases where just a really good hybrid is a much better option for us, due to the distance that we have between our facilities. But, that said, I think for administrative purposes, between the three campuses of Public Works, Public Safety and Administration downtown, as well as the crisis triage center, and possibly where HR is, if that is our company store and record storage, that those five facilities, it makes sense to have charging stations and it makes sense for administrative staff to have pooled electric vehicles.

So that's what we're working towards. It's not in here because we're not ready yet. But I do anticipate next budget cycle, and even possibly throughout the next fiscal year, some requests to budget for putting those stations in and getting that infrastructure in place.

COMMISSIONER HANSEN: So I hear one of the hold-ups is the state pricing agreement, also. So do we need to – did the state do anything in the legislative session about adding – or can they do that separately?

MS. MILLER: Madam Chair, Commissioner Hansen, there's a few different price agreements. There is a state price agreement for charging stations, so we want to look at whether those are the ones we want. You also have charging stations that don't require payment and charging stations that require payment. We need to be careful if we have ones that are for staff that don't require payment that they're also not ones that people from the public just randomly, continually charge their vehicles at. They need to be, for instance at Public Works behind our gate so somebody isn't utilizing our charging stations to charge their private vehicles.

Where it's there for the public to use, and they're much more expensive, but they have a payment mechanism where you can either potentially use an app and it pays for it when you refuel, similar to the City's parking app. You can download an app and pay for your parking around town. So there's ones like that. Or there's ones that utilize a credit card. So we have to make sure that we purchase the appropriate one for the location, and there are state price agreements for that.

There's also state price agreements for the energy service contracts. Those are being renewed, and it's not the state legislature that does those; it's state procurement. Those are being renewed, and we're waiting on the renewal on that for an energy services contract. And then relative to plug-in electric vehicles, I do not know that there are any on a state price agreement at the moment. Which is why we went through such a hassle to get the one Nissan Leaf, we had to do that kind of on our own. I don't know if Claudia is here, but that's – what I've asked her staff to do is if there isn't a state price agreement that has any electric plug-in vehicles, then let's do our own RFP and see if we can't create a contract that not only Santa Fe County could order off of but that also other

entities like the City of Santa Fe or local governments could potentially order from and make this easy.

If you put money in the budget right now for departments to buy electric vehicles I'd pretty much guarantee it would be well over a year before they actually get them purchased. It was not an easy purchase.

COMMISSIONER HANSEN: Thank you for the explanation. I appreciate it.

MR. TENNYSON: So we will go ahead and go on to slide 11. And this is just giving your basic overall view of the vehicles, the fixed assets other than vehicles or IT equipment, and IT equipment. So you'll see vehicles which does not include heavy equipment. We have a total of \$3,058,418. The VURB recommended about \$558,918 for the Public Safety vehicles. Sheriff's was recommended for \$1.9 million. Fire was recommended for \$599,500.

For fixed asset, general, recommended for \$2,121,097. For furniture and fixtures, to give a little bit further breakdown, was recommended for \$7,500, heavy equipment for \$1,231,260, and other equipment and machinery for \$887,338. And finally, for the IT equipment it was recommended \$1,469,940. The IT equipment does include software.

CHAIR HAMILTON: Okay. Great. Thank you.

MR. TENNYSON: With that, I'm up for any kind of questions.

MS. MILLER: Madam Chair, one of the things I was looking at was Sheriff's vehicles, and I don't know if you heard Commissioner Garcia, but one of the things that Finance did is, okay, you had requested this amount but here's a certain amount of money, and go prioritize your request. So these are of the Sheriff's – they were given \$1.9 million and this is what they came back with what they needed in their \$1.9 million.

MS. THOMAS: Madam Chair, Commissioners, just real briefly, the sheets that were attached, we summarized it in the power point but this gives you the actual breakdown of what the departments requested and available funding that we did have was recommended according to those numbers.

CHAIR HAMILTON: Thank you. Yes, Manager Miller.

MS. MILLER: Madam Chair, one of the things I did want, and I don't – we talked about it with the Assessor, but on page 3 of 8 in the IT. So if you go to the purple and go to page 3, I would like the Assessor to come and kind of explain his request. Is Erle here? And so he's going to have to kind of explain probably both his side of this request and Erle's side of this request. As you know, we do the pictometry for imagery and the Assessor and Erle have kind of requested to partner on an additional flyover. Right now we fly over every other year and we have a contract where, say, they fly over in the first year – we have a six-year contract. They do the flyover in the first year. We split the cost of that flyover between the first and second year. Then they come in and fly over in the third year and we split the cost of that in the third and fourth year. And then same in the fifth and sixth year.

But due to the census on Erle's side of the request, and due to a high level of construction on the Assessor's side of the request they're asking to do an additional flyover next year at a certain level of resolution and potentially do it every year. And so I

want Gus to explain the request because that is built into this budget.

GUS MARTINEZ (County Assessor): Madam Chair, Commission, so the idea is, Erle and myself are partnering together to fly over the county. Number one, GIS wanted it due to the fact that they're doing a census in 2020, and to get a snapshot in time of what exactly is there at the time of a flyover, which also within the aerial he wants a survey grade aerial, which is more – the lines and quality of the aerial, a surveyor can use that.

Now, the portion that I'm wanting to do also with the flyover is that we're finishing up our last year of our five-year reappraisal plan and starting all over again in Edgewood. And there is technology out there that the imagery that we want to use is a higher resolution imagery. We currently use three-inch and six-inch in the rural areas, but as we are going through the reappraisal cycle it seems like we could probably get through our reappraisal probably in about 3 ½ year or three years with this technology, but the one-inch resolution will help us, give us the ability to start tracking more information, such as effective age of a home and really put that into the assessment so that we really define our assessments and they get better. So they're more – the more data that we have and the more data that we collect through this we just have more precise assessments.

So that's the idea. Every year that we fly over the county, and due to the fact that there's a lot of new construction because the market is up I think it's beneficial for the County and all the departments, that we fly over every year and get a snapshot in time of all the new construction. And then if the construction starts dying down then we go back to an every other year flyover. But I think on the whole it will benefit the County, collecting data, which is not only our department but other departments throughout the County can utilize it to better their processes and collect information.

CHAIR HAMILTON: So I have a couple of general questions right off the bat. Can you please do more detail, be more specific on the three- to six-inch resolution and one-inch resolution.

MR. MARTINEZ: So one-inch resolution, you can look at – you can collect data such as for Public Works as cracks in the road. So without sending somebody out there you can analyze the roads in that area there, as well as for us. It's looking at effective age. So if we're looking at a house and we get that type of resolution we can see the cracks in the house, we can see that it's dilapidated and put that depreciation in our system so that it generates a more accurate value, which would lower the value of homes.

Now, a three-inch doesn't quite have that definition to be able to do. It allows us to measure the home, look at it, but we can't go close enough to really get that effective age and the detail that we need to make more accurate assessments.

CHAIR HAMILTON: Right. So just for clarity, that's three-inch or one-inch resolution on the ground. Just so everybody's recognizing what that means. So to understand if buildings are there or not, that's what we're differentiating. The other question I had was – I forgot the other question. Commissioner Roybal, you go and then Commissioner Hansen, and then I'll get my question out.

COMMISSIONER ROYBAL: Assessor Martinez, we did purchase some software a few years ago and there was a huge benefit to getting that flyover data and using that software. This is sort of anchoring off that same software. Is that correct?

MR. MARTINEZ: That is correct. So the component to that is called

ChangeFinder and so we have a department within my office that looks at building permits throughout the year, every day of the year, and we use that ChangeFinder component when we do a flyover. What exactly changes from one year to the next without sending our staff out there to – due to either dogs or locked gates, that sort of thing. And we also save gas and time when they can do it at the desktop.

So basically that component of this flyover really helps us keep up to date with what is actually out there. It also gives us the ability as we're tracking permits, our office knows basically that it's there, which we could feed that information if there's a problem, there's not a permit pulled, that can go straight up to Land Use or Land Use can check themselves based off of permits to see whether a permit has been pulled or not. But yes, that has helped us, as well as locate homes that weren't on the tax rolls for many years, up to ten years. So we've been able to recoup value from that and basically by statute we have to send up to a ten-year omitted assessment on properties that haven't paid taxes. So that has really paid for itself.

But as we are getting better at this process there's less and less omitted assessments, especially now going into our last year of the City of Santa Fe.

CHAIR HAMILTON: Just as a follow-on, we already can do ChangeFinder. That's already a piece of software you utilize. Right?

MR. MARTINEZ: Correct.

CHAIR HAMILTON: Right. Great.

COMMISSIONER ROYBAL: And I just want to kind of point that out because it was a technology and software that we did purchase that has been beneficial to the County in a number of variety of ways and I think that this new or this additional software is going to help in many ways as well. It will probably pay itself back in three years.

CHAIR HAMILTON: Which additional software?

COMMISSIONER ROYBAL: Or the improved software. Is that correct?

MR. MARTINEZ: That's correct.

COMMISSIONER ROYBAL: So I think it's something that the County really needs to look at and approve. I think that we actually, if you look at how quickly it pays itself back if you look at employees not having to go to the field, the safety aspect of potential harm coming to an employee that's visiting an employee, whether it's a dog or anything else in the area, there's a huge savings in a lot of different areas. So it's something I think is a great software. So I just want to put that in because I saw the difference that the ChangeFinder found the first time. So I just wanted to say I think this would be a great addition to that.

CHAIR HAMILTON: Could you just clarify the difference between –

MR. MARTINEZ: We're talking about aerial imagery as well as the component of software of the aerial imagery, which is ChangeFinder.

CHAIR HAMILTON: So it's an upgrade to ChangeFinder?

MR. MARTINEZ: Well, the imagery is an upgrade.

CHAIR HAMILTON: So it's just doing different imagery. We're not talking about changing software.

MR. MARTINEZ: Yes, upgrading the imagery as well as looking to go to an every year flyover.

CHAIR HAMILTON: Right. Commissioner Hansen.

COMMISSIONER HANSEN: So you said you're working with Erle in GIS. So are you both going to have the same software? This is one of the things I want is to be seamless, that all of our departments will be working together and all the software will be the same that's used in GIS and the Assessor's and Land Use, so that we have this – when people go to the kiosk that we're going to have they'll be able to get the same information and they won't be getting two different forms of reporting or views.

MR. MARTINEZ: Commissioner, yes. Me and Erle were talking and that was the idea that we wanted to have the same aerial imagery. We not using two different types of aerial imagery; we're using one and saving the County money.

COMMISSIONER HANSEN: Okay. Thank you.

CHAIR HAMILTON: Do you have new-build statistics? Because for years we've had population growth estimates for other kinds of studies that have been done that show really flat growth. So can you give us some new build statistics? Because I'm just wondering about – like having ChangeFinder is brilliant, but I'm wondering what the benefit of doing it every year is.

MR. MARTINEZ: So when you look at our annual report that we're going to be submitting in the first couple of weeks of May, we talk about that. If you look at how much taxable value we have brought in through our office, it has increased every year significantly because better technology and the growth that's happening within the county. Right now I have numbers and I'll go over those in May, but we're already up at about \$7.5 billion of taxable value. And I have a graph that shows every year the increase and I will say that the increase is due to our getting better at our job and the technology that we have brought into the County that's given us the ability to keep up on homes.

Let's rewind back 20 years ago when we were going door-to-door in trucks with maps. There's no way that we could have been able to pick up what we doing right now.

CHAIR HAMILTON: Oh, yes. I think that level of modernization has been amazing and I get that. I'm wondering about seeing numbers. Like if we do a flyover every year – so you're capturing growth. You basically have potentially a one-year delay. So instead of – so the question is, if you – what's the difference between – what would be the net revenue difference between changing what's taxable annually or biannually. Because you catch up with stuff. You potentially use on new taxable property one year's worth of taxes. So it's just an analysis of what you – the increment you gain by doing it every year.

So like there's no question in my mind that you guys have done an amazing job utilizing new technology to the benefit of being able to get taxes.

MR. MARTINEZ: We track that data at the office so I can kind of really point out the differences from year to year and what actually what we're picking up net-new as well as maintenance, that sort of thing that we do go over in the annual report. But we track everything that comes through the office as far as that and the building permits and what we're bringing it.

CHAIR HAMILTON: So it would be good to see that part, because we're talking about doubling the budgets. We're talking about a half-million dollars. Actually what is the cost of the flyover every year even at the lower resolution? Where at the high resolution it's –

COMMISSIONER GARCIA: Just really quick, Madam Chair, just on that question also. Gus Martinez, on page 3 of 8 in the purple column there, if you look at the third one down, the fourth one down, the fifth one down, the sixth one down, all those four totals, all those four line items is what we need to accomplish what you would like?

MR. MARTINEZ: Yes.

CHAIR HAMILTON: So we're talking about a little over half a million dollars.

MS. MILLER: Madam Chair, I need to interrupt. Plus another \$225,000 on page 7 under Growth Management, about the middle of the page. That's Erle's side of that flyover. So I just want to be sure that you understand how much we're looking at.

CHAIR HAMILTON: So we need – by changing, we need to incrementally increase assessment revenue by three-quarters of a million dollars just by doing the survey every year instead of every other year to make this cost benefit.

MR. MARTINEZ: Madam Chair, the survey grade of the aerial is, with me talking to Erle, it was something that he wanted to do, maybe once every four years, the survey grade. So that component of that –

CHAIR HAMILTON: With the higher resolution.

MR. MARTINEZ: Not the higher resolution, but the survey grade. So that amount's going to decrease. But every fourth year it would probably go up because of capturing that survey grade. So that amount there will probably go down a little bit.

CHAIR HAMILTON: Okay, but my point still stands. I really would like to see the total we're doing. If we have to separate out pieces to have a once in four year or some kind of a periodic higher grade aerial flyover. Because the data will do whatever you need. But if we're talking about surveying property lines, three inches is probably good. So I admit that there can be pieces I'm losing there to justify it.

MR. MARTINEZ: Well, Erle will have to talk a little bit more about the survey grade portion of that, because basically, the idea is that when you fly over survey grade, a surveyor can get those same lines and not have to make any changes t them. And so that's the idea with the survey grade portion. If you get the aerials right now, a surveyor can't use those because those lines are not going to be exact. But when you fly over that survey grade they're exactly what they're –

CHAIR HAMILTON: Oh, I get it. It's just that I also know that we don't need survey grade for everything we do. So that is a separate question. What I was actually asking though is for in terms of doing LIDAR every year instead of every other year, is the new building so much that we will recoup a net three-quarters of a million dollars in taxable assessment to cover the cost of doing it every year instead of every other year?

MR. MARTINEZ: So Madam Chair, the LIDAR is totally different than the aerial and the survey grade. LIDAR is something that the County flew over probably about three years ago and we implemented it within our aerial photography to utilize that.

CHAIR HAMILTON: That's fine. I can appreciate that. What I'm asking is every year compared to every other year.

MR. MARTINEZ: Yes. And I have the numbers that I can show you the value that pertains to my office that we pick up for taxable value every year and what we're utilizing the aerial photography for. And like I said, as we're going forward, what's

happening now is the market's heating up. There's more new construction, and our office is basically doing more with less. And we're able to do that because of the technology that the office has brought in. And so the only component that I'm asking within my portion of my valuation fund is to – if we're going to fly over the county, which I would like to fly over every year, would be the component of every reappraisal year use one-inch resolution for the high density areas so that I can collect more data to have better assessments for the constituents of Santa Fe.

CHAIR HAMILTON: Great. Thanks.

MS. MILLER: Madam Chair, I did want Erle to explain his side of this, because what I was trying – I wanted to make sure you understood that it wasn't – these aren't a whole bunch of different requests. You've got under Erle's – they're combined but they're different sources of funding. So you've got Erle's request to pay for half of this flyover next year, because he wants one-inch survey grade resolution for census information and wants to own that data. I want him to explain to you why that's important because that's general fund for a part of it. Then the Assessor has explained why he would like an additional flyover and the resolution that he wants, which that \$225,000 that's on this page for that is from his valuation fund. But then because it would be an additional flyover, we still have to pay for the flyover that's being done this year, which we've paid \$233,000 in this budget, and then this \$233,000 next year is to pay the second half of that. So the flyover will be done, but we still have to pay for it.

CHAIR HAMILTON: If we do it twice a year it becomes \$460,000 addition.

MS. MILLER: And what we've done with this particular vendor is we have done multi-year contracts because they actually do give us a break when we do a multi-year contract. So if we go this route, we'd be looking at – you wouldn't see that \$233,000 again next year, because that would go away for paying for this flyover, but you'd be looking at something more like, instead of \$233,000 a year, it would be like \$400,000 or \$500,000 a year. It just depends on what's negotiated. And your question is, okay, is going from \$233,000 to \$400,000 – let's just say it's \$400,000, do we recoup \$175,000 by picking up that extra year of data? Do we recoup that in the revenue?

CHAIR HAMILTON: Yes. I think that's the difference.

MS. MILLER: The Assessor and I discussed that when there's a lot of building going on we probably do, because you pick up everything as it's built versus waiting until the next flyover to get it on the tax rolls. But in slow years when there's not a whole lot of building permits, and that might be the question. What's the average building permit between the County and City of Santa Fe? What's the amount that we're doing now versus when there was the recession? Maybe just by the sheer number of permits you'd be able to see, yes, you'd be picking up all of that every year, versus every other year.

CHAIR HAMILTON: And looking at permits would give you that information.

MS. MILLER: So that might be something that we could provide between now and the next meeting. But I think Erle did come back and I think it's really important for you to hear Erle's side of the request because the two go together and we do want to make sure that the data is useful for both departments, GIS and other departments as well

as for the Assessor to do what he's trying to do.

CHAIR HAMILTON: Thank you so much.

ERLE WRIGHT (GIS Manager): So, what's the question?

MS. MILLER: So, Madam Chair, Erle, we are talking about what we've done in the budget proposal for the fixed asset summary under IT. What we have is the additional flyover with one-inch resolution for census and reappraisal cycle for next spring, \$225,000 out of the Assessor's valuation fund, and \$225,000 out of general fund. And I would like you to explain to the Commission your side of this request. The Assessor has explained his side of it and why that additional flyover and why that level of resolution is important. And I think you need to explain to the Board your side of it.

MR. WRIGHT: Okay. Yes. So the ortho – what the Assessor's Office is doing with the EagleView contact and Pictometry, that also gets us oblique photography. But one of the things in the memo we just did we didn't actually own that data. That's been taken care with a memo we just did with that vendor, so we were not allowed to distribute that data to the public, even as a pdf. or something. But the real issue is the investment over time that the County has done since the original project in 1992 is tied to achieve geodetic control network, and it's not so much the resolution of the data, which is the one-inch, it's that they actually tie it to the ground and we're able to do accurate mapping off it.

So unless we go and this vendor gives us the opportunity to do a higher quality survey work and tighter survey work to leverage that investment that the County has made over the years in terms of doing – getting it tied to an actual geodetic network where we can accurately map off of it. It's good, but the problem is we can't, unless we go this other route with them, which is an additional cost, we can't reject any of the data. We get what we get from this vendor. And that's not something we've done in previous contracts. We've actually rejected a bunch of data and had them either resubmit it. Some of this – as far as this isn't LIDAR work. The LIDAR was done that we did in 2014 and ought to be good for another at least five, maybe ten more years from where we are. It can be augmented with this photography and what they call autocorrelation where they can deal with areas where the surface has changed, and we've seen that all the time. There's development going on all the time where the terrain changes and we need to upgrade our digital elevation models.

And that's basically what an ortho is, you're correcting the imagery to make it accurate for differences in terrain heights and vegetation. So I don't know if that was too deep in the weeds or if that explained it.

CHAIR HAMILTON: I actually use this kind of mapping, but can you also take us – link what you've described to these requests. Which aspect of what you're requesting corresponds to which line item.

MS. MILLER: Madam Chair, he might not see it on here but it's on page 7. It is the 4<sup>th</sup> request down, that \$225,000 would be matched with the County Assessor's last item on page 3.

CHAIR HAMILTON: And this would be switched to – but not necessarily every year?

MS. MILLER: That's the one –

CHAIR HAMILTON: Or this is the every year.

MS. MILLER: That's the every year request.

MR. WRIGHT: The Growth Management request is basically a one-time request. And we were trying – one of the things we want to do and I apologize for not being here for your meeting but we're meeting with the City on the census stuff, but one of the things is we've never had an ortho flight to coincide with the actual ground count of the census, and that's something else that we're trying to achieve by the request in the Growth Management section of the five-year capital. But this money would go to augment and get us the higher accuracy data out of the Assessor's contract.

CHAIR HAMILTON: So the ortho flight, with higher quality data is a one-time request. But the Assessor's request to do the flyover every year is separate from that. So next year would be higher quality but every year we would do aerial photography. That's the proposal?

MS. MILLER: And Madam Chair, if you notice on the budget request \$233,000 that's on page 3 is general fund. The \$225,000 is Assessor's fund. What the Assessor is proposing, if we move to the every year, and then the other \$225,000 is general fund. So this year you would have the \$233,000 to pay for the flyover that's happening right now. Then you'd have \$225,000 from the Assessor's valuation fund, and \$225,000 from general fund in GIS to pay for the upgrade of next year's flyover. And then going forward, what the Assessor would be requesting is that flyover every year that would be split between general fund and the Assessor's fund. And we're guessing that might be \$400,000 instead of \$233,000.

MR. MARTINEZ: It's probably going to be less than \$400,000 because that \$400,000 included the survey grade aerial piece that Erle requested. So I don't need that. But we had talked about that every maybe fourth or fifth year doing that survey grade, I think that we talked about. So every fourth year it would go up, but then it would go back the following year due to the fact that my office doesn't need the survey grade portion of it. So it's probably going to be less than that amount that we originally requested now, as going forward due to the fact. And then every reappraisal year of the portion that we're in the county, that portion will be at the one-inch. The rest will be at regular. So just to capture the data as we're going through it.

CHAIR HAMILTON: Every reappraisal year?

MR. MARTINEZ: Yes. So we're on a five-year reappraisal cycle.

CHAIR HAMILTON: So a fifth of the county is done every year? Isn't that –

MR. MARTINEZ: Yes, it is. But with this technology we're going to be able to probably start going through the county in three or 3 ½ years instead of five years, just due to that our office has gone through every parcel ourselves so we know exactly what's there and so it's just going to give us the ability to go through it a lot more efficiently than what we've done in the past.

CHAIR HAMILTON: Okay.

COMMISSIONER HANSEN: Madam Chair.

CHAIR HAMILTON: Commissioner Hansen.

COMMISSIONER HANSEN: I did not get where the \$233,000, what fund is that coming out of? It's the third line down on page 3. Then there seems to be –

MS. MILLER: Madam Chair, Commissioners, if you look across the top it

tells you what fund. So it says general fund. Anything that's in that column is general fund. If you go to Other, and so as you can see on this sheet of the Assessor's request, the only thing that's actually coming out of general fund is what – and I could back up for you and go back six years – five, six years – well, the reason is we went from instead of the Board-supported – the previous Assessor had a general fund request in for FTE, for three FTE for appraisers. And when Assessor Martinez came in he said I would forego the three FTE to move to aerial photography.

So we switched that money from being three FTE to being the aerial photography and he, to this day still has not added staff to do the appraisals. So we agreed to do that and that's why the County has paid for those every other year flyovers. When the Assessor came to me and said I'd like to go to every year, I said, well, what if we split that then between your Assessor's fund, valuation fund, and general fund? And the other reason for that too is then the data can be used by other departments. If it's 100 percent paid for from the valuation fund it can't be used for other departments so Erle wouldn't be able to use that data for their mapping. Fire Department, Public Works, all that, because those funds have to be specifically used for reappraisal purposes.

COMMISSIONER HANSEN: So that goes back to my original question of making sure that the data is shared. So then on the census, so you only need it for this year. The City – we're in charge of the census, right? You're just talking to the City? Is the City involved in the census? How are they involved in the census? What are they – are they contributing or is this our responsibility?

MR. WRIGHT: Madam Chair, Commissioner Hansen, the work that we're doing now is on the statistical areas, so this is changing census tract boundaries that are either over or under in population. So we're working with the City on the tracts that are totally within the city and just coordinating adjustments to those boundaries. It's a project that the County is responsible for doing, but we're cooperating with the City of Santa Fe staff to make sure we get things tweaked the way they need them to. One of their concerns is the opportunity zones that they have. We're not touching any of those census tracts because those are based on the current demographics that were within the eco-demographics, if you will, that would qualify them. So we're leaving those along, and actually there were none of those we needed to change. If that answers your question.

COMMISSIONER HANSEN: Yes. I just wanted to know what you were doing, so I appreciate that.

CHAIR HAMILTON: Thank you.

COMMISSIONER GARCIA: I have a little question, just because of time. I understand the last 15 years that Erle's been working on his program, which has to do with latitude, longitude lines where your aerial photography actually ties into some sort of a GIS cap or some sort of survey marker on the ground, so that's how your photography works. Assessor Martinez, when he was actually going out with a Polaroid camera taking pictures of stuff and now we have flyovers, I've actually been on some meetings with him and his staff and it's really amazing to see the one-inch aerial photography as to what it does. You can count divots from hail damage on a roof. You can actually count stop signs, you can count fire hydrants. You can actually count the striping on the streets and on and on and on.

I don't know yet that the County – all the other departments, the Sheriff's

Department, Road Department, that were here and I don't know if they've actually seen totally how it could work for the County, which would make Santa Fe County so efficient. Like I said, counting fire hydrants, counting stop signs, etc., etc.

One of the things I would actually ask you two gentlemen, how can you guys work with the County Commission as in to working together or splitting this up 50-50, because right now you both want what you want, but we have two different planes flying over for imagery. So how can you guys both work together to help us out to help the County out? You don't have to answer the question now, but I'd like to see how we can sit down together and –

CHAIR HAMILTON: Are you saying there are two separate flyovers done?

COMMISSIONER GARCIA: Not two different separate flyovers but one's tying into a permanent monument on the ground and then all his surveyor stuff goes off of that. Assessor Martinez is taking really accurate, clear flyovers of the county. So instead of paying for two different –

MR. MARTINEZ: We have partnered so we're not flying two different flyovers. We're partnering together so that this one company can get the survey grade as well as the one-inch resolution for us at three-inches of what we need. So that's kind of why we partnered, because we didn't want to go to two separate companies to do two separate flyovers. So I think that's what we initially talked, because Erle needed to use that for the census and other stuff that he needed and I needed it for the one-inch and our reappraisal. So I think that's kind of how we worked together and I think going forward that's kind of where we're going with the whole County, that if we can get the County and different departments doing this I see – going to the conference through Pictometry or EagleView, they have different entities and Fire, Public Works, Police, utilizes this around the country to better their processes. It's beneficial if we, like Rudy says, if we change our processes and we start using technology it's going to save the County in the long run, with gas, with carbon footprint, everything that we do.

MR. WRIGHT: Yes, so essentially, that's what we are doing, Madam Chair, and Commissioner Garcia, is basically I'm using the money I would normally spend on a separate flight but we're doing essentially survey grade aerial photo acquisition. And this is just photography. So the LIDAR technology is a totally different technology, totally different sensor, and that we did in 2014 regionally. We don't need to touch that again. And I think what we'll see as time goes by, I'm surprised you haven't seen budget requests yet for this, but it's actually using drone technology to be able to pick up small areas and do localized updates and also be responsive to emergency events, either flooding or wildfire, that we could actually use that technology and go out and map it ourselves. But we're not there yet.

And that's one of the things, with this vendor that we're using, if we do have a disaster, they will come back and refly it with no charge. They actually did that for our flooding last year. So we did – we got a reflight for that, basically the La Cienega area, the lower Santa Fe River, to be able to do that damage assessment. So that was one of the great benefits of going with this vendor. The trick is, in order to get the high, survey grade accuracy that we need we have to pony up a little more money with them because we can be a little more particular with them and actually reject data.

CHAIR HAMILTON: In that regard, if you don't mind, can I ask a follow-in question for that. If this is literally survey grade information, is there a bunch of survey stuff we won't have to do, like resurveying roads on the ground? Like on the ground surveys the County currently pays for? And if we own the data, can that be provided to other groups, individuals? People spend a lot of money on on the ground surveys. We're doing road surveys now.

MR. WRIGHT: Madam Chair, you're not going to like my answer. It is a hard question and GIS stands for geographic information systems. But actually it stands for get it surveyed. The mapping that we're doing does not replace the work of licensed professionals.

CHAIR HAMILTON: Why not? Well, if you're talking about survey grade, I was wondering if that's becoming an accepted modality for having surveys.

MR. WRIGHT: Well, that's one of the things, we would hold this, and that's the reason for the increased price is that we have to hold this vendor accountable, that the accuracy of their data is within the parameters for the National Map Accuracy Standards. It's still – I know that wasn't the answer you wanted to hear but it's the truth.

CHAIR HAMILTON: Okay. Then that's another area to think about because that would be a benefit to add to this in the generalized cost/benefit analysis, Commissioner Garcia just asked about things that would help the County make this affordable and see other benefits. The whole discussion led me to think about that is another cost saving. We don't have to pay for this twice because we have all this information. I don't know if it's accepted and maybe it's something you guys can look into or contribute over a short period of time. I don't mean by May 14<sup>th</sup>. I mean –

MR. WRIGHT: It is one thing that both the surveying community and the engineering community have taken advantage of the fact that we do have this high accuracy mapping. So we have greatly reduced essentially the planning costs for development. Not only for the County and other governmental entities but also for the public sector.

CHAIR HAMILTON: We actually have in the recent past reduced those costs.

MR. WRIGHT: Yes. Basically. So we're getting the benefit, and that's the difficult thing. The benefit is hard to quantify, the cost benefit, because there's really a time savings that's out there that's kind of across the board. And it's sort of the nature of this technology, what we can do now in terms of finding property adjoiners compared to where before we had the system, now it's literally a five minute task. Before it used to take days of research between the Clerk's and the Assessor's Office. And the fact that we, in cooperation with the elected officials and with the guidance of the Board, have been able to invest in this technology and leverage it, we've got this information at our fingertips now, and really, the bottom line is it helps us make better decisions. All of us, not only for the governing body but also our citizens groups and our community organizations and also our elected officials.

CHAIR HAMILTON: Well, we really appreciate the additional information. I think there are those couple of pieces that would really be additionally helpful. There's no question that you guys have made incredible, valuable use of improving the technology and bringing us into whatever century we're in now compared

to whatever we were working in before. I'll leave that to everybody to add in those numbers.

MS. MILLER: And Madam Chair, I want to point out too that any contract that we would enter needs to come back to the Board, because this is just planning for doing an additional flyover next year at this level. We still have to go negotiate a contract with our current vendor, a contract amendment, because our current contract is written one way, and that would come back to the Board. At that point in time you could also see whether that could potentially quantify more the benefits of an annual flyover as well as work to train other departments to use this software and get more bang for the buck, so to speak.

Having the Fire Department, having Public Works and the other departments use it more than getting in a vehicle and going out and looking at something. If they have that level of data do you really need to go look at the condition of the road to know that that's the next road that needs to be paved. Or to do your evaluation of the level of maintenance or condition of a road.

CHAIR HAMILTON: All those things resonated.

MS. MILLER: So you might be able to do all of that from a computer as opposed to driving out and driving all 500 miles. I don't know. I'm just saying that's one of the things that according the Assessor, that level of data when you're at that one-inch level or even three-inch level, you can definitely save yourself a trip to maybe the furthest part of the county to look at something.

So anyway, it's just I wanted to make sure you understood what the request was because it's not just for one year, it's actually rethinking the way we're doing it. Some of it is just for one year for the census, but some of it is also for future years of how that data and that flyover information would be used.

CHAIR HAMILTON: It may have seemed painful but it was really useful information because it's big changes and I really appreciate you answering a lot of questions. I think we can keep moving then. Thank you very, very much.

## **II. E. Current and Future Program Needs**

MS. MILLER: So Madam Chair, Erika reminded me this is my slide. I just wanted to make sure that the Board knew that as we've also planned this budget we keep looking at out years and trying not to use up all of our capacity all at once in case we have a slow growth year. We have to make sure that we have considered programming for facilities that we already have in design or that we anticipate being in design and construction so that in the next year we need to account for cost of operating those facilities, and having room in our recurring budget to do so.

And so some of those, just as a reminder to the Board, we have the senior center on Highway 14. We have the fire station on Highway 14. We have the crisis triage center, and all of these facilities, we are either partially through design or entering into design-build contracts to have the design and construction done rather quickly. We also have this – the new administrative complex and the cost of operating an additional building along with this one because for a while we will still be paying our rent across the street as well as utilities on this building, and having the new building.

So when the new building comes on line we don't just instantly save the \$300,000+ that we pay in rent across the street.

And then also as a reminder, we've been working to completely remove all of our operations from the old Public Works, where we have property control and the Clerk's voting machines over off Galisteo. And that coincides straight across there on future facilities. We don't have the budget yet for expanding on the fairgrounds to accommodate the Clerk's voting machines, but if we want to develop housing on the site on Galisteo we clearly need to provide a facility for the Clerk's voting machines and the Public Works expansion. We currently have the property control and building services moving out there because we have a facility that's going up this year for that, but then we still have Projects Division that's over off of West Alameda that needs to work to Public Works at some point.

And then we have the Jacona transfer station and the Jacona fire substation that we're trying to build that we have funding for construction of the transfer station and some funding for the fire substation but we still haven't resolved that issue relative to the acquisition of the property.

And then two other facilities in Edgewood: the Edgewood Wellness Center, that's the one that received \$600,000+ in this legislative session and the behavioral health center down there which is the current, or what was First Choice's facility that they've now moved out of into our new facility. They have a desire to do behavioral health in their old facility.

So I just bring all that up because those are things that while they're not built into next year's budget we definitely have in our mind that those things need to come forward as soon as they're up and running. And we're making sure we have capacity in our budget and what we see in relative growth in our budget to address any programming or staffing needs at these future facilities.

CHAIR HAMILTON: So just for a little clarification, so you said they're not in our current budget because they're too far out to start thinking about O&M and FTEs for running it.

MS. MILLER: Madam Chair, that's correct. So for instance, Highway 14 senior center. So we know that when that's running we're going to need a couple of vehicles and we have funding set aside for those vehicles but we didn't build it into the budget, so when you look at Community Services' requests, I don't know whether that facility will be open before June 30, 2020, so there's no point in putting the funding in 2020's budget only to sit there and fall out of the budget and need to be rebudgeted. So we would bring that forward to budget for those, if it appears that that facility will be completed before June 30, 2020. If not, it will be in the 2021 budget, along with any staffing needs.

Same with the triage center. We don't know that it will be complete prior to next June 2020 and operational, but we have a placeholder in the budget for the operations of that facility.

CHAIR HAMILTON: So a placeholder meaning we actually have some revenues that are earmarked, which we have not spent and we don't have to – or is there something more explicit that we have to –

MS. MILLER: So for instance with the triage center, when you approved

the tax you actually said this amount of money will go to the operations of that.

CHAIR HAMILTON: So it's being held in reserve.

MS. MILLER: Correct. Because we can't spend it on anything else because the ordinance actually said that's what we would spend it on when the Board passed that, or the resolution – you said this will be for that. And then relative to the senior center, we have room in growth in our budget for that. So we're not budgeting every single nickel that we think we're going to receive so that at the point in time when that comes on line we don't have the ability to accommodate staffing it.

CHAIR HAMILTON: And that's kind of why I was asking. Are there other kinds of requests or expansions that would actually represents trade-offs to this sort of thing? That would put us in a bad position?

MS. MILLER: Yes, a recession would put us in a bad position, to bring any of these things on and to keep staffing at the current levels, and travel and the budget. If that were to happen, if we had a recession like we did in 2009, 2010, 2011 where we were cutting the County's budget the first thing we would do is cut travel. We'd do hiring freezes. But some of the things we have done is we have built up reserves in order to try to also cushion the blow of any kind of major recession for us. But we also don't budget to every nickel on a recurring basis that we think that we'll get because we don't want to have an inability to respond to an economic downturn.

CHAIR HAMILTON: Well, given the predictors I think that's really important for us to keep in mind because I think we'd be foolish to think we can play hard now, given a risk of recession.

MS. MILLER: And Madam Chair, I also wanted to say, that's why we also look at this and say, keep in mind, we try not to budget every nickel because you've already got these things in motion, and I wouldn't want to finish a facility and not be able to staff it or turn the lights on.

CHAIR HAMILTON: That would be bad.

MS. THOMAS: Just a side note for the senior center, we did approve the positions unfunded last year in anticipation for the opening of the senior center.

## **II. F. Capital Improvement Strategic Planning Update**

MS. THOMAS: So moving on, just a quick update on the capital improvement strategic plan. Just to review, we had a planning session on March 29<sup>th</sup>. We did an overview on the 20-year capital improvement plan, or the CIP process. We did an overview of our internal process, the Santa Fe County planning process, and a review of our current capital projects. What's happening in the interim is staff is currently refining the planning process after we met with the Board and the next step is to propose a special BCC meeting on June 6<sup>th</sup> to bring that plan back after your recommendations, present the proposed plan, and present current projects and possible project repurposing.

And I just wanted to give you a brief update. I know we're not doing capital today but it is coming up so I just wanted to bring that to your attention.

MS. MILLER: And Madam Chair, we did want to get it on your radar screen that we're looking to have a special meeting for that, and we want to do it after the interim operating budget is approved, and then through the month of June try to refine the

capital improvement. And when I say capital improvement, it's not to say that there's nothing in the operating budget for capital. That list of fixed assets, those items are considered capital from an accounting perspective, but when we talk about capital planning with you and this CIP process we're talking about facilities, roads, water, wastewater infrastructure, open space infrastructure, trails – infrastructure capital, versus our recurring capital needs for fixed assets.

CHAIR HAMILTON: When are you thinking about scheduling that meeting?

MS. MILLER: June 6<sup>th</sup>. I think our question to you at this point would be is morning or afternoon better? Does that date work for you?

CHAIR HAMILTON: I'm pretty sure it's a BDD meeting day. Those start at 4:00.

MS. MILLER: How about June 5<sup>th</sup>, or is that equally difficult?

CHAIR HAMILTON: If you're asking each individual, June 5<sup>th</sup> is way more open for me, but I don't know about everybody else.

MS. MILLER: Afternoon?

COMMISSIONER ROYBAL: What time in the afternoon?

MS. MILLER: We can do it in the morning, we can do it in the afternoon, trying to accommodate your schedules, whichever works better for you.

CHAIR HAMILTON: First thing.

MS. MILLER: 7:30 in the morning.

COMMISSIONER HANSEN: Morning or afternoon?

CHAIR HAMILTON: 5:00.

COMMISSIONER HANSEN: I would go for afternoon.

CHAIR HAMILTON: We knew that. That's why I was pushing it earlier.

COMMISSIONER HANSEN: Maybe, Commissioner Roybal, is afternoon better for you?

COMMISSIONER ROYBAL: Either earlier or in the later afternoon.

MS. MILLER: How about 2:00? One o'clock?

COMMISSIONER ROYBAL: How many hours is it going to be?

MS. MILLER: Well, I can be done in 30 minutes. It just depends on how many questions you have. I would say two to three hours. Much longer you start to lose attention span anyway, talking about capital, or budgets. So 1:30 in the afternoon again? Okay. 1:30 on the 5<sup>th</sup>.

CHAIR HAMILTON: Okay, so if you want to make it a little later that's better for Henry.

MS. MILLER: Or 2:00. We'll do 2:00 on the 5<sup>th</sup>.

Madam Chair, so that works, and then really all we have left is really a brief executive session just to make sure we reconfirm with you relative to contract negotiations. And also to update you on where we are. And so what I would recommend is that we just go over slide 15 then go into executive session and then just adjourn. Because we're not asking for any action.

CHAIR HAMILTON: That's fine, except that we have to entertain public comment, so why don't we do this slide and then the rest of the slide and see if there's any public comment, then we can do executive session.

MR. GIRON: Okay. So as we finish the process, we're looking for recommendations from the Board of County Commissioners for the interim budget. May 14<sup>th</sup> we'll finalize the interim budget recommendations to include the employee compensation package that you will approve, probably on 5/14. And then on May 28<sup>th</sup> the interim budget will be presented to you for approval so that we can move ahead and go ahead and get that loaded, and capital strategic planning requests for June 5<sup>th</sup>, with decisions and directions so that we know what we need to do with that. And then there's a time for additional capital strategic planning if needed during the regular Commission meeting on June 11<sup>th</sup>.

With the final budget them being presented to the body on June 25<sup>th</sup> to include the outcome of the interim budget and the June 5<sup>th</sup> capital strategic planning session. And it's due to DFA by the 30<sup>th</sup>.

CHAIR HAMILTON: Thank you. That sounds good. Technically, if there are any issues that leaves the second meeting in June to resolve them, right? Bring anything out. Thank you.

MS. MILLER: And Madam Chair, we want to make sure we get the capital side of this done because we can't do any budget adjustments July or August, per DFA, so we don't want to lose the summer construction time, so we want to make sure everybody is on the same page of what we're going to budget next year relative to any capital projects that might be short right now, or that we hope to accomplish next year, the even smaller maintenance projects. That's when we would be presenting those to you as well in that budget study session.

CHAIR HAMILTON: That sounds good. So are there any further questions?

COMMISSIONER ROYBAL: Madam Chair, I just have a comment but also I'll make a motion to go into executive session.

CHAIR HAMILTON: We have public comment.

COMMISSIONER ROYBAL: Oh. We have public comment. Well then, just as a final comment I kind of wanted to go back to the FTE requests because the more I think about it, we have elected officials that have put in a request – elected officials and directors that have put in requests for additional FTEs and throughout the year, these individuals have the opportunity to see where their shortfalls are. So I want to just put it on the record that we really need to consider that throughout the year they do see where their shortfalls are and they know what they need to work efficiently and effectively for our constituents. So I want to make sure that we're not trying to do more with less and make sure that we're providing the services necessary. So that's just something I wanted to say on the record to sort of talk to the point of the FTEs that have been requested because I think it's something we really need to look at and consider. So thank you.

CHAIR HAMILTON: I think that's a fair comment. I definitely agree we need to consider it really seriously, but I just want to also remind that Mr. Shaffer made a point of saying there wasn't necessarily adequate justification associated with all of those. There was not data that he could review, which there may be another basis that some of the requests were made in terms of having a sense of what just wasn't documented very well. So we may be able to get a bit more information and I think that was part of what was implied between now and May 14<sup>th</sup> to the extent that it was

observational but it was justified that some additional support could be provided.

COMMISSIONER ROYBAL: Thank you.

CHAIR HAMILTON: Commissioner Hansen.

COMMISSIONER HANSEN: On that point, if the other elected officials can get that information to Mr. Shaffer then we would have that data and that would help us make the decision.

CHAIR HAMILTON: Right. And the only other thing had to do with the commitment of an FTE and the fact that we're moving and reorganizing a little and there might be some of those positions – this might now apply to all of them at all, that might be rethought because of efficiencies, like groups that are being brought together that are currently in separate campuses and that sort of thing. Again, I agree that that might not apply to all of them to the extent that they do. We should think about that as well.

### III. PUBLIC COMMENT

CHAIR HAMILTON: So at this point I think we're at Public Comment. Is there anybody here from the public who wishes to address the Board? I only see people giggling at me. Okay, seeing nobody here from the public, I'm going to close public comment.

CLERK SALAZAR: Chair Hamilton, I'd like to quickly just utilize public comment to tie in quickly public records, public recordings, new public office. The public who votes, and real quickly state that for the two positions that we're requesting, the voter information specialists, Tony Flores, the Deputy County Manager, strategic planned the Clerk's Office floor plan for growth. So we have the room for growth for those two positions.

In addition to that, there is the Clerk's filing fund, which will also fund equipment for those two positions, so I want you to know that also. And if we also reflect a little bit real quickly on House Bill 407, Chapter 112, the title of that bill, the title of this law that's chaptered was 50-year tune-up bill. That was a very ambitious bill, and a lot of the clerks are feeling the weight of that bill. So just think, 50 years of tune-up, and that's part of the responsibilities we have.

Merit pay, I want to touch on merit pay real quick. It has assisted the Clerk's Office for several years, but it's still not enough, because when I mentioned earlier that I had staff that had worked five to seven years and were making 12 dollars and change, what really is helping now is salary adjustments. And also, the Clerk's Office has been working – the County Clerk has been working on increasing the marriage fees. It hasn't happened and I've been working on that. I send something out a few months ago and I want to see the marriage filing fees increased. I think that will generate some funds for the County's general fund and also for the Clerk's Office. Thank you very much.

CHAIR HAMILTON: Thank you.

### IV. MATTERS FROM THE COUNTY ATTORNEY

#### A. Executive Session Pursuant to Section 10-15-1(H)(5) for the Discussion of Bargaining Strategy Preliminary to Collective Bargaining Negotiations

CHAIR HAMILTON: So I'll entertain a motion for executive session.

COMMISSIONER ROYBAL: Madam Chair, I'd like to move that we go into executive session.

COMMISSIONER MORENO: Second.

CHAIR HAMILTON: Thank you. And as was mentioned earlier, executive session as listed on the agenda will be pursuant to a discussion of bargaining strategy preliminary to collective bargaining negotiations. So it's an informational executive session. Madam Clerk can I have a roll call?

**The motion to go into executive session pursuant to NMSA Section 10-15-1-H (5) to discuss the matters delineated above passed by unanimous roll call vote as follows:**

Commissioner Garcia	Aye
Commissioner Hamilton	Aye
Commissioner Hansen	Aye
Commissioner Moreno	Aye
Commissioner Roybal	Aye

**V. CONCLUDING BUSINESS**

**A. Announcements**

**B. Adjournment**

The Commission met in closed session at 4:35 and upon returning to open session and with no further business, the Chair declared this meeting adjourned.

Approved by:

*Anna Hamilton*  
Board of County Commissioners  
Anna Hamilton, Chair



*Geraldine Salazar*  
GERALDINE SALAZAR  
SANTA FE COUNTY CLERK



Respectfully submitted:

*Karen Farrell*  
Karen Farrell, Wordswork  
453 Cerrillos Road  
Santa Fe, NM 87501

COUNTY OF SANTA FE )  
STATE OF NEW MEXICO ) ss

BCC MINUTES  
PAGES: 44

I Hereby Certify That This Instrument Was Filed for Record On The 21ST Day Of May, 2019 at 09:23:14 AM And Was Duly Recorded as Instrument # 1886690 Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office  
Geraldine Salazar  
Deputy *Estrella Martinez* County Clerk, Santa Fe, NM

SFC CLERK RECORDED 05/21/2019