

**SANTA FE COUNTY**

**BOARD OF COUNTY COMMISSIONERS**

**SPECIAL BCC MEETING**

**May 14, 2026**

Justin Greene, Chair - District 1  
Adam Johnson, Vice Chair - District 4  
Camilla Bustamante - District 3  
Hank Hughes - District 5  
Lisa Cacari Stone - District 2

**SFC CLERK RECORDED 06/10/2026**

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**SPECIAL MEETING**

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**I. A.** This special meeting of the Santa Fe Board of County Commissioners was called to order at approximately 9:06 a.m. by Chair Justin Greene in the County Commission Chambers, 102 Grant Avenue, Santa Fe, New Mexico.

**B. Roll Call**

Roll was called and indicated the presence of a quorum as follows:

**Members Present:**

Commissioner Justin Greene, Chair  
Commissioner Adam Johnson, Vice Chair  
Commissioner Camilla Bustamante  
Commissioner Hank Hughes  
Commissioner Lisa Cacari Stone

**Members Excused:**

None

**C. Approval of Agenda**

No changes were offered to the agenda and Commissioner Johnson moved to approve as published. Commissioner Bustamante seconded, and the motion passed by unanimous [5-0] voice vote.

**2. Presentation and Discussion of Fiscal Year 2027 Interim Operating Budget**  
**A. Presentation and Discussion of the Proposed Fiscal Year 2027 Operating Budgets of Special County Elected Offices and/or Departments**

MANAGER SHAFFER: Chair Greene and Commissioners, what I hoped to accomplish today was to provide a high-level overview of the overall proposed fiscal year 2027 operating budget using a power point which I'm about to project onto the screen both for the benefit of the Board and those in the chambers as well as members of the public. That will go over general themes that are contained in the budget book itself albeit presented in perhaps slightly different chunks and points of emphasis. After that

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presentation and any questions that the board may have we'll actually go through the County Manager's Office proposed budgets to include the various divisions that are part of the County Manager's Office namely Finance Human Resources, and Risk Management, Information Technology, Office of Emergency Management, as well as County Manager Admin, and the County Commissioner's budget. That's what we hope to accomplish today. And then as we move forward for next week's budget study sessions you will hear information about and be able to provide feedback and ask questions about specific department and elected offices' budgets. So with that, by way of introduction in terms of what we'll be accomplishing today, I'll go ahead and share my PowerPoint and we'll get started.

I want to start by acknowledging once again the yeoman's work of Yvonne Herrera and the budget staff, as well as all of the department directors and elected offices that worked diligently over a period of months to try and put together what we believe to be a fiscally responsible and structurally sound budget that invest in our people as well as in the targeted growth areas that we believe the Board has identified over time and plans for future contingencies and potential revenue sharing opportunities.

So I'm just going to remind the Board to begin, how we start to build the budget. We start first with our revenue projections, and in particular we focus in on our three largest sources of tax revenue which is our gross receipts tax or GRT tax, our operating property tax, which is again distinguished from our debt service levies and our lodgers tax revenue.

We contract with Dr. Reilly White, a professor at UNM, through his company Arbore LLC to provide estimates for those main sources of tax revenue. There are a few notes about looking at the GRT projections since they are net of administrative fees collected by the New Mexico Taxation and Revenue Department. So when you look at the fund, individual fund pages of the budget book, you'll see revenue reported at higher amounts. And that's because we recognize the gross amounts, and then we recognize the New Mexico Taxation and Revenue Department admin fee as an expense. And in addition, the roll-up estimates of Dr. White include pass-through North Central Transit North Central Regional Transit District GRT increments and then finally the headline number or gross receipts tax number would include capital outlay, GRT, and potentially others that cannot be used to support operations.

We receive, basically a range of potential outcomes when it comes to the tax revenue estimates. The mean estimate is the official forecast of Dr. White. The low estimate is predicated upon, economic headwinds that could cause revenue to be lower than that mean estimate. So using the case of gross receipts tax the low estimate factors in the prospects of weaker job growth, more persistent inflation, and a pullback in consumer spending that could drive gross receipts tax to be lower than the official estimate. The high estimate that is provided is, again, predicated upon positive economic factors that could cause revenue to be higher than the mean estimate. Again, using gross receipts tax as the example things that could nudge gross receipts tax revenue to be higher include stable labor market conditions moderating inflation and, continued support from tourism and in-migration.

The way that we've used the estimates and proposed to use them this year is we actually build the recurring budget based upon the mean estimate. And then we use

revenue replacement contingency to hedge against the possibility that the revenue that we're assuming actually will come in lower than estimated. So in other words, the mean estimate is the official forecast. That's what we assume is going to happen. That's what we base our budget on. We recognize that there's downside risk because these are just revenue estimates, and no one can predict the future with perfect clarity. And so we put into the budget a contingency that is the difference between the mean estimate and the low estimate for our main tax lines.

Our other revenue is estimated by departments and finance division based upon, history estimated grant amounts, known increases that could cause revenue to change year over year, like water and wastewater increases.

I wanted to highlight a few specific points. First as we have done for the last two budget cycles we know that we're never going to spend 100 percent of our budgeted salary and wages and employee benefits. We assume that 10 percent will not be spent on any given year, and that we can count on that as recurring revenue in the next year's budget. And, this equaled approximately \$12 million in fiscal year 2027. For investment income we have generally used conservative estimates when it comes to investment income, and this is realized income. These aren't mark-to-market changes in market value. This is actual investment income that we receive from our fixed income investments. We believe it's best practice not to score too much of investment income as recurring revenue because it's subject to uncontrollable volatility, namely the interest rates that you can earn in the market you have no control over. And then also as we look forward and as we see more and more projects being implemented as well as the strategic deployment of accumulated cash balances such as for the Youth Behavioral Health Center we're going to have less and less money that we're going to be able to invest. And so to use the Youth Behavioral Health Center, just as an example to illustrate the point, while those fund balances were temporarily not utilized as a big project was identified to make a meaningful difference in the community, we were earning interest on that \$7 million. That \$7 million has been spent, so it's no longer a source of investment income.

So as we spend more money on projects identified by the Board we're going to have less money that we're going to be able to invest. We recommend that we continue to be conservative in terms of the amount of investment income that we actually score as recurring revenue to support recurring operations. I have a note that I'll come back to in terms of a proposal for using surplus investment income to plan for future asset renewal and replacement but I'll put a bookmark in that for now until we get to that part of the presentation.

Finally I do want to highlight that the proposed budget assumes that the Town of Edgewood JPA for fire and EMS services will in fact be fully ratified and put into effect by the town commission. So the next stage of that, as you all will remember, is the town commission actually passing an ordinance suitable to County legal staff pledging the gross receipts tax to provide security for the payments that are due under the joint powers agreement

So once we've identified the revenue that we believe is going to be available to support recurring operations the next thing that we focus on at the management level is assessing what we think we need to budget in order to invest in our existing workforce

and our existing positions. The main things that I'm highlighting on this particular slide is that we're planning for a cost of living adjustment in January 2027 for non-bargaining unit positions and positions in the AFSCME 1782, AFSCME 1413 M, NMCP SO RECC, and NMCP SO Deputy Sheriff's Association. That annualized figure for an estimated COLA, which would ultimately be based upon actual CPI data if less than what we estimated, is about \$2.5 million. We also have collective bargaining negotiations with two of our larger unions the IAFF 1766 or Fire Union and the AFSCME 1413 or Corrections Union.

In addition to the amounts that are reflected here for those bargaining negotiations with IAFF 1766 and AFSCME 1413, budgets do include additional amounts to avoid compaction with the non-bargaining unit employees who are part of those ecosystems. So in other words, if you take the fire department as an example, you have the bargaining unit employees who will be negotiated with their designated union representative. You have additional fire staff and admin staff, including battalion chiefs, assistant chiefs, what have you, that are part of that same ecosystem. So when we approach negotiations, we also want to ensure that we can avoid compaction issues relative to having, union bargaining unit members receive significant raises, but then not planning for the other employees who also work in that specific ecosystem. So we budget funds separately to address and to avoid those potential compaction issues.

In addition using the services of our third-party group health benefit consultant we are estimating a need for a significant increase in the contribution rates of both employer the county and employees. Our current working estimate is that will be 16.3 percent year over year. That translates on the employer side to approximately almost \$2.1 million.

So after we've squared up the revenue we've estimated what it is that we believe that we need in order to invest in our people, in order to provide competitive wages, keep up with inflation, and otherwise take care of the group benefit needs of the existing workforce, then we begin to look at what will the budget support relative to potential permanent growth in various areas?

When we look at our population goals public safety and emergency services are, first and foremost in terms of population goals. I think the proposed investments reflect that priority. The proposed budget includes funding for five deputy sheriffs that would be deployed in the patrol division. This is in furtherance of the staffing study that the Board of County Commissioners allocated funds for last budget cycle, and the results of which have been provided to you under separate cover. Long story short, I believe that the proposed or the staffing report suggested that approximately 15 deputy sheriffs would be necessary across various divisions in order to meet what they recommend be minimum staffing levels for the county. This would be an initial installment towards that. I would note that some of that anticipated growth is in courthouse security services, which is probably a discussion we'll need to have with the next sheriff as to what other options might exist to meet the true security needs of the of the courts the First Judicial District Court that is without potentially taking officers or as many officers off the street. But again, that's a discussion I think that we'll need to have with the with the next county sheriff.

In addition, the proposed budget includes nine firefighter EMT positions, and while there are nine, that translates into one additional firefighter EMT at three stations.

And this would be on a staffing plus model, which Chief Black can speak to when the Fire Department's budget is presented. The stations are in the northern region, the southern region, and the eastern region. That's meant to, one, increase safety of our forces when we respond to structure fires as well as wildfires. But it also helps to maintain ISO ratings. Long story short, you need four certified firefighters to respond to each structure fire, as I understand it. If you don't do that, it's an automatic fail, and so your ISO ratings regress. And so this helps reduce the possibility that we would have a situation in which we would not have four certified firefighters responding to each structure fire from the region that that they serve. There's nine, and again that translates into one additional position per the three stations listed. That just reflects the fact that these are 25-7 operations. If you're going to have, add one additional firefighter of whatever emergency medical services rank you actually need three in order to cover all three shifts. And so that's the Fire Department math is, if you want one position, you need three in terms of having one on a given shift at a particular station

We're also proposing two county opioid outreach mobile integrated health specialists who along with two grant-funded clinical providers would increase from one to three the number of mobile integrated health teams operating in the county. So that's good in its own right. In addition working with Chief Black, the idea would be that the mobile integrated health specialists would have the same credentials as a firefighter EMT. And that means that, after being with the County for a year these new positions would be certified firefighters as well as wildland certified. Again, the idea being that in the event of a structure fire or a wildland fire while they were on duty or if it was an extended deployment, but in any event, while they were on duty, they could deploy to that scene in order to both increase our firefighter coverage while also again augmenting and increasing our mobile integrated health reach. We don't anticipate that would happen all that frequently, but nonetheless, it's a way to address two potential needs with the same resource.

Finally, we are also recommending one additional program manager in the youth behavioral health space both to help manage the development of the Youth Behavioral Health Center, but also as well as to manage the contracts with the service providers that we anticipate will be housed there.

There were several other needs that were brought forward that we believe could be – are certainly legitimate in the short term and may ultimately require fixed or full-time equivalent, i.e., permanent positions. But with this budget we're proposing to meet them with term employees. That's a records clerk for the Regional Emergency Communication Center to assist with the influx of records requests from the public prosecutors and law enforcement agencies. And the budget includes funding for that position for two years. Again, that may ultimately turn into a full-time position but the RECC director is working with his management team as well as with the union to determine what the ultimate workflows and how those needs will be met. And so it may be that won't require a full-time permanent position.

Finally for the ERP implementation we are proposing to include in the budget non-recurring funding that would cover for three years, three system analysts, three for the IT division to support the implementation of the enterprise resource planning system. The long-term staffing needs of IT will be further assessed during that implementation

phase and it will also allow us time to evaluate efficiencies that we achieve from the ERP, which again could ultimately help support permanent IT staff.

We also as we then look at other increases at the macro level our property insurance premiums will go up, not by a material amount, but as we acquire more assets, again, whether that's the Youth Behavioral Health Center or whether that's the building for the district attorney's office, what have you we have to provide first-party property insurance coverage for those buildings. We continue to anticipate that we're going to have increased cost associated with third-party liability especially in the law enforcement coverage lines. The market for that coverage remains hard we don't have lots of competition in terms of trying to drive down coverage or premium cost. And then the claims especially out of law enforcement continue to rise both locally and nationally.

We're estimating that our total cost of insurance across all of our coverage lines to include workers' comp, property both first party and third party, as well as multi-line and law enforcement could increase in the next fiscal year by as much as \$770,000. And so that's built into the budget as we plan again for those anticipated increases.

In order, in particular to make the investment in the workforce work, elected officials as well as departments were asked to try and actually reduce their budget or come in as close to flat in other areas again as to the maximum extent possible. And so as you look at the summary pages for departments as well as elected officials you'll generally see as a consistent theme that there's not a whole lot of increases, and in fact you will see in many areas noticeable decreases. That was an effort to bring in line our budgeted expenditures with our actual expenditures so we continue to narrow the gap between the two. But by doing that it allows us to free up recurring revenue that we can then invest in our workforce. And I don't believe we wouldn't have been able to make the investments that are being proposed in terms of cost of living adjustments, what have you, if elected officials and departments didn't work collaboratively in order to make that a reality by really taking a hard look at their budgeted expenditures in light of their historic actual expenditures.

Now having said that, I also want to note that if you are removing from individual department budgets contingencies that are built in and you're asking those not to be included because they're consuming recurring resources even though if they're not ever being spent, right? If I'm budgeting – I'll take two examples. Both represent elected officials and departments that really worked hard at this. If you look at the Public Works Department for snow removal, right? They've been carrying a not insignificant amount of money, Brian Snyder can identify it better than I can for costs that they would incur if we had an average to above average snow year. So that's overtime, that's the materials that you put down in order to ultimately melt snow and ice on the roads, what have you. Last couple years we've not had any such snow, and so those resources weren't utilized. So this year, in recognition that could be the new reality, they reduced their budget in those areas. Now, if we're fortunate and we have a lot of snow this year, that means they'll have to rely upon the budget contingencies that we have elsewhere in the budget in order to be able to remove snow. The County Assessor's Office reduced their funding for legal services to closer to their historic average. In doing so they were comforted by the fact that we have other budget contingencies that if in fact they had an unexpected spike in the number of property tax protests or other significant issues that caused them to need more

money for legal services, that they would be able to draw upon budget contingencies to get them through that.

So the point is, as you get closer and closer to your historic averages, as departments and elected officials remove from their own budgets a little extra funding for various contingencies you can anticipate that we might actually see greater utilization of the county-wide budget contingencies for unexpected expenditures or for expenditures that are greater than what we anticipated. That is by design. That is what we want to see happen because it gives us a greater picture in terms of what our true recurring needs are likely going to be and allows us to make investments elsewhere, whether that's in existing staff or new staff in targeted growth areas.

So that's the segue into those aspects of the budget that are budget contingencies. These are distinct from our actual true rainy day funds. These are contingencies that are built into the budget to help address anticipated potential revenue shortfalls, i.e., revenue being on the lower end of our estimated range, as well as other potential emergency contingencies, unexpected high snowfall a particularly active monsoon season that requires a lot of cleanup, what have you. So those are the types of expenses that could hit these budget contingencies. You also could have a claims year in terms of liability claims that are higher than what we have in the budget that within reason would hit here as well.

In addition, finally, we continue to spend down over time the set aside for matching grant requirements and temporary employees but that carries forward into this proposed budget. All told, those budget contingencies which are there for expenditure, if needed and as directed by the Board with regard to grant matching and the like, those total almost \$20 million.

Again, the primary purposes of these contingencies as I alluded to earlier, it allows departments and elected officials to really bring their budgeted expenditures closer to historic actuals, and they can do that with confidence because they know that there's a mechanism by which they can continue to operate if in fact costs exceed expenses for reasons that they can't reasonably control. It ensures with regard to grants that opportunities can be timely pursued. It protects reserves for truly extraordinary events. And then, finally it allows the plan that the Board adopts to be implemented in the event that reasonably anticipated downside risk in revenue does come to, to pass. We don't want to have to immediately start to cut back on services staffing, what have you, and that's what the revenue replacement con- budget contingency allows us to do.

An aspect of the budget that I want to highlight because it does consume recurring revenue that if the Board were to go in a different direction this would free up resources that could be used for other initiatives. As the Board knows, the Adult Detention Facility is approaching 30 years in age. The bonds that were used to construct the facility are actually going to fully mature this year. In fiscal year 2026, the debt service that was budgeted for those bonds was \$2.247 million. Those funds are no longer needed for the debt service because it's now fully mature. So what is proposed is that a portion of what had been used for debt service will actually be used to support operations instead. We talked about the investment that needs to be made in our salaries in the adult detention facility. That will partially go towards that. You'll hear as we get to the Corrections Department budget we need to find a recurring source of revenue for the medications that are used to treat those suffering from substance abuse disorder which runs several

hundred thousands of dollars a year. So in any event, part of that will be used to help support operations. We recommend that the Board assumes that \$1.75 million will be used to support a new revenue bond to be issued in fiscal year '27 or fiscal year '28 to support a major expansion and renovation of the Adult Detention Facility that we are estimating that to cost a minimum of \$30 million. That will primarily go towards supporting increased space in order to treat those with medical and behavioral health needs that enter the facility as well as if necessary, additional space for reentry programming that would happen in-house before our clients are released.

I provide here just some summary information that the Board has seen from in the past in terms of the needs of our clients entering the facility. As you might recall from last year's presentation to the Board of County Commissioners from the Adult Detention Facility 20.25 percent of inmates test positive for one substance upon intake and 67 percent test positive for two or more substances. So the vast majority of clients who come into custody at the Adult Detention Facility are going to need some support relative to substance use and abuse. In addition our medical unit seems, sees a lot of admissions as well as individuals, staying, not for insignificant periods of time. So when you put all of that together the reality is that the Adult Detention Facility provides a lot of services to our clients. But it's not too much of a stretch to say that it has changed over time into being a very large provider of both medical as well as behavioral health services. And what this renovation would do would reflect that reality so that we have more space as well as more usable space in order to meet those documented needs of our clients.

This isn't the first time that, we've discussed this possibility with the Board, but I'm calling it out specifically because in the budget we have included \$1.75 million in presumed debt service. And so if the Board decided either to forego that expansion and renovation or to try and fund it through some other means, like a general obligation bond, what have you, those resources could be, again, deployed somewhere else. I personally recommend that we do in fact plan on funding that renovation using a revenue bond and using this revenue as well as other accumulated resources rather than a general obligation bond. But nonetheless that's a decision for the Board to ultimately make. I'm calling it out here again because it's earmarked in the budget that way, but it is not currently needed in the sense that the existing debt will mature in 2027, and we have not yet issued new debt to take its place and to fund the expansion and renovation.

Finally, you heard two meetings ago from Anne Ryan how we might be able to diversify the County's revenue by becoming a Medicaid service provider. As was discussed at that time the operating budget includes funding to further the efforts towards becoming a Medicaid provider that's non-recurring funding of \$400,000. Again, we think that type of revenue diversification, makes sense in any event. But as you look forward to future fiscal years with what is anticipated to be potentially modest growth in our main tax lines that diversification becomes even more important.

As a consistent theme that the Board has already partially heard but the budget recommendations in the operating budget carry forward is that we need to be very conscious and purposeful in ensuring that we have allocated resources in order to take care of and renew and replace our stuff. Whether that's buildings whether that's trails, whether it's other facilities, whether it's fixed assets. We need to make sure that as we make investments and as we acquire assets that we have a sound plan in place to ensure

that we can take care of them and not find ourselves in a place with significant amounts of deferred maintenance or with fixed assets that are necessary for us to operate that are no longer reliable and we don't have a plan to replace them.

The first point highlighted here is you've already received the facilities master plan that identifies what is anticipated to be maintenance needs primarily as well as some others in various of our facilities. As we get to the capital budgeting process you'll see that staff recommends that we start to allocate a recurring amount of capital outlay gross receipts tax just to take care of existing assets so that again we're maintaining our current facilities and assets and not putting ourselves in a position where we accumulate a lot of deferred maintenance and are playing catch-up.

We also, I believe, have to think about being more purposeful in terms of how we fund fixed assets for those areas that don't have dedicated revenue. So I'm not talking about the Fire Department which has sources that generally can help cover their fixed assets. I'm not talking about the Utilities Division, it's an enterprise fund. It generally generates enough revenue to cover its fixed assets that it needs to operate. Primarily looking at those areas that don't have that. IT a lot of Public Works in terms of fixed assets that they rely upon to maintain grounds, maintain facilities move solid waste, whether it's containers, whether it's trucks as well as the Sheriff's Office, which regularly replaces a not insignificant number of their vehicle fleet in order to, again, keep current, make sure it's reliable, and not invest in unnecessary repairs.

So those are the three areas that we're most focused on. Historically, we were able to rely upon excess revenue or actual budgeted expenditures being significantly less than budgeted expenditures, so there was a lot of surplus left over at the end of the year. As we make more and more investments in our human resources, as we use and assume that more salary savings, 10 percent, that's \$12 million, is going to be available to fund the next year's budget, as we shrink the gap between budgeted expenditures and actual expenditures, I don't think that we can make that same assumption. And so what I'm recommending to the Board is that you start to proactively save money so that you know that you can replace fixed assets when you need to do that. And the source of that potential savings would be from the investment income that is in excess of \$2.5 million. So if you remember when I talked earlier on the slide, we score \$2.5 million of investment income this year as being recurring revenue. We would reasonably anticipate that next year that number's probably closer to \$10 million. And if you look over the last two years the actual investment income has been, higher than what we have scored as recurring revenue, again, by design. The point is that you could earmark that investment revenue or income in excess of the 2.5 million and put it into an actual asset renewal and replacement fund so that you know that you're saving money that is necessary in order to cover necessary fixed asset renewal and replacements for a number of years. We think that five years is probably a realistic benchmark. That way if investment income in fact is, less or you're otherwise in an austere budget time, you're able to nonetheless continue to replace the stuff you need to do business. And that's the bottom line. If you have 120 deputy sheriffs and you only have 100 vehicles that work, you're not going to be able to – that's probably the wrong numbers, but if they were all in patrol, you get my point. You're not going to be able to actually have the deputies that you necessarily need in the field or to be able to meet your collective bargaining obligations to provide them with

take-home vehicles. We can have transfer stations, what have you. Again, if we don't have the containers in order for our residents to put their trash into that are structurally sound or the trucks to move those containers to the landfill, we can't operate. And that's really the point of this, is you want to make sure that you have enough money saved so that you can replace the assets that you need to do the day-to-day work of the County when it is necessary to do and as I said, I think that we have to change our mindset to be more purposeful in making sure that we're actively saving in order to be able to meet those fixed asset renewal and replacement needs.

Consistent with that theme of taking care of our stuff first, the staffing plan for the Open Space Trails and Parks program is expected to be completed in the first half of fiscal year '27 i.e., before the end of this calendar year. We recommend that the Board not make decisions about how to allocate recurring revenue in the Lodgers' Tax Facility Fund until that that plan is presented to the Board so you can take a holistic view. And in other words there is a request from Growth Management Department to put a fine point on it for a ranger manager position. County management's perspective is hold off on that until you get the plan so that you can take a holistic view. And in particular, we want to make sure that we have the resources allocated to take care of our ever-growing trail network as well as our open space properties because the first order of business is to make sure that it's in fit condition and we're regularly able to maintain it so that it's safe for the public and the visitors who use it and not, otherwise unsafe or unsightly

So here's a high-level overview when you're looking at where we are at this point in the budget preparation and development stage. You'll see when we tried to really look at and do an apples-to-apples comparison between recurring expenditures from '26 to '27 where the budget stands now is, 2027 would be about 3.7 percent more. Again, that's primarily going to consist of the new FTE, the investments in additional in our existing FTE group health benefit increases, additional cost for liability, what have you. I think I've hit the largest components of that year-over-year increase but that also – well, I'll stop there. From fixed assets at least in terms of what's in this budget at this point in time there's a significant decrease I believe, and Yvonne can correct me if I'm wrong, that's partially because we've not yet, carried forward the money for the ERP system a significant chunk of which would be spent in Fiscal Year 2027. But also we don't have as many asset purchases from the Fire Department this year compared to last year, and each of those pieces of apparatus, again, are hundreds of thousands of dollars if not seven figures. So that's the most significant difference in terms of fixed assets, which again, are typically paid for using non-recurring resources. And then finally, when you look at other non-recurring requests, including the close to \$20 million in budget contingencies it's pretty much flat year-over-year

When you look at the elected office and then department budget presentations, I've asked everybody to be very concise and very focused as we're not making huge sea changes in terms of the allocation of resources. And I've asked them to really focus on those initiatives of interest that are included in the budget that reflect out of the ordinary business that is being funded such as the SGMP update and the SLDC updates in Growth Management. The proposed move to G5 licenses for M365 focusing on IT, and if you have significant changes in revenue. In other words we regularly report to the Board on terms of activities, in terms of monthly reports and otherwise. I did not think that it was

necessary to consume the time that we have together to discuss the budget to talk about operations and to put forward, those things that we regularly report to the Board on. Instead, I asked folks to focus on those key elements of their budget, including highlighting differences year over year, as well as discussing significant fixed asset purchases. If we get through the end of the day and you would like us to pivot for next week and to do something different, you'll let us know. But I want you to know when they come up and they're very focused and they're very concise, that was my direction to them because I thought that was appropriate given where we're at in terms of the budget discussion and the fact that the budget book itself contains a lot more granular detail if in fact there's interest in that information.

I wanted actually some of what was on the previous slide I've carried forward to this slide. I wanted to talk about some major changes and trends as we look forward to future fiscal years. I think that the Board can expect continued growth in law enforcement, RECC, and the Fire Department. You have two staffing studies one for the Sheriff's Office one that was completed for the RECC actually last fiscal year that demonstrate and recommend additional staffing in order to get to minimum staffing levels. The Fire Department is just about to kick off its own staffing study. So I think you're going to anticipate continued growth in those areas and that is going to consume a lot of resources in future fiscal years to the extent that the Board invest in those areas in order to grow those departments.

I will make a special note about the RECC. You've not yet received or seen a lot of requests for increased staffing. That's because they still are carrying a not insignificant vacancy rate. And so we continue to invest both in salaries investing in their physical plant. The new facility is helping a lot with employee recruitment and retention. The COLA will further help that. The director is exploring ways to help assist in both recruiting and retaining individuals. And so as their vacancy level hopefully continues to come down over the next year, that's when it'll make sense to start building out their staffing levels. In other words if you have significant vacancies, giving you another position now isn't going to really help improve your overall staffing levels. So I just wanted to make that point of clarification that the RECC has not insignificant numbers of positions that they are actively trying to fill. And as they get closer to filling them all that's when you can anticipate additional requests coming in for the RECC.

Secondly included in the strategic plan as well as a small amount of funding in the County Manager's Office is funding to develop key performance indicators as well as track how our human resources are allocated. As you look forward to future fiscal years, the Board will have I think, more robust data to actually assess the performance of departments and be able to make decisions about the data-driven decisions about the affirmative reauthorization of programs, FTE allocations, reallocations, as well as new requests. I appreciate the Board's support through the adoption of the strategic plan in those areas because it will be a heavy lift to do that in a thoughtful way with the Board but we think that it's a necessary step in the evolution of the County so that in future years the Board will have even greater data and insights in terms of making budget decisions including reauthorizations of programs and the like.

And then finally looking one, two, three years out we do anticipate that we will achieve many operational efficiencies through the ERP project which, will provide

potential opportunities for the Board in assessing where those efficiencies could be could be deployed.

This is a budget timeline. We just are completing the overview and we'll move in to the County Manager's Office budget presentation. There are two special budget study sessions that are already scheduled next week, May 19<sup>th</sup> and May 20. The 19<sup>th</sup> includes the Clerk's Office, the Sheriff's Office, Community Service, Corrections, Fire, Public Safety, ASD, and RECC. The 20<sup>th</sup> includes the Assessor's Office, Treasurer's Office, Community Development, Growth Management, and Public Works. We have a potential placeholder on May 26<sup>th</sup> if the Board wants another study session or potentially to approve the interim budget as well as on the on the 28<sup>th</sup>. So the absolute deadline for submitting the interim budget to the Department of Finance & Administration is June 1<sup>st</sup>. Looking forward into June we'll be scheduling one or more study sessions with the Board to discuss the capital budget as well as I anticipate we'll be talking about our reserve policies at that time. And then the deadline for submission of the final budget to DFA is July 31<sup>st</sup> of 2026.

Then looking forward into the fiscal year. September is when we typically do purchase order rollovers in terms of carrying forward from this budget fiscal year '26 into fiscal year '27 previously authorized amounts that are needed to continue into the next fiscal year.

I just want to correct something that I said. May 26<sup>th</sup> is actually a regular BCC meeting, and so we could approve the interim budget then. And then the 28<sup>th</sup> we're holding as a potential fallback date if the Board wishes to continue discussing the budget past its regularly scheduled meeting on May 26<sup>th</sup>.

So that is it for the high-level overview the proposed Fiscal Year 20 27 operating budget. I'll ask Yvonne if there are any things that she wanted to highlight that I did not. And then if the Board has any questions at this point, be pleased to answer them. Otherwise we'll start with the specific concise budget presentations related to the County Manager's Office. Thank you.

CHAIR GREENE: Thank you, Greg. First off, thank you. These are getting better and more concise and seem to be easier to communicate between us, but I'll let other people comment on that right now. Commissioner Hughes?

COMMISSIONER HUGHES: Yeah, just on the decisions recurring the Lodgers' Tax Facility Fund. If the staffing plan for the open space is done in July, can we allocate the funds at that point?

MANAGER SHAFFER: Chair Greene, Commissioner Hughes, absolutely. Whenever the plan is completed that's what we're proposing. Not that you wait a whole budget cycle or even for mid-year, you just wait until the plan is done. The only I think potential caveat and Yvonne can correct me, once we submit the final budget you do have to wait till you get DFA approval until you do a budget adjustment in September. But you could still make decisions. Yes, absolutely. The recommendation is simply wait until you get the plan, whenever that might be.

COMMISSIONER HUGHES: Okay, thank you. And also thank you for the very detailed and well-thought-out budget so far. I'm glad you were able to propose expanding the sheriff's deputies and firefighters. It all seems good. We can always do

more, but for the limits of our budget, we're doing as best we can.

CHAIR GREENE: Thanks, Commissioner. Commissioner Johnson.

COMMISSIONER JOHNSON: Thank you, Chair Greene. Thank you, Manager Shaffer. Thank you to everyone in this room for coming together. I agree with Chair Greene, this is easier to digest. It could just be 'cause I'm in my second year instead of my first, but I have a couple of quick questions. And these could probably be elsewhere, but be asked elsewhere, but I think I'll just take the opportunity to ask them now. So starting in order of your slides, with regard to the mobile integrated health specialists I like that they that we will have a policy where they're EMT and fire certified. We just saw an article in the paper about some confusion at the sort of equivalent unit of the city not having EMTs and that adding additional costs, et cetera. My question is, would we train potential recruits to this position for EMT and fire certification? You mentioned that there's a one-year period. So I'm wondering – and that seems, and I don't know the landscape, but it seemed like it might be a hard position to recruit for. So I wonder if we are doing the training for the EMT and fire certification?

MANAGER SHAFFER: I'll go ahead and let Chief Black answer that. I believe I know the answer, but go ahead, Chief.

CHIEF BLACK: Chair Greene, Commissioner Johnson. Yes. So our current mobile integrated health specialist is trained to all of those standards that Manager Shaffer referred to this morning. As we look to expand that program, the positions that we will look at the job description, update the job description, and all of those qualifications will be a requirement within one year. So they won't be required to have all of those certifications coming in. However, any of those certifications that they do have they will be able to maintain, and then we'll be able to add to those certifications through a training that the fire department provides.

COMMISSIONER JOHNSON: Okay. Thanks, Chief Black. I think that's important just to structure to sort of get people in and build their career from there because it is a need and I'm glad to hear that.

Second question is maybe unfair, but why, Manager Shaffer, do you have any understanding of what is causing just like consistent increasing prices in insurance, especially for law enforcement? I think many of us have seen some of the trainings at New Mexico counties and things like that, so we have a basic understanding. But is this just a trend that has no end in sight? Because it might be just the reality that we live with, but my homeowner's insurance went up also. I know they're very different, but I'm just looking for a tiny bit of insight. It doesn't need to be an extended discussion of this, but just for my edification.

MANAGER SHAFFER: Thank you, Chair Greene and Commissioner Johnson. So I think the way I would start to address the question is whenever coverage is underwritten, they're looking at two factors. One is what's the overall risk level, right? In other words, when they look out at the risk associated with the particular operations that they're insuring, there's a base level of risk that they assume based upon trends as well as historic data. And so in the area of law enforcement, and this includes both the deputy sheriff what we would call police enforcement, as well as corrections, the overall trends are like this. And if not the number of claims certainly the value of claims continue to increase at a significant rate year over year. There are specific factors in New Mexico that

are contributing to that trend including the Civil Rights Act that was enacted a few years ago which increased the cost of claims. So even if the numbers of claims aren't changing materially, the cost of each claim is going up. So that's at the macro level.

And then from there, you're going to have your own individual coverages, your premiums not that's what it is through an MCIA, but for discussion purposes, the contribution equivalent of a premium, that's going to be adjusted based upon your own experience, right? That's the experience modifier. And your own private auto insurance works the same way, right? You could be driving for 40 years, never had an accident, but because driving is inherently risky, you're always going to have to pay for that coverage, right? And it works the same way.

Our specific claim history over time is going to vary from year to year. But at least at the last renewal our experience modifier, we were better than our peers on average. But again, that's going to change from year to year. So our experience can influence that and does both positively and negatively. But the main driver in the law enforcement area is just claims continue to increase. My understanding and perspective based upon sitting on the New Mexico County Insurance Authority Board. But again, there are two drivers, your own experience and then the overall claim environment.

COMMISSIONER JOHNSON: Okay. Thank you. Final question, on this discussion of the fixed asset renewal and the recommendation for savings, is there a plan in place for those savings? How do we – just a little bit more detail on that would be helpful so that we understand where we are, tightening the belt, so to speak.

MANAGER SHAFFER: What we would propose, and if the Board agrees, we would actually create a fund into which we would credit the monies that you're saving. And we've already talked about how you can think of different monies that you're consciously not choosing. This would be literally a savings account, right? I'm saving the money. I'm planning to spend it. I believe, and I'll have to look at the budget book to get a general estimate as to what we think will be needed to fund multiple years of fixed assets, but the idea would be to take investment income while we have it in excess of what we think is a reasonable conservative recurring number, and just put it into that savings account so we know that's earmarked for fixed asset renewal and replacement. And I think, and Yvonne, maybe you have the number and can give me a lifeline, but I think what we estimated was approximately it's about \$15 to \$20 million would be what would be needed for five years if you look at how much we spend on a typical year. But I'll get you that precise number. But once it has that level, then you're just trying to maintain it there so that, again, if you had several years of adverse economic conditions you know that you could continue to make the fixed asset renewal and replacements that are necessary.

So again, the idea is to use the surplus investment income and earmark it while you have it and then ultimately the amount that you have to set aside to replenish the fund every year would be less. I hope that answers the question.

COMMISSIONER JOHNSON: Thank you. No more questions, Chair.

CHAIR GREENE: Thank you, Commissioner Johnson. Commissioners to my left, Commissioner Bustamante.

COMMISSIONER BUSTAMANTE: Just a quick question. It's still concerning that we have so many vacancies in the RECC and we had talked about

possibly finding ways to have housing for people who are in our Sheriff's Department, our response people. Do we have any other insight as to why we're having a hard time recruiting for the RECC?

MANAGER SHAFFER: Chair Greene and Commissioner Bustamante, I think that we've made significant progress from where we were, and I anticipate that those numbers will continue to go down as we make both some changes to potential shifts as well as continue to make investments in the personnel. In addition, the physical plant is helping. So I don't want to suggest that we're not making progress. I think we are in fact making good progress. My point was simply that we're not at a point where it's down in the low single digits so that you want to start adding positions. But Elias, you may be able to speak to where we're at currently, which I can also look up while you're talking, but also, the positive momentum that we have, but the distance that we have to go yet, because I believe it's at least 10 positions that we still have to fill. Is that right?

ELIAS BERNARDINO (Deputy County Manager): Good morning, Board Chair, Commissioner Bustamante. Director Lujan has been working with a training coordinator on enhancing our program. We recognized that it was taking us a little bit too long, and with that and coupled with the RECC union negotiation to bring our compensation to be more competitive, delayed us to focus on that more strategic. We currently have positions, and it's my understanding as of two weeks ago, we have our level three and level two, which is our most experienced positions, and I believe we have six of our five, give or take. And so I think that's the most that we've gotten in a very recent. I want to say about two years. Prior to that, we've only received one or two. So we're very optimistic that we'll be able to close that vacancy rate specifically in the next six months.

COMMISSIONER BUSTAMANTE: Thank you.

CHAIR GREENE: Commissioner Cacari Stone.

COMMISSIONER CACARI STONE: Good morning to everybody. Thank you, Chair Greene. County Manager, as always, a fabulous, very detailed presentation. Yvonne, your lion's share work. I hope you get a long vacation after this budget process.

County Manager and Yvonne, Ms. Herrera, I have some questions because it still seems gray to me. So I was kind of looking for a slide. Let me go to slide, I believe it's 14, putting it together by the numbers, and I'm going to page 24 and 25 of the tables. I'm still trying to figure out, we have expenditures here, fixed assets, the contingencies, but I guess I was looking for a slide that was showing our total revenue sources, what we have for FY 2027, the total revenue put together from the page 24 and 25 put together across the sources, including other operating revenue, and then looking at expenditures. Am I missing something? Can you take me through that, Yvonne? Can we bring in our total revenues? I know we were going low, medium, high, and we're going with the medium, but I still – is our total revenue to spend after all the contingencies and operating anticipated cost 12 million? Take me through it because it still seems fuzzy and I want to get it right today.

MANAGER SHAFFER: So the total recurring revenue is basically equal to the total recurring expenditures plus approximately \$2 million. So I'll unpack that. And then we can present it in a different format and I've also, as has Yvonne, set up block

chunks of time if there's more in-depth questions that that Commissioners have and would want to work through.

But ultimately we build the budget on the fund level and that's where we would trace each revenue stream both into the fund and then out into an expenditure fund. So if you look at slide 14 we believe that we will achieve in fiscal year '27 \$252,023,935. I said you would add a little bit to that because there is revenue that is anticipated in the Utilities Operations Fund that is not being budgeted because they are an enterprise fund and so it is natural and to be expected and encouraged that they actually are going to take in more revenue than they're going to plan on expending in any given year because that's how they build up fund balance in order to make unexpected repairs and replacements as well as long-term repair and replacements. The total revenue, as I said, really matches the total recurring revenue matches the total recurring expenditures. And as I said, I'd be happy to work together to put together different or higher level summary information and I'd be happy to meet with you and any commissioner as well to go through it on the fund level.

COMMISSIONER CACARI STONE: Thank you so much. But let me ask clarifying again, because the slide 14 says expenditures and you're saying revenues. As County Commissioners I always lay out really well the cost, the revenues, contingencies, all of that. We want to see the bottom line categories of the mean, low, medium, high of all the different revenue sources, including reoccurring and then the other operating revenues compared to these expenditures, breaking it out.

This still seems very fuzzy to me. And of course, we always want to know what we actually have put aside so we can plan for district and county level other costs that maybe we have to invest in community building, parks, trails, whatever. We have to decide what we have based on what our constituents need, right? And I'm looking for that type of budget too. What do we have to work with as a BCC? And I think you said it really when you talked about, I wrote down your quote here, is how do we cultivate a mindset of being purposeful? And you have your operating budget and you guys do an excellent job of really doing or putting all together the Rubik's Cube. But we need the Rubik's Cube of what we have available to us, and that's what I want to see in these next three or four days that we have together. Thanks.

MANAGER SHAFFER: Absolutely. And as I said I think a lot of that detail is in the budget book, and if there's a way that we can present it better or differently I'm happy to do that.

So maybe you and I can visit later today and I can get a better sense of how you would like it, presented. And I understand the point. I'm not quibbling with it. I just want to make sure that I'm, utilizing what is there and then also making sure that I'm meeting what you would like in terms of alternative presentations. But I understand the point.

COMMISSIONER BUSTAMANTE: Chair Greene.

CHAIR GREENE: Yes.

COMMISSIONER BUSTAMANTE: Manager Shaffer, and thank you for that. Commissioner Cacari Stone, I really have to say I appreciate that 'cause you've cut through a lot of, I will say, some of the fog and have trusted and understood what reoccurring expenditures are and have been. But last year when we were working on the acquisition of a piece of land, my basic question was, where are our funds? Where are

they coming from? As Chair, I sat in the meetings with where our investments went. But I don't think we need to as each Commissioner requests or willing to meet with one I think I hear the Commissioner asking for just a clear statement or table that shows these are our revenue streams very specifically. And we know when we see when we get to see how they're being used, that's always been clear. But, and please correct me if I'm wrong, but to see a very clear table of our revenue streams, what's coming in, has not ever been anything that I've sat in these budget sessions that has been very clear that these are all the different revenue streams that we work from.

And I think there's an opportunity for that for all of us, and I don't think it would be – I think it needs to be something that's made available to everyone, not just one or two, or please come to me if you have more questions. That's something that should be disclosed right up front. This is everything that comes in, and these are the places where it goes. But when we have situations when we're wondering about \$30 million, and we know it's going to be there somewhere, and we see things, where do we – I think it's been, foggy is the good term. So I appreciate this very much.

MANAGER SHAFFER: I appreciate it as well, and like I said I can identify as we move along, I don't want to take it up where it is in the budget book. All of the revenue is accounted for in all of the funds –

COMMISSIONER BUSTAMANTE: One place. One place with all of them.

MANAGER SHAFFER: Understood. I understand, and that's really what I want to make sure that I'm providing you what you want. It is all there, as well as what our fund balances are in the appendices. And so I'll figure out how to present it in a different way, but I also want to emphasize that the information is in the budget book, maybe not in the best presentation.

COMMISSIONER BUSTAMANTE: Please trust that I have understood that for the last two years. So I don't want to make it sound like it's not been there. What we've been lacking is one at the beginning. But yes, when we have each one, it makes sense for each category in those particular departments. But I completely agree with Commissioner Cacari Stone that to have that big picture of what is coming in, all of it. All of it. What's invested, what are the incomes, et cetera, but I'll let the Commissioner speak to that.

MANAGER SHAFFER: Thank you.

COMMISSIONER CACARI STONE: Thank you, Commissioner Bustamante. And again I think page 24 and 25, that's where I'm looking at, and I counted a total of 27 million if we look at all the tables, just not exact, but eyeballing it. And so the slide 14 is saying basically of our 270 million that we may have, we have in 2027 about 252 million in expenditures that need to be on a hold for operating cost. Is that correct?

MANAGER SHAFFER: Could you repeat the question?

COMMISSIONER CACARI STONE: Yeah, from page 24 and 25, it looks like we have about 270 million total from the four tables of revenues looking at the low ball, not the medium or the high. We're looking at, I mean, not looking at the low, looking at the medium. Actually, I was just doing the low. I was low-balling it. And then slide 14, it says we have a total of 252 million in expenditures that we can anticipate plus

the other contingencies. So I'm trying to figure out, and we can maybe look at that at the next meeting is –

MANAGER SHAFFER: Absolutely. And we will do that.

COMMISSIONER CACARI STONE: Okay.

MANAGER SHAFFER: We'll present it in the high-level summary that's being requested. That's not a problem.

COMMISSIONER CACARI STONE: Okay.

MANAGER SHAFFER: The note of caution about the GRT increments is, again, it includes money that isn't ours. It's North Central Regional Transit District's, but he estimates that.

COMMISSIONER CACARI STONE: Gotcha.

MANAGER SHAFFER: It also includes capital outlay, which really isn't being addressed in this budget. But I understand the feedback. I appreciate it. We'll present it in a different way.

COMMISSIONER CACARI STONE: Thank you. And again, I'm just trying to be an effective official. The other piece for this year, this is my second rodeo this year with the budget process, and I'm still trying to link, and you had mentioned, and I wrote down this idea about looking at on page 21, a more structured approach that the County management's recommending that we take a more structured approach. I like this idea. Should we be looking at best practice models? And in that more structured approach, I'm also looking for best practice models and maybe if the staff or we hire a consultant to do analysis for us on how as a BCC we can actually take that more structured approach and keep improving on what you've already done and are doing to make sure we're accountable, which is excellent, and balance our books. But how can we? Can we hire someone and have a consultant for the BCC to look at models? Also to look at models and how we link what we have left in our budget after all the operating costs and contingencies and growth, what we would have left for ICIP funds. Because then we have to then determine what do we ask from the state legislator?

So what I'm looking for is to have a weaving across our budget, the ICIP, and then our state legislative priorities to the legislator and also to Congress and our congressional members. And in preparation for that, I'm also having a countywide leaders champion meeting for District 2 'cause I'm looking to lead and focus based on community being able to set priorities together across the district rather than in silos.

So I'm looking for an integrative approach that I want to have by the time I hit year four in my fourth rodeo, and I'm looking to you as county management to help us figure that out.

So in short, can we hire a consultant to help us think through those integrative approach so we're more effective as BCCs and have something in our budget like that I worked for the Legislative Council Service three times as a consultant the Legislative Finance Council, can we have an analyst or various analysts that work just for the BCC to put that aside to help us think integratively? I think it's really important, and then we can work together as a team with county management on behalf of our constituents. Thank you. I know that was long-winded, but I've been thinking about this the whole year.

CHAIR GREENE: Thank you for saving your questions for 12 months. Seems like now's the appropriate time. You may have a response to that. I had more of a

comment, but County Manager Shaffer, or can I take the mic or did you have a response?

MANAGER SHAFFER: Certainly as I said it's your budget and whatever resources you would want we can look at. The question then becomes whether it's recurring or non-recurring, and then there are trade-offs, with that. But I understand it, and we can think about what that might look like in terms of what outside consultants you might desire.

So I heard it. I don't have anything to say other than we'll have to cost it and then we'd have to cost it and figure out whether it's recurring or non-recurring. So that would be my only response.

COMMISSIONER CACARI STONE: Sure, very much appreciated, County Manager. And again, I'm going to ask Chair Greene and also defer to my other Commissioners, at what part of the schedule that we have in the three days we have together can we openly discuss, 'cause we can't have a rolling quorum outside these chambers, can we openly discuss our resource needs to be efficient and effective as a BCC, whether it's a legislative policy analyst legislative finance consultant? And I don't want to scare anyone, but I've been visiting with other counties in the state. Did you know that Bernalillo Board of County Commissioners get a million dollars a year, and they can hire analysts and experts? They also can use that money for community engagement and projects other priorities special projects, housing. I know that we bake it in, which is probably more to our advantage to bake it into what we do countywide. But other counties with funds like we do that are more fiscally robust have those opportunities 'cause we want to be effective. I'm not trying to be selfish, but I'm trying to be generous in the fact of how can we be more effective as a BCC. So I guess I'm asking the Chair and BCC members, do you want to have a conversation on what we might need in the budget to support our policy priorities and agendas?

CHAIR GREENE: Thank you, Commissioner Cacari Stone. So I agree with this. This is something that I'm going to bring up shortly. So now that it's my turn, so we're thinking along the same thing. And I think Commissioner Bustamante had this interest last year and rolling into this year. But I'm going to take a step back. We can discuss that later.

Into the estimates and the revenue streams there's a lot of buckets that they come through, and there's a lot of different factors that Professor White can slice and dice and give projections based on one thing or another. So for instance, the general economy could impact gross receipts. It could impact construction. It could impact a variety of things. Is he providing sort of individual fund level revenue source level predictions or is it all aggregated into one sort of low, medium, and high estimate?

MANAGER SHAFFER: Chair Greene, his entire report is included as an appendix in the budget book. He's estimating gross receipts tax in total, so that's looking at overall economic activity. Yvonne then takes those estimates and translates them into the individual fund level. The County's Gross Receipts Tax is made up of individual increments. It is imposed on overall economic activity. It doesn't matter what that taxable activity is the entire County increments are imposed on that activity. And so that's what he's estimating, and then Yvonne takes that and translates it into the individual fund level. And again refer to his report, but he is looking at overall economic activities, making some assumptions to the positive and to the negative as to where things could end up.

But he doesn't break it out onto the individual fund level. That's what Yvonne does, if that's your question.

CHAIR GREENE: It may be that. I'm looking at some of those macro outside of maybe County purview. For instance interest rates go up. Oh, look, that really slows down construction activity, and 25 percent of our gross receipts comes from the construction industry. So we should see a significant reduction in gross receipts from construction activities. All of these different sort of macroeconomic factors that end up that we depend on and so wondering if he's nuancing this in a way. I'll look at his analysis there in every place.

Then back to the by the numbers page. One of the things I've learned in my years up here is that a lot of things go unspent. And so when we look at recurring expenditures, it'd be interesting to see what goes unspent and rolls over in expectations. Of course, we're not done with the year, but you've got some idea of where the last six weeks of this year are going to go. And then how that breaks out into vacancies, and so we can have a track record of that and a track record of different projects and things that we're planning on having done, but it didn't just get done in this fiscal year. Same thing in that fixed asset bucket because it does go down from that 31 million to the 14 million space. Same thing. What is that carryover amount? And you mentioned the ERP system. It's fine. It's expected. It's a multi-year system. But things like that should be highlighted, especially in a slide like this, to say, 10 million could have been spent this year, but it's going to be rolling over. So really effectively, next year is not 14 million. Maybe next year is closer to 31 million because what we didn't spend in '26 is rolling over. And so the actual for '26 is closer to 14, and the actual for '27 is going to be closer to 30 or whatever it really works out to be.

I do agree with Commissioner Cacari Stone and she didn't mention it today, but it's something that we've had a discussion about with Commissioner Bustamante about having expert resources made available to the BCC. These are –

COMMISSIONER BUSTAMANTE: I'm not sure that I've ever said that with regard to this particular. I have always trusted, excuse me, pardon me Mr. Chair, but I've always trusted that the management of the organization manages well, and I've never asked for a consultant to assist us with managing the County. I think that just understanding the finances and the responsiveness of our managers to what our constituents' needs are has been efficient for me. So please, I don't believe I've ever asked for that.

CHAIR GREENE: Okay. My misunderstanding. I was taking it off of the idea of an attorney that we had a conversation of.

COMMISSIONER BUSTAMANTE: That was a different, that's a different subject. Yes. Absolutely.

CHAIR GREENE: But in a similar sort of an expert –

COMMISSIONER BUSTAMANTE: Absolutely.

CHAIR GREENE: In a similar sort of an expert that can give us some advice --

COMMISSIONER BUSTAMANTE: Absolutely.

CHAIR GREENE: -- separately.

COMMISSIONER BUSTAMANTE: Yes, legal is a different

conversation. But when it's about responding to our constituents, I feel that our management has been very responsive.

CHAIR GREENE: Without a doubt.

COMMISSIONER BUSTAMANTE: And has budgeted accordingly.

Thank you.

COMMISSIONER CACARI STONE: And Chair Greene, thank you. I respect what you're sharing. I just want to clarify, I only was looking for resources for legislative policy consulting analysis so that we have really strong strategies. For example, when we put something together, like Commissioner Hughes and I are putting together this ordinance that will be forthcoming on data centers, I can put in like 20 to 30 hours of work just doing the research myself. And our liaisons help, but they're so busy scheduling. Their days are just completely packed. So I was looking for models from other counties for more analysis in that, 'cause again I just want to be clear what I was asking for. Thanks.

CHAIR GREENE: Yeah. And that's part of the discussion, right? Whether it's legal help, finance help, architectural, community building help. We love Growth Management, but they have a line that they can speak to because that's the code, and that we have intention and ideas that our community comes forward with, and there's a bridge that we need to help us with an architect or urban designer, just to give an example. Same thing with finance. You can come to us, but there are people that have other finance perspectives that might be a resource for us, just as a little bit of added resource and conceptual stuff. Legal help, policy help on different issues when they come up that that may be something that we want to have in our budget to be able to hire somebody with just a sort of, basic small level, small amounts but resources that are available to us.

And then I do want to bring up a concept that maybe you've discussed, but I'm thinking out loud on this with it, which is that the 10 percent of vacancies that seem to be the sort of benchmark that we have and you're working with here, is there a possibility to turn this into a flexible thing for each division to fill gaps when people are either you need to double fill and deal with succession planning or it's not tied to a position per se, but it's tied to the effectiveness of a division and the needs at a moment so that we can respond more dynamically during a year. Maybe you're already able to do that, but I just am throwing that out there.

MANAGER SHAFFER: Commissioner Greene, so unlike the state, we don't force a vacancy savings rate. Departments are free to hire, and they can attempt to hire and fill every full-time equivalent and other position that is funded.

What we do is assume, based upon our experience, that approximately 10 percent is not going to be spent either because the chief gets nine new firefighters, but they're not hired until October. We have people retire. We have a natural level of vacancies, what have you. And plus the state has a labor shortage, right? We don't have enough, people to actually fill all of the positions. So at the macro level we believe that it's reasonable to assume that 10 percent will go unspent just naturally. Nobody's forcing that. Again people are free to recruit and fill any position that is budgeted.

And in fact, when, there are particular vacancies that might be impacting a particular area of operations say fleet, right? We do allow those resources to be used. So

if we don't have mechanics to do services in-house, they might have to go out to an outside mechanic. And there is that flexibility. And if there are budgetary savings, then you can double fill positions if you know that there's a retirement, what have you. So the two points I'm trying to make is I think that that flexibility already exists. But more importantly, I just want to emphasize that we're not forcing any department to have a preordained vacancy rate. Other governmental entities do that. Nothing wrong with that. But, if you take the state budget, for example, you can't at an agency fill all of the positions you have because they don't give you enough money to do it. So they start with how much each of your budgeted positions would be, and then they give you a haircut. That's not what we do. But again, based upon our experience we're reasonably comfortable that at the end of the year, for any number of combination of factors, that money will be available. So I hope that addresses your question.

CHAIR GREENE: Yeah. It definitely makes me understand that's not mandatory. It is dynamic and great. Thank you.

Commissioners, anything else on this subject now? Fabulous. Some of these questions are lingering and so you'll get back to them probably next week or later and answer as best as possible. And I do agree it'd be great to have, if necessary one-on-ones, but honestly, as open, answer things in open –

CHAIR GREENE: I didn't mean to suggest that it wouldn't be free flow of information. I understand the feedback about different presentations. I also just wanted to reiterate that if there were specific questions that you have that, that for whatever reason you just wanted to ask because it came up, where the door is open and we're here for that. So I didn't mean to suggest anything to the contrary.

CHAIR GREENE: Of course.

MANAGER SHAFFER: Do you want to take a short break if folks want to get up and get water, like five minutes before we get started?

CHAIR GREENE: Yes, let's break for 10 minutes. Thank you.

[The meeting paused at 10:45 to 10:55]

MANAGER SHAFFER: Thank you, Chair Greene and Commissioners. The source material for the presentations and discussions that are going to follow by those members of the management team that will be discussing specific budgets are really in the budget book themselves. In response to Board feedback last year, we did try to include a variety of different presentations relative to historical expenditures by type. There's a snapshot that looks at the amount of truly operational versus, fixed assets and capital, what have you.

Per the introduction, all of that material is there. If there are questions that you have relative to them we encourage them. But I've asked staff to really focus on, significant changes year over year. And so that's really where we're going to highlight, and I will try and show and share as individuals are speaking. So Sara Smith, our operations manager, is up first, and she'll be briefly discussing what's referred to as the County Manager Administration budget as well as the Commission budget. And again already have internalized the feedback relative to a potential source of consultants which we can work on between now and when we get together next week, which would, likely reside in the county commission budget. But with that by way of overview, I'll turn it over to Sara.

MANAGER SHAFFER: Great, Sara, take it away. Tell us where we

should be looking in the book and if there's a presentation that you're working from.

### **Operations – County Manager Administration Budget**

SARA SMITH: Okay, absolutely. Good morning. The County Manager's Department budget starts on page 367 of your budget book. Page 367 gives you an overview of the department. I believe it's pages 367 to 376 is a department overview, so a macro level of the department. And then individual CMO division budgets start with the administration budget on page 377.

CHAIR GREENE: Great. Thank you.

MS. SMITH: So I am here to give you just a high-level overview of the County Manager's Office Administration, Commission budgets and the proposal for FY27. These budgets support the operational administrative functions of the County Manager's Office and the Board Of County Commissioners. They fund both routine operational needs as well as countywide systems and services. This includes agenda management software, strategic planning platforms, public notification systems, translation and accessibility services, communication support, and legislative advocacy.

Overall, the proposed budget in front of you for both the admin and Commission sections reflect a reoccurring expenditure decrease of approximately \$87,902. Now, we did this by ensuring that none of the integral services that we need to provide annually are compromised by that. There's sufficient budget in investment in enterprise software systems, the third-party consultant to assist with development of key performance indicators tied to the implementation of the strategic plan as well as translations, accessibility services, comms support, and all of our enterprise resources.

We are not requesting any full-time positions next year, and we do have one teeny-tiny little fixed asset request of \$1,500 for some equipment for our communications team.

MANAGER SHAFFER: And the one thing that I would add to Sara's presentation, and as I mentioned in terms of the macro level, is that, you'll see, throughout various departments, there are one-time initiatives that are not carrying forward such as the contribution to Española Rio Arriba 911. That was monies that were budgeted for two fiscal years. That has come to an end. And so those things are highlighted in terms of one-time initiatives. But when it comes to the actual, operating cost, it was \$42,000 in terms of reductions again, to try and bring budgeted requests more in line with actual expenditures as part of our effort to be able to invest in our in our human resources. I think that overall the budget for the County Commission division is close to flat. But I'd be happy to answer any additional questions or Sara is here to answer them as well. And, again we'll take back the feedback relative to how to fund some of the support services that Commissioner Cacari Stone was specifically asking about. So happy to answer any questions. Otherwise, we'll move along.

CHAIR GREENE: Thank you, Commissioner Cacari Stone.

COMMISSIONER CACARI STONE: Thank you so much, and I appreciate that. My question is last year we talked about the need for ramping up our communications team, and they do a superb job. Daniel being employee of the quarter and Shauna being on board is wonderful. But, if you don't talk about it and put it on social media or in the news, you didn't do it. And we put so much investment and money,

and I think we need to show what we do. And also it's a part of the bidirectional or at least bringing to the awareness more of the public right away issues that come up. What's the possibility of adding to the comms team by at least a minimum of one FTE, someone that reports. I guess I would go to Stephanie Stancil and the comms team you have. It's really needed. So I'd like to see that beefed up and how can we do it 'cause it's something I just think I hear the staff talking, they're always overextended.

MANAGER SHAFFER: Thank you, Chair Greene and Commissioner Cacari Stone.

I think relative to overall capacity we're still assessing what that looks like given that Shauna is now on board and has only been with us for a few months. So I don't know that we know where our true bandwidth lies within the communications team.

In terms of adding additional staff, what we've endeavored to present is a budget that's structurally sound recurring to recurring. And so if we're adding additional full-time equivalency, then we would need to work through what are we not funding in terms of growth or what are we taking away in terms of an existing vacant FTE. And we'd be happy to, solicit feedback in terms of where that trade-off would be meant or would be had. But, that was the reason that it wasn't in part front and center this year was I think we're still as the team gels and we have Shauna for an entire fiscal year we'll have a better sense of where our true bandwidth lies. But if we're, again, increasing their staffing, then I have to find an offsetting cut somewhere else.

Ck: Gotcha, understood, and I appreciate that you're always fiscally responsible, County Manager Shaffer.

So we had cost savings in the HR line item in your previous presentation due to not doing the hires – it seems like comms, social media what the public gets thrown at them every day is like probably 10,000-fold to what they got in the past, right? Before all AI and all of this. Can we go ahead and put a placeholder for certain salary range that would be comparable or someone who would report to either Daniel or Shauna as a placeholder, and then put out a comms like assessment or survey with all the departments as well as the County Commissioners to assess need, and then if we don't need it we don't use it? So I just really want to plan ahead. And also as Commissioners we know that we want to put out the messages with the staff we have for the whole county, but sometimes we also like to put out the messages of the work we're doing in the districts and countywide, and there's not enough staff to pay attention to that. And we rely on our own personal social media pages, and we want to get into the NACo. Every time I see Week in Review by NACo, I'm like, Santa Fe County should be in that. And there's just not time to get the word out. I'd like to put a placeholder for that if possible. I don't know if the other Commissioners agree, and I'll go with the majority.

CHAIR GREENE: I'm going to just feed off of that right now that I agree that it's great to have Shauna here. Daniel does a great job as well. But in, in the specifics that I've been handling in District 1 specifically is with the Pojoaque Basin Regional Water System. That is a communications bear, right? There's a lot of suspect folks, right? You're overcoming a negative feel that this is foisted on folks in the north, and it has very little benefit. And I don't think it's a full-time position, and I don't know that where it resides. But I do in the concept that I've looked at is somebody that is an ombudsman for the Pojoaque Basin Regional Water System in its few years now when it's in the ramp-up

level, and that it's a term position takes a little bit of work off of Shauna's plate. It becomes somebody that in succession planning is able to migrate potentially into the standalone organization that will manage that project, right? So it's one, two years here getting people signed up, communicating, communicating, communicating and then in two years when that standalone organization stands up, that person moves over off the County books potentially and moves into that organization. And that may solve both the bandwidth of somebody like Shauna as well as provide an off-ramp for somebody so it isn't a full-time employee that is we're committing to a generation

Anybody else on that subject? No? Great.

I do have two questions, in this software sort of space, both as a tool, a CRM product that our team can work with to manage all of the different things that come through. I don't think it needs to be a Salesforce or whatever, but as a Salesforce-y sort of concept. And I think Commissioner Cacari Stone has been testing something, so that may be the right thing. But at least getting licenses and training for all of us and countywide, right? It's a project management sort of concept. For CRM software that can track every sort of thing. So you're –

COMMISSIONER CACARI STONE: So Chair Greene, we already have that for the whole. Last year, Sara worked really hard with Emma and the County Manager's Office to purchase a group software program for CivicTrack, and they've done an excellent job jumping through hoops. Hasn't been easy. So it's been available for you to use as early as, I believe it was September, right Sara?

MS. SMITH: Yes. There has been some complications on the back end having it rolled out to the entire liaison team. So I know that District 2, Commissioner Cacari Stone and Olivia have been using it. The rest of the districts and the liaisons have not engaged in it as much, and that's a back end issue that Stephanie and I are working through. So I hear you saying that it's \$5,000 for one year, and it's paid so we can get that up and running in each Commission district.

CHAIR GREENE: Okay, training and making it so that we can track all sorts of things would be great.

And then additionally, we do have City-County meetings that are going to be coming up. Is there any expected budget need for us to give support to those meetings as well as the work groups that are going to happen, or is that all able to be managed within each?

MANAGER SHAFFER: Thank you, Chair Greene. We don't at this point have any particular estimates relative to what those costs might be. We would, if those expenditures are identified look to the budget contingencies for unplanned expenses would be the most ready source of expense. And then as is detailed in the appendixes to the budget book there is also some unassigned and uncommitted fund balance in the general fund that that is available to the Board, and the Board does in fact allocate that over the course of the year. So I think it would be met then. Right now I don't have a number that I would give to it, so that's why it's not there.

CHAIR GREENE: I guess not having a number is okay, but I also know that a number will probably come with it, like in terms of some expertise and some facilitators that may be there.

MANAGER SHAFFER: Understood. And my point was really more, I

think there's enough flexibility built into the budget for those expenses to be addressed when they're identified.

CHAIR GREENE: Okay, great. Thank you. Commissioners? Keep on going, guys, please.

MS. SMITH: Thank you.

CHAIR GREENE: Thank you, Sara. Great job. Past and future.

### **Office of Emergency Management**

CHIEF BLACK: Chair Greene, Commissioners thank you for the opportunity to provide a high-level summary of the FY27 budget for the Office of Emergency Management. The detailed information can be found in the budget book on page 384 where a high-level summary of emergency management is provided. Subsequent pages go into the budget detail.

As a relatively new standalone department, OEM continues to build upon foundational capabilities and programs that support coordinated emergency management operations across the county. OEM's FY27 budget request reflects a reduction of over \$68,000 from FY26 budget. This is primarily due to less one time capital expenditures, but also important to aligning the budget request with prior ex-years' expenditures. For FY27, OEM's strategic focus is centered on continuing to mature the department while expanding community preparedness and operational readiness. One of our primary initiatives for FY27 is the continued development and implementation of a community emergency response team. In addition to the CERT team development OEM will continue to focus on establishing the new emergency operations center which will serve as a foundation for preparedness, training, and support countywide and countywide emergency management operations.

During FY27, OEM is not requesting any additional FTEs. The department's focus this year is continuing to build upon the operational capacity and infrastructure using our existing staff. The primary fixed asset investments recommended in the FY27 budget request focus on enhancing emergency communications and operational readiness. These investments include communication equipment to support both the emergency operations center as well as, OEM vehicles and radios for OEM personnel, including future CERT team leaders. These investments are intended to strengthen OEM's ability to coordinate emergency operations, maintain continuity during incidents, and improve communication capabilities during large scale or prolonged countywide emergencies.

In summary, the FY27 OEM budget request reflects a continued focus on building sustainable and capable emergency management and developing the program for the County for subsequent years. Thank you, and I'm now happy to answer questions.

MANAGER SHAFFER: And if I could just set one stage. I've pulled up the fixed asset summary, which is again for the entire County Manager's Office to highlight the request that Chief Black mentioned relative to communications equipment which he's explained its purpose. I just wanted to remind the Board that a decision was made to ensure that we had what I'm calling a permanent temporary emergency operations center. That's going to be housed at the former youth development program or

Airport Road facility. It's a no regret investment, even if the decision is ultimately to do something different with that facility. We wanted to have a modern emergency operations center that would be permanently available to stand up without any rearranging of assets. what have you. I believe it has some space for breakout rooms with partner agencies and a small amount of training space, if I'm not mistaken, but correct me if I'm wrong, Chief Black. What it replaces is the ad hoc emergency operations center that the County has utilized for as long as I can remember which is the multipurpose room at the Public Safety Complex. So that is, generally speaking, a conference room and meeting room. When the emergency operations center has historically been activated, that room is reconfigured for that purpose. And so having again, a permanent but I use the words temporary because ultimately the Board could decide to do something different with the Airport Road facility. But having a permanent emergency operations center was one of the key recommendations from the OEM task force report, and the communications equipment would help provide and make that center operational as well as provide communications equipment to the CERT team. If I got anything wrong in my additional comments, Chief Black, you correct me.

CHIEF BLACK: Thank you, Manager Shaffer. You are correct. I will just add that the emergency operations center, once it's developed will continually be utilized for training. We've already worked with other departments such as IT with the ERP development so that when the emergency operations center is not being used for training for emergency operations or activated during an emergency, that facility will continue to be used for training and other needs that the county may have as well

CHAIR GREENE: Great. Commissioner Bustamante.

COMMISSIONER BUSTAMANTE: Thank you. This is in my district, that is big news. That is a big deal. It's big news. It is a great location for that. We have in the last three years, had a number of proposed uses only a couple of which actually consider the people living in that area.

I do believe that just having an emergency operation center in the neighborhood makes people feel more confident. It does have the training space. That's great. I think that's a wonderful location for this type of endeavor.

Also, before that was stated with regard to CERTs, and I've only given this a little bit of time, but I've served on a CERT for the County before, and there was only one CERT, and it was most run out of the community college, as you know. That's where most of the people came from. It wasn't run out of there. It was where they came from. If I understand previous conversations, we're looking at having a CERT in every district or across region maybe like districts one and two or three and four, whatever, that being said and I don't know, I haven't looked at the numbers specifically what will be put together for the CERT itself, but having somewhat of – that's where some of these expendables come in because everybody has to have their vest and T-shirt and something that identifies them as a community response, and then you have some turnover. And so those resources I've always wondered how expensive that is to run a community-based thing where people come and go as volunteers. But I put that out as we put this out there and what we may have spent for CERT materials in the past, if we're growing the community emergency response teams, to what extent will we need certain expendable items or have enough money to just order them as we need them?

I don't really have a question out of that. It's more of a consideration in how we would be working in that regard because everybody got a go bag and expenses go up.

CHIEF BLACK: Chair Greene, Commissioner Bustamante, thank you. We do hear you in that. We have worked with a neighboring county who had received a grant that has a significant amount of CERT equipment to get to get us off the ground. They've been able to transfer to us. So we have backpacks, helmets identification items. And in addition to those things our budget does reflect an increase in operational expenditures to accomplish what you just mentioned.

CHAIR GREENE: Commissioner Hughes?

COMMISSIONER HUGHES: Yes. I was just wondering if the Office of Emergency Management had responded to any emergencies?

CHIEF BLACK: Chair Greene, Commissioner Hughes. So we have the emergency management team has helped in various emergencies when we had the Valle Vista water need a few months ago in February, the emergency management team supported that operation. And then we are preparing on the planning side so that when in the event of a large scale emergency our team is deployable to onsite to have a point of distribution for needs as well as we have the plans in place to coordinate with other County departments as well.

COMMISSIONER HUGHES: Okay, thanks. I just wondered what kind of activities they were involved in, so thank you.

CHAIR GREENE: Emergency management is all mostly prep, right? It's 90 percent prep, and god forbid you need that 10 percent. So thank you for being ready. Commissioners, anything else? Yes, Commissioner Cacari Stone.

COMMISSIONER CACARI STONE: Chief Black, I just want to thank you for stepping in and double dutying between the Fire Department and Emergency Management. You've done a tremendous job. Thank you.

CHAIR GREENE: I too want to give you a shout-out for that, and that leads me to my main question right now is do we have an expectation on when we can send you back to your day job? Which you're also doing.

MANAGER SHAFFER: Thank you, Chair Greene and Commissioners. And I do too want to acknowledge Chief Black stepping up to even further serve our community. The discussion that Chief Black and I had was to wait until we were through the wildfire season and also to allow him to work with the rest of the OEM team to advance some of that, as you described it, Chair Greene planning efforts relative to various plans. The idea was that, one, having continuity of leadership would be important during our most hazardous time of the year, but two, that allowing for some additional ground laying work to be done under Chief Black's leadership, it may also make the position more attractive to would-be candidates.

That's a long-winded way of saying, we're not actively recruiting now and we anticipate doing that in the late summer or early fall.

CHAIR GREENE: Great. Thank you for doing double duty for a little while longer. Excellent. Thank you for the presentation there. Thanks.

MANAGER SHAFFER: Before Valerie starts, I'm going to move off of the fixed asset summary which was provided at the beginning of the budget book for the entire CMO office. I just want to note that there was a recommendation or a request

initially that was included in the fixed asset database by the risk management team for replacement vehicles or new vehicles. And, ultimately all of that was handled a little bit differently this year in that the Vehicle Utilization Review Board that Brian Snyder really oversees out of Public Works, they were proactive in looking at all of our vehicle data to assess which vehicles should be replaced as well as whether there were opportunities for vehicle share or for vehicle reallocation. So it was more data-driven and centralized as opposed to having individual departments make requests for vehicles and then have VURB respond to that. So I just wanted to explain, the basis for that. The fact that was not recommended is that was really, again, handled through a different process, and ultimately we felt that any vehicle replacements would come through that centralized process. With that, I'll turn it over to Valerie.

CHAIR GREENE: Before we go on, just one little quick thing. The fleet seems to be, especially because we're now talking about it in a comprehensive organizational-wide thing, and it's been something in the migration to EVs and all of this stuff, it'd be great to see maybe in Public Works or sometime in this budget hearing that strategy where the fleet replacement strategy is, and how this new strategy is being applied across different departments in a sort of sense it's being dealt with at an organizational-wide level have it as a separate topic.

MANAGER SHAFFER: Okay.

CHAIR GREENE: Thank you.

## **Human Resources**

VALERIE PARK (HR Director) Good morning, Chair, Commissioners, and colleagues. I wanted to bring to you the Human Resources and Risk Management budget. We have been able to maintain stability and not ask for any increases. We have been able to do some reduction in some of our training costs by starting to provide more of our training in-house. To Commissioner Johnson's concern about insurance premiums, we're working very diligently to ensure that we are providing a safe workplace and increasing the amount of safety training to keep our workers' comp claims down, which has been very successful, and we've seen a reduction in our workers' comp. But again as Manager Shaffer said, sometimes that can just have an unusual spike. So we've been working very hard to ensure that. Risk also works very hard to ensure our buildings are safe so that we don't have property-type claims.

Human Resources has worked very diligently to ensure that we're trying to attract and recruit. We just finished the market study, which you graciously gave us the increase based on that. We will be entering that again next year. But as we work towards growing job families to ensure that we have the recruitment to be able to support the needs of the county, we are working efficiently to try to find those efficiencies through the ERP system that is coming up and look forward to participating and taking place in that. We are trying hard to support things like employee recognition and wellness as well, so that employees feel valued from all of the standpoints, not just the compensation. But we want them to be heard, to be engaged, to be professionally developed, and work through that. So I'll stand for any other questions you might have about risk or human resources.

CHAIR GREENE: Commissioners?

COMMISSIONER CACARI STONE: Thank you, Chair Greene. I know that you're being very responsible making sure we have a balanced budget, but Valerie, I just want to ask you if you had your number one wish list for HR and what you really need in terms of growth that you're not getting today, what would that be?

MS. PARK: An ERP system that works.

COMMISSIONER CACARI STONE: Okay. And we're working on that, so that's good.

MS. PARK: Yep, we are.

CHAIR GREENE: Yes. Great, and make sure that your voice is at the table for that and al.

MS. PARK: We are.

CHAIR GREENE: And all those best practices, things that you know about, and even things that you don't know about are implemented. Yes, ma'am.

COMMISSIONER BUSTAMANTE: I have a question. Thank you. Chair. We have had or shall I say in the past year, had individuals who have expressed concern about their ability to grow within the institution, within the organization. So if they have started and they're at a certain level, some of them, at some point and they thought someday I could be director of this particular area, et cetera. And it appears as though, and this is both management and an HR question that we're not doing as much as we could or used to and I say that gently. It's more that it's been brought to my attention. I don't say I've seen this happening. That we're not doing what used to happen by way of growing our own and working with people within the organization to help them scale up their skill levels even to the extent that now certain advanced degrees are being required. And when we talk about best practices it's not always the education, as we've learned, that it's not always just having the degrees, and I say that as someone who has degrees, but it doesn't automatically mean I'm capable of everything. And if we're waiting for somebody – as much as I'd like to believe so – but that there was concern that they're going to require this advanced degree.

I've been doing this for this many years, and how are people going to be able to advance in their positions? From the HR perspective, what can we, how can we, what will we do to help people get the skills, who have committed themselves to working for the County in service to our communities, the skills necessary to help them fulfill their dreams in growing in their particular position? Because if any of the rumored stuff, and again, I, say it's rumored, if any of that is factual, then we're going to lose institutional knowledge. But we also want to grow from that perspective. Is that clear?

MANAGER SHAFFER: I'll take an initial effort and then Valerie can augment it. First of all, I think as a general rule, experience does substitute for education in practically all of our jobs with the exception of those that actually do require a degree, such as an attorney position, for example. With those exceptions, I think that experience, again, generally can substitute for education and that currently exist.

I think in addition HR has in recent years tried to ensure that there are other pathways to supervisory opportunities as an example, that don't require supervisory experience. But we do want to make sure that our team members are set up for success, so you can take New Mexico EDGE. And if you go through the New Mexico EDGE

certified public supervisor designation, then you qualify for supervisory positions even though, again, you've not had any supervisory experience.

And we actively push, as the Board knows, New Mexico EDGE, and you see those graduations and those recognitions. HR would be happy to provide to the Board a presentation on all of their other training opportunities that they offer many of which are skills-based whether that's Excel, whether that's other skills that employees need. There's also a new accounting series I believe that are on offer that we can provide more information to the Board on. We also have a longstanding program that I think we can do we highlight it at new employee orientation and can do a continuous job of making sure folks are aware of it.

We do offer educational leave as well as tuition reimbursement for those who do want to pursue education courses that are degree eligible for something that is related to their field. And then also are investing in other opportunities. So I think there's a lot that we do do and I'll ask Valerie if I missed anything that she wants to highlight. But that again doesn't mean that we can't do better. But I would propose that we provide the Board at an upcoming meeting an overview of our training and what we do do to try and make sure that we are growing our own.

MS. PARK: Yes, thank you for the question. Some of the classes, what we're also trying to do is look at the evaluations and see what skill gaps there are. Some of the classes we have recently brought forward include technical writing, business writing, public speaking, the accounting class that Manager Shaffer mentioned. So we're trying to find where we see or notice that there's a gap and try to bring something that fulfills that.

We have created 16 hours of supervisory training that is now being required on a biannual basis for a supervisor to have taken at least one of those classes so that we're continually trying to invest in our supervisors to do part of their job better, which is in developing and encouraging their employees.

When we do the market study, we are also looking at the job descriptions themselves. We have created several more entry-level paths to be able to bring people here and then grow them from the one to the two to the three to the lead to the supervisor to the – that sort of thing. So we're really trying to look to ensure that we have a way to keep people here.

The union also offers tuition reimbursement. So there's a lot of ways that employees can engage in and get more training and experience.

COMMISSIONER BUSTAMANTE: I appreciate that. Thank you, and thank you, Chair. Thank you. And this is really about the budget and ensuring that we're able to – and this is, again, because this is a budget conversation, so I'm not sure how much of this can be for another conversation. But let's say that we have somebody who has been in a particular department and they started in that department when they were 20 years old, and now they are the most experienced, the ones who can really carry it off. We've almost created a situation of one point of problem – you know, this person's really good because if they go, whoops, but they don't have any other way to get compensated unless they were to move out of that position to increase their compensation other than adjustments for cost of living. Is there any way that an individual who is in that type of position gets compensated accordingly? And I don't know if that's for a different meeting

that we could have over compensation and human resources, but I do see the point of it, the part of it that has to do with budget clearly.

MANAGER SHAFFER: Thank you Commissioner Bustamante and Chair Greene. I do think that's probably a larger conversation. We try to continuously invest in the actual compensation of employees, not just through cost of living adjustments, but also market-based adjustments. And looking over the last several years there've been significant increases in compensation that just aren't meant to keep pace with inflation but then also are meant to make sure that we're adjusting to the market. But I think, like I said, I think that's probably a much larger conversation than the HR budget. But I appreciate the feedback and the questions.

CHAIR GREENE: thank you, Commissioner Bustamante. In that sort of space money definitely talks, right? And skills definitely help people do well in that. I think also when we have little initiatives, big initiatives such as the customer service, right? So that is training and also relationship building internally, right? Building a great place to work is partially the reason you get people, because people tell their friends that they want to go work for the county and you should come work here. And then it also is one of the failure points as to why people leave.

And so making sure that we have great internal, external customer service, people don't feel like they're leaving our constituents and our residents frustrated, right? Because there's nothing worse than trying to do a job and people say, You guys can't get this job done. That's customer service. And the same thing internally to make sure that people feel like, I asked another division for this information, and I know we're doing much better, but that's just in that customer service space. That is, has a added benefit to our retention and our HR space in there.

Additionally, project management. Getting from A to Z is a process, especially in government. Project management skills, having that at every level. It's not just a public works thing of projects, but it is every single thing that we do is a process in this place. And having that entry level project management skills resource is great. And I know there was one in past years, I hope we're continuing it. Yes, sir.

COMMISSIONER JOHNSON: Just briefly. Thank you, Chair. I just want to second the suggestion by Commissioner Bustamante, if I understood her correctly, I think we should have that deeper conversation about how we reward, tenure and competence and things like that.

So I'm in favor of having that conversation. I just wanted to give my two cents.

CHAIR GREENE: Great. Commissioner Hughes, anything?  
Commissioner Cacari Stone. Great job. Keep recruiting. Keep retraining. Thank you.

MANAGER SHAFFER: And last thing. Thank you, Valerie. I just wanted to highlight, and it's been displayed here there is a carryover amount of funds which is already built into the budget. And as Valerie mentioned that's been used to increase our employee safety program in terms of actually how we do the work and making sure that our programs are up to date and that we have the right PPE and other safety equipment. As we go into the next fiscal year some of that remaining balance will also be then deployed to address some physical safety issues whether that is access to fire stations, et cetera, et cetera.

So I just wanted to note that's non-recurring money that is carrying forward and

the Risk Management Division is spending that down over time and just wanted to acknowledge the Board's initial and continuous investment in our ability to keep our workforce safe in all aspects of that. Thank you.

CHAIR GREENE: Thank you. Thanks for keeping everybody safe as well.

### **Finance Division**

CHAIR GREENE: We will move on to the finance section here. That is a very meta opportunity for the finance direction to talk about the budget, how they fit in the budget.

YVONNE HERRERA (Finance Director): Thank you, Chair Greene, Commissioners yeah. I'm actually tired of talking about budget [laughter]. The Finance budget starts on page 397 and goes through to page 403. The proposed reoccurring expenditure for fiscal year '27 is a decrease of approximately 142,000. We were able, along with my other colleagues, to be able to find reductions based upon historical spending again, freeing up those resources as Manager Shaffer mentioned earlier. However, when you look at the budget pages, it does show a significant decrease from fiscal year '26, and the bulk of that is related to the ERP budget the actual software purchase, as well as the services with Avero, who has helped us select, as well as working to help us implement that next year.

The hope is that we can get a PO in place by June 30<sup>th</sup> but if that doesn't happen, we'll be able to add it as part of the final budget so that budget is available in '27 when that PO and contract comes to the Board.

Some of our strategic focus and key initiatives, again, just Director Park, is the ERP. The ERP is as we've discussed, will be a transformative system, especially for finance. We will have one book of record, not only for budget, but also for the financial statements. We won't have to be piecemealing numerous Word documents along with Excel files As well as not working so hard with all of our daily Excel files that we use all the workarounds that we've created. Hopefully it'll will also -- the goal would be to lessen any of the things that we miss any errors. We'll be able to focus on quality control checks and focus on other aspects as like data mining. Figure out, with the upcoming KPI project be able to look at the data, be able to analyze that data, and provide information to the Board as well as management, and making those decisions for the County.

In addition to that the BCC support during the mid-year BAR presented back in January with a double filling of key positions that we have upcoming retirements. With those additional positions, we'll be able to not only transition these two leaders, but also provide additional resources in the implementation of this ERP system.

Staff is also able to continue to participate in organizations like GFOA and the AGA. We'll be able to continue doing providing transparency of county finances through the internal and external audit services. And we have funding to continue to support the low-income property tax rebate that the County supports each year.

We don't have any fixed assets because we're getting a \$10 million ERP system, so I think that'll take us for a couple years. We don't have any other FTE requests for fiscal year '27.

And in closing, given the budget that Finance is proposing, we will still be able to maintain our core services, which include processing vendor and employee payments doing procurement, accounting and financial reporting as well as helping with revenue diversification through our grant administrator position, which we have a candidate on deck. Hopefully, they accept our offer and can step right in and help look for opportunities for departments and the County to be able to go find a-additional resources.

Support some of the strategic items within the plan that the Board just approved earlier during the week, with the through the ERP implementation. We'll be able to get those items completed. I think it was related to revenue and receivables as well as accounts payable and procurement. We continue to do our part in investment of the County workforce. We'll continue to identify efficiencies in processes as well as any kind of cost savings that can go toward that investment and continue to try to reduce that gap between budget expenditures and the actual expenditures for the Finance Division. And with that, I stand for any questions.

CHAIR GREENE: Thank you, Yvonne. Commissioners. Nothing. Okay. Question regarding the ERP, and this is the big heavy lift, right? Just to make sure, where does it reside? Does it reside under Finance? Does it reside under IT? Where does it live in this?

MS. HERRERA: Commissioner Greene, right now the budget is in finance. However, between HR, IT, and Finance as well as other departments I think it's a part in every one, in, in every one of our operations. I just happen to have the budget. IT will actually have additional staff as we go through that process. It'll be a County function, but I think I think the stakeholders specifically Finance, IT as well as HR.

MANAGER SHAFFER: Chair, if I could.

CHAIR GREENE: Of course.

MANAGER SHAFFER: I think, and I've asked Elias to sprint up here so that he can –

CHAIR GREENE: Yeah, can we bring him a microphone? He can stay right back there.

MANAGER SHAFFER: I think ultimately it's going to be mixed in the following sense. IT is certainly going to have a role to play in terms of ensuring system integration and support, as well as helping to support all of the various applications.

That may ultimately be augmented as well utilizing the services of the vendor as Elias finalizes the contract and brings that to the Board, at least during a transition period. IT staff on the application side may also be supported through the vendor. But then ultimately, to Yvonne's point you're going to have subject matter experts and business process owners that are going to be throughout the County. Finance will have them in accounts payable and payroll and grants management, what have you. You'll also have in HR subject matter experts and process owners and on and on and on. So I think ultimately when you think about the ERP it truly is a countywide investment and it's a countywide system, and everybody is going to have to, every department to a certain extent is going to have ownership of certain aspects of it. Again, whether that's, app support and the like, and the system support in IT to actually those who are champions within the department who are owning the business processes and working with outside vendors or with IT as appropriate to make sure that the system is continuously being agile

and adapting to our changed needs. Elias, if I got that wrong, and Daniel, you can go ahead and correct me or just, indicate that it's roughly right.

MR. BERNARDINO: Board Chair. Greg, that's correct.

CHAIR GREENE: All that effort just to come up and agree, yeah.

MR. BERNARDINO: What I could add the way we are structured during the ERP implementation the finance negotiation is led by Yvonne, and I'm supporting that. When it comes to the training, and I'm only speaking about the implementation of these systems, making that decision is going to be finance, HR, and IT because it's within their areas.

In terms of the implementation project timeline, that's going to be the steering committee, which is eight members and includes the Assessor's Office, The Treasurer's Office, key personnel from CMO, and of course, HR, IT, and Finance. And the terms and conditions, that's going to be led by Mr. Walker, of course. And ultimately, once we have these packages together, then we'll review it as a steering committee one more time before it comes to the Board.

In terms of where the ERP going to be managed after implementation, the thought process right now is to have a working group, which right now my thought process is four individuals, IT, HR, Finance, and somebody from CMO. And my thought is to have it either it's a monthly or two months, they're getting together to discuss what are the pain points, what do we need to improve, and do we need any additional training. This is, of course, post-implementation, and that working group is the group that's going to manage that ecosystem so that way we're not in the dark ages and implement such a great system, and we continue to improve thereafter.

CHAIR GREENE: Thank you. I'm glad you're looking ahead in that. I guess my question was as a capital or in the procurement, we're bringing this on, how much have we spent? Where does it fall? It's a multi-year project, and so it falls into multiple fiscal years. Some of it is shifting here and there from one year to the other. So where does it reside in our budget, and then how do we track this as a \$20 million project and we're \$6 million into it, and we thought we were going to be 12 million into it, but now 6 million of it is shifting to the next year, but we still have this budgeted. Just looking at one big project. It's super important. It's going to save us tons of money. It's going to be great for our processes. But this project should be tracked in a budget as almost like a blob of its own.

MS. HERRERA: Chair Greene, right now while the budget resides in Finance as we start to pay invoices specifically our first purchase was with the new JMS system. So we will track that as its own asset because that is separate from the ERP. But as we start to work on the ERP and the different systems that we've selected, we'll track that as a CIP. So project in process. CIP, construction in process. So as we go through the different phases from the payroll to HR implementation to the finance side to the other systems, property tax, the cash receiving, as those progress and the billings come in we'll record those as CIP. And when the project is done, meaning that we go live, then it'll become an actual asset of the County. And most likely because the way that we track fixed assets, we like to identify an asset based upon a department, potentially division, and a location so that when it comes time to actually doing some kind of inventory it can be identified. It'll most likely just fall within Finance.

MANAGER SHAFFER: And I think to everything that Yvonne said was technically accurate. We can include that in the Finance monthly report. We'll just tack on a section, ERP project. So if you're interested, you can go there and you can see what the overall budget is, and also the encumbrances and what's been expended to date. So it's there for you, and we'll report it on a monthly basis.

CHAIR GREENE: That's great. And milestones, right? This month we did this, and we've achieved this and –

MR. BERNARDINO: Board Chair, if I can add. Right now we have a SharePoint. We haven't shared it countywide as of yet. Part of that SharePoint, there's going to be a dashboard, and within that dashboard, we're going to have different milestones where we are within the project. That'll be available countywide.

We're going to have a second dashboard that is more on the executive level, which it's more meant to the day-to-day operations in the event that we're running into some issues. So you'll be able to see at any given time where we are within the project, and that's going to include the budget, if you will, at a very high level. It won't have it very detailed, but it'll be at a high level.

CHAIR GREENE: Great. Thank you. Anything else, everybody? Great. Yvonne, great job. Thank you. Do you have anything else? You look like you want to say something.

MS. HERRERA: Thank you, Chair. Thank you, Commissioners. No, I just happy to be here to present the budget and I want to thank all the departments because honestly, again, without them, we couldn't do this.

CHAIR GREENE: No doubt. Yes. Thank you.

### **Information Technology**

MANAGER SHAFFER: So we're going to move on to information technology. Again, I'm just going to show the fixed assets. The things that I would highlight the Zendesk ticketing system is, I think, an area that Daniel has identified that we could improve our tracking and our responsiveness relative to IT tickets, and then also use that as a system of continuous improvement in terms of identifying and addressing root causes, identifying pinch points, what have you. So it's a significant step forward and investment relative to IT operations.

We did not recommend, and Daniel and I have talked about this, I believe, the, project management software as a standalone product. We believe that especially with the migration, which Daniel will speak to the Microsoft 365 G5 licenses that we can probably use one of the apps that we've already purchased to help with the type of project management that we're talking about. If that proves for some reason not to be feasible, then we can reevaluate that. But I didn't want you to think that the needs relative to adequate project management software weren't being addressed through some other means. So I'll turn it over to Daniel. Thank you.

DANIEL SANCHEZ (IT Director): Thank you, Manager. Good morning, Chair Greene and Commissioners. IT budget begins on page 404, goes through 410. The total budget for IT is \$7.8 million. We did have some increases. However, we did do some reductions to help offset those increases. So I'll talk about some of those.

In our operating costs, we had some increases around telecommunications. We basically matched what the fiscal '26 actuals were. We had to go to mid-year to shore up some funding, so we just added that in right away. Also the Sharp consolidation project that we've been working on with departments, so we're taking over all the billing and support of that those items from all the different departments.

In maintenance expenses, we increased because we're also trying to consolidate technologies within IT. So for example the support for cameras or IP-based cameras throughout the county. Right now it lives within Public Works. We're bringing that into IT, so we increased our budget to accommodate that. We also have items like our VM environment, just the increase year over year cost for those. There's a new vendor that owns VMware, and they substantially increased across all organizations cost. So we have increases there. We did increase travel and training. I do appreciate the feedback the Board gave me last year. I think it was specifically, I think it was Commissioner Cacari Stone around training and IT meeting the need to keep up with and train on new technologies and existing technologies. As we all know, the only constant in IT is change. So we're trying to get ahead of that. So we have lined up a training development program for staff primarily around 365 because that's a heavy investment that I'll talk about shortly. We're also investing in our analysts for development and programming languages for them as well. For the supervisors and project manager, we're also planning to utilize ITIL. It's a information technology standardized course. It really leverages the needs of the business, improving efficiency, and enhancing customer satisfaction. So we're really trying to adopt that methodology going forward, so we're getting some training for that as well. For the training, we also included several of us to attend the new ERP's conferences and additional training. As County Manager and Finance Director, you heard it mentioned IT is going to be a big component of supporting the environment, so we make sure we're ready for that as well.

One of our bigger investments is as County Manager Shaffer alluded to, is Microsoft 365. We currently have what's called G3 licensing. We're moving towards G5 licensing. It's a substantial increase in cost from \$260,000. By moving to G5, there's several benefits. It'll increase productivity through integrated tools, enhanced collaboration capabilities. It'll reduce risk by strengthening identity and device and protection protocols within the environment, within the landscape. It'll enhance our cybersecurity posture by utilizing in-house threat detection and endpoint detection software tools. We'll improve operational efficiency by consolidating multiple tools into a single platform. So by getting a G5 license, we'll be able to decommission things like our endpoint detection that we're paying separate or email filtering. They'll be built into the G5 licenses. We'll be able to do things like enable soft phone capabilities reducing the reliance on traditional desk phones. So if you have a laptop or a desktop, you can have a soft phone. You don't need a desktop anymore, so that'll alleviate costs elsewhere in our budget as we move forward.

One of the other big benefits is implementing Microsoft Purview. It's an enterprise document retention and legal compliance software. Working with County Attorney Office, they had budgeted funding I think \$200,000 for a software that would do this. We partnered with them. We bought them licenses this fiscal year so they could test, and it will be sufficient for them. It all looks like it's going to work for them. So that

funding will ultimately help fund the increase for Microsoft license increases.

I also did want to mention that we do look for opportunities to obtain services. So we are working with the New Mexico Office of Cybersecurity. We have applied for and received services like penetration testing and vulnerability scanning. That's \$120,000 value. Those are generated through the state and I think through federal funds. We receive those and we work with the Office of Cybersecurity's partners, Kirin, to obtain those services.

As Manager Shaffer mentioned earlier we have requested three term FTEs to assist with data migration, implementation, and support of the URP project. Obviously, that's a can't fail project, so we want to make sure we're staffed and aligned correctly to help get that in place.

Some key fixed assets. I know Manager Shaffer mentioned Zendesk, but we have a couple of, few, several other ones. One, some of the big ones are a NetApp upgrade. That is end of life this fiscal year. So NetApp actually houses all of the storage for the County for, your Y drive, your P drives those type of devices. Or I'm sorry, shared locations. We have PC and laptop cascades. We always want to refresh those from three to five years, depending on the technology. And then we also have an email archiver upgrade that we need to do. We could continually run out of space because as of yesterday, we're on these numbers. We have 61,268,236 emails from 2007. We keep everything right now. We're actually working with the Attorney's Office to come up with a retention process and figure out how to dwindle that down. But as of right now, we have to upgrade the system in order to accommodate the 40 to 60,000 emails we get daily. With that, I'll stand for any questions.

CHAIR GREENE: Fabulous. Commissioners, anything out there? Just one question about broadband plans and stuff that'll be coming forward, looking at trying to find savings and doing an analysis of savings that maybe be possible through development of an internal WAN, wide area network. I know we've talked about that a little bit, but just trying to see if there's a way to leverage some of our broadband investments that may come forward in the next few months or weeks even, that provide an opportunity for IT, but also for Public Works, right? So all of our buildings have security cameras and access control and all of these different tools that broadband and next generation IT can bring to other divisions.

MR. SANCHEZ: Commissioner Greene, yes. So we have started on that process. We are actively working with Gerald at RediNet. We meet with him monthly to see what's feasible, where they're at, where they can bring us fiber. Currently we are in Santa Cruz, we're at the Pojoaque Fire Station and we're at Arroyo Seco Road Maintenance Facility. We're actively working once they're going to get some towers up north for La Puebla and Bennie J. Chavez Community Center. We utilize them there as well. I have open requests with RediNet to get quotes to see what it would take to get fiber to Public Works, for example, right? That'd be a difficult one. It's not 599. It may or may not be feasible to provide – for RediNet for, to provide with their partners service there. So we are actively working with RediNet, and we do meet with Gerald monthly.

CHAIR GREENE: Great. And like for instance, the El Rancho Senior Center out there needs good access control. There's fiber being built by San Ildefonso in the general area, so that may be a partnership that we should be looking at all the pueblos.

Same thing for the Pojoaque Fire Station and all these places that are embedded with our tribal partners that are doing these big projects that maybe we should be helping build together something there.

Commissioners, anything else on IT? Hearing nothing. Yes. Oh, yes.  
Commissioner Hughes.

COMMISSIONER HUGHES: It just looks like you were down on staff a little bit during '26.

Is that true, and have you filled those positions?

MR. SANCHEZ: We're fully staffed at this point. We were down from admin, but we have 24 staff and we're fully filled right now.

COMMISSIONER HUGHES: Okay, great.

MR. SANCHEZ: In addition, we're, again, we're asking for the three term FTEs. As Manager Shaffer alluded to, we're hoping to gain some efficiencies throughout the County through the ERP project, and hopefully bring on those as full-time as needed.

COMMISSIONER HUGHES: Okay.

CHAIR GREENE: Excellent. Thank you, Daniel. Great work this year.  
Good luck next year

### **Attorney's Office**

CHAIR GREENE: Attorney Boyd, this is your first rodeo. Welcome.

ATTORNEY BOYD: Chair Greene and Commissioners, it's actually my second rodeo. I was still pretty fresh along with Commissioner Cacari Stone first time around, and Commissioner Johnson as well. But hopefully I'll make it through here without any slips.

I know that Manager Shaffer will be there with a lifeline if I don't have an answer on something.

CHAIR GREENE: Excellent.

COMMISSIONER CACARI STONE: Excuse me, Chair Greene, I'm sorry. I don't know if it's my allergies, my ears are plugged.

CHAIR GREENE: No, that mic is not very good.

ATTORNEY BOYD: This microphone is bad. How about this?

CHAIR GREENE: Much better.

COMMISSIONER CACARI STONE: Yes. Thank you.

ATTORNEY BOYD: Chair Greene and Commissioners, the County Attorney's Office budget is on page 411 of your budget book. Sticking to the County Manager's suggestion that I not go into operations, I'm just going to give you a short overview of the budget request. FY2027 budget total is 2.937 million. This is a nominal decrease of around \$5,000 from the FY 26budget, so it's essentially flat. In terms of the components of the budget, the personnel costs are the largest driver with salary and employee benefits making up around 61 percent of the office's budget. Services are the second largest category around \$1 million, and that reflects when compared with FY 2026, a \$65,000 decrease. If you recall last year when I was before you, I mentioned that we were in the process of procuring outside counsel contracts and that this had been the first time in four years that we were doing so, and I expected substantial hourly rate

increases from outside counsel. That was borne out to some degree, but not as much as I was expecting. And so the services component is decreasing slightly to account for the actual rates that we are now paying for outside counsel.

I'll also note that the services side of our budget also includes the records management program. So we pay annually. We pay annual storage fees for the large quantity of records that the County stores offsite, keeps and stores offsite. And our records manager, Naomi Solomon, is working on I think in a kind of, it's a long road to travel, but she is working towards, essentially creating attrition and slowly reducing the amount of records that we store offsite. But again, that number will just go up in a kinda linear fashion every year as the vendor increases their rates by a couple percentage points every time the contract is up for renewal.

The other thing I'll note is that as mentioned, we hire outside counsel for various County needs. For example as Deputy County Manager Elias Bernardino and Daniel Sanchez, the IT department director mentioned, I'm assisting and the County Attorney's Office is assisting with negotiations for contracts over contracts with software vendors for the ERP system and sub-vendors. We've also retained the services of an intellectual property attorney to help negotiate the software licensing agreements review and negotiate those agreements. And so that's, one part of active outside counsel work that's, worth noting in the context of today's budget discussion.

We also recently retained outside counsel to prepare a memorandum of agreement with the City of Santa Fe for a joint water utility authority. Again, that's, all part and parcel with the services side of our budget, and the number fluctuates every year in a way that you see in the budget request. I have nothing further to say, and I'll turn things over to Manager Shaffer if he has anything to add.

MANAGER SHAFFER: Great. The thing that I wanted to emphasize is that that budget that resides within the County Attorney's Office is for legal service for the County. And so if there was, in fact an area in which the Board of County Commissioners wanted to contract with outside counsel within those budgeted, resources, that budget exists exactly for those purposes. And as Walker mentioned that was in fact, the case relative to the Stelzner contract for the water authority MOU. And again it would be available for other identified needs of the Board is the one thing that I wanted to mention.

The second thing that I did want to acknowledge is that we will ultimately as we move forward with the records management program, I think we'll need additional staff to help support that overall effort from the architectural and overview level countywide. We didn't think that we had advanced to a level of sophistication yet to have data to really quantify that need this year. And also there were competing priorities that ultimately we felt took priority in the public safety area. So I did want to acknowledge that there was a request for one additional FTE to help support the records, not the IPRA, but the records management function of the County and that, again, I think ultimately, the data will bear that out, and hopefully there will be enough flexibility to support that. But for both those reasons in terms of our state of development as well as the higher level priority of public safety, that wasn't recommended this year. Thank you.

CHAIR GREENE: Thank you, Walker. Thank you, Greg. Questions?  
Yes, ma'am.

COMMISSIONER BUSTAMANTE: This is more of a statement than a question, but I appreciate, Thank you, Commissioner Chair Greene, for bringing it up earlier. The type of circumstance that the Board would need or would request outside counsel as well would be when I think of the circumstances such as the one that we have with Stelzner coming up There's a certain expertise there. They've done this onward ho. If there is something, and this is where I've looked into other counties and the reasons why they would have an independent attorney for the commission particularly, is that in this case our legal reports to the manager, and I believe that people work very well in this particular circumstance, but if there were a question that we would have that would affect the – I don't want to say the employment or the reprimand of a particular manager and not in this case, but what kind of situation would, that's one of those situations where we would want external legal if there was some operational conflict that kind of thing where we would want external legal.

It's more of a statement. It would be important that this legal, because we have we have people who are on our docket that it's not so much that they're necessarily completely related, and I say related in having relationship, knowing our current management, et cetera, but somebody who would work objectively, specifically with the Board.

I'm not asking for that now. It's not something that is a suggestion, but that has been something that we've discussed in the past for whatever circumstances may require that that particular asset, if you will.

MANAGER SHAFFER: Commissioner Greene and Chair Bustamante I recognize, and again the reasons why the Board may desire outside counsel would vary. My point was just more that the budget is there. It's not fully utilized every single year, and so that resource is, available as well as other, again, budget contingencies on an as-needed basis. So I was just pointing that out, that's all. I appreciate.

COMMISSIONER BUSTAMANTE: I appreciate that, Chair and Manager. I just wanted to clarify. I trust that you understood.

CHAIR GREENE: And I appreciate. I don't think it's only legal. I think there's a lot of different resources and insight that an independent voice could be giving us whether it's legal, whether it's – so great. Yes, Commissioner Cacari Stone.

COMMISSIONER CACARI STONE: Thank you, Chair Greene. Thank you for all you do, Attorney Boyd. I really appreciate working with you.

I'm just curious because I've never really seen your offices. So I was wondering, how many people work with you? How many FTE and staff and you seem like the Oz behind the green curtain. Just was curious.

ATTORNEY BOYD: Chair Greene and Commissioner Cacari Stone, I reject the comparison to the man behind the curtain. I'm very keen on featuring and elevating the attorneys who work in the office. I feel frequently like I am up against my limits with the demands of this job and they are equally if not more taxed with the various demands from the parts of the County that they field. And to reiterate the point that I think County Manager Shaffer just made, we serve the whole County.

You'll have to forgive me because I always have to do the counting in my head. We have Deputy Attorney Rachel Brown, Roger Prucino, Roberta Joe, Peter Valencia, Michael Nunez, and that's five attorneys and one vacancy. Cristella Valdez recently left

her employment with the County and we are hoping to fill that position soon. So six attorneys. We have Francine and Alexis who work to respond to records request. That's another two employees and then we have Naomi Solomon who is our records manager and then last but not least, we have Tyler Dominguez who is our paralegal who helps with filing and preparing correspondence and helps with the budget as well.

COMMISSIONER CACARI STONE: Thank you. For all the work you do, that is not a big team. And I didn't mean any insult. It was actually a compliment.

ATTORNEY BOYD: I took it as such. I was trying to joke on.

CHAIR GREENE: Commissioners, anything else? Hearing none, thank you Walker, great work. Appreciate your guidance and your being our counselor.

ATTORNEY BOYD: Thank you, Chair Greene. Okay, two more. I know we're running a little bit late and I know some people have things to do but – Risk Management please.

MANAGER SHAFFER: I think everything has already been covered. So I think unless there's specific questions, Valerie touched upon risk and then I highlighted the carryover funds for our employee and physical safety program. But I think we've gotten through what we hoped to get through today and we'll again take any additional final feedback but we'll also work on the presentation as requested and follow up on the items raised. But that's all we wanted to accomplish.

CHAIR GREENE: She walked out two minutes ago, but I did want to offer Stephanie Stancil a little bit of opportunity to talk about her office and the innovation space that she works in and how that applies and if she has all the resources necessary because we are in the process of always trying to modernize our organization. So it's not necessary for today but definitely I was going to ask that when she was in the room and we can all go back to our day.

MANAGER SHAFFER: I'll make sure that she has a few minutes at our next meeting.

CHAIR GREENE: Great, thank you. Commissioners, any follow up comments to close and things that you want to make sure that we touch on in the future?

COMMISSIONER CACARI STONE: Thank you, Chair Greene, thank you. I just really want to share that I appreciate the extensive efforts to pull a budget together and the way you presented it, the accuracy. I think charts really help us in terms of the 411, the big picture, and I know it takes a lot of work and I've talked to other commissioners from other counties and I'd say we rate really high in my samples size I have talked to so thank you.

And, Chair Greene, I don't want to impose any undue hardship on schedules. A friend of 30 years passed on May 10<sup>th</sup> and her life celebration and burial and the whole thing is next Wednesday. I do not want to have to choose cause she's like family between this and that, but if I had to, I'm going to the funeral. So either I can watch the video and send questions ahead of time. It doesn't need to be an undue hardship on other people's schedule but if there was a chance to schedule it in the afternoon and that's easy breezy and if not I'll work around and work with Sara and my liaison to make sure I'm up to speed thanks.

CHAIR GREENE: For next Wednesday, I'm okay moving it but I'll let Sara query people to start.

MANAGER SHAFFER: We can do that and we'll see if we can find a time next week that works for everybody either in the afternoon or otherwise. If that's okay with the Board, then we'll do that.

CHAIR GREENE: We'll try our best. Oh, Commissioner Hughes.

COMMISSIONER HUGHES: I just wondered if we were going to go over the Commission budget at all.

MANAGER SHAFFER: I think Sara already touched upon it but if you'd like us to go back over it, I'm happy to do that. It was largely flat year over year as I recall.

COMMISSIONER HUGHES: Okay, that's enough going over it for me.

CHAIR GREENE: And just to follow up on that, I think I would ask all of us, the five of us, to see if there was any specific request that we would want to add to it. For instance, what resources would you wish that we could have and then we can bring that forward to Sara and to the Board in a future meeting to make sure that we address that.

MANAGER SHAFFER: Absolutely and we can also potentially address it through a set aside of unknown needs because it may be that it is hard to predict with specificity. But we took that and we will be working with that independently as well.

CHAIR GREENE: Do you have something?

COMMISSIONER BUSTAMANTE: I just also want to commend the effort, the yeoman's work as you call it. It is exceptional and I've appreciated and continue to appreciate to appreciate the way this is brought forth so thank you to everyone and to you, Manager, for sure.

COMMISSIONER JOHNSON: And I'll second that.

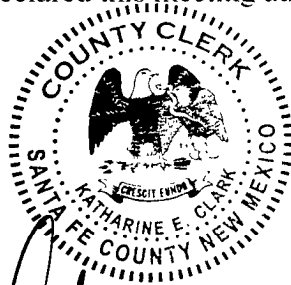
CHAIR GREENE: Thank you guys. Thank you so much.

**3. Concluding Business**

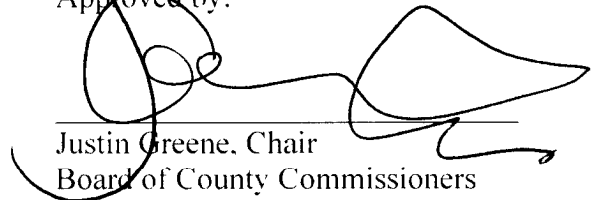
- A. **Announcements** – None.
- B. **Adjournment**

Upon motion to adjourn by Commissioner Johnson and second by Commissioner Hughes, Chair Greene declared this meeting adjourned at 12:30 p.m.

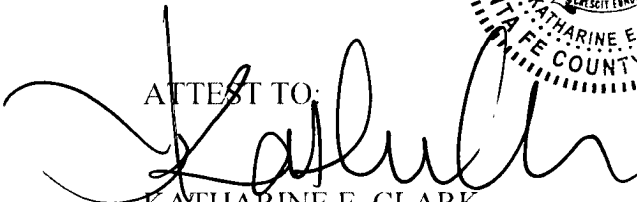
SFC CLERK RECORDED 06/10/2026



Approved by:

  
Justin Greene, Chair  
Board of County Commissioners


ATTEST TO:

  
KATHARINE E. CLARK  
SANTA FE COUNTY CLERK

COUNTY OF SANTA FE )  
STATE OF NEW MEXICO ) ss

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: Hereby Certify That This Instrument Was Filed for  
Record On The 10TH Day Of June, 2026 at 05:49:01 PM  
and Was Duly Recorded as Instrument # 2085374  
if The Records Of Santa Fe County

deputy  Witness My Hand And Seal Of Office  
Katharine E. Clark  
County Clerk, Santa Fe, NM