

Santa Fe County
Board of County Commissioners
Budget Study Session

June 8, 2010



Image from an advertisement for the Columbia Pictures Movie 2012



The Situation...



Facts do not cease to exist because they are ignored. - [Aldous Huxley](#)

If revenue does not increase and/or expenses don't decrease in FY 2011...

In FY 2012

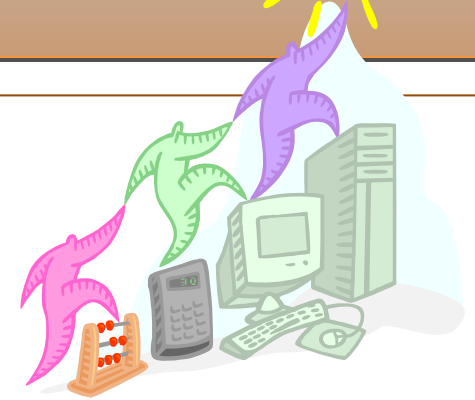
-\$12,798,209



The Goal...



Cut

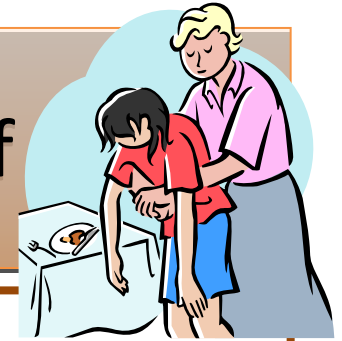
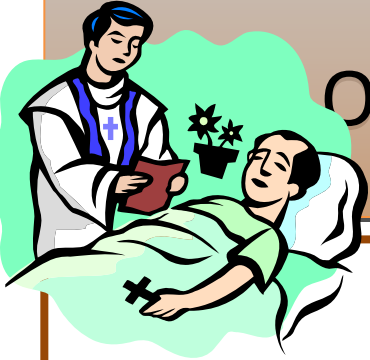


\$6,000,000

from the FY 2011 Budget



Option with Major Impact to Staff



Lay Off 100 people
Impact all Departments &
Offices Countywide
Save \$6.0M

Actions Since May 25th Meeting

- Contracted for Public Survey which will begin by the end of June, with final report anticipated by the end of July, 2010.
- Directed Department and Division Directors to develop plan for proportionate cuts to their budget: results summary to follow.
- Interim Budget Submitted to DFA with a \$23.9M use of cash.
- Additional cost cutting measures taken by County Manager: summary to follow.

Proportionate Cuts-Summary

Departments, Divisions, and Elected Offices were asked to prepare a scenario to restructure, reorganize, and cut their proportionate share of a \$6,000,000 deficit, and for ideas on how to address the County's budget situation.

The BCC was the only Elected Office that participated in this effort. Other Elected Offices proportionate share of cuts would have totaled \$1,161,943.

Below summarizes the other efforts:

Non-Personnel Cuts:	\$ 967,407
Personnel Related cuts:	\$2,081,508
Program Restructure:	<u>\$ 268,488</u>
Subtotal	\$3,152,304
Offset by new revenue	\$ 9,275

Total Deficit Reduction Effort **\$3,327,125**

The scenarios provided by Department/Division staff would require the lay-off of 29.4 existing staff, and still leave the County trying to cut \$2,672,875 to meet our \$6,000,000 goal.

New Ideas Put Forth

- 36 Hour work week (10% of non-public safety)
- Reduce Senior Services from 5 to 2-3 days.
- Cut temporary **AND** probationary employees.
- 13 Unpaid Holidays
- Closing County Offices on Mondays
- Elimination of Personal Holiday
- Reduce inmate population by releasing individuals who are in for minor probationations.



Actions Taken by County Manager

When you confront a problem you begin to solve it. -[Rudy Giuliani](#)



Some of these options will have some financial impact on staff, but should not create a major financial hardship.

Hard Freeze All Positions
Save \$1.4M
(limited public safety hiring allowed with justification)

Eliminate **ALL** Travel & Seminars to Non-Elected Offices
Save \$210K
(includes for maintaining licenses & certifications)

Eliminate Cell Phones
Save \$73K
(excludes Law Enforcement, Fire Field Staff and Department Directors)

Eliminate Take Home Vehicles
Save \$15-30K
(excludes Law Enforcement & Fire Field Staff)

Reduce Salary of Employees Earning \$80K/year or more by 3%
Save \$121K

Change Employee Uniform Vendor
Save \$37K

Cut Temps & Casual (excludes Elected Offices)
Save \$103K

Reduce or Terminate Contract Services
Save \$50K

Restructure Satellite Offices
Save \$51K

Discontinue contract work for SLDP and Code Re-Write.
Complete process in-house.

Non-Personnel Related Cuts proposed by Divisions/Departments on proportionate basis
Save \$967K

Save \$3,034,000

How do we Reach the FY 2011 Goal?

ORIGINAL GOAL

\$6.0M

Actions Taken by County Manager

(\$ 3.0M)

NEW GOAL

\$ 3.0M

Reductions to Elected Offices Budgets

(\$.5M)

Furlough/Salary Reductions

(\$ 1.5M)

Program Reductions/Cuts

(\$ 1.0M)

REMAINING CUT

\$ 0

Then...

Monitor FY2012 Projections

$(\$12M - \$6M + \text{New Revenue} + \text{GRT} + \text{Property Taxes}) = \$6.0M$



FY 2012 \$ 0 Deficit



Salary Reductions For Elected Officials

Savings Generated by a Reduction in Elected Officials' Pay (Including Benefits)

1% Reduction	\$ 6,017
2% Reduction	\$12,035
3% Reduction	\$18,052

Process for Reducing Elected Official's Pay

The Board of County Commissioners may pass a resolution to reduce the salary of an elected official.



Recommended Cuts to Elected Offices

Eliminate Temp and
Casual Positions
Save \$ 35K

Eliminate Cell Phones
Save \$16K

Eliminate Take Home
Vehicles
Save \$6K

Eliminate **ALL** Travel &
Seminars
Save \$87K
(includes for
maintaining licenses &
certifications)

Cut Non-Personnel
Operating Expenses by
10%
Save \$312K

Reduce Sheriff's
Overtime Budget
Save \$65K

Eliminate Assessor's
Lease
Save \$22K

If Requested New FTEs are
Authorized
FY 2012 deficit becomes \$13.09M



**Total Recommended Cuts to Elected Offices
\$543,000**



Next Steps

Immediate Steps

- ✓ Cut Elected Offices budgets if so desired.
- ✓ Provide any additional direction to apply to FY 2011 final budget.
- ✓ Approve FY 2011 final budget at June 29th administrative meeting.

Future Steps

- ✓ Discussion with bargaining units regarding financial issues.
- ✓ Analysis of Corrections Department scheduling, medical and administrative components, and housing SF County Inmates only.
- ✓ Cost benefit analysis on outsourcing the Medical component of the detention facilities.
- ✓ Analysis of RECC scheduling and overtime issues.
- ✓ Develop recommendations based on the public surveys regarding core services.
- ✓ Further analysis of all overtime expenses.
- ✓ Research alternative uses for Top of the World property.
- ✓ Finalize Solid Waste Permit increase.
- ✓ Inventory County-owned property and determine appropriate uses and fees.
- ✓ Research and analyze effects of “tax lightening”.

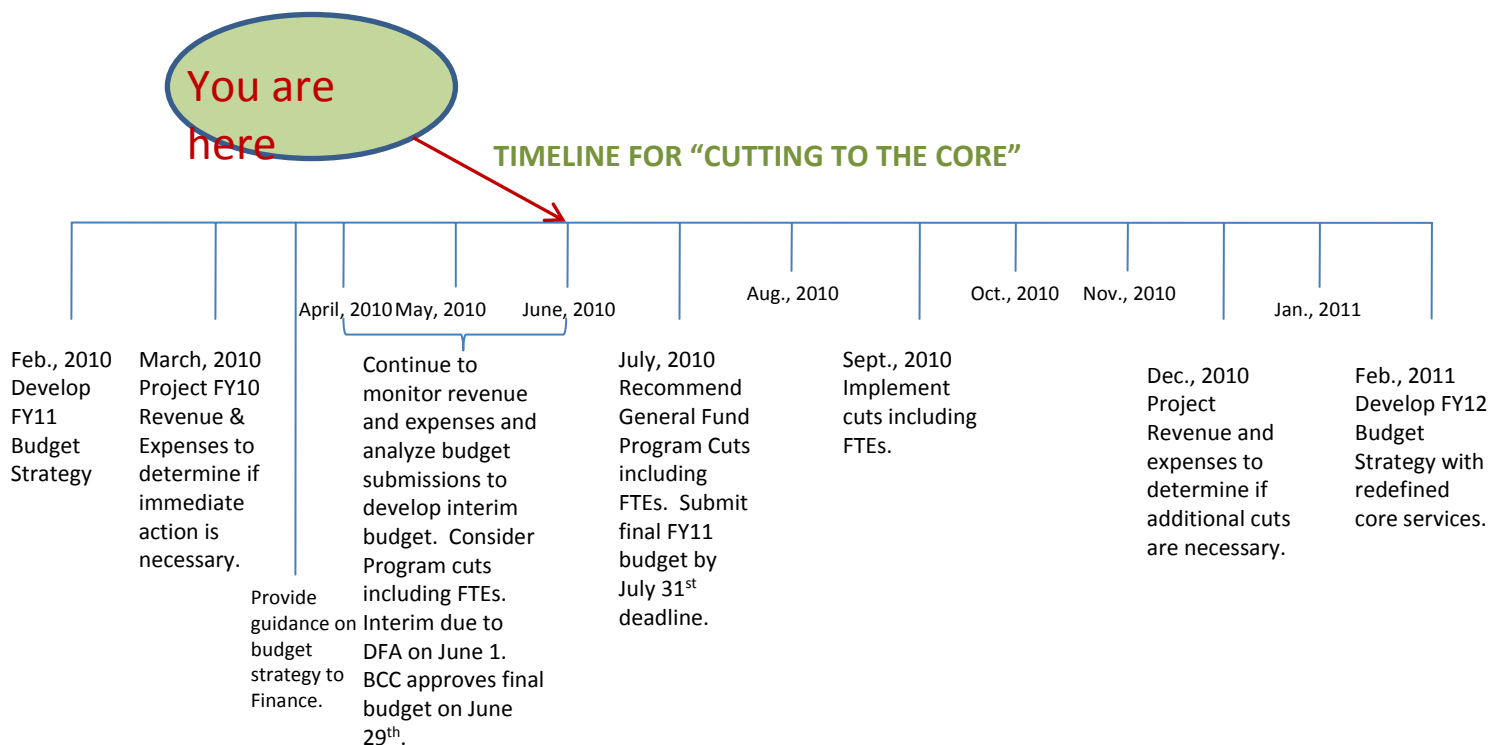




Implementation

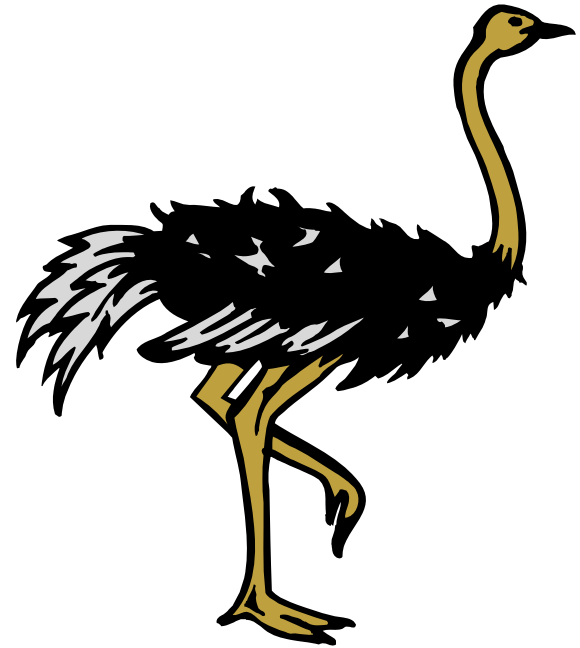


- ✓ Consider the information presented at this study session.
- ✓ Provide guidance to management as to cuts and other measures.
- ✓ Review contracts and other legal requirements for taking other action.



Whenever a warrior decides to do something, he must go all the way, but he must take responsibility for what he does. No matter what he does, he must know first why he is doing it, and then he must proceed with his actions without having doubts or remorse about them.

[Carlos Castaneda](#) -



The challenges of change are always hard. It is important that we begin to unpack those challenges that confront this nation and realize that we each have a role that requires us to change and become more responsible for shaping our own future.

[Hillary Rodham Clinton](#)