

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

**May 26, 2022**

Anna T. Hamilton, Chair - District 4  
Rudy Garcia, Vice Chair - District 3 [Webex]  
Anna Hansen - District 2  
Hank Hughes - District 5

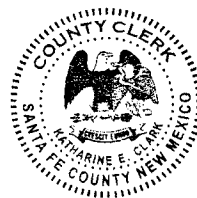
Henry Roybal - District 1 [Excused]

COUNTY OF SANTA FE )  
STATE OF NEW MEXICO ) ss

BCC MINUTES  
PAGES: 31

I Hereby Certify That This Instrument Was Filed for  
Record On The 29TH Day Of June, 2022 at 01:57:22 PM  
And Was Duly Recorded as Instrument # 1991934  
Of The Records Of Santa Fe County

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



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

**May 26, 2022**

1. A. This special budget meeting of the Santa Fe Board of County Commissioners was called to order at approximately 1:36 p.m. by Chair Anna Hamilton in the County Commission Chambers, 102 Grant Avenue, Santa Fe, New Mexico.

**B. Roll Call**

Roll was called by Deputy County Clerk Evonne Ganz and indicated the presence of a quorum as follows:

**Members Present:**

Commissioner Anna Hamilton, Chair  
Commissioner Rudy Garcia [via Webex]  
Commissioner Anna Hansen  
Commissioner Hank Hughes

**Members Excused:**

Commissioner Henry Roybal

**C. Approval of Agenda**

There being no changes, Commissioner Hansen moved approval and Commissioner Garcia seconded. The motion carried by unanimous 4-0 voice vote.

2. **Assessor's Annual Report and Valuation Maintenance Program**

A. **Presentation on Assessor's Annual Report and Valuation Maintenance Program**

CHAIR HAMILTON: I know who's coming to the microphone doesn't look anything like Gus Martinez.

JENNIFER ROMERO (Assessor's Office, Operations Manager): Good afternoon, Madam Chair, Board of County Commissioners, County Manager Miller and County Manager Shaffer. That is correct. I'm not Assessor Martinez.

CHAIR HAMILTON: I got that right.

MS. ROMERO: My name is Jennifer Romero. I'm the Operations Manager for the office of the Santa Fe County Assessor, and I want to share with you – our Assessor Martinez sends his sincere apologies. He had a family emergency to attend to today and unfortunately isn't able to join us. So on his behalf I'll go ahead and present to you today.

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I'll begin with our annual report, our 2022 annual report. On page 1 you will see our net taxable valuation comparison. I'll start out with our grand cumulative total which shows our net taxable value. It also includes our state assessed properties. And our state assessed properties are specialized industries that are valued by our Property Tax Division. These include industries like the railroad, telecommunications, pipelines and utility property.

For 2021 our net taxable value was approximately \$8 billion, and in 2022 we saw an increase of approximately \$8.7 billion, or an increase of 8.85 percent. Broken down, going into our total residential value, which includes our condos, our single-family properties and our multi-residential properties. For 2021 we were at \$6.5 billion and we saw an increase in 2022 of just over \$7 billion or 8.23 percent.

Going into our total non-residential value, which includes our commercial and our vacant land, for 2021 we were at \$1.5 billion, versus 2022 of \$1.6 billion, or an increase of 11.5 percent.

Moving on to page 2, this is a trend of our new construction permits from 2019 through 2021, and as you can see from this snapshot, we were at in 2019 3,385, versus 2020 of 2,666 permits, and for 2021 we had 3,119 permits, or an increase from last year of 453. This is a result of new construction, and primarily we saw an increase within the county. Although construction costs have increased we're seeing that more property owners are building because of the cost of home sales.

Moving on to page 3 we have a trend showing of our sales affidavits, totals from 2019, again through 2021. As you can see from this snapshot, in 2019 we're at 3,696. In 2020, 3,569, and at 2021 at 4,020. Again, a significant increase equivalent to approximately 451 new sales affidavits coming in. What we're seeing is properties within Santa Fe County are being sold and transferred. There's not a lot of supply for the demand of homes and the prices of homes have significantly gone up as well.

Moving on to page 4, this is our growth of net taxable value history, and the bar graph shows again, a history from 2018 through 2022, and what I'll share with you is this is based on our prior calendar year. In 2018 you'll see that we were at \$173 million. In 2019 we rose to \$312 million. In 2020, at \$330 million. In 2021 we saw a significant drop to \$44 million. That was a result of COVID. At that time we also lowered our commercial values. However, we regained values within our residential properties, and in 2022 you can see we gained and are at \$210 million. Again, what this is attributed to is the rising home prices and the record sales that we've seen within Santa Fe County.

Moving on to page 5 we have our new net taxable value added. Again we see our bar graph shows the period from 2017 to 2022. In 2017 we were at \$90 million. In 2018, \$83 million. Again, \$83 million in 2019. In 2020 \$100 million. 2021, \$94 million, and in 2022, \$124 million. This is our new net taxable value which includes anything new that's recorded onto the tax role including our new construction. And that this bar graph shows is a six-year period where we're seeing on average \$95 million per year combined residential and commercial values.

Moving on to the next page we have our sales ratio study and it shows our 2021 residential property assessed values versus our 2021 sales prices. We had 3,569 sales and our mean ratio was at 94 percent. This ratio is between the standard of our IAAO best practice standards, which IAAO is our Association of Assessing Officers. It's an

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international set of standards that we follow within our office. Our meeting ratio is at 95 percent, also within the standard. Our coefficient of dispersion, or COD was at 12.8 percent, also between the 5 to 15 percent standard. And our price-related differential, or PRD was at 102 percent, again between our 98 percent to 103 standard.

What this tells us is that we're valuing properties uniformly in a fair and equitable manner, and as we mass-assess properties and our camera system specialist runs his studies of our neighborhoods we're uniformly valuing properties within the standard.

I'll move on to page 8. Lastly, this is a snapshot of our parcel count and valuation between 2021 versus 2022. As you can see from this snapshot, our residential parcel count included 58,924 properties with a taxable value of approximately \$1.5 billion. In comparison to 2022 we saw a slight increase of 59,507 and approximately \$1.6 billion in taxable value.

Under our personal property we have manufactured homes where we had in 2021 7,361 parcels and a taxable value of \$28 million, versus in 2022 7,327 parcels or \$29 million in taxable value. At the bottom total of this you'll see a grand total in 2021 of 86,418 versus 2022 of 87,003. What this doesn't show you is our business personal property accounts. We have approximately 2,700 accounts that we value and that averages out to approximately 90,000 parcels a year that we're valuing within Santa Fe County, and what we're seeing is a continued trend that the county is growing.

The bottom portion of this page you'll see our personal exemptions. 2021 versus 2022 comparison, in regards to our veterans' exemptions includes a count of 5,124 with a taxable value exemption amount of approximately \$20 million, versus 4,868 and a taxable exempt value of \$19 million. For our 100 percent disabled veterans, we saw 700 in 2021 and a \$60 million taxable value exemption, versus 2022 of 720 – so it slightly went up, and \$65 million in taxable value exemption.

A head of house is 22,927 in 2021 with \$45 million in taxable value exemption, versus a slight decrease this year to 22,783, or approximately \$45 million in taxable value exemption. In addition we show just the count for our value freeze exemptions, which in 2021 was 1,005 versus 1,066 in 2022.

In addition to that we have our protest column where we show in 2021 we were at 1,093 protests and in 2022 we're currently in our protest season but we've seen it went up by one to 1,094 protests received. Currently, our appraisers are working through protests and they've signed out 830 protests and 264 have been resolved. What this attributes to is multiple things that we do within our office, including outreaches, where we communicate to the public how our office works and we provide information on exemptions and benefits, how they can apply and what the process is. We're constantly educating the public in the functions of our office so that we can provide them information and provide the best customer service possible to ensure that they understand what a Notice of Value is to everything else in between and how they can apply for exemptions, how they can apply for protests, and so on and so forth.

This concludes the annual report. Before I move into the property valuation maintenance program, are there any questions?

CHAIR HAMILTON: Does anybody have any questions? Okay, let's just move along and you can field questions later if they come up. Thank you.

COMMISSIONER GARCIA: Madam Chair, this is Rudy.

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CHAIR HAMILTON: Yes, Commissioner Garcia. Go ahead.

COMMISSIONER GARCIA: Thank you for your presentation. You did an excellent job. Thank you, Gus Martinez, for doing an excellent job as well as new County Assessor Isaiah that's going to be taking over the new reins. Our valuation that we've done in Santa Fe County is over a billion dollars this next year, as discussed the current County Assessor has told me. And so our property rates, our valuation has gone up. We thought it was actually going to decline because of the pandemic but in the last two or three years it's actually tripled or doubled. But I just want to thank Gus and I actually I hope everything's going okay with his personal stuff but the young lady who actually did the presentation did a great job. But yes, we're doing good. Santa Fe County, Katherine Miller did an excellent job and we have a new County Manager. However, I just want to thank the individuals as into who work for Santa Fe County. I'm still talking like this because I had a seizure and so my tongue is a little – but thank you, Madam Chair.

CHAIR HAMILTON: Thank you, Commissioner Garcia. Okay, go ahead.

**2. B. Resolution No. 2022-033, a Resolution Approving the County Assessor's Property Valuation Program in Accordance with State Statute**

MS. ROMERO: Moving into the property valuation maintenance program, it provides a lot of detail. I don't want to bore you or read verbatim, but what I will do today is I'd like to highlight the relevant sections that apply within our office. And as we go into the table of contents, in providing you with what the purpose of the valuation maintenance program is, it's a tool to be able to help you as Commissioners understand our yearly cycle, how we perform the functions within our job in order to ensure a quality, correct Notice of Value.

Moving on to page 4, there's two components of the valuation maintenance program, and the first, it discusses how we're responsible for the valuation and data maintenance of all taxable parcels, again, as I mentioned, on a yearly cycle. Through this plan you'll see it shows a timeline from January to December of how we operate in each of these functions and how our staff is able to again provide a quality and correct Notice of Value. We're obligated by state statutory or state statute to provide this information on a yearly basis to the Board of Commissioners so that you have an opportunity to not only understand the functions of our office but also approve our budget and ensure that what we're asking for is in line with how we value our properties within Santa Fe County.

So moving on, on page 4 through 6 touches on the operating budget. I'm sorry. Jumping ahead here. So as you can see from page 5, this is a bar graph that shows the historical budget data from fiscal year 18-19, through 21-22. And as you can see from this snapshot, in 18-19 we were at approximately \$2.3 million and in 21-22 it rose to \$2.4 million. This is within our general fund and it's the culmination of our salaries, benefits and a small portion for our contractual services, for our aerial and oblique imagery that's shared with the County.

Moving on to page 6, we have a snapshot of our valuation fund, our 203 budget, which basically is the bulk of our operating budget. It includes everything from our

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operating needs to our contractual services, our licensing software, computer hardware, and those needs. In fiscal year 18-19 we were at about \$1.7 million and in 21-22 we increased to \$1.8 million. A lot of our valuation fund through the years has included through our Assessor Martinez' two-year term, the enhancements we've been able to do using technology, and it's due to the thanks and support of our Board of Commissioners and our County Manager for being able to support us through these needs and help our office to become efficient and effective in every process that we have.

COMMISSIONER GARCIA: Madam Chair, can I ask a question? This is Rudy.

MS. ROMERO: Yes, Commissioner Garcia.

CHAIR HAMILTON: Go ahead.

COMMISSIONER GARCIA: So are we actually – just give me a rough estimation on the budget or are we actually approving the actual budget today?

CHAIR HAMILTON: The budget is the next item. This is the Assessor's Report. We're up for approving the Assessor's Office Annual Report. So this is just budget information from previous years. We're not approving their budget in this moment. That will be in the next item. So let's keep this just to the Annual Report and we'll talk about budget next, if you have a budget comment. Can we keep it into the next item?

COMMISSIONER GARCIA: Yes.

CHAIR HAMILTON: Thanks. We'll get back to it. If you'd continue.

MS. ROMERO: Continuing you'll see on the bottom of page 6, which includes our general and our valuation fund, in 18-19 we were at just over \$4 million, and in 21-22, our current fiscal year, we're at approximately \$4.3 million. I will add for our new fiscal year budget, we did, at the request of our Finance Department, cut some of our budget request which included an upgrade to our CAMA system, as well as vehicles. Because of the cost it's something that is critical. However, looking into the future, something that can be revisited and hopefully purchased in the future again, to help us better improve our systems and insure a quality and correct Notice of Value.

Moving on to page 7, this is a detailed summary of our real property ownership transfers. On a daily basis our real estate data entry team is responsible for transferring deeds. The deeds that come from the Clerk's Office, from their filing date our goal is approximately two weeks to complete, and this again is to ensure that the information and the data that's put into our system is correct as properties are changing over or being sold or being transferred from one property owner to another.

At the bottom portion of this page there's a summary in regards to our GIS mapping section. Our mapping team is responsible for creating new accounts, completing subdivisions and lot splits. This is kind of where our office starts as properties come in.

I'll go ahead and move on to page 9. This outlines what our mapping GIS team completes, the surveys that they complete throughout the year. It also includes public notices. As you can see from this spreadsheet, in 2020 we were at a total of 514 versus at 2021 of 565. This again tells us that the growth of the county is continuing to increase year to year.

Moving on to page 9, this outlines our statutory responsibility for valuing real and personal property. This also includes business personal property and livestock. This year

in an effort to help our data entry team and our business personal property become more efficient we required that all property owners submit their declaration of assets or renditions online using our CRM portal. By doing that it allowed us to reduce the amount of manual entry, again, helping us to be more efficient. We saw approximately a 90 percent response rate and it was very easy for property owners to utilize, business owners that use this site, and if there was any questions that came up throughout this process we had several staff that were able to assist them in this process.

Moving on to page 11, this again is an outline of our yearly cycle and how we're required by statute to produce the quality and correct Notice of Value each year. This outlines the functions within our office, starting with sales affidavits, new construction permits, our lot splits and merges, agricultural and grazing land review that we complete throughout the year, as well as CAMA and data entry.

On page 12 it continues with our special method valuation, which is our agricultural properties and our business personal property accounts that I mentioned earlier. In addition to that, we also are responsible for valuing manufactured homes and completing tax releases as properties are moved out of the county. All of this again adds to the value that we bring in through our Notice of Value.

Moving into page 12, the lower portion of page 12 and onto 13, I won't really touch on those but to give you an idea, the three approaches to valuation that appraisers will use in order to value properties, and those include our sales comparison approach, our cost approach, and income approach. At the bottom portion of page 13, this outlines our quality control section which is responsible for reviewing all of our Notices of Value to ensure again the information is correct and complete. All of the data is collected and they review it on a daily basis to ensure that, for example, address changes are correct, that values have followed through the same process through our workflow system to ensure accuracy. It's a time consuming job but it's something that must happen to ensure again a quality Notice of Value.

Moving on to page 14, we touch on our mailing of our Notice of Value, which by statutory requirement we must mail out by April 1<sup>st</sup>, on or before April 1<sup>st</sup>. From that point forward property owners have a 30-day period where they can protest. As I mentioned earlier, we're currently in our protest season and we receive protests during the month of April, which is always our busy time of year, and as protests come in they're reviewed and assigned to our appraisers and they go through a whole process through completion. This you'll note that we reassess vacant land and a lot of vacant land properties increased and this was something that we hadn't completed in three years and in recently doing so we've seen an increase in the values for vacant land.

Moving on to page 16, as I mentioned earlier, we have currently in the protest season and our staff is reviewing protests that have come in. They're having informal hearings, and after informal hearings, our property owners have an opportunity to protest or go in front of a formal board, our protest board. Through this process, a new feature this year that we added to our CRM portal, property owners who protested had an opportunity to opt in to receive SMS text messages, so from the start of their protest to the completion, they'll receive updates of the status of their protest. What this has allowed us to do is reduce the amount of incoming calls that come in, offer another way to communicate with our property owners, as well as ensuring we're providing another

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method of customer service.

Moving on to page 17, you'll see the bar graph again, which also showcases our protests. In 2021 we're at 1,096 versus 2017 of 1,788. What we've seen over the last few years and through Assessor Martinez' term, we've been able to receive less and less protests every year. And as a result of our uniformity in valuing properties it's also attributed to our great staff who have pride in their work and work day in and day out to ensure that the work they produce is satisfactory and goes above and beyond to ensure that it's correct.

In addition to that, we're constantly, again, as I mentioned earlier, educating the public so that they are informed on what we do as an office to help to build trust and credibility.

Moving on to page 18, I'll touch a little bit on the bottom portion regarding staff and professional development. Assessor Martinez has a saying that a better educated staff is a successful staff, and that's what we've seen within the office of the Santa Fe County Assessor. There's opportunities for staff to become certified appraisers. There are opportunities to take IAAO courses which enhance their growth and professional development as well as they receive incentive pay in addition to that. Not only are there classes and trainings that we constantly offer our staff and encourage them to go to and be a part of, we also have conferences that we attend to learn what's new within the appraisal field. We bring that information back to our office and we apply it. We apply it in things that we do, including also this year we had a pilot program with a vendor called Just Appraised and currently we're in the process now. What that allows us to do is our data entry team is able to deed match. It's a deed matching software that deeds that come in, it's been able to reduce the amount of time that they manually enter information, so it reduces the corrections or misspellings or things like that. And it also allows us again to streamline our process.

In addition to that we as a whole, as a team, in order to build on one of our core values of teamwork, each year we have a teambuilding session with our staff and we come together as a group. We touch on kind of what we're doing, similar to this, but each section explains and shares with staff as a group what we're doing in the office and how it affects everybody, and the purpose of our work.

Moving on to page 19, this is a snapshot of the amount of employees within our office and how they're broken down. When we're fully hired and have no vacancies we are approximately 45 staff members. Right now it's been a challenge. We're in the process of filling approximately eight vacancies and we'll see in the coming year approximately four to five retirements, which will affect how we do business but what we're currently in the process of doing is coming together and coming up with ideas to think outside of the box of how we can attract and retain employees. We currently work with partners like Help New Mexico and also Santa Fe Public Schools to bring in youth and incoming interns so that they can see how a government entities functions and possibly stay with us into the future.

Moving on to page 20 through 23, this is a summary of our reappraisal review and it goes back to our second component of our door-to-door re-inspection plan. Prior to Assessor Martinez coming in we were always on the statutory requirement of completing a review within a five- to six-year period. Because of the technology that we brought into

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the office that has allowed us to reduce the amount of time required. So currently, we're on the three-year plan.

This year, if you refer to page 21, we're on Phase 3 which is the third year of our three-year plan and we're currently conducting reviews within our central part of the city. It's approximately right now 28,000 parcels that we're reviewing, and what that helps us to do is ensure that the values that we're producing are correct, are current, and we'll complete this by the end of the year.

I'm going to skip over to page 24. This is kind of a workflow that outlines all areas of how our property is reviewed from an appraisal standpoint, and how it's entered into our system. I'm referring back to ensuring that we have an accurate and correct Notice of Value.

Lastly, on page 25, which was also shared on page 1 of the annual report is our next net taxable value. Again, it starts out with a grand total of the net taxable value. What this snapshot doesn't show is the state assessed values that I showed on page 1 of the annual report. But I'll briefly touch on this again. Our total net taxable value is at approximately \$7.8 billion in 2021, versus \$8.5 billion in 2022 for a change of 8.9 percent.

Broken down into residential value, for 2021 it was at approximately \$6.5 billion, and now an increase of just over \$7 billion, or 8.4 percent. And then again, our total non-residential value in 2021 was at \$1.3 billion and in 2022 it's just over \$1.5 billion, or 11.6 percent. Again, a lot of this is attributed to new construction and overall this is a snapshot of what our values are what we've received within our office.

This concludes the valuation maintenance program. However, I would like to add in regards to our professional development, we've been asked to present in front of the international stage at the IAAO conference at the end of August in Boston, and our presentation will be on our model of the office, its Q & E value, and customer service, and how to provide a top-notch to external and internal users.

We're excited to go. We're happy to represent – not only will we be representing the County but we will be representing the Assessor's Office. Within New Mexico and I would say nationally, we're a model and leading office that other's look at and it's something that we want to continue to move forward and push forward on.

With that, we have also been nominated for jurisdiction of the year. We've received within Assessor Martinez' eight years, this will be, I believe, our fourth award if we receive it. And again, it truly exemplifies the excellence of our office and how we do business professionally, respectfully, and as a team. Again, in the absence of Assessor Martinez, he never takes the credit. He always attributes it to the team in our office, and we have a great team. And without them none of this would be possible. And also it's thanks to you, our Board of County Commissioners, our County Manager, for all the support that we've been give throughout the years and continue to do. Thank you.

CHAIR HAMILTON: Excellent. Thank you so much. Commissioners.  
Commissioner Hansen.

COMMISSIONER HANSEN: Thank you, Jennifer and congratulations on your presentation. I hope you will include our logo of the County when you do your presentation on the national stage.

MS. ROMERO: Yes, Madam Chair. I will make note of that. Definitely.

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COMMISSIONER HANSEN: Thank you, and with that I would like to make a motion to approve the County Assessor's property valuation program in accordance with state statute.

CHAIR HAMILTON: Okay. Had you actually finished all the presentations?

MS. ROMERO: Yes, Commissioner Hamilton.

CHAIR HAMILTON: Excellent.

COMMISSIONER HUGHES: I'll second the motion. I do have a question though.

CHAIR HAMILTON: Excellent. So I have a motion and a second. Under discussion, Commissioner Hughes.

COMMISSIONER HUGHES: Thank you. I think you touched on this but I was just wondering to what you attributed the reduction in protests over the years, which seems like a good thing.

MS. ROMERO: Yes, Commissioner Hughes, it is a good thing. What it illustrates is that we're communicating to the public their values. We're ensuring that they're educated on how we value properties and as they come to our office and have questions or, for example, if they feel – a lot of times when they protest their value is high. It's our responsibility to explain how we came up with the value and because our staff and our CAMA specialists conduct these sales ratios, look at neighborhoods, they're able to identify what's happening within the market and being able to explain that to property owners and take the time to sit with them and they appreciate that.

COMMISSIONER HUGHES: Okay. Thank you.

CHAIR HAMILTON: Any other questions from Commissioners under discussion? If not I have a motion and a second.

**The motion passed by unanimous [4-0] voice vote.**

CHAIR HAMILTON: Thank you, and thank you, Ms. Romero for your presentation. Well done.

MS. ROMERO: Thank you.

COMMISSIONER GARCIA: Madam Chair, I have some discussion.

CHAIR HAMILTON: Okay.

COMMISSIONER GARCIA: This is Commissioner Garcia.

CHAIR HAMILTON: I get it.

COMMISSIONER GARCIA: I know we had a vote. But the lady that did the presentation, great job. \$6.7 billion of valuation, but what a great job that the Assessor does. When I first started working, I worked for Mercy Quintana, Benito Martinez, Gus, Katherine Miller, our ex-County Manager. She actually did an excellent job as in working with all the different entities as into Santa Fe County, out of 31 counties, we're number one in my opinion. Thank you, Madam Chair, for working – sorry my tongue is all messed up.

CHAIR HAMILTON: Okay, we really appreciate the comments. Thank you.

COMMISSIONER GARCIA: I just want to thank our County team doing

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what they do best. Thank you. Thank you, Madam Chair.

CHAIR HAMILTON: Thank you, Commissioner Garcia.

**3. Fiscal Year 2022 Interim Budget**

**A. Presentation of the Interim Budget for Fiscal Year 2022-2023  
(FY2023)**

YVONNE HERRERA (Finance Director): Madam Chair, Commissioners, we're here to present – Ms. Miller, our previous County Manager – I'm not even sure how to address her other than Katherine. And the Finance Division, we're requesting approval of the interim budget for fiscal year 23.

COMMISSIONER GARCIA: Madam Chair, I have a question. This is Rudy.

CHAIR HAMILTON: Can we wait for the presentation and then field questions on the material?

COMMISSIONER GARCIA: Sure.

CHAIR HAMILTON: Thank you.

MS. HERRERA: Madam Chair, Commissioners, okay so here we go with the presentation. So as always, we have our population goals that we work to always keep in our forethoughts, consideration when we're preparing the budget for the following fiscal year. We do have – the next slide has some information on our strategic plan. As we all know, we had a planning summit in March of 2022. We had two meetings with groups, with County staff, including the Commissioners, to discuss priorities for the County and the outcome of that was a top five, I believe, for Commissioners, as well as top five for staff.

The Commissioners' priorities or the top five priorities are: provide recreational amenities/ major support of open space; provide additional County affordable housing units/ property rehabilitation; provide residents with services to support health and well being/ focus on harm reduction; provide high quality and timely emergency and crisis response; and prevention; establish integrated countywide climate action plan; recruit and retain high qualified employees/ implement NEO GOV.

I believe a couple of those were actually – I think there were actually three of those that were tied. That's why there's more than five. I promise I can count.

For the staff the priorities were streamline land development review process; services to support health and well being/ CONNECT; affordable housing/ property rehabilitation; emergency and crisis response/ communication; and finally recruit and retain highly qualified employees; implement NEO GOV.

The one good thing that came out of the plan is that quite a few of the priorities that were in line between the Commissioners as well as the staff, these are just preliminary. Additional discussions are going to continue. I believe there is a meeting that is scheduled the first of next month to continue those talks as we progress with the plan. Our strategic planning director – is that her title? Cindy will be moving forward to get the County's plan all put together nice and neat in a presentation. She talked about putting it up on the County website for the public to be able to see as well as drill down into the different priorities and look to see not only the high level but also any details

related to those. And again, when we go to mid-year and preparations for the year 24 budget we'll continue whatever those priorities are that can come out of this year's plan.

For fiscal year 22, our revenue projections haven't changed much since we first presented the information to the Board. What we have here today are year-to-date results as of April 30<sup>th</sup>. We used that information as well as a five-year history to determine where we think fiscal year 22 will end, as well as using this information to project what fiscal year 23 revenues may look like, or should look like, based upon what we're seeing. The one anomaly in the budget for the next couple years is going to be the ARPA money in the budget. With the funds being allocated to the County in two separate payments, we'll end up finally budgeting the full amount in fiscal year 24, less any amounts that have already previously been spent. As of the presentation today we've only presented those amounts that we know for sure. That will be recognized for fiscal year 23.

However, our plan is part of the final budget presentation is to provide a complete budget or the ARPA funds based upon the priorities that were approved by the Board last September.

Expenditures, the same thing goes for expenditures, year to April 30<sup>th</sup>. The same information is used for the projection of those as well as the department requests. And the other component of the final budget versus the interim budget is the final budget will include the budget for the capital projects.

So the year-to-date, as well as projections for June 30<sup>th</sup>, we're looking at fiscal year 2022 projected budget to be \$281 million. That's a lot larger than what we had discussed in the past and the only different component to that is what this slide is presenting is a complete picture of the entire County's budget. So it's including recurring funding sources, non-recurring funding sources, capital projects and transfers. So transfers are just the movement of current year resources between funds. So it's basically just a book entry. However, we can't do a transfer without it being budgeted so it kind of inflates the budget a little bit.

So if we take out the \$67 million that we are projecting to transfer before June 30<sup>th</sup>, we're just about \$215 million in actual revenue that the County will have collected for fiscal year 22. Of those revenues we've got general property tax. We're looking to have collected \$54 million, as opposed to the \$52 million that we had projected to receive during the preparation of the fiscal year 22 budget. It's slightly above the amounts that were collected in fiscal year 2021. As the Assessor's presentation showed, we weren't expecting a reduction in revenues because of valuations. We just weren't sure if the pandemic was going to have an impact on people being able to pay the property taxes. We luckily did not see a significant reduction in property tax as a result of the pandemic and a lot of that, I believe, had to do with the fact that many homeowners pay their property taxes through their mortgage payments. So many of those homeowners were still able to make their payments, which in turn coincided with the amount of revenue that we were able to collect with our property taxes for both general property as well as our debt service property tax.

Gross receipts tax, we are projecting almost \$50 million for GRT operational, and then we have a little over \$28 million for non-GRT, which a big chunk of that is related to our capital outlay GRT. We did see an impact to GRT as a result of the pandemic. However, we have seen some bounce-back, not only attributable to all the closures going

away, but also with internet sales as well as the inflation/high prices. Because of the high prices GRT will go up but as soon as the prices come back down we will see that impact within our GRT. Hopefully we don't have a long time of inflation, and it doesn't end up leading to a recession.

As far as the other revenues, our lodger's tax probably is the next revenue that we have seen a significant increase. We are projecting to – this is the first year, excuse me, this is the first year that lodgers tax has actually exceeded a million dollars. So with the addition of the lodging entities that already submit payment, we had Bishop's Lodge that opened up, and then in addition we are seeing a lot more activity with the short-term rentals. Lisa and Joseph's group are working really closely to make sure that those short-term rentals are licensed in the right location, meaning that they're not going to the City, that they're working with the County. They also are working on a process to ensure compliance on lodgers tax. So it's not a significant amount of revenue that we're seeing in the short term, but we're seeing a lot of activity each month, or actually quarterly for those payments. So we expect to continue to see increased revenue there.

And then we see the other component is our ARPA grant. So for fiscal year 22, departments haven't quite yet started spending. We are seeing a lot of activity in terms of contracts, of planning for projects. So the \$7 million that we have up there that we'll recognize for fiscal year 20 is related to the \$6 million that was designated as revenue replacement, and then we have the Lamplighter Inn of the \$1.5 million, and then we have a little tiny bit in there for basically safety supplies. That number may increase if we start to see any additional activity of projects or any of those contracts like with CSD and our CONNECT program.

For expenditures, we are projecting that we will have \$235 million in expenditures. Again, just like with the revenue, the total amount is inflated due to those transfers. If we have transfers going out or coming in, we also have transfers going out so they have to net out to zero. So there ultimately is no impact to the financial statements for those amounts. Again, with the ARPA money we have the corresponding amount as an expense for the grant itself, since have to actually report to the feds how we spend those funds. Expectations are that we will have spent \$19 million of our capital outlay. Any of the budget, the \$138 million that we budgeted for capital projects, capital outlay, any of that that is unspent will roll over into the following year.

The Board approves a project for the project itself so it's approved for the life of that project so that budget stays with that project until it's completed.

So the next slide that we have is our budget for fiscal year 23. So as we briefly talked about during the last presentation we would present the budget in the recurring component versus non-recurring component, as well as the debt service. So what we have here is the interim budget for revenues for fiscal year 23, for recurring revenue, as well as recurring expenditures for the department requests. As you can see, total revenue that we're projecting is \$148 million, whereas the department requests – just the department operating requests are \$152 million. So when we take out all of the non-operating components of what we had presented before, the budget is only off by about \$3 million for balancing in total.

We are projecting a slight increase in general property tax in addition to an increase in our GRT as well as hold harmless. Even though hold harmless is on a

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downward trend, meaning that we're continuing in the phase of the seven percent reduction because of inflation, we are showing an increase for hold harmless.

Again, lodgers tax, we are projecting it to still reach a million dollars. It may not be as high as it was this year but it could actually surprise us.

We did make adjustments to care of prisoners due to staffing issues and a reduction in the number of inmates that we're caring for as well as our contracts with other organizations to house their inmates, so we made adjustments to care of prisoners.

Grants – the grants up there specifically are only for our normal operating grants, so the grants for senior services as well as housing. The ARPA money will come in again at a later point in time. And then we have – we are showing an increase also to investments, hoping to see that we'll start to earn more on our actual cash balances.

As far as department recurring expenses, this amount includes all of the personnel costs that were proposed to the Board – the COLAs, the class and comp adjustments – the only thing that's not included in this is the fixed asset request, which we have put into the non-operating component. The only other anomaly on this is debt service is going to be presented by itself. However, the utilities fund has a small portion that they contribute for the solar array projects so it is part of their operating budget since they use operating revenues to fund those payments.

Self-insurance fund, we're projecting claims to be about \$10 million for fiscal year 23. Before I move on, are there any questions regarding the recurring budget as presented?

CHAIR HAMILTON: I actually have a couple, very small ones. One is not of great importance but in the FY 22 budget, the transfers in and the transfers out aren't the same number. Is there a reason for that? Because I thought I had that all understood finally.

MS. HERRERA: Probably because –

CHAIR HAMILTON: I know we're not finished for the year so I didn't know if that was part of the reason.

MS. HERRERA: That's most likely a typo on my part.

CHAIR HAMILTON: Okay.

MS. HERRERA: I apologize. What I cannot tell you is if it's \$65 million or if it's \$67 million. But one of those numbers is correct and we will only transfer the amount that we can transfer.

CHAIR HAMILTON: That's cool. I just thought it might be useful to know if it had to be the same.

COMMISSIONER HANSEN: Madam Chair, I noticed that also.

CHAIR HAMILTON: And so the operating – these budgets are small for 2023 because it doesn't include any of the capital or fixed assets and that kind of thing, right? So that's why it's smaller. Do you have any concerns that we're three million over in projected spending. There's always something that's thrown in from like operating cash and stuff, but is that why it's not shown here?

KATHERINE MILLER: Madam Chair, Commissioners, if you recall last year when we got the ARPA funds, one of the things we asked for was \$6 million last year and \$6 million this year to be set aside for revenue replacement, and predominantly to cover salaries and benefits, so that we would be able to provide COLAs and additional

FTE. I want to point out that while budgeted recurring expenditures exceed estimated recurring revenues, we also tend to estimate revenue a little bit conservatively, and we also – I'll call it over-budget on the operating side, because we budget 100 percent of salaries and benefits always have vacancy savings in pretty much every department except Probate, because there's only one person and one salary.

So we always have money – a cushion there, as well as there are some things in the operating budgets that are one-time expenditures. They're not necessarily recurring, but we don't go into the line items and pull those out. So for instance, you might have in contractual services a one-time contract. I can think of even one that we're working on that will be two years and that's our MS4 permit. That's built into the operating budget. I want to say it's \$180,000, \$175,000 this year and next year. That's not going to be recurring. So some of those type of expenditures are in these operating budgets that are not truly recurring but it's really hard for us to go into each line item and pull them out. But what we did pull out is fixed assets, which I would also say that fixed assets are also sometimes recurring from the perspective of, yes, we always by replacement sheriff's vehicles. We buy replacement equipment, computers, etc. that if you had a recession and you had to cut spending or stop spending it's very easy to say, okay, we're just not going to spend capital purchases. We're not going to do – and I don't mean projects, just fixed assets, anything over \$5,000.

And so we can't really separate all of that in this report and our system doesn't let us pull it out that way, but we wanted to just show for comparison purposes we are monitoring, in putting this budget together, what's really recurring – salaries, benefits, utilities, that type of thing, and what revenues are also recurring and are we pretty close, even though we don't show it here dollar for dollar. At the state they'll show it dollar for dollar, but in reality your operating budget has one-time expenditures and your fixed assets have recurring expenditures. But just to clarify why it's not dead-on. And in a future slide you'll see that we do use that \$6 million that we said would be revenue replacement to cover that gap.

CHAIR HAMILTON: So it's not actually added in here? That \$6 million.

MS. MILLER: No, it's a couple slides down. It's in slide 10.

CHAIR HAMILTON: Great. Several of those things had occurred to me but that answer is fabulous. I really appreciate it. Commissioner Hughes.

COMMISSIONER HUGHES: Thank you and speaking of the transfers in and transfers out, could you explain that to me again, where that money comes from and then what's it's used for when it goes in?

MS. HERRERA: So the transfers in and out, or the transfers between funds is just the movement of operating resources, or resources into the funds that those resources support. So for instance, capital outlay GRT. Not only do we use the capital GRT revenue for our capital projects report or fixed asset costs but we also use it to pay from debt service because we've pledged some of that revenue for one of our revenue bonds. So we transfer money from the capital outlay GRT fund into the debt service fund so the debt service fund can then make that payment. So it's just a movement.

So the way that the County has set up its accounting fund structure we record certain revenues in their own fund to isolate them from all other resources. From all other general type resources. And then from there we then propose a transfer or resources to

wherever that support needs to happen. So we have capital outlay GRT. We have the environment GRT increment. We have the EMS.

MS. MILLER: I'd give an even more simple one, and that's the jail. So the jail does not generate enough revenue for its \$25 million annual budget. So most of our revenue is received into the general fund – GRT, fees, permitting fees, property tax. It's over \$100 million going into the general fund, but we separate out other operations in the Corrections fund, the road fund, road maintenance fund, etc. But those funds don't generate enough revenue on their own to cover the cost of the operations of, say, the jail, or our road maintenance.

So you transfer out of the general fund. So you're going to receive in property taxes. That's the first place the revenue is recorded as property tax. Then you're going to take, say, \$10 million of that property tax revenue and you're going to transfer it out of the general fund. So now it's going to be shown as an expenditure out of the general fund. So you've got \$10 million in, \$10 million out. But now you're over here in the Corrections, so that's a transfer out. Then you've got your Corrections fund that has its \$25 million budget, and you're going to transfer that \$10 million. So now it's a revenue into the Corrections. And then you're going to pay all those salaries; that's your expenditure out. That's why they represent almost a doubling of the budget, because it's really only one revenue, property tax, but you need to reseat it into the general fund. Then you need to move it out of the general fund over into Corrections, so it becomes revenue a second time as it goes into Corrections, and then it's an expense a second time when you're paying the bills out of the Corrections fund.

And it's the same with road maintenance. We don't get enough money off of the gasoline tax to cover what it costs for us to have five maintenance crews and maintain our roads. So we take general fund money – I don't know, \$5 million or so, transfer it out of the general fund from property taxes and GRT. That transfer out would be a \$5 million expenditure and then it's going to be a revenue again as a transfer in to the road fund as \$5 million. So that \$67 million or \$65 million, we have to budget it because when we turn it into DFA when we turn our budget in, any transfer between funds needs to be shown as a budgetary item, and when you do budget adjustments throughout the year, any time we either raise a revenue in a fund, so we get a grant. That comes to the Board because you're upping the revenue of that fund, or any time we transfer between funds also has to come to the Board and is submitted to DFA for approval.

So transfers, when you're looking at that \$404 million, it inflates your actual budget from a true expenditure standpoint. It's recording those movements between funds. Does that make sense?

COMMISSIONER HUGHES: Yes. I understand it now. Hopefully I'll understand it next week.

COMMISSIONER GARCIA: Madam Chair, I have a question whenever Katherine's done. You do an excellent job. You know that.

CHAIR HAMILTON: Okay. Hang on. I'll get to you in a minute. I don't think Commissioner Hughes was finished. I'll get to you next.

COMMISSIONER HUGHES: Yes, I just was going to confirm. So basically, it's a \$150 million, roughly, budget, and then there's the transfers, but the transfers aren't actually different money. It's the same money being moved around.



MS. MILLER: Correct.

COMMISSIONER HUGHES: Gotcha. Thank you. That was it for me.

CHAIR HAMILTON: Excellent. Thank you. Commissioner Garcia.

COMMISSIONER GARCIA: Thank you, Madam Chair. In regards to when I first started working for the Assessor's Office I worked for Mercy Quintana and I worked for Benito Martinez. I didn't work for Gus, but our \$6.7 billion revenue that we're bringing in actually – and the young lady that actually did a presentation, you did a great job. Great job. And in regards to all the federal money we have and all this other stuff we have, and the \$6.7 billion that we have in revenue, Santa Fe County does very well, and I'm glad that we have Katherine Miller, the ex-County Manager because, I'd toot your hoot all day long. Out of 33 counties, you're the best County Manager and the best Financial Director that anybody can ever have. And yes, we have Greg now and we have other individuals to take the reins, but I give you – you're the best.

However, not however, but I want to make sure that I'm very concerned about our Projects Division. Carmelina Hart's leaving and so is – what's her name -- that built 100 Catron Avenue. I forget her name. And I just wonder what our retention is, our retention policy if we're losing all these great people that work for the County, because we're losing people left and right. That's the question now, Greg.

CHAIR HAMILTON: Okay.

COMMISSIONER GARCIA: I just want to know.

CHAIR HAMILTON: Commissioner Garcia, I'd really like to restrict our comments and questions to budget matters. We can talk about that –

COMMISSIONER GARCIA: That is a budget matter, Commissioner, Madam Chair. That is a budget matter. Whatever we have budget matters that we can't retain individuals, that is a budget matter, and we're talking about the budget, so what are we doing to retain the budget matter. Yes, that is a budget matter in my opinion. I'm not going to bring it up today, but I will bring it up. Thank you, Madam Chair.

CHAIR HAMILTON: Thank you, Commissioner Garcia. Katherine Miller.

MS. MILLER: Madam Chair, we did, and we'll get to it further on. We are and have been working on salaries and there's quite a few things in the proposed budget to address compensation.

CHAIR HAMILTON: Yes, so that will come up later, Commissioner Garcia, and we can readdress it then.

COMMISSIONER GARCIA: Thank you, ex-Manager Miller for bringing it up. And Madam Chair, that is a budget item. So thank you, Madam Chair, for letting me speak, and thank you, Katherine. Appreciate that.

CHAIR HAMILTON: Thank you.

MS. HERRERA: So Madam Chair, taking what we have for recurring revenue and recurring expenditure we provide how we plan to cover that deficit, or we want to show reconciliation but also then show how we're going to cover that deficit. So the first presentation that we provided the Board back in the beginning of April we showed that we were projecting revenue at \$148 million. I'm sorry; I apologize. We estimated that recurring revenue would be \$148 million.

We had department requests of \$146 million, and in addition to those department

requests, we are including the following recurring investments, which are all of the different compensation packages that we are proposing. So we have the three percent COLA that will be effective July 2<sup>nd</sup>, for the entire County, at \$2.1 million. And then we still have some employees that will not be at the \$15 an hour minimum. So we want to make sure we adjust those. That's just under \$51,000. And then we have been in the process of a class and compensation study to try to address – try to make sure that we are paying our employees at market value.

There's two components to the class and comp study. The first one is to address – because we are condensing all of our pay ranges down significantly, the movement or the assignment of the positions to those new pay ranges results in adjustments to their hourly rate to push them up to at least the minimum within the new pay range. And then the second component to the compensation study is to address the compression, to make sure that we are accounting for people's experience in their actual pay range.

Then we have another COLA that we're proposing that will take effect in January of 2023, a 1.5 percent COLA. That again will also be Countywide with the exception of probationary employees. However, those probationary employees will be eligible for that COLA on their anniversary dates.

Then we have the required PERA contribution, the first of four increases, a half percent that starts on July 1<sup>st</sup>, estimated at \$500,000. And then we had departments FTE requests as well as reclassifications and that's \$591,000. And then we have the five percent insurance premium increase as well as a tier change, which resulted in an increase only to the County costs of \$396,000.

So with the department requests and those proposals, that brings the proposed budget to \$151 million. And then we just had one more adjustment to the budget, a net department budget cut as well as adjustments of \$334,000, bringing us to the total recurring expenditures for fiscal year 23 at \$152 million, resulting in that \$4 million deficit between our recurring revenues.

So what we're proposing to fund that deficit is with – this is where Katherine had mentioned the ARPA funds. So the Board had allocated \$6 million of the ARPA money as revenue replacement so using the \$6 million we will cover the deficit with a little bit extra and as Katherine mentioned and as you, Madam Chair, asked, this is – we wanted to break it out to show how we were going to use revenue replacement to address the deficit with our recurring revenue versus department expense.

In addition to the ARPA funds, some departments have proposed some frozen vacancies in 60 positions. The positions aren't going away. They are positions that the department has determined they can do without for a period of time. However, we will re-evaluate how the budget looks at mid-year for 23, and if all signs point to us moving in a good direction we may ask the Board to fund those positions for the remaining fiscal year. And the savings from those positions is \$826,000. And with that, are there any questions regarding how we're going to fund the deficit between the recurring revenues as well as the department requests?

CHAIR HAMILTON: Commissioner Hughes.

COMMISSIONER HUGHES: Yes, just real quick. So I don't have any question about how we're going to cover it but it sounds like also, even though there's a deficit on paper we may not actually have a deficit because we may spend less and the

revenues may be more. Will we still spend the \$6 million in ARPA funds regardless of whether we need them or not?

MS. MILLER: Madam Chair, Commissioner Hughes, yes. From the perspective of we will show that they have been expended as revenue replacement to the federal government. Once we're reported that those have been expended, essentially they become like general funds. So if there's excess funds at the end of the year that will fall to cash balance in whatever funds we had attributed them to revenue replacement, which is most likely general fund. That's where most salaries – or anywhere in Public Safety. That's what we did with the CARES Act. We used Public Safety salaries in order to expend the CARES Act funds appropriately and that would be an appropriate reporting of using these for general tax dollars that supported paying Public Safety salaries.

But at the end of the year what you'll see is we will have reseeded that as revenue and we will have used it to pay salaries. But it could potentially, if we end up with more revenue, replace property tax or GRT. And then that might fall to the cash balance in the general fund, or it could be in Corrections or somewhere else.

COMMISSIONER HUGHES: Okay. I just wanted to make sure at the end of the year if we have a cash balance we get to keep it.

MS. MILLER: Madam Chair, Commissioner Hughes, yes. With these funds, yes. The thing that we do need to do though is the other items – well, actually, out of the \$29.4 million, we received all of the distribution of that, and over \$20 million qualified for revenue replacement. And then with the housing of the Lamplighter and CONNECT, we'll probably end up qualifying all of our expenditures pretty quickly.

MS. HERRERA: Madam Chair, Katherine, yes. The ARPA program allows government entities to calculate revenue loss in three different fiscal years or at three different times. So the first two calculations brought us up to \$24 million, and we're expecting that the final calculation will take us up to the \$29 million, our full allocation amount, which will – basically it allows us a little bit more leeway in how we spend that money. But the intent is we're still going to spend the money as the Board approved. It's just there's reporting requirements that we won't have to do because of the fact that we've been able to classify it as revenue replacement. But if there is something that the Board decides later on to do with it, there's a lot more leeway by having it classified as revenue replacement, versus saying we're going to spend this much money for infrastructure, this much money for Health and Human Services, this much for what not.

There's a lot more restrictions when we start allocating it to that level versus revenue replacement. So our goal has always been to try to get the entire amount classified as revenue replacement to make it easier for us to be able to use it if we need to use it in a different way than the infrastructure or Health and Human Services or in general revenue replacement, because we did have revenue loss during that one year and it was quite significant for us.

COMMISSIONER GARCIA: Madam Chair, I have a question.

CHAIR HAMILTON: Yes, Commissioner Garcia.

COMMISSIONER GARCIA: Thank you. You know, ex-Manager Miller, thank you for being on the call. You have taken care of Santa Fe County for many, many years and you've taken care of –plus, plus, plus. You know, whatever the policy makers need to do, if we need to adjust money here and there, we can do whatever we need. One

of the things I have concerns about is we already lost Barbara Herrera from Projects. We now are going to lose Carmelina Hart, so I'm concerned about that stuff because where are these employees going? Where are they going? I'm just very concerned. Manager Shaffer, and we have enough revenue from our valuation that Gus has done, from Mercy to Benito, those individuals that the County – our budget is very well – in the entire state. It's kind of what we're trying to do. I'm just concerned about retention for employees. How are we going to keep retention for employees, because we have no Project Manager. We have \$100 million and I want to know – That's for Katherine. That's for P.J. and you know who I'm talking about, Greg. We need to get those individuals in there to do [poor audio quality] Thank you, ex-Manager Miller. Thank you, Madam Chair.

CHAIR HAMILTON: Thank you, Commissioner Garcia.

MS. MILLER: So Madam Chair, Commissioner Hughes, to clarify or kind of expand on what Yvonne was saying, for reporting purposes with the ARPA funds, first and foremost, we track all ARPA incoming revenue and expenditures in a specific fund so we can see and have easy reporting. But we're reporting on a quarterly basis to the federal government everything that we can for revenue replacement. If it qualifies for revenue replacement we're reporting it as such so that we don't have to keep reporting every nickel to be expended exactly per the federal regulations. However, when we allocated the funds at the Board level when the Board said we'd like \$2 million to go to housing. We'd like \$1.5 million or whatever it was for economic development. \$3 million for CONNECT and \$1.5 for behavioral health, that's where we are spending it. It's just we won't have to keep reporting for several years those expenditures once the money has been reported to the federal government as revenue replacement.

So it's a little bit of here's how it works in our budget and here's how it works in reporting to the federal government, because it does qualify, and once it's qualified as revenue replacement it's must easier to track and to spend and to allocate and keep our federal reporting in compliance.

COMMISSIONER HUGHES: Yes, that makes sense. Thank you.

COMMISSIONER GARCIA: Madam Chair.

CHAIR HAMILTON: Commissioner Garcia.

COMMISSIONER GARCIA: If I may, Madam Chair.

CHAIR HAMILTON: Yes.

COMMISSIONER GARCIA: So just to add, remember, those are federal funds that are going for the fires, or coming from whatever else, those are "free" dollars, as long as we report where we're spending it, we're good. Those are free dollars on our budget. Katherine does an excellent job saving money and whatever else we have to do in our budget. Those are beyond our budget that we never had and that we have now. Thank you, Madam Chair.

CHAIR HAMILTON: Thank you. Yvonne, I think we can move along.

MS. HERRERA: Madam Chair, the next component of the budget is our non-operating and capital project budget. Here, this is where we report our capital GRT, capital outlay GRT, and some of the other increments that are only allowed for specific use, and then we have our grants related to any capital project, as well as the ARPA money. So we have a little tiny bit budgeted right now for ARPA because that's all that's provided. However, again, when we bring the final budget to the Board we expect to

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provide a robust budget of those ARPA funds.

And then off to the right we have the expenditures for those. So we have the Fire Department in their non-operating transactions, costs. We have \$3.5 million in operating costs. This is a change from prior years. As part of the GRT distribution that we receive from the state it is a net amount of an admin fee that we pay the state for their job in collecting it on our behalf. And in the past we've netted that with revenue. However, due to complications with the reconciliation and reporting into the LGBMS system of DFA, we decided to report it as expenditure instead of netting it with revenue. So that's the only difference that is significant here for the Board.

And then we do have the state 1/12 healthcare GRT where we do receive that GRT but we send it back to the state in their efforts for healthcare. And here we have the capital outlay related to fixed asset requests from the departments – vehicles, computers, machinery, what not. In addition to our fixed assets we also have our capital outlay which is related to our projects. And this is a preliminary budget. Again, we'll have a more robust budget for our projects during the final budget presentation.

And then in addition to that we have our contingency funds and continued discussion of our transfer. This is where we would transfer some of our GRT to our debt service fund for those debt service payments. So for the non-operating and capital budget, we have \$46.8 million in expenditure, and we do have \$46.8 million in revenue but as you can see, \$17.8 of that is related to budgeted cash. And again, the bulk of that is related to the fixed assets because we fund those through salary savings and then the remaining part is related to our capital projects.

And before I move on to the last component of our budget, are there any questions related to the non-operating component?

COMMISSIONER GARCIA: Yes, Madam Chair, I have a question.

CHAIR HAMILTON: Commissioner Garcia.

COMMISSIONER GARCIA: I'm a little bit concerned in regard to our Sheriff's Department as in regards to City police are getting a 60 percent raise. State Police a 60 percent raise. Everybody's going to jump ship and go across the street. I just want to know how much money we have budgeted for the Sheriff retaining employees. I'm just bringing it up. Thank you, Madam Chair.

CHAIR HAMILTON: Thank you, Commissioner Garcia.

MS. MILLER: I can take this. On slide 12, Madam Chair, Commissioners, this is the debt service. We've pulled that out of the total so you can see our debt service. We have, for the most part two types of debt service. That's GO bonds that are done in the general election, and we receive property tax revenue for that, and we have revenue bonds, and those are predominantly the ones that we have outstanding are the revenue bonds that pay for the renovations of this building, the Catron Building. I think we still have, although it's a refunding, some for the courthouse and BDD, and then included in the bonds that we did for these two buildings downtown were some money for ADA improvements and for the road construction in the Pojoaque Valley. So those are our revenue bonds.

And this is the total of the debt service payments on all of the general obligation and those bonds. The only one that's not in here is the loan that we share with the City of Santa Fe for the solar out at the BDD, and that was reflected in the operating budget and

that comes out of utilities operating budget.

On the next slide, slide 13, this gives you a breakdown of the revenues, same revenue sheet, all the different revenues that are identified in the 2022 budget but this is what we're projecting for 2023. As Yvonne said, we're looking at a little increase and hopefully we will even do better on property tax. As you saw the valuation is up 8.5 percent between residential and non-residential. That's great. Our debt service, that's based on we actually calculate for budget purposes what our actual debt service payments are, and then the debt service rate is set by DFA in September, September 1<sup>st</sup>, and then that comes back to the Board in the property tax certificate. But we estimate this based upon what our actual debt service payments are.

The valuation fund is also based upon one percent of the collections of property tax and that was what was just reported by the Assessor's Office as part of their budget. For appraisal purposes, we use the valuation fund and for their general operating budget we use general funds. So their budget is a combination of those two and you'll see that we are estimating a \$4.3 million budget for the Assessor's for fiscal year 23 and that's in a couple of slides.

Payment in lieu of taxes, we're just estimating it'll be about what it is this year. It's been around \$790,000 to \$810,000 for the last several years and we usually receive that towards the end of the fiscal year in June. We haven't received our payment yet for 2022 but I think we will be receiving it within the next month.

GRT, we took kind of a middle of the road between what we had budgeted for 2022 and what we think we'll receive for 2022, and we talked about why we think that might be – why we believe it will be better and stay at a higher amount based on internet sales and construction and what not. But we also don't know that it will stay at that level because all of the federal stimulus dollars that were pumped into the economy and to individuals' income, those have stopped and we're really just working off of ARPA funds and spending those. So we think we might see – and there are indications. I was looking at the national report on home sales, have declined nationally for three months in a row now. They dropped another 2.1 percent last month.

So there still are indications. Interest rates are high. Mortgages are costly, and inflation is high, so there are some indications still of recession. So we are not as robust on our GRT forecasting as being as good as fiscal year 22, but we do believe it will be better than what we had anticipated for fiscal year 22.

We broke it out again in 2023 between operational and non-operational. As Yvonne said, the non-operational is the quarter cent capital outlay GRT and increments that can't be used for salaries and benefits. And hold harmless, we do show between 2022 and 2023 a slight decline and that is because over the next seven years it will phase out at seven percent per year till the 49 percent that's remaining that we receive, and that's gross receipts tax revenue. We receive a distribution from the state in lieu of receiving the GRT directly on food and medical services. And that will phase out completely in seven years. So you'll continue to see that decline. Maybe not at seven percent per year but at some percentage, you'll have some growth and then the seven percent decline.

Other taxes and assessments, those are other fees that we have in the county. Then lodgers tax, ambulance billing, care of prisoners – that's lower than what we had budgeted for 2022 and even our adjusted budget in that is because of our staffing levels at

the jail. We still have not staffed back up enough to bring the US Marshal inmates back to the facility, so this is based upon staffing up over time and bringing those inmates back to the facility as we can handle them.

Utilities, relatively the same. Health premiums, slightly less on the revenue side. That's due primarily to the number of staff we currently we have in place, and other charges for services. This is based on the five-year average. License, permit fees same five-year average. Fines and forfeitures, this one traditionally, prior to 2021, has been higher. That's our DWI compliance fees and as you know – and it's also electronic monitoring fees, different types of fees that we receive and we just have not had the same type of fees due to the courts not having people in the DWI compliance program.

Grants, these are our operating grants. The \$17 million that we had in 2022, that includes capital outlay grants, and you will see those get budgeted when we sign those grants and when we do the capital budget. But the \$9.3 million and \$11 million, those are based pretty much on our operating grants, like the DWI grants, housing grants – things that we get on a recurring basis. Senior services. The ARPA, this is the \$6 million in revenue replacement and \$50,000 for the Film Office. We changed that JPA and \$100,000 for economic development, ARPA funds that we're spending for a training program.

And then our inter agencies and subsidies, that's pretty much funding that we receive from – most of that is funding we receive from Edgewood for fire services and EMS services. Miscellaneous revenues, those are anything that don't fit into the other areas. And then investment income, we are anticipating ticking back up with the higher interest rates. And then our transfers and one thing I did want to mention on transfers, I think the \$67 million might be the correct number, but also, we don't always transfer everything we budget if there's not a need to make some of the transfers. So sometimes you will see at the end of the year, if there's not a need to make the transfer because we didn't have the expenditures, we may not make that transfer and we might rebudget it in the following years.

And then we're estimating the \$21 million in cash at this point for fixed assets and that \$4 million or \$6 million of revenue replacement. And since we've already received that – I'm sorry. We already have the \$6 million up under the ARPA, and that should be APRA. I meant to tell you that. I noticed it yesterday but I forgot to tell you. Sorry.

But you will see budgeted cash also when we do the final budget, you'll see that number increase greatly because we have probably over \$100 million in capital projects that will roll over into the final budget. For a total of \$298,788, 068.

And then as Yvonne has stated, we've gone through and tried to outline everywhere where we made changes on those revenues from the original presentations when we started the budget study sessions and you can see where we made our adjustments to property tax as we got the values from the Assessor, GRT as we did a deeper dive into what was driving the increases in GRT revenue this year, and PILT, we initially had it at \$500,000. We looked back historically it's been \$790,000 to \$810,000 for the last five years, so we put that back up to \$800,000. And then that's where you see the ARPA grant revenue also. That was increased based upon recognizing that revenue and considering it needed for expenditure for salaries and benefits. And the adjustment to

investment income as well. And we added the transfers and we added the budgeted cash.

So then on slide 15, this is the breakdown by department of the interim expenditure budget and these are as presented except for those items that Yvonne had mentioned earlier and I won't go through all of them but on slide 16, that gives you all of the additions that we made to the interim budget from the 4/12/2022 presentation, and that's the three percent COLA Countywide effective July 2<sup>nd</sup>. I'd like to point out this will be Countywide. Typically what we do, our COLAs mid-year in January in the first full pay period, and it's for everybody who is not on probationary status.

But to the point that – I won't say that people are leaving just because it's a pay issue. We're have a – there's a lot of movement between the state, the City, the County, private industry. It's an employee's market right now. So there's a lot of movement in all agencies. I don't think it's particular to Santa Fe County. And it's also people have changed the way they want to work and what they want to do as they've come out of the pandemic. There are a lot of people who are retiring and not going back to work, and I'm hearing this with every entity that I talk to, a lot of people retire and then go take another job. I know many people who are retiring to travel and not take another job; I'm one of them.

So I just bring that up. But we recognize that we do want to make sure – there has been a lot of inflation and that affects everybody whether you're probationary or not. So the three percent COLA, we moved it up to be effective July 2<sup>nd</sup>, which is the first – will be the beginning of the first full pay period in fiscal year 23, and then we also have proposed a COLA of 1.5 percent Countywide on January 1<sup>st</sup>, but that one will go back to our process of doing anybody who is not probationary, but at the time they hit their one-year anniversary then they will get that COLA. And that has been – our process has been to only give non-probationary employees COLA. This would be a slight change that they would get it once they come off of their probationary status and hit their one-year anniversary. So that's in there.

Also we had talked about making sure that there's nobody who makes less than \$15 an hour at Santa Fe County. That's \$51,000 in the budget by July, if there's anybody left. We've been actually working through most of those in the last several months with current year budget, but if there's anybody left based upon the current payroll, that was what was estimated to be needed to cover those, and also if the class and compensation study, what has been proposed, which is going from about 70 ranges to 20 ranges, after the COLA, after the three percent COLA would be about \$203,000 to bring everybody at least into the minimum of the new ranges.

And then we put it – and this won't address all of the compaction issues Countywide but we thought we could afford to put \$1.25 million into the budget to start to address it, and spread people out who might be compacted at the bottom of a range, based upon experience, skills and knowledge in their positions.

And that will take probably a little while to implement that, because we have to go through each position, each job description, and each classification of individuals in those positions.

Then also the change of the state contributions, state law for employee and employers to increase the contributions into PERA by ½ percent. Our cost on that will be \$500,000, after we implement the COLA. Also based on the FTE reclassifications, new



requests that were put forward in the last budget study session, those 11 positions, that would be \$591,000, and then also the insurance premium increase and two changes for our health insurance come the beginning of January, is \$396,000. For a total of compensation packages of almost \$5.7 million.

And then the other budget adjustments were ones that Yvonne already mentioned and that's the administrative fee for our gross receipts tax collection to Tax & Rev. The voluntary budget cuts and adjustments that were made by departments from the first time we presented to the Board to now, these are ones that the departments came forward and said they could either do without or put off by another year. We also went in and made adjustments to the fixed costs – utilities, fuel, and insurance, and then there were some reductions by the departments on their fixed assets for a total of \$3.5 million, almost \$3.6 million.

Then we also have – this was previously referred to as the sole community provider, but that changed in – I think it was 2015, that we have to remit to the state an equivalent of 1/12 of one percent GRT, and they use that to pay a higher Medicaid reimbursement rate to Christus St. Vincent's and sole community hospitals.

So that's what our estimate is for that payment. We get a bill and we fund the state. They let us know what we owe them and we pay them quarterly on that.

And then capital projects, what we do know so far and we are in the process of reconciling between Finance and Public Works and the departments on their projects but right now we have \$14.8 million carryover on existing projects that are budgeted in fiscal year 22 to carry over into 23. That number will go up significantly in the final budget. And then contingency, balances of \$3 million and the transfers estimated at \$78.2 million, for total adjustments of \$107,640,303, bringing the total budget to \$298,788,068.

CHAIR HAMILTON: Is this a good time to maybe break in for a question?

MS. MILLER: Sure.

CHAIR HAMILTON: Commissioner Hansen.

COMMISSIONER HANSEN: Thank you, Madam Chair. I just wanted to make a comment that we do have a new employee in our midst right now, Michelle Hunter, who is the Water Resource Manager, so we take people that come from the state to come to the County and County goes other places. And I just wanted to point that out, that it's not just us losing people but that we all – people are moving around and I just wanted to make that comment since we were talking about compensation and class. And I want to welcome Michelle. She's my neighbor in my neighborhood, so I'm very excited.

CHAIR HAMILTON: Great. Welcome. Thank you. So back to Katherine.

MS. MILLER: Thank you, Madam Chair, and I agree, Commissioner Hansen. A great addition to the County.

CHAIR HAMILTON: Absolutely.

MS. MILLER: So on slide 17, that's just the breakdown of those individual costs of the items I just mentioned from slide 16, and then for purposes of that union negotiation, we always like to make sure we show by union and non-union how we come to the \$2.1 million and the \$1,099,000. I will say the \$1,099,000 is a full year but that COLA would come in to play in the calendar year, so from the calendar year budget, it's a \$549,649 for the 1 ½ percent COLA in January. And all of those amounts are the

amounts, and I did want to note, on the last two, those numbers were transposed between IAFF and non-union employees, but we've corrected that in this slide. So the last slide, you'll see the little note. It was that those amounts were accidentally transposed on the last May 10<sup>th</sup> presentation; these are the correct numbers for non-union and all the other bargaining units for that three percent COLA and the 1 ½ percent COLA.

Then for the prescription, medical and prescription insurance increase, this was the breakdown of that cost and condensing our four tiers to three tiers, with the County paying 80 percent of premiums for individuals with salaries equal to \$35,000 and less; paying 75 percent if their annual salary is \$35,001 up to \$75,000; and then tier 3, 70 percent of the premiums for those over \$75,000.

And then there'll be a five percent increase to the premium, but the changes to the tiers and the COLA significantly offset that increase in the premium to the employees and the change in the tiers covers the cost of those and I believe in the last presentation there were several examples of how that played out.

Then on slide 20 is the FY 2023 FTE recommendations, and that is positions that were discussed – three in Growth Management, six positions in Fire, one in Clerk's and one in IT, I believe, for a total of 11 positions at \$591,011 and yes, they are broken down on slide 21, so we just looked at that, and general fund would cover \$322,000 of it, and the GRT dedicated to emergency medical services in the second one-eighth would cover almost \$270,000 of those costs.

And let me correct that. It's three positions in Fire and three in Growth Management, one in IT, one in Clerk's and then reclassification of three positions. So it's not three new positions; it's three reclassifications and three new positions. Fire did give up some of their administrative positions to reclassify them as other positions but we did have to add some budget to that in order to make that pencil out.

And then on the next two slides, slide 22 and 23 are the fixed assets, the \$14.2 million. General fund would cover about \$7.2 million of it and other sources would cover \$7 million of it, and we have a breakdown of the type of fixed asset request – vehicles, equipment, and IT, and other items, and then we have it also broken down on slide 23 by department and by funding source.

And then, just a reminder of the American Rescue Plan Act, as Yvonne said, what you see budgeted in the interim proposal is the \$6,150,000. That's revenue replacement and those two economic development items, but we will recognize the revenue as we expend, so when CONNECT expends money, then we recognize that revenue. We already have received it; it's recognized as cash, but we'll recognize it for budgetary purposes into the particular funds when we expend it. And that goes to the \$12 million, \$6 million last year, \$6 million this year for revenue replacement. \$1.2 million for public awareness and public health related expenses, \$1.5 million economic development, \$8 million – and that \$8 million, predominantly, there was about a million for broadband and then about \$7 million for water and wastewater projects. Then \$2 million for affordable housing and shelter assistance. Most of this we've expended, the \$1.5 million for Lamplighter has been expended, and then \$3 million for CONNECT programs and \$2.5 million for behavioral health, totaling the \$29.2 million over the two years.

**3. B. Resolution No. 2022-034, a Resolution Adopting the Interim Budget for Fiscal Year 2022-2023 (FY2023)**

MS. MILLER: And then that's the end of the presentation but there are appendices with the breakout of the FTE requests and the fixed asset requests and what is recommended to be funded and what the funding source is. And then there's also the presentation in your packet of the breakdown of the ARPA funds that were approved by the Board and the contracts that they would be going to.

And so with that, I would stand for questions or I'd entertain a motion to approve the resolution for the interim budgets.

CHAIR HAMILTON: Any questions? Commissioner Hansen.

COMMISSIONER HANSEN: If everyone's okay I'll be happy to make a motion.

CHAIR HAMILTON: Yes, I have a small question but it's nothing –

COMMISSIONER HANSEN: Okay, so I would like to make a motion to adopt the interim budget for fiscal year 2022-2023, and thank you very much Katherine and Yvonne. It was a really great presentation and you filled in all the gaps, so yay.

COMMISSIONER HUGHES: And I'll second the motion, although I do have a small question as well.

CHAIR HAMILTON: Cool.

COMMISSIONER GARCIA: I have some questions.

CHAIR HAMILTON: Okay. I'll get to you also. I have a motion and a second. Under discussion, Commissioner Hughes and then Commissioner Garcia.

COMMISSIONER HUGHES: Thank you. I was just wondering sort of where we are on this \$8 million of water and wastewater projects. Are those started? Are they finished? Are they almost started? I'm sure they're in various stages but I'm just curious if there's anything general you can tell me about that.

MS. MILLER: They are in various stages, Madam Chair, Commissioner Hughes. They are in various stages. Some of them, for instance, we had the Cañoncito waterline but the bulk water station was one of them and we're trying to add that to that project so that we're not having to start from scratch. And also, I think also we are connecting the TL2N line, the Cañoncito water system. We have that one in process and that Rain for Rent through completion of meters, and I think that's also – a portion of that has been completed. The Hondo bulk water station, we did an amendment to that contract, to have that done by the same contractor, and then you have John.

COMMISSIONER HANSEN: Also, I just want to, Madam Chair, is we have money for Agua Fria sewer infrastructure, wastewater in there.

JOHN DUPUIS (Utilities Director): Madam Chair, the Agua Fria sewer project, there are four streets that they're working on. Del Ross and A & B is two names but we consider it one street.

COMMISSIONER HANSEN: Commissioner Hughes, I was just interjecting. Commissioner Hughes asked what the \$8 million was for and I just interjected that some of that \$8 million was also for Agua Fria. I don't want to distract you.

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COMMISSIONER HUGHES: I was just asking sort of in general where we are on these projects. Are they all underway?

MR. DUPUIS: Madam Chair, Commissioner Hughes, they are not all underway. There are some that are, because of limited project management resources within the Public Works Department, they are not started yet. Those would be the Rancho Viejo tank improvements, the Romero Park waterline reroute, the Chupadero water system improvements is not started but it is advertised currently and we are moving forward with that one. So it's a little deviation. And then Pojoaque fire station 1 and Eldorado station 2 waterlines are not started.

MS. MILLER: And Madam Chair, Commissioners, and the Abajo, didn't we move that to the – that's the one we moved to the broadband, right? So we moved that funding – it's not on here but we moved that funding to the northeast/southeast connector to put the conduit in for broadband. And that's been designed and will go out to bid.

COMMISSIONER HUGHES: Okay. Are we in general expecting to – I guess when would we expect to have all these finished, if everything goes as planned. Is it like the end of this coming fiscal year?

COMMISSIONER GARCIA: Madam Chair, I have some questions that I've been saying for years. I know Manager Miller – those are hard questions because – Gary Giron. Mr. Giron, that's your project and you lost a Project Manager and you need – Greg Shaffer, you've got to figure out what's going on with Projects because I don't know it's hard to hire people, however, we need to get these projects done. I had ten projects in my projects before the other ten come about. Got to figure it out.

MR. DUPUIS: Madam Chair, Commissioner Hughes, to answer your question of would they be completed next fiscal year, I don't think that that's likely the case. Some of them are longer than a year's timeframe for construction, but we would likely be underway by the end of the fiscal year with all projects listed here.

COMMISSIONER HUGHES: Okay. Thank you. I just wanted to get a general sense of that. Thank you.

COMMISSIONER GARCIA: The next year, what does that mean? Are you having problems with people, on the record, John? Are you going to be with all the Agua Fria projects and everything else? What does that mean within the next year we're going to be underway?

MR. DUPUIS: Madam Chair, Commissioner Garcia, my expectation is that we will have all of these projects within some phase that they are not in currently, so where, for example, the Pojoaque fire station 1, we do not have designs so we would be under design by next fiscal year.

CHAIR HAMILTON: Okay. Thank you, Commissioner Garcia.  
Commissioner Hansen.

COMMISSIONER HANSEN: Yes. So included in the \$8 million is some more money for the Agua Fria wastewater project also?

MR. DUPUIS: Madam Chair, Commissioner Hansen, I do believe we added some for Agua Fria. We added \$1.12 million.

COMMISSIONER HANSEN: Of this \$8 million. Okay. Thank you.

CHAIR HAMILTON: Thank you.

COMMISSIONER GARCIA: Madam Chair, remember, don't put

yourself on the line. I have a real problem with everybody. I'm trying to just – and you know, done. You don't do vertical stuff. You do linear stuff. So don't - you were not a Project Manager – [poor audio quality] So don't put yourself on the line. I need to talk to our representative Gary Giron and his staff, P.J. and yourself and everybody else, and talk to us and tell us when those sewer lines are going to get done. When the vertical projects are getting done and when the actual – all the other funds are getting done. That's – so, John, don't put yourself on the line. Madam Chair, thank you.

CHAIR HAMILTON: Okay. Thank you, Commissioner Garcia. So we actually have a motion and a second. If there's no further discussion –

**The motion passed by unanimous [4-0] voice vote.**

CHAIR HAMILTON: Thank you. This passes. I can't tell you how much we really appreciate the incredible work you guys put into this. It was a fabulous budget presentation. It's a huge amount of effort and just incredibly clear and informative.

MS. MILLER: So Madam Chair, first of all I'd like to really recognize Yvonne and her staff. As you know, we've had a very difficult time filling Finance positions. I think the entire state is having difficulty filling Finance positions. So it's meant that Yvonne and her staff have really had to pull double duty. I don't think she ever wanted to do three budgets. I think this is her third one without a budget director. She doesn't consider herself a budget person but she has become a budget person.

And then I also wanted to just point out our next steps. So the interim budget needs to be to DFA by June 1<sup>st</sup>, and then we still need to do the final budget and you're probably wondering what's different about the final than the interim, but there are things that have to go into the final budget that we can't do ahead of time before we know the actual year-end balances and what not. But we come back to you and I don't think we will on the 31<sup>st</sup>, but on the 14<sup>th</sup> of June we'll come back to you with some of the additional changes and that's any kind of new numbers that we have on grants. We do tend to get – and you already saw it in the interim from our last presentation to this one, we start to get final numbers from the state on what our distributions will be like for DWI grants, the seniors grant – things like that. So you'll see those type of changes. And then we also will have reconciled capital projects, and that is looking at what we currently have budgeted, where we believe we will be on expenditures at June 30, and therefore what we need to roll over into the final budget so that staff can continue to spend money.

Once the final budget is submitted, we can't actually make any budget adjustments to that budget until DFA approves it, and that's typically in September, so we try to estimate what we will have in remaining budget for capital projects so if something is half expended we would try to estimate where that's going to be on June 20<sup>th</sup> and budget the remainder. As you know, we usually come back multiple times in the fall to make those adjustments as bills are paid and everything is reconciled to actual expenditures by year. I wish we could just do multi-year budgeting on capital and maybe in small time in retirement I could lobby the state to let us do that because it's probably one of the most cumbersome things is to try to carry over capital projects.

We also need to come to you and we've been meeting – one of the reasons for delays in Projects isn't just the fact that it's been difficult to have staff but the cost of

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materials has skyrocketed. So from the time that we entered into contracts for design on a lot of our projects the estimated construction costs for the projects, whether it's a road project, a waterline project or a vertical project, the cost of materials has just gone sky high. So there are several high priority projects that we were ready to award last fall but found ourselves significantly short. You've already appropriated some funds to some of those but we have more and we've gone through to try to figure out the ones that we can really get bid out and under contract, what is a number that we think we need in order to get those under contract and move them forward.

And so we'll be bringing those to you as well, so ones that we need to have additional funding. And then we'll also be putting in front of you, but you don't need to approve that in June, but you would need to approve it by the end of July is a list of potential projects for the general election bond questions. We're looking at approximately \$25 million in capacity. Most of that would go to roads, but we usually do three questions, and that's roads, water/wastewater, and open space and trails. So we have some proposals on that so that you can see when we're asking you to approve the budget or the capital projects with existing money that we have you'll be wondering, well, what about these other projects, and we hope to show you that big picture of what would be included in the 2022 bond questions. But that doesn't have to be approved until your last meeting in July in order to make it on – to give that to the Clerk for the ballot.

But for projects that we currently want to put into the 2023 budget that we have money for we'd want to do that in the final budget. So we'll be bringing those to you as well, and the capital projects staff and the Capital Planning Committee are going to meet next week to also review any new projects and Paul Olafson and his team have been working on the ICIP. So all of these kind of happen simultaneously.

We'll also do a department budget rollover request, so the departments are working on procurements right now to try to get them done and encumbered by June 30<sup>th</sup>. But if they don't, if there's a reason that we can't get the contracts awarded, the departments let us know they'd like to carry that capacity over into the new year, so we would be bringing those forward as well in the final budget, and an updated salary analysis – we keep updating it every payroll to reflect new hires or any promotions or any increases to pay, as well as any new vacancies. And then also all of the fund reconciliation and balancing adjustments that Finance needs to do, and if there's any additional ARPA funding that has been spent and we would be recognizing those revenues and expenditures.

And the hope is that while I won't be here, I will leave it in the very capable hands of Yvonne. Hopefully, you'll be able to have the final budget in front of you and the budget resolution at the June 28<sup>th</sup> meeting. But we'll have the majority of what will be in there to you on the June 14<sup>th</sup> meeting.

CHAIR HAMILTON: Excellent. Commissioner Garcia.

COMMISSIONER GARCIA: Thank you, Manager Miller, for helping us out. You've been here for the last – I've known you for many, many years, and you know everything inside and outside about that budget and wherever we can save that penny. You know how it works and that's why we have Leandro and the other Deputy County Manager. And Greg will do a great job. However, how much is it going to cost us to keep you on contract, because you know where every penny is. I'm going to miss you, and I

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just want to tell you that because you know how it works and you know where everything's at.

So we have to learn. I saw 385 kids on Wednesday to give them their diplomas and they've got to learn. So thank you, Manager Miller. Excellent presentation. And thank you guys at Santa Fe County for the many years. And Yvonne, you can learn from Katherine. Thank you.

CHAIR HAMILTON: Thank you very much, Commissioner Garcia. First, Katherine, was that next steps – and Yvonne, is there anything beyond that to conclude on?

MS. HERRERA: Madam Chair, no. That is it.

CHAIR HAMILTON: Excellent. Thank you. And thank you again for the incredible work.

**4. CONCLUDING BUSINESS**

**A. Announcements**

**B. Adjournment**

Commissioner Hughes moved to adjourn and Commissioner Hansen seconded. With no further business to come before this body, Chair Hamilton declared this meeting adjourned at 3:55 p.m.



ATTEST TO:

KATHARINE E. CLARK  
SANTA FE COUNTY CLERK

Approved by:

Anna Hamilton, Chair  
Board of County Commissioners

Respectfully submitted:

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

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