



STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
Bataan Memorial Building, Ste 201 • Santa Fe, New Mexico 87501
Phone: (505) 827-4950 • Fax: (505) 827-4984
www.ldg.state.nm.us

BILL RICHARDSON
GOVERNOR

KATHERINE B. MILLER
CABINET SECRETARY

ROBERT M. APODACA
DIRECTOR

October 22, 2007

The Honorable Virginia Vigil, Chair
Board of County Commissioners
Santa Fe County
PO Box 276
Santa Fe, NM 87501

Dear Chair Madam Vigil:

In accordance with Section 6-6-2-(E), NMSA 1978, the Local Government Division (LGD) certifies your final budget for the 2007-2008 fiscal year except for the following funds for which budgets were not created, but may be established during the fiscal year or a FY 2008 Budget was not submitted to the county commissioners for approval:

- 216 - FIRE IMPACT FEES FUND – Budgeted during fiscal year
- 224 – ECONOMIC DEVELOPMENT FUND – No budget submitted
- 229 - HOME SALES FUND – No budget submitted
- 230 – HOUSING SPEC REV FUND – No budget submitted
- 250 – CDBG FUND – Budgeted during fiscal year
- 260 – US ENVIRONMENTAL PROTECTION FUND – No budget submitted
- 311 – ROAD PROJECTS FUND – Budgeted during fiscal year
- 318 – STATE SPECIAL APPROPRIATION – Budgeted during fiscal year
- 340 – EQUIPMENT LOAN PROCEEDS – No budget submitted
- 350 – GENERAL OBLIGATION BOND 1997 PROCEEDS – No budget submitted
- 380 – FIRE TAX BOND PROCEEDS – No budget submitted

When management establishes a budget for any of the eleven (11) funds, The Board of Commissioners must approve them by resolution and submitted to the LGD in the form of a budget adjustment resolution for final approval. Expenditures in these funds cannot occur until a budget is in place.

Otherwise I find that your governing body has developed your budget in accordance with all applicable statutes and sufficient resources appear to be available to cover budgeted expenditures.

Budgets approved by the Division are required to be made a part of the minutes of your governing body according to Section 6-6-5, NMSA, 1978. In addition, Section 6-6-6, NMSA 1978, provides

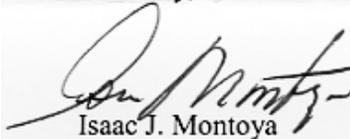
that the approved budget will be binding on local officials and governing authorities. Any official or governing authority approving claims or paying warrants in excess of the approved budget or available funds will be liable for such claims and warrants allowed.

Furthermore, state statute requires all revenue sources be expended only for public purposes, and if applicable, in accordance with the Procurement Code, Chapter 13, Article 1, NMSA 1978. Use of public revenue is further governed by Article 9, Section 14 of the Constitution of the State of New Mexico, commonly referred to as the Anti-donation clause.

Finally, please be advised that prior approval by the Division is required by Section 6-6-2-(G), NMSA 1978, on all revenue and expenditure increases, and transfers between funds.

If you have any questions, please call me at (505) 827- 4333

Sincerely,



Isaac J. Montoya
Financial Coordinator

Cc: John A. Gallegos, Bureau Chief

NOTES:

The last step of the legal adoption of the Final Fiscal Year 2008 budget occurs with DFA certification as stated in this letter. Additions to the budget in regard to the funds stated above may occur through Board of County Commissioner Resolutions which will also be certified by DFA during the Fiscal Year.

Unbudgeted Funds stated above, associated with capital projects, will be budgeted through Board of Commissioner Resolutions during the fiscal year. They are unbudgeted in the Final (July 1) Fiscal Year Budget because the capital project budget development process is out of synch with the process for developing the Fiscal Year budget in this document. Capital detail in the document includes the budgets of projects adopted through the first quarter of the year.

Unbudgeted Funds listed in the DFA letter above with the statement “no budget submitted” are historical in nature, with budgets in past years but probably will not have budgets in Fiscal Year 2008.

The statement about the “Anti-donation clause” of the New Mexico State Constitution in the third to last paragraph in the letter is appropriate; however there are significant issues in regard to this law and precept, not of County origin, in state legislative appropriations for capital projects. Examples of these can be found in “External Projects” in the Capital Improvements section of this document.

SANTA FE COUNTY

Resolution 2007 - 89

A RESOLUTION ADOPTING THE INTERIM 2007-2008 (FY 2008) BUDGET

WHEREAS, a special meeting of the Board of County Commissioners, held on May 16, 2007 for the study and review of said budget, with recognition of sources and uses of funds of said budget, was duly advertised in compliance with the State Open Meetings Act and the Federal Statements of Assurances pertaining to the requirements for revenue funds; and

WHEREAS, the official meeting of the Board of County Commissioners held on May 29, 2007 for the study and review of said budget, with recognition of sources and uses of funds of said budget, was duly advertised in compliance with the State Open Meetings Act and the Federal Statements of Assurances pertaining to the requirements for revenue funds, and the budget was duly approved by this Resolution at the regular BCC meeting of May 29, 2007;

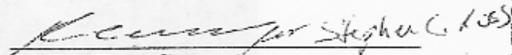
NOW, THEREFORE, BE IT RESOLVED, that the Board of Santa Fe County Commissioners hereby adopts the 2007-2008 (FY 2008) "Interim Budget" and respectfully requests final approval from the Local Government Division of the Department of Finance and Administration.

APPROVED, ADOPTED AND PASSED this 29th day of May 2007.

BOARD OF COUNTY COMMISSIONERS

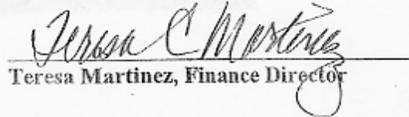
Approved as to Form


Virginia Vigil, Chairperson


Stephen Ross, County Attorney

ATTEST:


Valerie Espinoza, County Clerk


Teresa Martinez, Finance Director

COUNTY OF SANTA FE
STATE OF NEW MEXICO

BCC RESOLUTIONS
PAGES: 1

I Hereby Certify That This Instrument Was Filed for
Record On The 30TH Day Of May, A.D., 2007 at 14:10
And Was Duly Recorded as Instrument # 1485328a
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office

Deputy Valerie Espinoza
County Clerk, Santa Fe, NM

SANTA FE COUNTY

Resolution 2007 - 107

A RESOLUTION ADOPTING THE FINAL 2007-2008 (FY2008) BUDGET

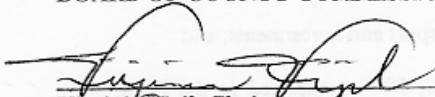
WHEREAS, the official meeting of the Board of County Commissioners, held on May 29, 2007, for the review and approval of said budget, with recognition of sources and uses of funds of said budget, was duly advertised in compliance with the State Open Meetings Act and the Federal Statements of Assurances pertaining to the requirements for revenue funds, and the interim budget was duly approved by Resolution 2007-89 at the regular BCC meeting of May 29, 2007; and

WHEREAS, the State of New Mexico, Department of Finance and Administration, Local Government Division granted interim approval of the proposed operating budget for the 2007-2008 year (Fiscal Year 2008) with documentation and technical adjustments that may be required.

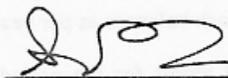
NOW, THEREFORE, BE IT RESOLVED, that the Board of Santa Fe County Commissioners hereby adopts the 2007-2008 (FY 2008) "Final Budget" and respectfully requests final approval from the Local Government Division of the Department of Finance and Administration.

APPROVED, ADOPTED AND PASSED this 10th day of July, 2007.

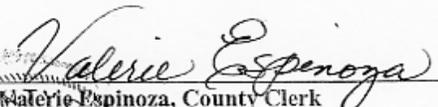
BOARD OF COUNTY COMMISSIONERS


Virginia Vigil, Chairperson

Approved as to Form


Stephen Ross, County Attorney

ATTEST:


Valerie Espinoza, County Clerk




Teresa Martinez, Finance Director

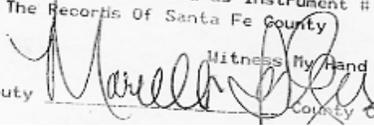
COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC RESOLUTIONS
PAGES: 1

I Herby Certify That This Instrument Was Filed for
Record On The 12TH Day Of July, A.D., 2007 at 14:38
And Was Duly Recorded as Instrument # 1491420
Of The Records Of Santa Fe County

1-23

Deputy


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



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BILL RICHARDSON
GOVERNOR

KATHERINE E. MILLER
CABINET SECRETARY

ROBERT M. APODACA
DIRECTOR

July 12, 2006

Virginia Vigil, Chair Madam
Board of County Commissioners
Santa Fe County
PO Box 276
Santa Fe, NM 87501

Dear Chair Madam Vigil:

In accordance with Section 6-6-2-(B) NMSA 1978, the Local Government Division grants interim approval of your proposed operating budget for the 2007-2008 fiscal year. Provisional approval is granted based upon our determination that sufficient resources will cover proposed budgeted expenditures.

Final approval of your budget is contingent upon submission of the following by July 31, 2007:

1. A resolution adopting the 2007-2008 operating budget;
2. Adjustments/revisions discussed with your staff (attached);
3. List of budget priorities for the upcoming year;
4. Un-audited beginning cash balances as per year end financial report and investments; and
5. The year end financial report for the period ending June 30, 2007 completed in the Local Government Division required format.
6. The property valuations appear high. Ensure the property valuations for both residential and non-residential properties properly reflect the final values for 2007-2008.

If you have questions, please call me at 505-827-4333.

Sincerely,


Isaac J. Montoya
Financial Coordinator



SANTA FE COUNTY

DEPARTMENT OF FINANCE AND ADMINISTRATION, LOCAL GOVERNMENT DIVISION
ADJUSTMENTS TO THE 2007-2008 FISCAL YEAR BUDGET:

PAGE	FUND	EXPLANATION
1	EMS (206)	Obtain EMS carryover letter from the Emergency Medical Systems Bureau (Darlene Maestas at 476- 8233).



Finance Department

MEMORANDUM

TO: Board of Santa Fe County Commissioners

FROM: Theresa Martinez, Deputy Finance Director

DATE: July 30, 2007

RE: Fiscal Year 2008 Final Budget Adjustment

Santa Fe County received the attached letter from the NM Department of Finance and Administration (DFA), Local Government Division, dated July 12, 2006 (really), approving the Fiscal Year 2008 Interim Budget. Approval of the Final Budget is contingent upon addressing the items detailed in the letter from DFA. As requested, the Santa Fe County Finance Department has addressed the issues as follows:

- 1) Adjustments/revisions dealing with discrepancies between transfers between funds wherein total transfers into all funds did not equal total transfers out of all fund. These are resolved (see the preceding pages on fund transfers.
- 2) Prior year EMS carryover approval from Darlene Maestas, Department of Health. This approval is secured in July once carryover amounts for the EMS districts become known, after the submission of the Interim budget. The approval letter follows in this document.
- 3) List of Budget Priorities (changes from FY 2007 budget) for the upcoming year. The Budget Priorities list immediately follows this memorandum.
- 4) Unaudited beginning cash balances as per year-end financial report and Investments. The Fiscal Year 2008 Final Budget Recap contains these cash balances with a track back to banked cash.
- 5) The year-end financial report for the period ending June 30, 2007. This report will be submitted by the Accounting Division.

- 6) Property valuations for residential and non-residential properties totaled \$5.716 billion in the statement given in the Interim Budget. The Analysis of Valuation Changes form given to the Taxation and Revenue Department (separately determined from the budget office) total \$5.975 billion. Property tax revenue budgets have been considerably conservative for the last 3 years, going into Fiscal Year 2008, where the budget is almost equal to actual property taxes collected in Fiscal Year 2007. We do not perceive that the valuations or that the budgeted property tax revenue “appear high”.

In addition to the DFA required adjustments to the Interim Budget the following changes have been made to the FY 2007 Final Budget from the Interim Budget submitted on June 1, 2006, for a net increase to the budget of \$347,032

1. Adjustment to General Fund cash transfer, reducing the transfer to the Jail Operations Fund by \$2,344,373 and recognizing that amount as the General Fund Sole Community Provider payment. Zero total impact.
2. General Fund adjustment to County Manager staff, adding Legislative Lobbyist and transferring Administrative Services director and a Project Manager position to other departments. \$146,357 funded from set-aside budget. Zero total impact.
3. General Fund set-aside funding for County Bulletin, \$15,000. Zero total impact.
4. General Fund set-aside funding for mail-room employee salary increase, \$2,661. Zero total impact.
5. Move payroll from Human Resources to Finance. Separate Purchasing from Finance. \$5,403 savings reverts to General Fund set-asides. Zero total impact.
6. Increase Legal outside attorney fees, \$20,000 from BCC set-aside in General Fund. Zero net impact.
7. Add the following positions, funded from General Fund set-aside for new positions. Zero net impact to General Fund.
 - Land Use – Code Enforcement Officer, \$38,189
 - Solid Waste – Transfer Station Caretaker, \$25,601
 - County Clerk – Recording Clerk, \$33,945
 - Assessor – Quality Control Specialist, \$45,698
 - Sheriff – Deputy Sheriff, \$44,917
 - IT – Microcomputer Technician, \$44,946
8. Equipment for County Treasurer to increase security in tax collecting, \$10,000 funded from BCC set-aside in General Fund. Zero net impact to General Fund.

9. Add to Region III Program Income grant (overtime in Sheriff's Office), \$455 impact on General Fund.
10. Create rollover budget for Region III HIDTA program (Sheriff). Total impact to General Fund is \$6,083.
11. Add new Impaired Driving Demo Grant to Sheriff's office. Total impact to General Fund is \$331,000.
12. Separate GIS and Rural Addressing from IT organization in General Fund. No net impact to fund.
13. Add \$30,000 in Network Safety Review for IT, from BCC set-aside. No net impact to fund.
14. Adjust error in County Surveyor's budget. Net savings to General Fund is \$21,587.
15. Create General Fund Cost Centers in Community Services for county library services, \$80,000 and transportation services (Eldorado bus service), \$100,000 funded from BCC set-aside budget. Zero net impact to General Fund.
16. Re-organize Cost Centers to reflect County Reorganization; minimal net impact to General Fund:
New Community Services Department cost centers for Administration, Property Control, and Project Development, Parks and Recreation, Open Space, and 8 community centers, from similar cost centers in Projects and Facilities Management Department.
17. Specific Capital additions to Capital Package from BCC Set-Aside budgets, totaling \$548,948. No net impact to General Fund. These are:
VOIP Telephony equipment and system, \$70,000
BCC Chambers Audio Video Equipment, \$50,000
Financial & Human Resources software upgrade, \$125,000
GIS Orthophotography and software, \$185,000
Equipment enabling Sheriff patrol vehicle communication with CRIMES system, \$60,000
Infrastructure for new positions, \$58,958
18. Salary increase set-asides resulting from County Compensation Study, \$170,000, funded from BCC set-aside budget. No net impact to General Fund.
19. Region III Program Income Fund (225) line item changes, decreasing budget by \$700.
20. Mountain, Trail, Wildlife Fund (233) use of budgeted cash for salary increase, \$975.

21. Alcohol Programs Fund (241) City of Santa Fe JPA, \$20,000 and teen court fee carryover (budgeted cash), \$8,000 for additional employee. Net impact, \$28,000.
22. Jail Enterprise Fund error adjustment increasing transfer from General Fund and decreasing Care of Prisoners revenue by \$41,063. No net impact to this fund

SANTA FE COUNTY FISCAL YEAR 2008 BUDGET



BUDGET PRIORITIES

Priorities are defined here as significant changes in the Fiscal Year 2008 Budget from the Fiscal Year 2007 Budget. These changes account for an increase of \$24,029,707 in expenses, including fund transfers in all funds from Fiscal Year 2007 to Fiscal Year 2008. The main increments of this \$24 million increase are a \$10.4 million increase in the General Fund budget; the establishment of a Fire Operations Fund supported by a ¼ cent countywide Gross Receipts Tax, totaling \$8 million; the establishment of a General Obligation Bond Series 2007 of \$24.9 million for the construction of a new Judicial Complex; an increase in the Corrections (Jail Enterprise Fund) budget of \$1.9 million; decreased in total by the lack of State Special Appropriations and Road construction budgets, totaling (\$11.8) million; and a decrease of (\$8.8) million in the General Obligation Bond series 2005 budget.

1) General Fund (101)

- a. The FY 2008 budget includes a \$3.7 million increase in the Capital Package budget; \$1.9 million for the Santa Fe County Business Park, and \$1.6 million for fixtures for the Public Works building currently under construction, plus increases in the equipment portion of the Capital Package.
- b. A total of \$5 million from FY 2007 and FY 2008 receipts from the 1/16 cent Gross receipts Tax is budgeted for expenses associated with the construction of the Judicial Complex.
- c. Increased fund transfers from the General Fund, mainly to the Jail Enterprise Fund, account for a \$0.8 million increase.

The remainder of General Fund budget increases in FY 2008 stem from normal escalation of organizational expense.

2. Capital Outlay Fund (213)

The budget for the Capital Outlay fund increased by \$600 thousand because of an increase in the forecasted Capital Outlay Gross Receipts Tax. The expense budget in this fund is generic (non-detailed, and driven by revenue).

3. Indigent Hospital Fund (220), Indigent Services Fund (223)

There is a \$435 thousand total decrease in these budgets due to the absence of the use of cash in these funds. Budgeted revenue outside of cash increased \$300 thousand, so the decrease in the use of cash is \$735 thousand.

4. EMS Hospital Fund (234)

Budgeted revenue increased by \$300 thousand. All of this went to increased Sole Community Provider payments.

5. EMS Services Fund (232)

The service profile in this fund changed as a new Gross Receipts Tax supports the operation of the Fire Department which was previously a part of this fund. The County now supports the Regional Communications center in this fund.

SANTA FE COUNTY

FISCAL YEAR 2008 BUDGET



BUDGET PRIORITIES

6. Alcohol Programs Fund (241)
The DWI-Local program, funded by the state through alcohol taxes, increased from \$707 thousand to \$1,283 thousand, though the State Department of Taxation and Revenue decreased the projected distribution by \$100 thousand after the beginning of the fiscal year.
7. Detox Programs Fund (242)
The first full-year budgeted operation of the Sobering Center resulted in a budget increase of \$119 thousand. The related Assessments budget increased by \$280 thousand, and the Access to Recovery (rehabilitation services) budget increased by \$428 thousand. A construction grant budget for the Detox Center which is now complete, decreased by \$300 thousand,
8. Fire Operations Fund (244)
The new Emergency Communications and Medical Services Gross Receipts Tax (GRT) supports Fire Department operations in this fund. Budgeted receipts from this GRT are \$7 million in Fiscal Year 2008. The remaining \$1 million of Fire Department revenue was moved from the EMS Health Services Fund to the Fire Operations Fund.
9. Housing Capital Improvements Fund (301)
The FY 2008 budget is decreased by \$856 thousand due to the lack of new Federal housing project appropriations which will be added to the budget as they become known.
10. Road Projects Fund (311), State Special Appropriations Fund (318)
These funds are initially unbudgeted until appropriations and project carryovers become known. This is a paper decrease of \$11.8 million in the budgets of these funds.
11. GOB Series 2007 Bond Proceeds Fund (331)
This new bond proceeds fund establishes a \$24.9 million budget for the Judicial Complex, for which the County is currently acquiring land and designing the facility.
12. GOB Series 2005 Proceeds Fund (\$8,863) decrease – unbudgeted cash
GOB Series 2001 Proceeds Fund (\$2,355) decrease – drawdown of cash
GOB Open Space Bonds Proceeds Fund (\$1,146) decrease – drawdown of cash
13. Jail Enterprise Fund (518)
Adult Facility and Inmate Medical Services budget have increased this fund by \$1,885 thousand.