



**ANNUAL OPERATING BUDGET
CITY OF SANTA FE, NEW MEXICO**

**FOR THE
FISCAL YEAR
ENDING
JUNE 30, 2019**

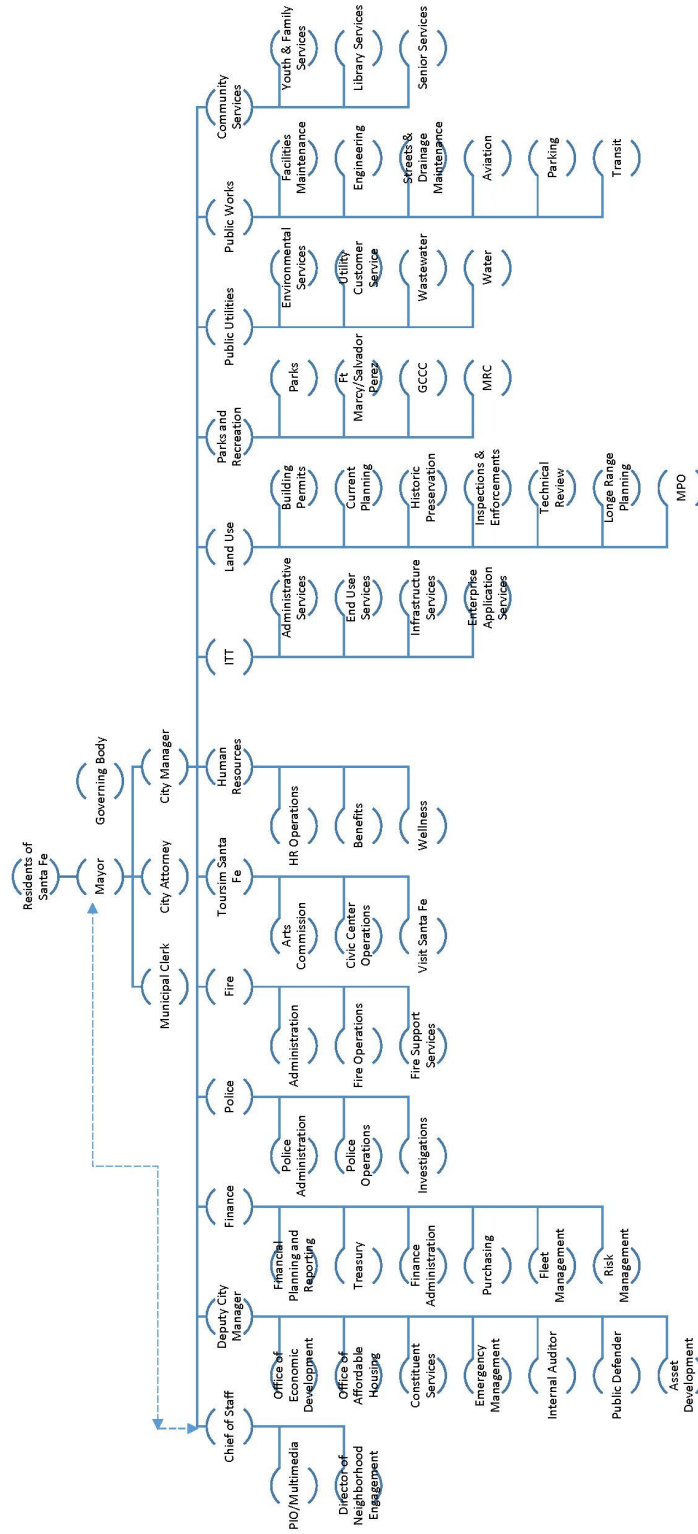




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Organizational Chart



ELECTED OFFICIALS



Councilor Renee Villarreal - District 1



Mayor Alan Webber



Councilor Signe I. Lindell - District 1



Councilor Peter Ives - District 2



Councilor Carol Romero-Wirth - District 2



Councilor Chris Rivera - District 3



Councilor Roman "Tiger" Abeyta - District 3



Councilor Michael Harris - District 4



Councilor JoAnne Vigil Coppler - District 4

I. MAYOR'S BUDGET MESSAGE

The people of Santa Fe want change. This budget, the first delivered under the new City Charter which created a full-time Mayor, is a down payment on that change. It represents what the people of Santa Fe asked for when they voted for a fresh perspective and real change in city government.

It recognizes that a budget is more than a ledger of accounts, more than a list of revenue and expenditures in balance. It is even more than a statement of priorities. This budget is a commitment to change and a statement of values. This budget says that Santa Fe stands for inclusivity and equity. Santa Fe stands for respect. Santa Fe honors its past and invests in its future.

It also says that Santa Fe's government will re-organize and re-orient itself to become the most user-friendly City in America, the most eco-friendly City in America, and the most family-friendly City in America. Those are the goals we will work toward every day. Those are the standards we will strive to attain. There is much work to do; this budget begins that work.

It's important to recognize the hard work staff at all levels, led by department heads, undertook to begin building this budget in January, before I took office as Mayor. Department heads used "Zero-Based Budgeting" - an approach that requires managers to build their budgets from scratch, rather than replicating last year's budget. Managers are called upon to build and justify their expenditures line-by-line, and to identify the expected outputs or deliverables that will come from each line.

In the future, the budget will be prepared under my direction from the beginning. This year, working with the City Manager, the Finance Director, and department heads, we were able to orient this budget toward the three goals I've identified. In the pages that follow this short message, you will see explanations for every budgeted program and position in terms of their contribution to making your government more user-friendly, eco-friendly, and family-friendly.

Every year, you can expect to see the budget and your City government build on these goals. Already there are examples in this budget that point us in the right direction:

The Most User-Friendly City in America

- **Office of Emergency Management** - We launched the **Ready Santa Fe** app this Spring to help families be ready for emergencies. Consistent with this service-oriented approach, we're launching a new emergency notification system named **Alert Santa Fe** that is more customizable and user-friendly.
- **Public Utilities** - The **Eye on Water** app has been a success, allowing residents to monitor their water consumption, catch leaks, and save money in real time. This year Utilities will continue to upgrade the billing system, adding a convenient mobile payment solution.
- **Airport** - The airport is utilizing Federal grant funds to improve the passenger experience on the runway and in the terminal. Now the Airport will upgrade to modern security features and public parking improvements.
- **Public Transportation** - Every City bus is currently equipped with GPS. Using the **RouteMatch** app, travelers can easily locate the nearest bus. This year, we're enhancing the app with **RouteShout**, that will provide increased access to ETAs at their stop, route details, and other real-time information.

The Most Eco-Friendly City in America

- **Airport** - LED Runway lights are already being installed at Santa Fe Airport. This year we'll pursue LED lighting for the terminal and airport ramps as well.

- **Traffic Engineering** - Better traffic signal timing on Airport Road will reduce wait time and congestion. That one simple change will reduce greenhouse gas emissions and frustration.
- **Renewable Energy** - The City currently generates 3.7 megawatts of solar energy. This year, we'll repurpose methane gas produced at the wastewater treatment facility to provide electricity for the plant and heat for the anaerobic digesters.
- **Parking** - This year we'll add LED lighting in parking garage facilities, replacing gasoline-powered administrative vehicles with CNG and electric vehicles, and replace outdated paper ticket garages with seamless and convenient electronic payment processing.
- **City Fleet** - Our entire City bus fleet, and a growing portion of our solid waste fleet, is fueled by CNG. This year we'll open an updated CNG facility to other departments and to the public at large. Additionally, bus shelters and almost all of the Transit Administration and Maintenance Facility will be powered through the use of solar panels.

The Most Family-Friendly City in America

- **Public Safety** - The City's Fire Department is deploying world-class fire protection and preventative community health services through innovative Wildland Urban Interface and Mobile Integrated Health programs. We're adding cadets and leaders this year to meet the growing demand for these services.
- **Economic Development** - The Santa Fe University of Art & Design is closing. The discussion around the future uses of the Midtown Campus site has great potential to address the needs of families in Santa Fe through access to housing, education, recreation, and more.
- **Southside Summer** - The city's Railyard Park and Plaza entertainment programming for the summer is well-established and successful. Many of our families live on the Southside. This year, we are investing in bringing family-friendly entertainment - concerts, movies, festivals, and more - to their doorstep.
- **Parks and Recreation** - Parks are one of our most important forms of low-cost, easy-access entertainment for families all over our city. This year we're getting the jump on weed and parks maintenance so we are ahead of the problem, not reacting to it when its already too late to keep up.

Office of the Mayor

With this last election, the City of Santa Fe marked a major transition in the structure of its government: The Mayor is now the Chief Executive of the City, responsible for the City's management and accountable to the City's people.

Previously the Mayor was only a part-time position; the Mayor's Office consisted of one full-time employee - an Executive Administrator - and partial access to a Public Information Officer.

The change to a full-time Mayor is more than a shift in one position. It marks the professionalization of City leadership and management. In cities in New Mexico and around the country, the operation and staffing of a fully functioning Mayor's Office is standard practice.

For Santa Fe, it is a new development, requiring the creation of new positions, the establishment of new roles, and the definition of new responsibilities. Recognizing that this represents a departure for the City of Santa Fe, I have decided to move forward deliberately, adding a minimum of new positions and seeking the minimum impact on City expenditures, while committing to a thorough reorganization of City government as part of an ongoing modernization process.

To create the first real Office of the Mayor for the City of Santa Fe, I'm proposing the following:

- **Chief of Staff:** The job of the Chief of Staff is to ensure the efficient and professional operations of the Mayor's Office. The Chief of Staff oversees the Mayor's agenda and coordinates the policies and programs



of the Mayor with the Governing Body and the City Manager. The Chief of Staff position was created with no new budget impact by combining two long-vacant positions that were still being funded annually.

- **Director of Neighborhood Engagement:** The job of the Director of Neighborhood engagement is to deliver on my commitment to bring the highest quality services to every part of the City and enhance the livability and desirability of all of Santa Fe’s neighborhoods. This position will coordinate the many components of our City government that, working together, will make our neighborhoods the best place in America to live and raise a family.
- **Enhanced Constituent Services:** I am proposing the addition of two positions in our Constituent Services office to do more direct outreach to the people of Santa Fe. With the addition of these positions, we should be able to do more, and do it more quickly, not only to respond to problems identified by City residents, but also to prevent those problems from occurring in the first place. Both of these positions are dedicated to improving the user-friendliness and responsiveness of Santa Fe government.
- **City Council Staffing:** The professionalization of City government extends to the City Council. Members of the City Council work long hours and are on-call at all times to respond to the needs and concerns of the people of their districts. To assist them with their duties, I am proposing the creation of a staff liaison, a full-time position to be shared by the members of the City Council, to help them respond more efficiently and effectively to the requests they field all of the time.

In Total

The creation of the Office of the Mayor is being funded from vacant positions, making it budget neutral. The estimated total is as follows:

Positions	Salary	Salary + Benefits
Chief of Staff	\$ 85,000	\$ 114,750
City Council Liaison	\$ 80,000	\$ 108,000
Neighborhood Engagement Director	\$ 65,000	\$ 87,750
2 Constituent Services Representatives	\$ 76,960	\$ 111,592
TOTAL	\$ 306,960	\$ 422,092

Mid-Year Review and Reorganization

This budget document represents a first draft of my first budget as Mayor; it is far from a finished product. In fact, it is very much a work in progress. Because of the overlapping nature of the budget cycle with the election cycle, much of the work of this budget was completed before I was elected or took office.

With that in mind, I will re-visit the budget at the sixth-month mark. In the interim, I will continue to push for the kinds of changes Santa Feans are asking for.

I’m committed to a sweeping redesign of the City’s organization chart, designed to meet three tests: We should create real efficiencies in the way the City government is organized. We should make the City government easier for people to understand and to use effectively. And, we should combine the pieces of the City government so our taxpayers get more results for every tax dollar we spend. At the same time, I will be introducing change into City government by the team we develop and the management approaches we implement. We will communicate better with the people of the City as well as with the people who work for the City.

I firmly believe that with this budget we mark a new beginning for Santa Fe. We have unlimited opportunities for our future and undiminished pride in our past. We have much work to do to deliver on our commitments to equity, inclusivity, respect, sustainability, user-friendliness, and family-friendliness. This budget states that



PROPOSED ANNUAL OPERATING BUDGET

**FISCAL YEAR
2018-2019**

commitment boldly and directly. It points the direction toward our becoming the City government we aspire to be, the City government the people of Santa Fe demand and deserve.

II. EXECUTIVE SUMMARY

Fiscal Year 2018/19 Operating Budget - The Budget Different

The Mayor's recommended Fiscal Year 2019 Operating Budget represents a continuation of the significant advancements made in the past four years. The General Fund has a revenue surplus of \$40,000, while the entire budget is built with a surplus of \$3.2 million.

For a second year in a row, the Operating Budget represents a transparent and collaborative process that was developed in the previous fiscal year. The City Departments utilized a zero-based budget approach in the development of their budget proposals, and each proposal was vetted by Mayor Webber and management over the course of hundreds of hours of meetings and reviews. The proposals were rigorously reviewed for justifications of costs, including significant itemization detail for contracts and services Citywide. Thus, City staff have become better financial managers, and the budget is embedded with discipline and financial prudence. Each proposal incorporated the recently adopted Results-Based Accountability (RBA) model where each division listed what they determined to be the most important and appropriate benchmarks to measure their performance.

Last year the City conducted a Quality Life survey of residents and incorporated those findings into this year's budget process as the basis for each division's RBA benchmarks. The approach to this Operating Budget goes further to be responsive and inclusive of the City's residents, and it incorporates Mayor Webber's three primary objectives of making Santa Fe the most user-friendly, sustainable community that is a great place to live and raise a family. With the survey results and the Mayor's three primary objectives, the Governing Body and Administration have worked to align Santa Fe's priorities with this spending plan. Upon approval, this Operating Budget will be available on the City of Santa Fe's OpenGov transparency portal.

CITY MANAGER SNYDER'S BUDGET FRAMEWORK - YEAR 5 OF THE PIVOT

As City Manager, this is the fifth budget process I have led the organization through. When I started, the Finance Committee reviewed hundreds of pages of "green bars," line-item by line-item, to determine the City's operational budget. This type of mind-numbing data overload created a process that was not conducive to strategic financial planning or overarching policy discussion. Additionally, the internal process was entirely paper laden and bottlenecked to a couple of individuals that labored long hours of data entry rather than financial analysis. I believe the combination of a bad process and weak or nonexistent financial policies, in conjunction with the Great Recession of 2008 (2010 in Santa Fe County), left the City reeling with financial strain that has taken years to correct. Today looks 180 degrees different than five years ago.

Notably, in the last three budget cycles my team has worked closely with the Governing Body to:

- Implement sound revenue and expenditure policies that align recurring revenue with recurring expenditures;
- Eliminate the \$15 million structural budget deficit without proposing a tax increase;
- Propose and adopt completely overhauled debt management and investment policies;
- Pay off the troubled 2008 Parks Bond and provide the first City-wide pay increase in a decade, without raising taxes;
- Gather Santa Fe resident feedback through the NCS Citizens survey to influence budget development;
- Institutionalize Results-Based Accountability into how the City does business;
- Propose and adopt 5-year Capital Improvement Plans; and,
- Restructure the City's debt portfolio, saving \$6.7 million in interest costs.

Today our budget process is vastly different from the aforementioned description. This budget process marks these significant qualitative leaps:

- Our budget building process is entirely online, allowing for greater collaboration between departments;
- The City has institutionalized a Zero-Based Budgeting approach, requiring more planning and rigor for budget development; and,
- City Management and the Governing Body are engaged in strategic financial planning and policy discussion, rather than buried in data overload.

Financial Budget Assumptions

Gross Receipt Tax (GRT) Revenue

Throughout the course of the year, the Finance Department closely monitors monthly distributions. Most current data through February indicates a 2% projected growth rate over the current budgeted revenue estimates. The pattern is consistent with a strong local Santa Fe economy as reflected in the Unemployment data. The budget is presented with an additional 2% increase in line with long and short term observations.

Hold Harmless Reduction

The budget assumes the continued 6%-7% per year reduction in Hold Harmless GRT payments from the State of New Mexico, approximately \$500k.

Vacancy/Attrition Credit

With a workforce of 1500+ employees, the City government always has a natural level of unfilled positions. This budget incorporates vacancy and attrition credits to account for those times when positions are unfilled.

Internal Service Cost Model

As previously discussed, the Finance Department, in conjunction with other departments, is implementing a more accurate internal service cost model. In the first phase the budgets of ITT and Fleet were moved out of the General Fund and into Internal Service funds. As a result, the ITT and Fleet expenditures are more accurately reflected in the overall cost of operating the government. A consequence of this action essentially double counts these expenditures and increases the overall size of the operating budget. The increase is artificial and does not require any real revenue increases to support.

III. FINANCIAL MANAGEMENT POLICIES

GUIDING PRINCIPLES

The following five principles shall guide the direction given in this policy document:

1. Equitable;
2. Consistent;
3. Sustainable;
4. Competitive; and,
5. Full community participation.

1. Budget

- A. Budget Preparation:** The City Administration shall, prior to March 15, recommend to the Governing Body the annual budget covering the next fiscal year. The budget, including the General Fund, Special Revenue Funds, and Enterprise Funds, shall contain the following information:
1. The Governing Body, by resolution, shall adopt appropriate, general principles and priorities for the upcoming budget;
 2. A letter from the City Administration explaining the proposed financial plan for the next fiscal year;
 3. Budget summaries for the General Fund, Major Special Revenue Funds and Enterprise Funds, including a beginning fund balance, estimated revenues, operating expenditures, capital outlay and ending fund balance for each fund;
 4. Debt service expenditures, along with comparisons of estimated expenditures to prior year actual expenditures;
 5. Proposed revenues and expenditures, by source, for each department for the budget year, with comparisons to prior year actual and current year revenues and expenditures; and,
 6. Indication of proposed activity changes (additional staffing) including operating and capital expenditures required supporting the additional staffing.
- B. Basis of Budgeting:** Revenue and expenditures are budgeted on a cash basis with encumbrances (contractual commitments to be performed) considered the equivalent of expenditures.
- C. Budget Calendar and Roles and Responsibility:** The City's budget shall be developed on an annual basis with enough time and in a fashion that allows for sufficient deliberation by the Governing Body and engagement with the citizenry. The City's fiscal year begins on July 1 and ends twelve months later on June 30. The development of the budget is done in a progressive and collaborative manner following the direction that the Governing Body provides at the onset of the process:
1. No later than October 31, the Finance Director shall present a 5-year forecast of revenues and expenditures, highlighting significant financial challenges and decisions the City may be facing. The Finance Director shall also recommend the key assumptions for developing the budget, including inflation and other factors that may affect revenue and expenditures in the new fiscal year;
 2. There shall be an annual assessment of existing policy actions considered as unfunded mandates that have a recurring expenditure and a determination if they should be amended or terminated;
 3. Following submission of the budget to the Governing Body, at least two public hearings for citizen comments are held between the months of April and May. Following adoption by resolution, the budget is submitted before May 31 to the New Mexico Department of Finance and Administration to obtain interim approval; and,
 4. At fiscal year-end, cash positions are established and the Governing Body makes a final review and approves the final budget by resolution.
- D. Budget Control System:** The Finance Director is responsible for maintaining a budgetary control system to ensure adherence to the adopted budget. On a quarterly basis, the Finance Director will prepare summary reports that compare actual revenues and expenditures to budgeted amounts and provides a year-end performance projection for each department. This report will also provide a list of all vacant positions, the average vacancy and positions unfilled or proposed to be eliminated. The combination of this information will be the basis for how the organization is achieving the attrition rate.

These reports are presented to the Finance Committee of the Governing Body with distribution all of its members to keep them all informed of the City's budget performance.

A key aspect of budget control is the process for amending or adjusting the approved budget. No changes can be made to either the capital or operating budget without a proper approval of a formal request as follows:

1. **Budget Amendment Resolution (U/L, U/M, & U/F):** All BARs require City Council approval. BARs up to \$5,000 may be approved by the Finance Director. BARs between \$5,001 and \$50,000 may be approved by the City Manager. BARs within the threshold of management approval will be presented with the quarterly budget report, as prescribed in City Code XI.11-4 D. A BAR associated with grant applications will follow 11-4 F (1) (2). All BAR forms must be complete, including changes in the trial balance, and must be free of grammatical and mathematical errors. Incomplete or incorrect forms will not be processed and the amended request will be considered a new request.
2. **Internal budget adjustments between line items (same business unit):** If sub-category (level 5) budget is available, an internal budget adjustment (U/T) between line items in the same business unit is not necessary in order to execute a purchase. When the requisition is held, the purchaser should notify the Budget Division to confirm category level appropriation is sufficient. To guard against over expending the budget at the category level, each division is required to submit one internal budget adjustment to address negative line items at mid-year.
3. **Internal budget adjustments between line items and business units (same fund):** If sub-category level budget is not available in a business unit then it is necessary to submit an internal budget adjustment (U/T) to move funds from another business unit or another sub-category in the same business unit. The internal budget adjustment request must include an explanation as to why adequate budget was not requested in the original budget submission. Further, the internal BAR must specifically provide detail on the following categories:
 - a. 510010 Contractual - All additions and deletions in this category and subsequent line-item detail, i.e., 510100 through 510810.
 - b. 570010 Capital Purchase - All additions and deletions in this category and subsequent line-item detail, i.e., 570100 through 570950.

Divisions are limited to one (1) internal budget adjustment between business units per month per fund. Line-items budgeted directly by the Finance Department, i.e. insurance, salaries and benefits, etc. will not be included in the quota of one per month per fund. In-depth understanding of the line items within a category is a requirement of the person managing the budgets of a department. Incomplete or incorrect forms will not be processed and the amended request will be considered a new request.

4. **Fiscal Notes:** The Finance Department shall provide the Governing Body a fiscal impact statement for all major policy decisions that may affect the City's finances. The fiscal notes shall include start-up costs of a program/project and the associated operations costs for a minimum of five years. These notes shall also include projected impact on the affected fund ending balance. Unbudgeted items will require identification of savings necessary to fund needs. Fiscal notes for refunding bond reimbursement resolutions shall require the fiscal impact to debt service both in real dollars and tax rate for a minimum of five years.
5. **Balance Budget Definition:** All funds are required to reach at least a balance between current revenues and current expenditures. Total anticipated revenues must equal the sum of budgeted expenditures for each fund in the current fiscal year.

6. **Performance Measures:** Where possible, the City Administration will integrate performance measurement and productivity indicators beginning in the City's published Fiscal Year 2018 (FY2018) budget document.

2. Revenue Policies

- A. Revenue Diversification and Stabilization:** The City will strive to attain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source. Because it is highly influenced by economic conditions out of the City's control, Gross Receipts Tax (GRT), which historically accounts for the majority of the City's general fund revenue, tends to be volatile. Property tax, which accounts for a much smaller percentage of the City's general fund revenue, is more stable. The City will address its exposure to revenue volatility through a strategy of promoting economic development and diversification to strengthen its overall economic base.
- B. One-Time Revenues and Unpredictable Revenues:** The City will use one-time or unpredictable revenues, like the sale of land for capital expenditures or for expenditures required by the revenue, and not for recurring personnel, operational or maintenance costs.
- C. New Revenues:** The City will consider a set of established criteria for any proposed additional revenue:
 1. Competitiveness - the revenue or tax burden of the City relative to neighboring communities.
 2. Diversity - the balance of revenue sources that can withstand changes in the business cycle.
 3. Efficiency - the cost of administering a tax or fee should bear a reasonable relation to revenues collected, and any new tax or fee should have minimal effect on private economic decisions.
 4. Fairness - the distribution of the City's revenue burden as measured by ability to pay, the benefits received, or the community's definition of the resident's fair share of the revenue burden.
 5. Alignment - taxes and fees shall bear a reasonable association to the costs for the service they are intended to fund.
- D. Existing Revenues:** The City shall conduct a periodic systematic review of all existing revenues including, but not limited to, fees, charges and tax rates to determine if their original intent is still current and desirable.
- E. Revenue Estimates:** To maintain a stable level of services, the City shall prepare revenue estimates through a conservative, objective, and analytical approach. There shall be an analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. The objective should be to reduce the likelihood of actual revenues falling short of budget estimates during the year and avoid mid-year service reductions.
- F. User Fees:** The City will seek to recover the full cost of services provided directly to citizens, unless a City interest is identified and approved by the Governing Body to reduce a specific fee. Full cost is defined to include all direct costs to provide the service and appropriate related indirect cost.

Fees assessed at less than full cost are established to achieve an objective related to a user group, such as providing easier access to programs or encouraging participation by certain targeted groups such as youth or lower income individuals. The Governing Body shall explicitly approve any fee that is designed to recover less than the full cost of the respective service.

Each department shall, on an annual basis, identify all program costs and develop fee recommendations for consideration in the upcoming budget year following the policy direction given by the Governing Body at the start of the budgeting process as established in Section 1(C) of this Resolution.

The City shall assess a fee to all of its Enterprises for the use of City-owned Right-of-Way based on fair market value.

3. Expenditure Policy

The City will maintain a level of expenditures that will provide for the health, safety and welfare of the residents of the City of Santa Fe.

- A. Efficiency:** The City will utilize every means necessary to maximize the efficiency and productivity of government operations.
- B. Maintenance of Capital Assets:** Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure to protect the City's investment, minimize future replacement and maintenance costs, and sustain service levels.
- C. Fund Balance and Reserve Policy:** The General Fund's principal revenue source is GRT, which tends to be volatile. This calls for an adequate General Fund balance level to ensure liquidity in all cases and demonstrate the City's financial strength to independent rating agencies.

The New Mexico Department of Finance and Administration (NMDFA), Local Government Division (LGD) regulations mandate that all municipalities maintain a minimum general fund balance of 1/12th (8.3%) of general fund operating expenditures, less transfers out.

To ensure this requirement is always met, the City shall establish a contingency reserve above the state-mandated minimal level of total fund balance. The City's goal shall be to establish and maintain a total General Fund reserve of not less than ten percent (10%) of General Fund operating expenditures, less transfers out.

Unreserved fund balances in excess of what is required shall be used to fund capital items in the operating and capital budget. However, if projected revenue in future years is not sufficient to support projected requirements, a higher unreserved ending balance may be budgeted to achieve long-term structural balance.

4. Capital Improvement Plan

The City shall adopt a capital budget to serve as a long-term planning tool that allows for prioritization, financing coordination, and timely technical design and application of capital projects and programs. To ensure the capital budget effectively reflects the priorities and conditions of the times, it shall be a five-year plan that is updated and approved annually before May 31. It shall contain a balanced mix of financing for funding capital projects, including pay-as-you-go, grants, and debt, without excessive reliance on any one source. It shall be developed in coordination with the operating budget, projecting operating costs associated with new capital improvements and incorporating the economic and fiscal forecasts used to develop the operating budget.

5. Procurement

The City shall adopt a procurement policy that shall be reviewed by the Governing Body every two years to ensure it complies with all current applicable laws, incorporates best practices, and aligns with the City's priorities and related policies.

- A. The Chief Procurement Officer:** The City Administration shall assign the role of a Chief Procurement Officer (CPO) to a qualified staff person who shall be responsible for the fair and efficient application of

the procurement policy. The City's procurement policy shall establish the duties and responsibilities of the CPO, which shall include keeping the procurement policy up to date.

- B. Procurement Planning:** Each department shall prepare an annual procurement plan that discloses all of the significant purchases of goods and services contemplated during the fiscal year. The collection of all the departments' procurement plans shall comprise the City of Santa Fe's Annual Procurement Plan. The CPO shall be responsible for coordinating the development, updating, and making this plan accessible to the public.

6. Accounting and Annual Audit

The City's accounting practices will always conform to generally accepted accounting principles as set forth by the authoritative standard-setting body local governments.

An annual audit will be performed by an independent certified public accounting firm and an official Comprehensive Annual Financial Report (CAFR) shall be issued no later than six months following fiscal year-end. The independent certified public accounting firm shall present to the Audit and Finance Committees the results of the annual audit no later than 60 days from the issuance of the CAFR.

7. Excess Revenue from Enterprise Funds

Net Revenue is the balance of recurring revenue after deducting costs for operations and maintenance, including fair market value for the use of the City's extensive rights-of-way, and debt service. Net revenue generated by the City's enterprise funds shall be used for (a) capital investment, (b) repair and replacement, (c) debt management, (d) revenue stabilization, and (d) working capital within that fund, and not be relied on to balance other funds. Only the revenue that remains after these needs are satisfied and a working capital reserve of twelve percent (12%) of operating expenditures is built up shall be deemed excess revenue subject to appropriation by the Governing Body.

IV. BUDGET OVERVIEW

GENERAL FUND: The General Fund pays the cost of running the day-to-day business of the City. Revenues are derived primarily from local and shared taxes, fees and services, licenses and permits, and a variety of other revenue sources including grants, interest income, and interfund transfers. Total budgeted revenue in the General Fund for FY2018 is \$95.2 million, exceeding expenditures by \$40K.

SPECIAL REVENUE FUNDS: Special Revenue Funds include most of the City's Federal, State and local/private grant funding, as well as appropriations funded by revenues dedicated to specific purposes, such as Impact Fees. The City is continuing to deal with the challenges of providing services and infrastructure in an age of reduced grant funding from all sources. Total budgeted revenue in the City's special revenue funds for FY2018 is \$54.6 million, exceeding expenditures by \$1.8 million.

CAPITAL IMPROVEMENT PROGRAM FUNDS (CIP): Capital Improvement Program Funds (CIP) are largely comprised of the City's CIP Budget. Because of its multi-year nature, the CIP budget is separate from the City's Operating Budget; it has its own budgeting process and adoption timeline. Funding is mostly provided by the City's bonded debt, secured by pledged GRT and Property Tax revenues. Though the CIP represents the majority of this fund type, the CIP Funds category also includes the ½% GRT Income Fund [3102], which includes a large portion of the City's GRT-funded CIP debt. Total budgeted revenue in 3102 for FY2018 is \$19.5 million, exceeding expenditures by \$1.9 million.

DEBT SERVICE FUNDS: Debt Service Funds account for most of the City's outstanding debt payments, including GRT Revenue Bonds and GO Bonds. In addition, payments to retire loans from the New Mexico Finance Authority (NMFA) are serviced in this category. As noted above, portions of the City's revenue streams (including GRT and Property Tax) are allocated to these funds for the assigned purpose of paying debt service. Total budgeted expenditures in the City's debt service funds for FY2018 are \$14.8 million.

ENTERPRISE FUNDS: Enterprise Funds include City operations and activities for which a fee is charged for services rendered. Enterprise funds are designed to highlight the extent to which fees cover the cost of operations. The largest entities within this category are classified as "major" enterprises, based on revenue and expenditures. The principal major enterprises include the City's Utilities (Water, Wastewater and Solid Waste); as such, utility service charges represent the largest share of revenues in this category (83.5%). Only the Water funds are supported by fees. Other major enterprises include the Railyard, the Santa Fe Convention Center, and the College of Santa Fe. "Non-major" enterprise entities include Parking Operations, the Municipal Recreation Sports Complex (MRC) and Marty Sanchez Links de Santa Fe Golf Course, the Genoveva Chavez Community Center (GCCC), the Santa Fe Airport, and the City's Transit Bus System. All other enterprise funds are subsidized by taxes. Total budgeted revenue for FY2018, including tax subsidies, SWAMA and debt service in the City's enterprise funds, is \$118.6 million.

INTERNAL SERVICE FUNDS: Internal Service Funds include the City's benefits and self-insurance funds administered by the Human Resources Department and the Risk Management Division, respectively. Almost all of the revenues in the Internal Service Funds come from assessments to other City departments for their share of insurance claims, insurance premiums, and employee benefit expenses. In FY2018 the City added ITT and Fleet Maintenance to the Internal Service Funds as we transition to a full Internal Service Fund Cost Model. Total budgeted revenue for FY2018 in the City's Internal Service Funds is \$43.5 million.

TRUST AND AGENCY FUNDS: Trust and Agency Funds support the City's Special Recreation League operations through dedicated league fees. These funds also include the non-departmental Buckman Direct Diversion (BDD) budget, which is jointly funded by the City and Santa Fe County. Total budgeted revenue for FY2018 in the City's trust & agency funds is \$75K. To date, BDD has not submitted its budget to the City.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE ALL FUNDS - REVENUES BY CATEGORY FY 2014/15 THROUGH FY 2018/19

CATEGORY	ACTUAL REVENUE FY 2014/15	ACTUAL REVENUE FY 2014/15	ACTUAL REVENUE FY 2016/17	FY 2017/18 CURRENT BUDGET*	PROPOSED BUDGET** FY 2018/19	CUMULATIVE CHANGE 14/15-18/19	AVERAGE ANNUAL GROWTH %
<u>Local/State-Shared Taxes:</u>							
Gross Receipts Tax	97,673,616	101,173,715	103,147,009	103,559,489	105,633,024	7,959,408	2 %
-Property Tax	9,486,321	10,531,692	11,287,434	10,128,419	10,128,419	642,098	2 %
-Franchise Tax	2,821,230	3,669,517	4,104,877	4,625,575	4,625,575	1,804,345	13.7 %
-Lodgers' Tax	9,251,039	9,743,758	10,809,464	10,800,000	11,300,000	2,048,961	5.2 %
-Gasoline Tax	1,470,813	1,276,598	1,548,162	1,445,000	1,445,000	(25,813)	0.4 %
-Other Taxes	538,069	469,285	563,826	490,110	550,605	12,536	1.7 %
<i>Subtotal-Taxes</i>	<i>121,241,088</i>	<i>126,864,565</i>	<i>131,460,771</i>	<i>131,048,593</i>	<i>133,682,623</i>	<i>12,441,535</i>	<i>2.5 %</i>
<u>Licenses & Permits:</u>							
-Business Licenses	408,073	346,079	459,805	450,801	450,489	42,416	3.9 %
-Building/Zoning Permits	1,834,702	2,174,802	2,844,223	3,614,899	3,614,899	1,780,197	19.1 %
-Other Licenses & Permits	254,516	271,861	266,401	239,598	268,001	13,485	1.6 %
<i>Subtotal-Licenses & Permits</i>	<i>2,497,291</i>	<i>2,792,742</i>	<i>3,570,429</i>	<i>4,305,298</i>	<i>4,333,389</i>	<i>1,836,098</i>	<i>15.2 %</i>
<u>Fees & Service Charges:</u>							
-Airport Fees	1,171,150	1,370,774	1,263,842	1,363,379	1,457,780	286,630	6 %
-Ambulance Fees	1,670,052	3,684,148	4,209,915	1,641,543	4,000,000	2,329,948	54.4 %
-Civic Center Fees	279,496	424,590	392,378	416,000	438,000	158,504	13.9 %
-Housing Fees	165,024	206,136	259,311	—	400,000	234,976	N/A
-Impact Fees	836,193	1,011,097	1,104,380	1,681,268	1,424,126	587,933	16.8 %
-Insurance Premiums	27,661,061	28,274,746	28,033,614	28,774,848	29,450,216	1,789,155	1.6 %
-Meals Fees	53,062	50,015	53,674	—	—	(53,062)	N/A
-Parking Fees	3,963,969	3,992,840	4,710,913	4,967,697	4,689,416	725,447	4.6 %
-Planning/Land Use Fees	291,442	276,552	328,003	264,817	284,550	(6,892)	0.4 %
-Police/Court Fees	1,168,508	955,761	824,183	768,228	602,144	(566,364)	(15.1)%
-Public Transportation Fees	399,344	378,434	376,896	370,000	370,000	(29,344)	(1.9)%
-Recreation Fees	3,359,291	3,316,566	3,417,599	3,345,194	3,270,324	(88,967)	(0.6)%
-Solid Waste Fees	17,903,375	18,440,996	20,910,384	19,835,218	19,742,282	1,838,907	2.7 %
-Wastewater Fees	10,866,390	12,267,468	12,254,426	11,841,171	11,654,000	787,610	2 %
-Water Fees	32,024,473	35,528,446	34,606,175	34,401,801	35,424,057	3,399,584	2.7 %
-Reimbursed Expenses	12,616,119	13,468,620	14,656,423	16,130,016	17,385,270	4,769,151	8.4 %
-Other Fees/Services	7,038,375	11,069,702	6,111,707	2,638,409	2,329,101	(4,709,274)	(14)%
<i>Subtotal-Fees & Services</i>	<i>121,467,325</i>	<i>134,716,890</i>	<i>133,513,821</i>	<i>128,439,589</i>	<i>132,921,266</i>	<i>11,453,941</i>	<i>2.4 %</i>
<u>Fines & Forfeitures:</u>							
-Parking Fines	502,462	645,557	424,250	620,940	649,170	146,708	11.3 %
-Violations Fines	252,980	262,435	225,831	186,000	215,838	(37,142)	(3)%
-Other Fines & Forfeitures	486,382	453,282	374,982	818,651	547,326	60,944	15.3 %
<i>Subtotal-Fines & Forfeitures</i>	<i>1,241,824</i>	<i>1,361,274</i>	<i>1,025,062</i>	<i>1,625,591</i>	<i>1,412,334</i>	<i>170,510</i>	<i>7.6 %</i>



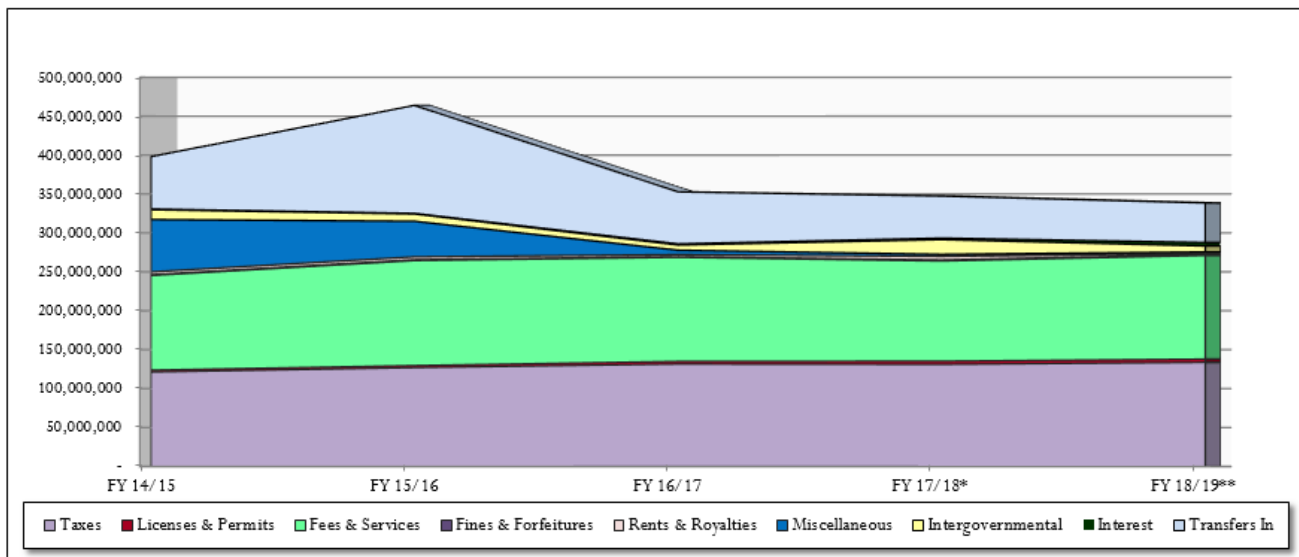
PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE ALL FUNDS - REVENUES BY CATEGORY FY 2014/15 THROUGH FY 2018/19

(continued from previous page)

CATEGORY	ACTUAL REVENUE FY 2014/15	ACTUAL REVENUE FY 2014/15	ACTUAL REVENUE FY 2016/17	FY 2017/18 CURRENT BUDGET*	PROPOSED BUDGET** FY 2018/19	CUMULATIVE CHANGE 14/15-18/19	AVERAGE ANNUAL GROWTH %
<u>Rents/Royalties/Concessions:</u>							
-Airport Rentals	132,494	270,292	203,686	177,782	118,345	(14,149)	8.3 %
-Equipment Rentals	47,798	42,941	37,677	51,000	51,000	3,202	3.2 %
-Parks & Recreation Rentals	233,043	239,074	267,153	289,048	252,200	19,157	2.4 %
-Other Rentals	3,064,750	2,975,541	2,068,816	3,941,930	987,269	(2,077,481)	(4.4)%
<i>Subtotal-Rents/Royalties</i>	<i>3,478,085</i>	<i>3,527,847</i>	<i>2,577,332</i>	<i>4,459,760</i>	<i>1,408,814</i>	<i>(2,069,271)</i>	<i>(5.2)%</i>
<u>Miscellaneous Revenues:</u>							
-Bond Proceeds	58,550,000	36,665,000	2,498,397	—	—	(58,550,000)	N/A
-Insurance Recoveries	86,586	23,839	28,884	30,000	30,000	(56,586)	(11.9)%
-Sales Revenue	486,822	601,790	546,210	334,500	382,925	(103,897)	(2.5)%
-Other Misc. Revenue	8,144,487	8,400,492	2,580,249	2,225,905	1,384,150	(6,760,337)	(29.4)%
<i>Subtotal-Miscellaneous</i>	<i>67,267,894</i>	<i>45,691,121</i>	<i>5,653,740</i>	<i>2,590,405</i>	<i>1,797,075</i>	<i>(65,470,819)</i>	<i>(51.1)%</i>
<u>Intergovernmental Grants:</u>							
-State Grants	5,609,257	4,261,889	3,632,140	5,606,086	4,911,275	(697,982)	0.8 %
-Federal Grants	6,880,709	5,009,046	2,958,892	5,430,314	2,684,693	(4,196,016)	(8.8)%
-SF County Grants	104,052	84,251	72,709	2,041,198	45,900	(58,152)	644.2 %
-Other Grants	54,052	52,526	12,603	5,849,709	—	(54,052)	11,533.9 %
<i>Subtotal-Intergovernmental</i>	<i>12,648,070</i>	<i>9,407,712</i>	<i>6,676,344</i>	<i>18,927,307</i>	<i>7,641,868</i>	<i>(5,006,202)</i>	<i>17.3 %</i>
Interest on Investments	948,752	865,539	1,535,478	2,044,579	4,594,530	3,645,778	56.6 %
Transfers In	67,239,601	138,525,160	66,662,013	53,812,065	50,598,457	(16,641,144)	7.2 %
TOTAL REVENUES	398,029,931	463,752,851	352,674,990	347,253,187	338,390,356	(59,639,575)	(2.9)%



*Midyear Budget **City Manager Recommended Budget

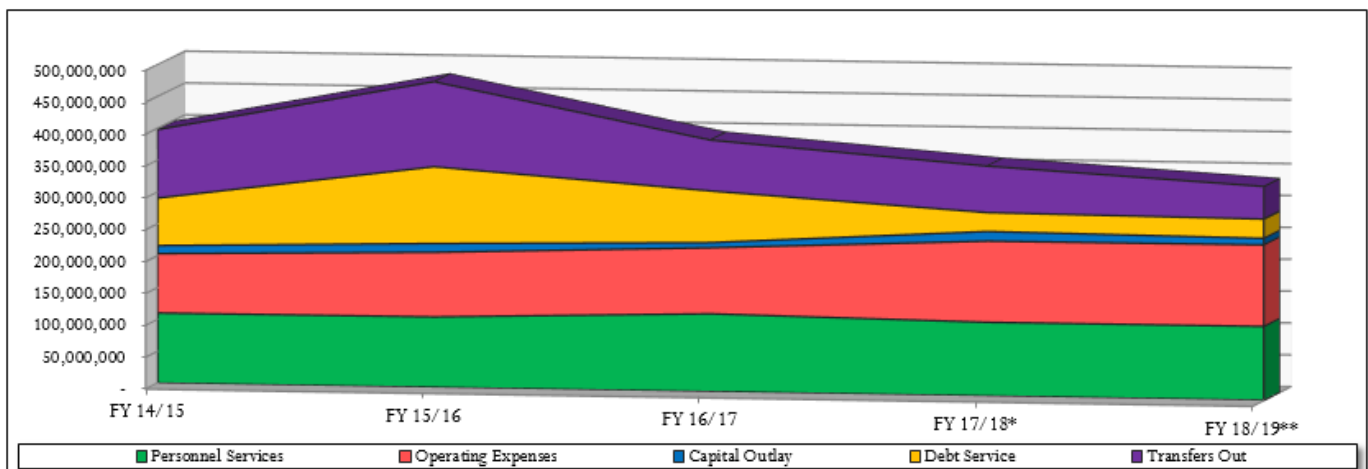


PROPOSED ANNUAL OPERATING BUDGET

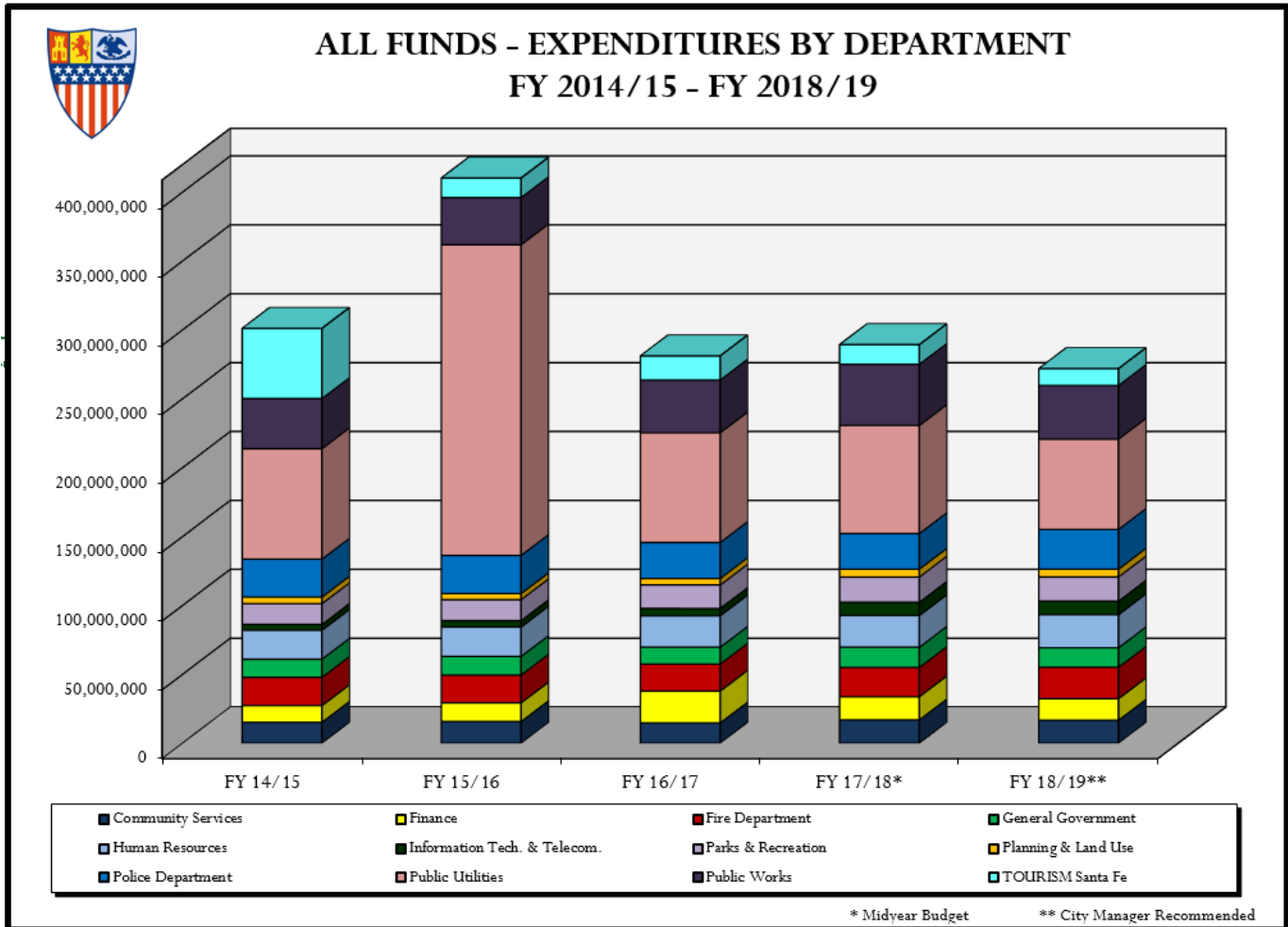
FISCAL YEAR 2018-2019

CITY OF SANTA FE ALL FUNDS - EXPENDITURES BY CATEGORY FY 2014/15 THROUGH FY 2018/19

CATEGORY	ACTUAL REVENUE FY 2014/15	ACTUAL REVENUE FY 2014/15	ACTUAL REVENUE FY 2016/17	FY 2017/18 CURRENT BUDGET*	PROPOSED BUDGET** FY 2018/19	CUMULATIVE CHANGE 14/15-18/19	AVERAGE ANNUAL GROWTH %
<u>Personnel Services:</u>							
-Salaries	72,953,441	72,848,959	72,006,671	72,105,267	74,223,119	1,269,678	0.4 %
-Benefits	37,153,532	37,954,380	50,343,312	43,644,246	41,740,193	4,586,661	4.3 %
<i>Subtotal-Personnel Services</i>	<i>110,106,973</i>	<i>110,803,339</i>	<i>122,349,983</i>	<i>115,749,513</i>	<i>115,963,312</i>	<i>5,856,339</i>	<i>1.5 %</i>
<u>Operating Expenses:</u>							
-Contractual Services	22,270,216	26,024,044	21,205,991	24,736,055	26,401,635	4,131,419	5.4 %
-Utilities	12,115,057	11,980,155	11,830,262	13,067,892	12,962,886	847,829	1.8 %
-Repairs & Maintenance	4,496,809	5,008,479	4,867,518	8,772,791	6,434,025	1,937,216	15.5 %
-Supplies	7,990,650	8,716,094	9,076,346	13,442,311	13,591,410	5,600,760	15.6 %
-Insurance	28,686,808	28,558,239	30,843,677	30,881,485	32,377,970	3,691,162	3.1 %
-Travel/Training	732,413	826,403	825,449	1,427,468	1,582,701	850,288	24.1 %
-Other Operating Costs	16,949,277	20,078,406	24,882,945	34,903,355	34,463,741	17,514,464	20.4 %
<i>Subtotal-Operating Expense</i>	<i>93,241,231</i>	<i>101,191,821</i>	<i>103,532,189</i>	<i>127,231,357</i>	<i>127,814,368</i>	<i>34,573,137</i>	<i>8.5 %</i>
<u>Capital Outlay:</u>							
-Capital Purchases	8,896,094	9,216,941	6,934,547	12,760,377	9,831,716	935,622	10 %
-Land & Building	3,719,609	4,638,576	1,168,365	2,367,709	472,910	(3,246,699)	(6.9)%
<i>Subtotal-Capital Outlay</i>	<i>12,615,704</i>	<i>13,855,516</i>	<i>8,102,912</i>	<i>15,128,086</i>	<i>10,304,626</i>	<i>(2,311,078)</i>	<i>5.8 %</i>
<u>Debt Service:</u>							
-Principal	55,899,676	104,545,860	65,144,245	19,199,275	19,912,066	(35,987,610)	(4.4)%
-Interest	18,605,466	15,970,114	15,937,949	10,467,583	10,234,385	(8,371,081)	(12.7)%
<i>Subtotal-Debt Service</i>	<i>74,505,142</i>	<i>120,515,974</i>	<i>81,082,193</i>	<i>29,666,858</i>	<i>30,146,451</i>	<i>(44,358,691)</i>	<i>(8.2)%</i>
Transfers Out	107,377,071	133,342,050	79,662,723	72,808,367	51,116,270	(56,260,801)	(13.6)%
TOTAL EXPENDITURES	397,846,121	479,708,701	394,730,000	360,584,180	335,345,027	(62,501,094)	(3.2)%

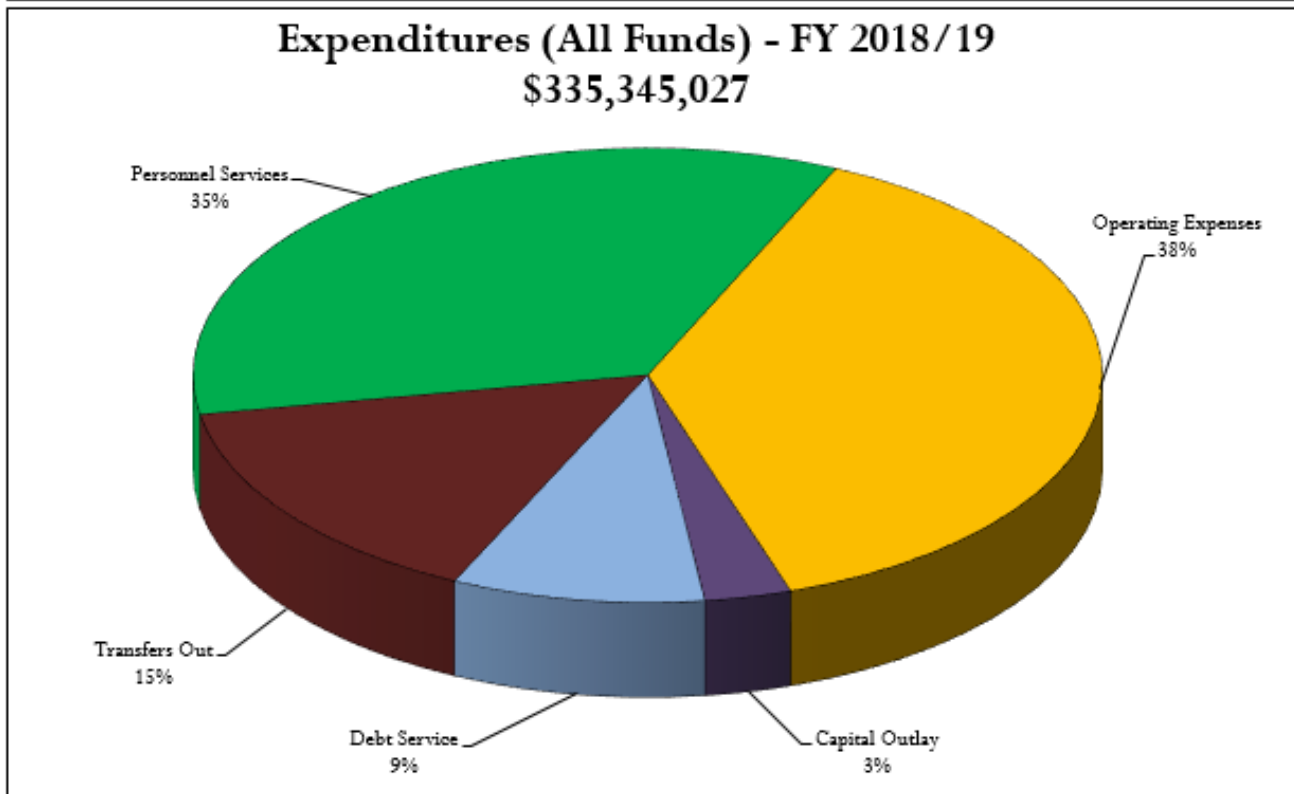
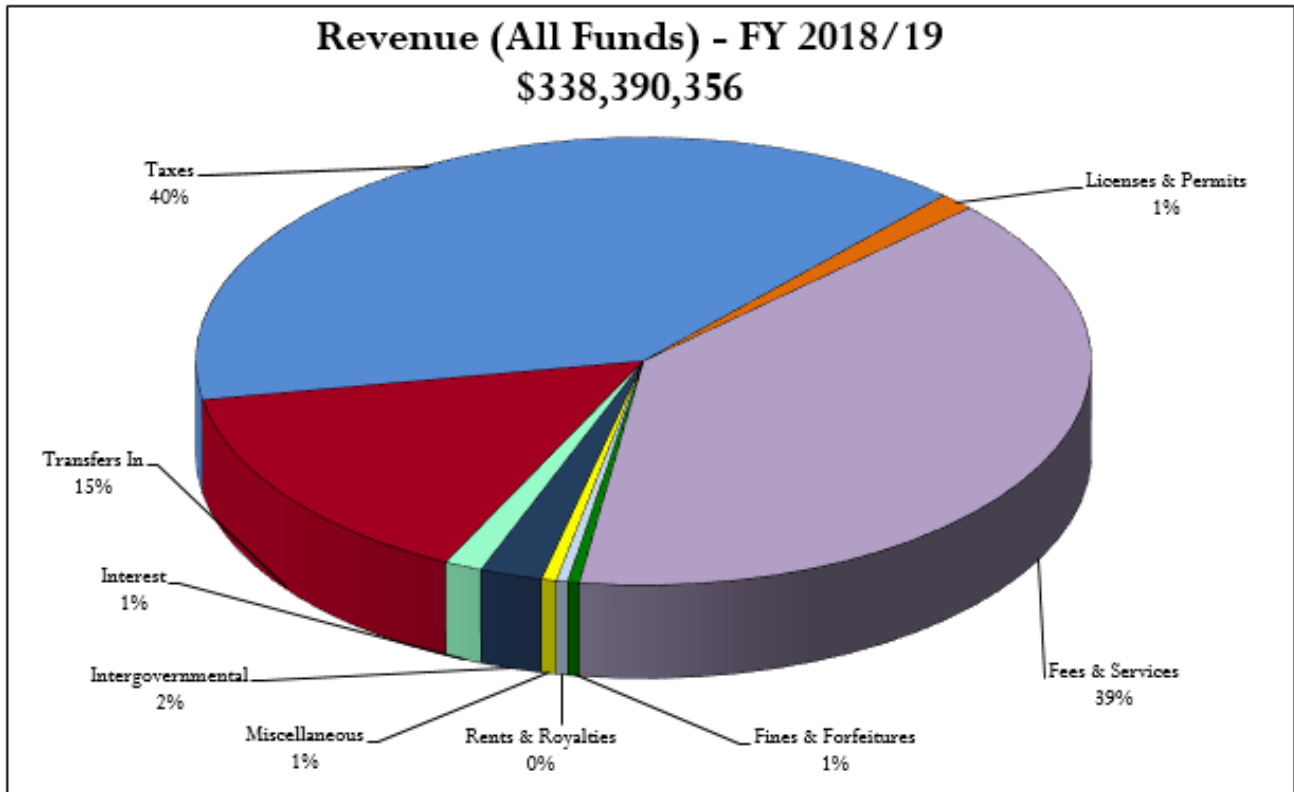


*Midyear Budget **City Manager Recommended Budget



**CITY OF SANTA FE
ALL FUNDS - EXPENDITURES BY DEPARTMENT
FY 2014/15 THROUGH FY 2018/19**

DEPARTMENT	ACTUAL EXPENSES FY 2014/15	ACTUAL EXPENSES FY 2015/16	ACTUAL EXPENSES FY 2016/17	FY 2017/18 CURRENT BUDGET	PROPOSED BUDGET FY 2018/19	CUMULATIVE CHANGE 14/15-18/19	AVERAGE ANNUAL GROWTH %
Community Services	15,239,804	15,723,408	14,745,976	16,972,713	16,729,603	1,489,799	2.7%
Finance	12,059,944	13,545,017	23,104,547	16,725,287	15,561,963	3,502,019	12.1%
Fire Department	20,545,568	20,174,085	19,596,364	21,299,877	22,824,747	2,279,179	2.8%
General Government	13,158,804	13,574,818	12,270,159	14,719,479	14,208,243	1,049,439	2.5%
Human Resources	20,963,745	21,277,650	22,776,215	22,967,518	23,981,121	3,017,376	3.4%
Information Tech. & Telecom.	4,286,536	4,707,674	5,365,850	9,640,443	9,814,901	5,528,365	26.3%
Parks & Recreation	15,034,427	15,150,974	17,018,768	18,319,763	17,545,860	2,511,433	4.1%
Planning & Land Use	4,767,236	4,446,092	4,706,042	5,686,405	5,684,828	917,592	5.0%
Police Department	27,580,041	27,757,095	26,110,581	25,885,564	28,865,055	1,285,014	1.3%
Public Utilities	80,132,681	225,459,739	79,630,828	78,458,712	65,485,847	(14,646,834)	24.7%
Public Works	36,428,166	34,270,497	38,328,574	44,397,533	38,996,770	2,568,604	2.4%
TOURISM Santa Fe	50,913,722	14,143,843	17,476,363	14,239,272	12,177,507	(38,736,215)	-20.4%
<i>Non-Departmental</i>	<i>96,735,445</i>	<i>69,477,807</i>	<i>113,599,734</i>	<i>71,271,614</i>	<i>63,468,582</i>	<i>(33,266,863)</i>	<i>-3.2%</i>
TOTAL EXPENDITURES	397,846,121	479,708,701	394,730,000	360,584,180	335,345,027	(62,501,094)	5.6%



	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 17/18
Personnel Services	110,106,973	110,803,339	122,349,983	115,749,513	115,963,312
Operating Expenses	93,241,231	101,191,821	103,532,189	127,231,357	127,814,368
Capital Outlay	12,615,704	13,855,516	8,102,912	15,128,086	10,304,626
Debt Service	74,505,142	120,515,974	81,082,193	29,666,858	30,146,451
Transfers Out	107,377,071	133,342,050	79,662,723	72,808,367	51,116,270



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE FY 2018/2019 MUNICIPAL SCHEDULE

----- FY 2018/19 PROPOSED BUDGET -----

Fund	Fund Title	Beginning Balance*	Budgeted Revenue	Budgeted Transfers In	Budgeted Expenditure	Budgeted Transfers Out	NET Bud. Fund Change	Ending Balance*
1001	General Fund	7,433,376	91,336,230	452,860	85,586,299	5,003,515	1,199,276	8,632,652
2112	1% Lodgers Tax Advertising	1,128,145	21,964	1,542,857	1,648,421	174,019	(257,619)	870,526
2113	Special Uses Lodgers Tax (45%)	448,636	—	2,314,286	92,850	2,221,436	—	448,636
2114	Lodgers Tax Proceeds	250,000	10,800,000	—	—	10,800,000	—	250,000
2115	Marketing Lodgers Tax (50%)	248,747	282,000	4,744,859	5,026,859	—	—	248,747
2116	Municipal GRT	1,144,407	8,440,330	—	—	8,430,976	9,354	1,153,761
2117	Economic Development	909,570	892,434	75,000	1,052,966	20,000	(105,532)	804,038
2118	Capital Equipment Reserve	134,950	30,497	—	143,250	—	(112,753)	22,197
2120	MGRT-Railyard/General	(23)	—	—	—	—	—	(23)
2121	Municipal GRT-GCCC/Parks	153,809	2,075,215	—	—	2,074,749	466	154,275
2122	Convention Center-Lodgers Tax	736,719	2,297,176	—	—	2,294,116	3,060	739,779
2123	Special Events Projects	1,476,863	—	—	—	798,137	(798,137)	678,726
2127	Comcast Franchise PEG Fee	743	—	—	—	—	—	743
2128	Wayfinding Signage	(2,365)	20,000	—	13,333	6,667	—	(2,365)
2130	Municipal Court Automation	171,528	1,000	—	—	—	1,000	172,528
2140	Verde Fund	247,258	41,000	—	—	—	41,000	288,258
2201	Corrections Fee Fund	—	300,000	—	300,000	—	—	—
2202	MC State Pass-Thru Fees	968	125,000	—	150,000	—	(25,000)	(24,032)
2203	Fire Apparatus Reserve	51,051	61,520	—	93,252	—	(31,732)	19,319
2205	DWI School	89	—	—	—	—	—	89
2206	Emergency Med Svs Grant	5,705	—	—	—	—	—	5,705
2207	Emergency Prep Grant	57,216	58,000	—	56,880	—	1,120	58,336
2209	State Fire Fund	(40,191)	20,000	—	20,000	—	—	(40,191)
2210	Municipal GRT-Police	164,351	7,000	—	7,000	—	—	164,351
2211	Law Enforcmt. Protection Grant	200,310	770,811	—	766,855	—	3,956	204,266
2223	Muni Court Program	84,146	2,294,877	—	1,756,443	—	538,434	622,580
2224	Pub Safety Special Revenue	18,062	130,800	—	130,800	—	—	18,062
2225	MC-Home Detention	(29,156)	—	—	—	—	—	(29,156)
2227	DWI Forfeiture Program	(20,099)	—	—	—	—	—	(20,099)
2230	Animal Spay/Neuter Program	—	19,631	—	19,631	—	—	—
2231	Animal Control Training/Education	68,835	—	110,000	113,000	—	(3,000)	65,835
2232	Fire Hazard Reduction	86,202	448,300	—	717,732	—	(269,432)	(183,230)
2233	Fire-Wildland Urban Interface	347,644	107,600	—	19,280	110,000	(21,680)	325,964



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE FY 2018/2019 MUNICIPAL SCHEDULE

----- *FY 2018/19 PROPOSED BUDGET* -----

Fund	Fund Title	Beginning Balance*	Budgeted Revenue	Budgeted Transfers In	Budgeted Expenditure	Budgeted Transfers Out	NET Bud. Fund Change	Ending Balance*
2234	Fire Training Fund	521,257	330,000	—	466,486	—	(136,486)	384,771
2235	Homeland Security Hazmat Prg	41,153	—	—	—	—	—	41,153
2236	Mobile Integrated Health	46,016	47,000	—	47,000	—	—	46,016
2237	US DOJ BoJ Opoind Grant	350,001	480,592	—	—	—	480,592	830,593
2251	Fire Property Tax/Safety	(8,713)	—	—	—	—	—	(8,713)
2252	Police Property Tax/Safety	54,903	29,000	—	29,000	—	—	54,903
2302	MGRT/Environmental/Infrastructure	(11,460)	—	—	—	—	—	(11,460)
2304	Ridefinders	(39,999)	—	—	—	—	—	(39,999)
2324	Section 112	(394,742)	—	—	—	—	—	(394,742)
2325	Section 5303	324,450	—	—	—	—	—	324,450
2328	Scenic Byways	50	—	—	—	—	—	50
2401	Storm Water Drainage	(57,787)	71,773	35,333	107,106	—	—	(57,787)
2501	Affordable Housing Loan	38,211	255,326	38,095	321,136	—	(27,715)	10,496
2502	NW Quadrant Development	31,173	112,800	16,030	82,184	—	46,646	77,819
2505	Quality of Life	1,729	—	—	—	—	—	1,729
2506	Comm Dev Block Grant	736,404	2,320,000	—	2,082,930	—	237,070	973,474
2507	Federal Home Program	280,535	1,448	—	400,000	—	(398,552)	(118,017)
2508	Affordable Housing Trust	252,003	904	—	—	—	904	252,907
2509	Shelter Plus Care	262,055	808	273,470	284,207	—	(9,929)	252,126
2512	Tierra Contenta Land Sale	(6,696)	792,396	—	818,267	—	(25,871)	(32,567)
2513	Children & Youth	84,109	—	—	—	—	—	84,109
2515	Human Service Provider	45,261	—	—	—	—	—	45,261
2516	Juvenile Justice Program	(9,008)	254,273	—	254,273	—	—	(9,008)
2519	Senior Companion	725,348	3,725	—	—	75,000	(71,275)	654,073
2520	Senior Center Programs	1,044,064	1,399,496	—	1,292,226	—	107,270	1,151,334
2524	Senior Employment	450,624	941,972	—	920,106	—	21,866	472,490
2526	FGP	53,769	130,113	—	130,113	—	—	53,769
2527	RSVP	83,633	161,461	39,361	200,822	—	—	83,633
2528	Senior Nutrition Program	19,905	—	487,078	487,078	—	—	19,905
2530	Senior Caregiver	2,068	34,824	—	34,824	—	—	2,068
2533	Trans Project Income	39,804	131,108	104,516	235,624	—	—	39,804
2534	Senior Assisted Transportation	35,688	84,000	62,044	146,044	—	—	35,688
2535	Senior Non-Reporting Programs	20,309	411,488	549,612	961,100	—	—	20,309
2536	Cash In Lieu	65,093	321,448	475,905	797,353	—	—	65,093
2539	NM St. Agency Capital Improvement Grant	90,095	159,182	660,457	819,639	—	—	90,095



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE FY 2018/2019 MUNICIPAL SCHEDULE

----- FY 2018/19 PROPOSED BUDGET -----

Fund	Fund Title	Beginning Balance*	Budgeted Revenue	Budgeted Transfers In	Budgeted Expenditure	Budgeted Transfers Out	NET Bud. Fund Change	Ending Balance*
2540	Crisis Response Project	6,564	—	3,904	3,904	—	—	6,564
2602	Veteran Programs	8	153,934	—	153,934	—	—	8
2700	Library Grants	(37,812)	—	—	—	—	—	(37,812)
2702	Park Purchase & Improvement	8,849	—	—	—	—	—	8,849
2703	State Library Grants	58,104	574	—	80,000	—	(79,426)	(21,322)
2704	Plaza Use Fund	(10,924)	97,037	—	97,037	—	—	(10,924)
2705	Recreation Fund	56,863	—	—	—	—	—	56,863
2706	Archeological Fund	(28,755)	7,732	—	21,008	—	(13,276)	(42,031)
2707	Historic Preservation Grant	131,260	25,461	—	25,000	—	461	131,721
2709	Regional Planning Authority	160,791	100,000	520,885	586,054	—	34,831	195,622
2712	Santa Fe Beautiful Grant	143,254	—	—	—	—	—	143,254
2714	Arts Education Grants	14,522	—	—	—	—	—	14,522
2716	Southside Library	22,528	—	—	—	—	—	22,528
2718	Emrgcy Mgmt Performance Grant	11,741	47,523	—	47,523	—	—	11,741
2719	Neighborhood Stabilization	9,897	—	65,750	65,570	—	180	10,077
2720	Impact Fees - Roads	90,451	3,274	1,074,474	1,081,123	—	(3,375)	87,076
2721	Impact Fees - Parks	27,109	94,604	147,569	204,239	—	37,934	65,043
2722	Impact Fees - Police	1,517,131	1,261,504	—	—	—	1,261,504	2,778,635
2723	Impact Fees - Fire	310,064	911	—	—	—	911	310,975
2724	Camera Nuisance Abatement	129,295	18,590	—	—	—	18,590	147,885
2728	Public Financing for Elections	275,308	275,406	—	—	—	275,406	550,714
2740	NM Hmlnd Scy EMW-2015-EP00	3,006	—	—	—	—	—	3,006
2742	NM Homeland HMEP 0579-16	1,010	—	—	—	—	—	1,010
2743	NM Homeland Scy EMW-2015-S	800	—	—	—	—	—	800
2744	2017 Hazardous Materials Grant	681,660	2,106	150,000	—	—	152,106	833,766
2745	NM Homeland EMW-2017-SS	(9,674)	—	—	—	—	—	(9,674)
3102	1/2% GRT Income Fund	205	—	—	—	—	—	205
3103	CIP Reallocation Fund	(29,742)	—	—	—	—	—	(29,742)
3326	Paved Street Rehab	(5,335)	—	—	—	—	—	(5,335)
4120	2008 GRT CIP Bond Issue	5,886	—	—	—	—	—	5,886
4124	2012A & CIP Refunding Bonds	1,333,511	16,863,558	—	2,169,267	13,261,092	1,433,199	2,766,710
4125	2013A Refunding Bonds	4,417,461	—	—	—	—	—	4,417,461
4126	2013B Refunding Bonds	1,843,974	1,445,000	—	910,543	—	534,457	2,378,431



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE FY 2018/2019 MUNICIPAL SCHEDULE

----- FY 2018/19 PROPOSED BUDGET -----

Fund	Fund Title	Beginning Balance*	Budgeted Revenue	Budgeted Transfers In	Budgeted Expenditure	Budgeted Transfers Out	NET Bud. Fund Change	Ending Balance*
4127	2014 GRT CIP Bond Fund	909,426	—	—	—	—	—	909,426
4150	2008 General Obligation Bond	(4,697)	611	1,622,569	1,622,569	—	611	(4,086)
4151	2013 General Obligation Bond	85,491	5,147	7,497,966	7,497,966	—	5,147	90,638
4152	2014 General Obligation Bond	21,832	3,259	447,241	447,241	—	3,259	25,091
4153	2018 Gas Tax Bond	12,641	111	669,366	669,366	—	111	12,752
4201	NMFA-Fire Department	98,877	122	728,754	728,754	—	122	98,999
4209	NMFA-Land Acquisition	1,535,663	755,462	—	750,835	—	4,627	1,540,290
5100	Civic Convention Center	140,621	862,473	—	862,660	—	(187)	140,434
5102	CCC Debt Service Fund	86,451	386,268	—	386,510	—	(242)	86,209
5105	Civic Center Art Space	8,586	—	—	—	—	—	8,586
5150	Parking Enterprise Fund	2,898	—	177,694	177,694	—	—	2,898
5153	Parking Debt Service	805,975	520,500	2,498,721	2,837,751	—	181,470	987,445
5200	Utilities Administration	22,357	1,215	2,129,850	2,129,850	—	1,215	23,572
5201	Utilities Control	78,310	11,900	108,269	108,269	—	11,900	90,210
5205	Utility Customer Service	16,037	5,793,397	—	4,750,234	1,029,741	13,422	29,459
5250	Environmental Services	(53,750)	—	—	—	—	—	(53,750)
5256	Env Svcs Paper Bag Fee	315,130	28,193	956,470	956,470	—	28,193	343,323
5300	Water Division Operating Fund	(815,790)	643,158	—	1,028,821	—	(385,663)	(1,201,453)
5301	Water Debt Service Fund	2,517,995	—	—	—	—	—	2,517,995
5302	Water Div. Acquisition	7,722,549	4,995,365	—	4,199,139	—	796,226	8,518,775
5303	Water Div. Reserve - Arbitrage	5,780,166	15,045,638	14,000	17,326,206	177,694	(2,444,262)	3,335,904
5305	Water Accounts Receivable	394	126,000	—	126,000	—	—	394
5317	River Conservation Fund	983,121	34,503,592	—	31,259,166	223,300	3,021,126	4,004,246
5330	1/4% Water GRT	3,993,427	14,328	—	—	—	14,328	4,007,755
5353	Conservation	3,001,218	10,768	—	—	—	10,768	3,011,986
5391	Water Bond 2009 A/B	3,149,467	11,300	—	—	—	11,300	3,160,767
5400	Transit Bus Operations	170,041	699	—	—	—	699	170,740
5406	Transit Debt Service	7,847,871	—	—	—	—	—	7,847,871
5416	Transit Federal Grants	976,480	91,219	223,300	774,600	—	(460,081)	516,399
5421	SF Paratransit Operations	604,957	—	—	—	—	—	604,957
5450	Wastewater Management	(1,787,058)	2,920,587	6,844,768	9,372,705	345,023	47,627	(1,739,431)
5455	Wastewater Accounts Receivable	1,178	—	345,023	345,023	—	—	1,178
5458	W/W Closure/Post-Closure	16,869	—	—	—	—	—	16,869
5464	Impact Fee-W/W	1,136,928	194,060	948,515	1,142,575	—	—	1,136,928
5500	SWAMA Caja del Rio Landfill	138,637	70,000	1,320,772	1,390,772	—	—	138,637



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE FY 2018/2019 MUNICIPAL SCHEDULE

----- *FY 2018/19 PROPOSED BUDGET* -----

Fund	Fund Title	Beginning Balance*	Budgeted Revenue	Budgeted Transfers In	Budgeted Expenditure	Budgeted Transfers Out	NET Bud. Fund Change	Ending Balance*
5502	SWAMA Equipment Replacement	16,118,251	13,911,695	—	13,204,599	—	707,096	16,825,347
5503	SWAMA Gas Collection System	687	362	—	—	—	362	1,049
5505	SWAMA Insurance Deductibles	220,409	126,146	—	—	—	126,146	346,555
5508	SWAMA Emergency Cash Reserves	3,222,125	7,224,517	—	6,048,106	1,150,000	26,411	3,248,536
5509	SWAMA Closure/Post Closure	1,197,453	4,127	530,000	—	—	534,127	1,731,580
5600	Municipal Recreation Complex	328,642	1,800	150,000	—	—	151,800	480,442
5602	MRC Bond Fund	379	379	—	—	—	379	758
5603	Fore Kids Golf Tournament	653,006	1,765	—	—	—	1,765	654,771
5604	MRC - Fields	4,797,264	9,363	170,000	—	—	179,363	4,976,627
5605	MRC - Debt Service	1,156	1,061,937	606,705	1,648,051	—	20,591	21,747
5700	Genoveva Chavez Community Ctr	420	—	—	—	—	—	420
5701	GCCC-Concession	20,779	13,725	—	4,376	3,713	5,636	26,415
5800	Airport Fund	1,156	39,500	200,737	240,237	—	—	1,156
5802	Airport Terminal Fund	156,258	1,665	1,233,076	1,234,741	—	—	156,258
5803	Airport Landside Fund	928,704	2,016,833	2,769,143	4,728,887	—	57,089	985,793
5820	Air Service Development	17	—	—	—	—	—	17
5821	Small Community Air Service Fund	(624,475)	2,884,904	737,424	3,611,926	44,215	(33,813)	(658,288)
5850	Railyard Development	122,393	402,681	—	—	402,681	—	122,393
5856	Railyard-Market Station	123,783	165,449	—	—	165,449	—	123,783
5857	Railyard Operations	101,741	515,115	646,944	1,162,059	—	—	101,741
5858	Railyard Parks	(42,588)	51,637	391,068	391,068	—	51,637	9,049
5859	Railyard Security	57,019	—	271,100	(713,775)	—	984,875	1,041,894
5910	College of Santa Fe Operating	265,700	722	161,592	161,592	—	722	266,422
5912	College of Santa Fe - Debt	110,243	—	—	—	—	—	110,243
6101	Risk/Safety Administration	175,265	755	75,227	—	—	75,982	251,247
6104	Insurance Claims Fund	(781,127)	2,352,654	—	2,220,265	75,227	57,162	(723,965)
6106	Benefits Administration	1,266,361	4,501,895	—	2,915,301	2,022,319	(435,725)	830,636
6107	Santa Fe Health Fund	41,951	41,519	2,001,433	1,778,928	—	264,024	305,975
6109	Workers' Comp Fund	332,340	510,117	—	523,998	—	(13,881)	318,459
6110	Unemployment Claims	6,591,520	20,953,398	—	20,047,800	75,000	830,598	7,422,118
6112	AFSCME Sick Leave Bank	6,666,348	1,782,403	—	1,368,394	—	414,009	7,080,357
6113	Fire Sick Leave Bank	120,064	120,078	—	205,752	—	(85,674)	34,390
6114	Police Sick Leave Bank	158,555	—	—	—	—	—	158,555



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE FY 2018/2019 MUNICIPAL SCHEDULE

----- FY 2018/19 PROPOSED BUDGET -----

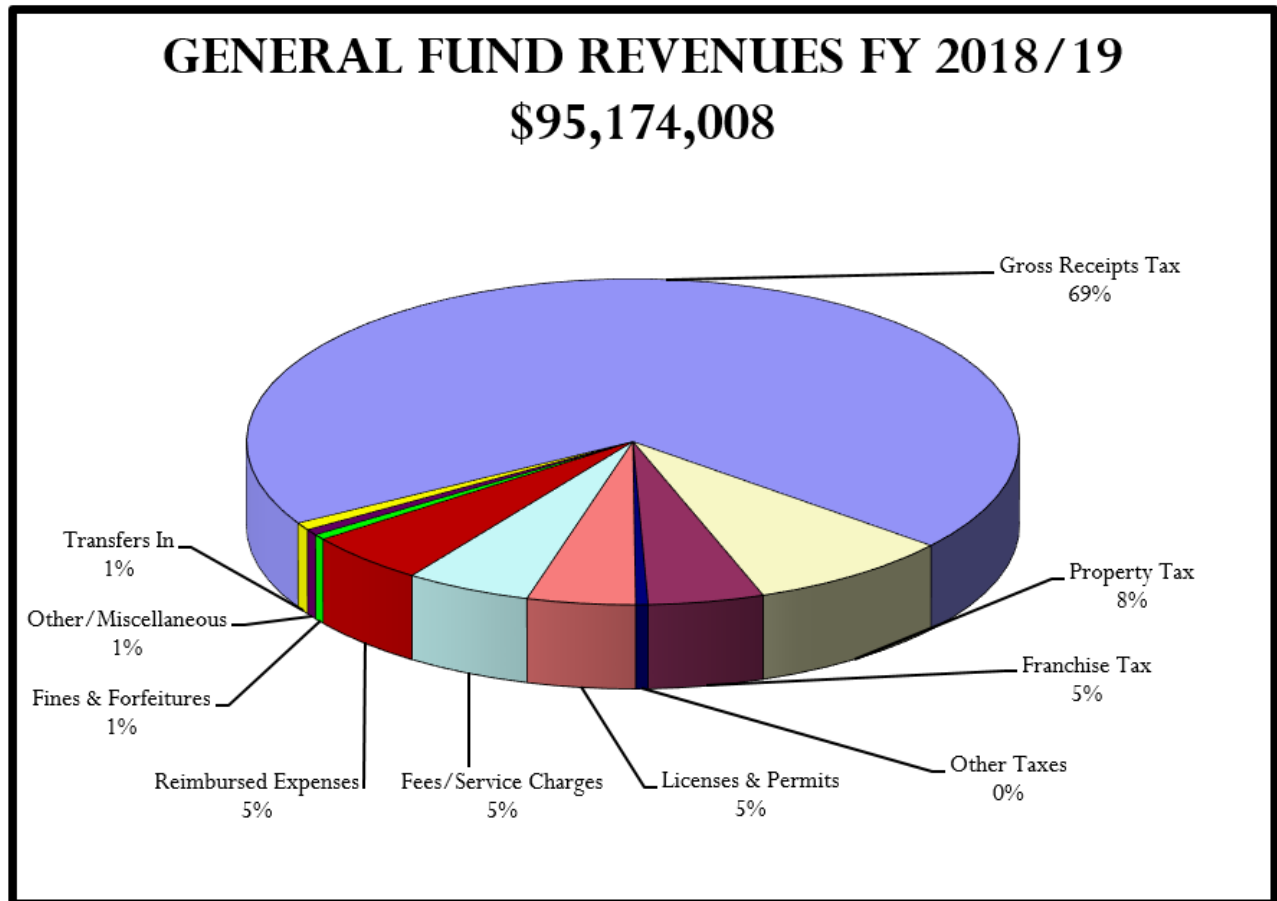
Fund	Fund Title	Beginning Balance*	Budgeted Revenue	Budgeted Transfers In	Budgeted Expenditure	Budgeted Transfers Out	NET Bud. Fund Change	Ending Balance*
6115	Non-Union Sick Leave Bank	(13,023)	—	—	—	—	—	(13,023)
6120	Santa Fe Dental Fund	196,275	—	—	—	—	—	196,275
6200	Services to Other Departments	24,722	—	—	—	—	—	24,722
7103	Special Recreation League	80,818	1,025,087	—	927,487	—	97,600	178,418
7400	Buckman Direct Diversion	—	9,496,776	—	9,496,776	—	—	—
7410	BDD Operating Fund	123,118	74,842	—	68,579	—	6,263	129,381
7412	BDD Special Projects	(200,564)	—	—	—	—	—	(200,564)
7415	BDD Repair & Replacement Fund	1,992,130	—	—	—	—	—	1,992,130
7416	BDD Emergency Reserve	1,576,120	—	—	—	—	—	1,576,120
7420	BDD O&M Emergency	5,088	—	—	—	—	—	5,088
TOTAL		117,424,586	285,742,954	50,422,072	276,243,894	50,984,069	8,937,063	126,361,649

*Projected, based on 7/1/17 Audited balances and current FY 2017/18 budget

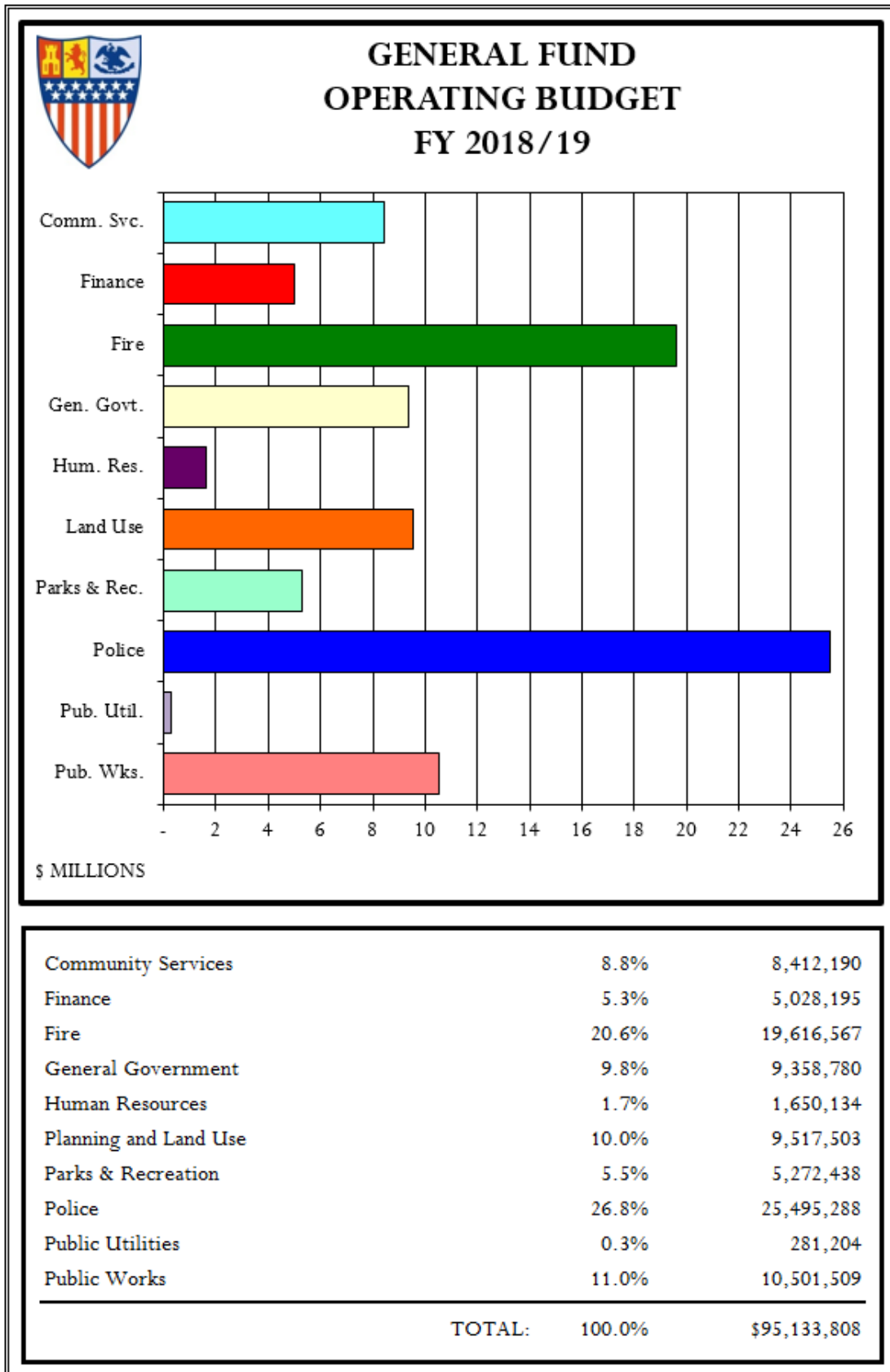
1. General Fund

As noted in the Executive Summary, the General Fund is projected to have a \$40K surplus of revenue over expenses. This surplus takes into account the proposed expansions, GRT growth, and the budgeted vacancy/attrition credit. For purposes of maintaining institutional knowledge the changes listed below remain in place for the proposed budget:

- The Police Property tax fund 2252 relocated all revenues and expenditures into the General Fund. The personnel expenditures of the Santa Fe Police Department (SFPD) in fund 2210, Municipal GRT - Police, were also re-allocated to the General Fund. All non-personnel expenditures for SFPD in the General Fund were re-allocated to fund 2210. The outcome is a more direct account of the personnel and non-personnel costs of SFPD operations.
- The Fire Property tax fund 2251 relocated all revenues and expenditures into the General Fund.
- With the exception of three staff positions, all street repair and maintenance staff are re-allocated to the General Fund in Public Works or Parks and Recreation rather than in the Storm Drainage fund 2401.
- The operating subsidies for the Southside Library, GCCC, and MRC are now represented in the General Fund rather than in the Capital Improvement Fund 3102. This expenditure is represented in the transfer amount.
- All General Fund staff being paid for by the other departments, e.g., Utility Department or Parking Division, are now paid directly in the General Fund. The increase in reimbursable expenditure reflects the charges borne by the Utility Department for general government staff, such as the City Attorney's Office.



General Fund Uses Table





PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

General Fund Summary

CITY OF SANTA FE - FY 2018/19 PROPOSED BUDGET
FUND OVERVIEW: GENERAL FUND [1001]

DESCRIPTION	FISCAL YEAR	FISCAL YEAR 2017/2018				FY 2018/2019
	2016/2017 ACTUAL	CURRENT BUDGET	CURRENT ACTUAL	CURRENT ENCUMBRANCE	REMAINING BUDGET	CITY MANAGER PROPOSED
BEGINNING BALANCE	15,262,955	8,951,003	8,951,003			10,502,238
<i>Revenues:</i>						
Gross Receipts Tax	59,246,682	64,694,523	31,384,268		33,310,255	65,988,414
Property Tax:	6,737,420	8,129,139	2,495,590		5,633,549	8,119,189
Franchise Tax	4,090,448	4,605,575	625,594		3,979,981	4,605,575
Other Taxes	498,485	430,273	171,833		258,440	489,000
Licenses & Permits	3,449,984	4,289,598	2,122,232		2,167,366	4,312,589
Ambulance Fees	4,209,915	1,641,543	1,251,877		389,666	4,000,000
Planning/Land Use Fees	327,703	264,817	188,395		76,422	284,550
Recreation Fees	477,258	443,051	190,781		252,270	456,720
Reimbursed Expenditures	7,014,308	5,021,173	48,134		4,973,039	4,861,572
Other Fees/Services	247,286	362,270	104,281		257,989	259,276
Fines & Forfeitures	304,712	746,421	120,100		626,321	508,956
Miscellaneous Revenues	141,611	347,041	174,341		172,700	99,000
Interest on Investments	27,545	1,613,272	—		1,613,272	394,659
Intergovernmental/Other Grants	63,430	295,427	301,085		(5,658)	75,000
Transfers In	459,980	695,739	349,555		346,184	719,508
Subtotal - Revenues	87,296,768	93,579,862	39,528,066		54,051,796	95,174,008
TOTAL RESOURCES	102,559,723	102,530,865	48,479,069		54,051,796	105,676,246
<i>Expenditures:</i>						
Community Services:						
-Administration Division	654,984	1,261,030	255,473	220,308	785,249	1,306,258
-Library Division	3,619,964	3,790,287	1,747,941	114,318	1,928,027	3,617,181
-Senior Services Division	2,423,473	2,701,986	1,200,824	—	1,501,162	2,863,386
-Youth & Family Division	609,390	685,279	218,717	9,545	457,017	625,365
Finance Department	13,744,922	6,528,564	2,110,131	282,639	4,135,795	5,028,195
Fire Department	17,409,016	18,484,877	8,710,849	310,434	9,463,594	19,616,567
General Government	7,275,976	8,812,735	3,243,728	776,649	4,792,358	9,358,780
Human Resources Department	910,996	1,157,631	512,056	213,647	431,928	1,650,134
Information Technology and Telecommunications	4,157,037	—	—	—	—	—
Parks & Recreation Department	8,593,308	9,953,382	4,943,300	469,678	4,540,405	9,517,503
Planning & Land Use	4,404,317	5,283,085	1,998,712	92,370	3,192,003	5,272,438
Police Department	22,495,788	22,328,228	9,720,967	1,072,954	11,534,307	25,495,288
Environmental Svcs / Graffiti	284,160	300,427	130,765	2,779	166,883	281,204
<i>(continued on next page)</i>						



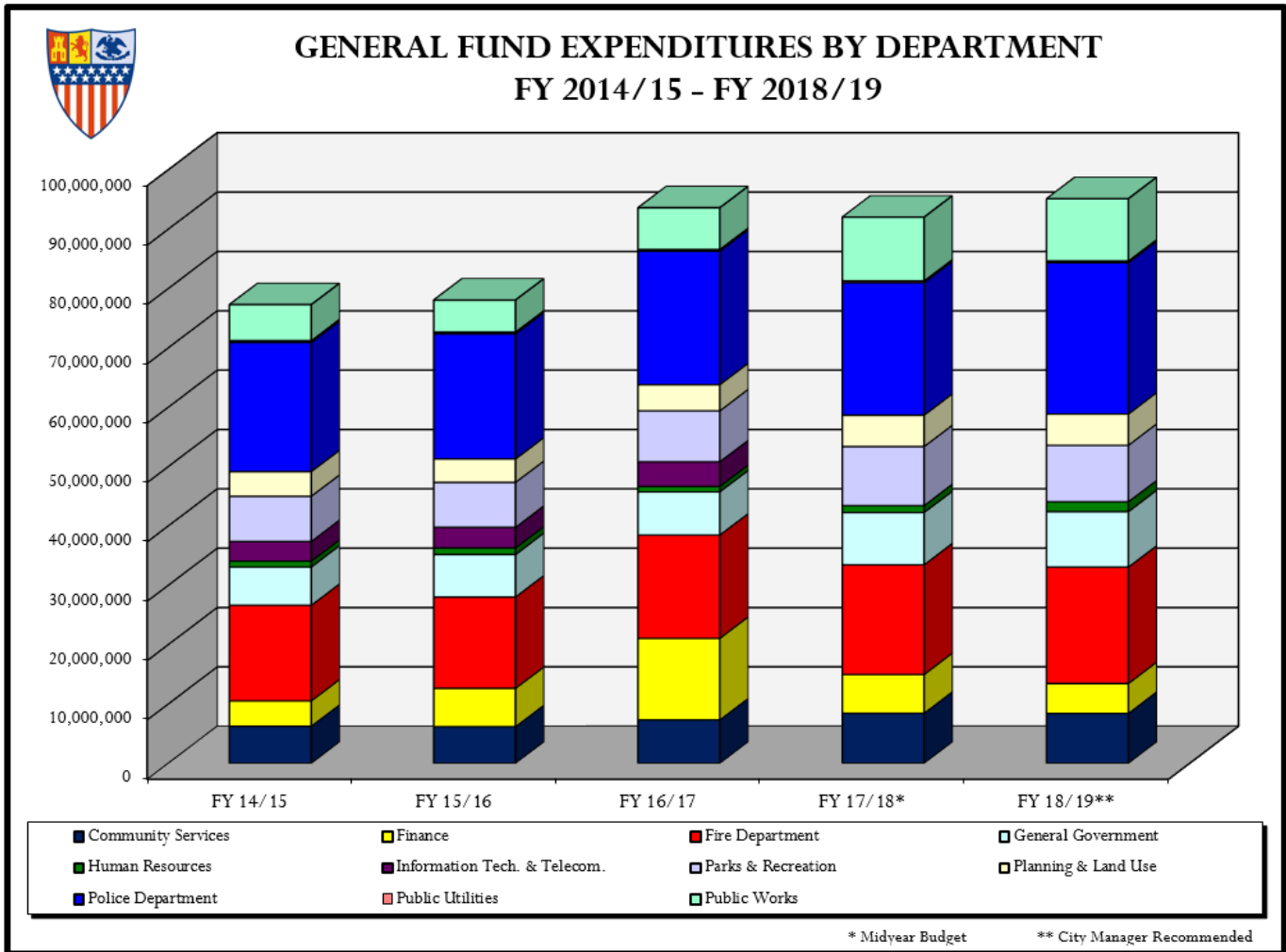
PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE - FY 2018/19 PROPOSED BUDGET FUND OVERVIEW: GENERAL FUND [1001]

DESCRIPTION	FISCAL YEAR 2016/2017 ACTUAL	FISCAL YEAR 2017/2018				FY 2018/2019 CITY MANAGER PROPOSED
		CURRENT BUDGET	CURRENT ACTUAL	CURRENT ENCUMBRANCE	REMAINING BUDGET	
<i>(continued from previous page)</i>						
Public Works Department:						
-Administration Division	60,444	377,945	76,143	65	301,737	223,039
-Airport (GF Subsidy)	145,726	105,544	52,772	—	52,772	83,839
-Engineering Division	2,654,176	3,280,267	963,627	804,687	1,511,953	3,202,394
-Facilities Maintenance	2,708,338	4,564,784	1,556,817	429,807	2,578,159	3,964,635
-Streets & Drainage Division	1,456,705	2,412,576	687,499	211,996	1,513,081	3,027,602
TOTAL EXPENDITURES*	93,608,720	92,028,627	38,130,320	5,011,875	48,886,432	95,133,808
ENDING BALANCE	8,951,003	10,502,238	10,348,749			10,542,438
Contingency	1,024,891	1,917,426				1,647,108
<i>City Council-Mandated Minimum</i>						
<i>General Fund Balance**</i>	<i>7,926,112</i>	<i>8,584,812</i>				<i>8,895,330</i>

*Minimum balance defined as 1/10 (10%) budgeted annual General Fund expenditures excluding transfers



**CITY OF SANTA FE
GENERAL FUND EXPENDITURES BY DEPARTMENT
FY 2014/15 THROUGH FY 2018/19**

DEPARTMENT	ACTUAL EXPENSES FY 2014/15	ACTUAL EXPENSES FY 2015/16	ACTUAL EXPENSES FY 2016/17	FY 2017/18 CURRENT BUDGET	PROPOSED BUDGET FY 2018/19	CUMULATIVE CHANGE 14/15-18/19	AVERAGE ANNUAL GROWTH %
Community Services	6,247,811	6,178,983	7,307,811	8,438,582	8,412,190	2,164,379	8.1%
Finance	4,269,908	6,459,504	13,744,922	6,528,564	5,028,195	758,287	22.1%
Fire Department	16,116,482	15,389,045	17,409,016	18,484,877	19,616,567	3,500,085	5.2%
General Government	6,437,957	7,157,429	7,275,976	8,812,735	9,358,780	2,920,823	10.0%
Human Resources	995,689	1,114,554	910,996	1,157,631	1,650,134	654,445	15.8%
Information Tech. & Telecom.	3,305,976	3,466,736	4,157,037	-	-	(3,305,976)	12.4%
Parks & Recreation	7,629,367	7,572,884	8,593,308	9,953,382	9,517,503	1,888,136	6.0%
Planning & Land Use	4,148,617	3,945,095	4,404,317	5,283,085	5,272,438	1,123,821	6.6%
Police Department	21,772,761	21,084,936	22,495,788	22,328,228	25,495,288	3,722,527	4.2%
Public Utilities	292,426	303,308	284,160	300,427	281,204	(11,222)	-0.8%
Public Works	6,068,699	5,385,292	7,025,389	10,741,116	10,501,509	4,432,810	17.5%
TOTAL GENERAL FUND	77,285,693	78,057,767	93,608,720	92,028,627	95,133,808	17,848,115	9.8%



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

2. 1/2% GRT Income Fund

Capital Improvement Fund [3102]

CITY OF SANTA FE - FY 2018/19 PROPOSED BUDGET
 FUND OVERVIEW: ½% GRT INCOME FUND [3102]
 (CITY CAPITAL IMPROVEMENT PLAN GRT)

DESCRIPTION	FISCAL YEAR	FISCAL YEAR 2017/2018				FY 2018/2019
	2016/2017 ACTUAL	CURRENT BUDGET	CURRENT ACTUAL	CURRENT ENCUMBRANCE	REMAINING BUDGET	CITY MANAGER PROPOSED
BEGINNING BALANCE	802,168	3,190,585	3,190,585			3,647,487
<i>Revenues:</i>						
Gross Receipts Tax	18,222,207	16,863,558	6,973,802		9,889,756	17,200,829
Miscellaneous Revenues	10,296	—	—		—	76,469
Transfers In (Budget Reallocations):						
-CIP Reallocation Fund [3103]	350,000	—	—		—	—
-Water Operating Fund [5300]	1,524,545	—	—		—	—
Subtotal - Revenues	20,107,048	16,863,558	6,973,802		9,889,756	17,277,298
TOTAL RESOURCES	20,909,216	20,054,143	10,164,387		9,889,756	20,924,785
<i>Expenditures:</i>						
Finance Department/ Administration:						
-ADA Compliance	104,168	99,465	32,849	—	66,616	102,961
-Capital Equipment Reserve (Transfer)	27,581	—	—		—	—
-GRT Bond Debt Service (Transfers)	11,188,767	10,296,530	5,148,265		5,148,265	10,375,002
-Interfund Loan (Debt Refunding)	1,400,000	—	—		—	1,800,000
Information Technology and Telecommunications:						
-Geographic Information Sys.	157,844	—	38,010	1,150	(39,160)	—
-ITT Equipment	1,050,969	154,000	94,239	331,896	(272,135)	—
Planning & Land Use/ Metropolitan Planning (Transportation Grant Match)	59,997	54,125	27,062		27,063	52,145
Parks & Recreation Department:						
-Genoveva Chavez Ctr. Subsidy	44,753	128,960	64,480		64,480	280,921
-Municipal Rec. Complex Subsidy	1,314,928	1,371,652	685,826		685,826	1,450,498
<i>(continued on next page)</i>						



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE - FY 2018/19 PROPOSED BUDGET
 FUND OVERVIEW: ½% GRT INCOME FUND [3102]
 (CITY CAPITAL IMPROVEMENT PLAN GRT)

DESCRIPTION	FISCAL YEAR	FISCAL YEAR 2017/2018				FY 2018/2019
	2016/2017 ACTUAL	CURRENT BUDGET	CURRENT ACTUAL	CURRENT ENCUMBRANCE	REMAINING BUDGET	CITY MANAGER PROPOSED
<i>(continued from previous page)</i>						
Public Works Department:						
-Engineering Division (CIP/ Traffic)	889,661	1,041,987	433,904	870	607,213	1,197,422
-Facilities Maintenance (CIP Admin.)	719,935	881,485	349,419	433	531,634	798,820
-Transit Subsidy	—	1,345,820	198,653	—	1,147,168	1,063,000
Non-Departmental:						
-CIP Administration/Accounting	110,027	98,494	48,841	—	49,653	102,165
-Transfer to Municipal Facility Repair CIP [3125]	50,000	—	—		—	—
-Transfer to Financial Sys. CIP [3139]	—	934,138	78,117	—	856,021	—
-Transfer to Railyard Dev. [5850]	600,000	—	—		—	—
TOTAL EXPENDITURES	17,718,630	16,406,656	7,199,664	334,349	8,872,643	17,222,934
ENDING BALANCE	3,190,585	3,647,487	2,964,724			3,701,851

V. DEPARTMENT EXPENDITURES

1. Public Safety

a. POLICE



ADMINISTRATION DIVISION

Executive Summary

The Administrative Division is responsible for the logistics of the Police Department. This means that personnel (sworn and non-sworn) assigned to the division prepare and administer the budget, maintain the current fleet of police vehicles, manage all department training, manage the department's rules, regulations, investigate all citizen complaints, maintain all department records and documents, management of all evidence submitted into the evidence section, fulfill IPRA requests and maintain a positive relationship with the public, register DWI offenders for DWI School, also via the Forfeiture Program, prevent DWI offenders from re-claiming their vehicles unless otherwise deemed by the courts, continue to hire the most qualified candidates to become police officers, and lastly to foster positive relationships with the public by maintaining a service component that works closely with various community organizations, hold special events and administer programs to educate the public on the functions of law enforcement.

RBA Performance Measurements

Fleet

- #/% Fleet that is operational daily
- Average downtime due to fleet maintenance at the warehouse
- Average life cycle of fleet
- #/% Vehicles purchased on schedule

Professional Standards

- % Internal investigations completed on time (w/o extensions)
- < 30 days Operational Complaints
- < 180 days for Administrative Investigations
- % Findings on cases that are sustained, not sustained, unfounded, & exonerated
- % Cases that are tort cases
- # Tort cases paid out as a result of complaints
- % Repeat complaints by type

Records

- #/% Packets completed on time and delivered to
- Municipal Court < 2 hours
- #/% Intake rejections

- #/% Amended intakes
- #/% Packets completed on time and delivered to Juvenile probation

Recruitment

- % New hires who are retained > 2 years
- #/% Officers recruited as a result of specific recruitment efforts (recruitment trips, job or hiring fairs, etc.) that were retained for > 2 years
- # Hiring's /year
- Ratio hired/applicant pool
- Non-promotional turnover rate

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund, Correction Fees - collected by the Courts and used to help pay the jail bill, DWI School fund - paid by offenders for their DWI required classes, used to pay the State requirements and the DWI Instructor, LEPP - State releases funding for the size of the City we are and how many Sworn Officers we have employed, Public Safety Special Revenue - False Alarm Enforcement Ordinance, Escorts Fees, DWI Forfeiture Program - Violations and sales of vehicles. Impact Fees, STOP Program will be started back, no projected funding yet for FY2018/19.
- B. Are any new costs other than inflation included in this proposal?
Yes, Medical Physicals and software maintenance increase.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, items purchased have an increase due to the market value and/or inflation. General liability line 12057.555250 went up by \$299,471, 12057.570950 vehicles went up by \$363,100.00 due to 22225.570950 Vehicles reduced due to revenue and cash balances not being able to cover the cost any longer like was happening over the last 5 years.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
DC Padilla and Nancy Jimenez reviewed each line and determined if each line needed to be increased, could be decreased, or modified by increasing one line and decreasing another line so that the net increase or decrease summed to zero. When an increase was necessary for inflation purposes, we tried to decrease lines so the increase was not as noticeable. We reviewed each revenue source and determined if an increase, decrease or current level was correct. We then made sure what we budgeted to spend was within the increase, decrease or current amount of revenue expected.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
Not at this time.

OPERATIONS DIVISION

Executive Summary

Police Operations consists of the Patrol Division, the Criminal Investigations Division and the Support Operations Division. These divisions focus on the following: Our Patrol Officers perform the following duties, to include but not limited to, traffic enforcement, respond to calls for service and complaints involving motor vehicle crashes, handle/document misdemeanors and felonies cases, provide security for crime scenes, collect evidence,

interviews suspects/witnesses, conduct follow-up investigations and work with the families and children of our community to foster positive relationships in support of Community Policing initiatives.

Support Operations: Pedal Bike Unit- These officers are our quick responders, they respond in overt and covert modes, utilizing pedal bikes, patrol units and ATV/UTVs to patrol the City of Santa Fe and its open spaces. Seasonal Tourism Officers (STO) -The STO program has many key components that make this a vital team to support operations. These officers are all bike certified and Segway certified. The STO function is primarily community relations, the officers build better relationships with the downtown merchants and respond to calls for service in the immediate downtown area. The STO Officers often provide directions to visitors and provide a visible image police presence on the plaza. Their presence alone deters crime in the area and provides everyone in the area with a safe feeling. DWI Unit -These highly trained police officers with extensive training in the detection and apprehension of drivers who are impaired either by alcohol and/or drugs. DWI Officers patrol the streets and conduct Sobriety Check Points, DWI Patrol Saturation and investigate DWI related crashes. Traffic (Motorcycle) Unit-These highly trained police officers are responsible for investigating traffic crashes, enforcing traffic and criminal laws, provide traffic flow considerations(surveys), handle fatal crashes and assist motorists. Public Safety Aides-They handle minor traffic crashes, diagram crashes, assist motorists, direct traffic, conduct parking enforcement and monitor public areas to report criminal to the dispatch center. Animal Services Officers-They investigate and respond to vicious or stray animals call for service, nuisance complaints, injured or ill animals, document cruelty or negligence cases and other animal related issues. Honor Guard-They serve as the "guardians of the colors" by displaying and escorting the national flag during ceremonial occasions.

The Criminal Investigations Division represented by a highly motivated and a very knowledgeable group of detectives and civilians. All detectives and civilian personnel in the division have received extensive training in advanced investigative methods. The units consist of and their mission and/or obligations are: Violent Crimes-investigates serious crimes perpetrated against persons. Crimes Against Property-investigates residential, auto, and business burglaries, auto theft, shoplifting, larceny, fraud and all other crimes related to property. Narcotics-these detectives focus on arresting, disrupting and dismantling mid to high level drug traffickers. Special Victims-investigates crimes perpetrated against children and adults such as: Child Abuse, Neglect, Abuse Resulting in Death, Criminal Sexual Contract and Penetration, etc. Crime Scene Technicians-documents, collects, and preserves evidence at crimes scenes. Scenes include: Homicide, Rape, Battery, Robbery, Burglary, Drug Trafficking, etc. The Criminal Intelligence Analyst-reviews all police reports on daily basis with the goal of identifying patterns as they emerge by Researching and Analyzing Long-Term Problems and Developing and Linking Local Intelligence.

The Special Operations Group consists of members from the Patrol Division, the Criminal Investigations Division and the Support Operations Division. This group is comprised of sworn officers from any division of the police department: Special Weapons and Tactics Team (SWAT)-They are utilized for incidents involving barricaded suspects, hostage incidents, officer rescue, high risk arrest/search warrant services, dignitary protections, civil disobedience, special events, terrorist activities and active shooter/rapid deployments. Tactical Emergency Medical Services (TEMS)-These officers deploy with the SWAT Team during tactical operations to provide medical care and support to Santa Fe Police Department personnel and the community. Explosive Ordnance Disposal (EOD)-These officers respond to threats of hazardous devices and conduct pre-event sweeps. They also provide training to other local governmental agencies and private organizations regarding response protocols to suspicious packages. Crisis Negotiation Team (CNT)-These officers respond and/or deploy to de-escalate critical situations and gather intelligence for the SWAT Team. They are used during hostage situations, suicidal individuals and high-risk arrest/search warrant services.

RBA Performance Measurements

Patrol Division

- % Violent crimes cleared
- % Property crimes cleared
- Average time from dispatch to arrival on scene
- #/% LEAD participants who are diverted/receive substance abuse treatment
 - (DWI measures - TBD)

Criminal Investigations Division

- # Cases assigned/ detective
- Solvability rate of
 - Property crimes
 - Violent crimes
 - Narcotics

Special Victims Unit

- % Successful Resolution for the Community
- #/% Prosecution rate/Adjudication
- % Detectives turnover rate (non-promotional)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund, Gross Receipts Tax (GRT), Animal Control Training and Education Special Revenue.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, salary and benefits due to raises, automatic promotions, and equipment cost increase due to inflation and market value.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
We have no control over salary and benefit cost, which is the majority of this section, the GRT we looked at current year and last year's revenue amounts and stayed within that revenue amount. We adjusted within line items knowing that we have a limited amount of revenue and tried to adjust within those parameters.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
Not at this time.

EXPANSION

Executive Summary

The purpose of this expansion request is to enhance our police officer recruiting strategies by allowing these Police Safety Aides to become members of the department as early as age eighteen and transition into a police cadet position by the age of twenty-one. If the Police Safety Aide is over the age of twenty-one, they can only remain in this term position for a period of three years and then transition into a police cadet position.

Our current Public Safety Aides are assigned to the Support Operations Division and primarily work with the traffic officers. On a daily basis, they enforce parking violations, direct traffic, assist with funeral and wide load escorts within the City of Santa Fe, fill out impound sheets, and wait for tow trucks to arrive to tow away stalled or crashed vehicles.

There is a difference between our already approved fully functioning Public Safety Aides and these Police Safety Aides. These new positions will allow them to work alongside the patrol officers assigned to the day and swing shifts of the patrol division. They will be managed and supervised by a patrol sergeant and/or a police lieutenant. They too will enforce parking violations, direct traffic, (they will not be assisting with funeral and wide load escorts), fill out impound sheets and wait for tow trucks to arrive to tow away stalled or crashed vehicles. This will free up a police officer from doing this task (vehicle impound) and allowing that police officer to focus on true police work and/or deterring crime. Further allowing the Police Safety Aide to learn the geography of the City of Santa Fe, learn the ins and outs of police work, shift work and finally decide if they want to become a police officer. Therefore, fostering a positive career path for them and reducing our vacancy rate.

RBA Performance Measurements

To enhance our police officer recruiting strategies by allowing these Police Safety Aides to become members of the department as early as age eighteen and transition into a police cadet position by the age of twenty-one. If the Police Safety Aide is over the age of twenty-one, they can only remain in this term position for a period of three years and then transition into a police cadet position. With either scenario, this a term position for a period of three years. This will allow the Police Safety Aide to learn the geography of the City of Santa Fe, learn the ins and outs of police work, shift work and finally decide if they want to become a police officer. The true benefits of this expansion cannot yet be measured until we have these Police Safety Aides hired and they transition to police cadet positions within the three-year period.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund.
- B. Are any new costs other than inflation included in this proposal?
This is an Expansion all costs are new. We will deduct these two positions from the ten positions owed to the PD due to the annexation.
- C. Do you expect an increase in expenditures? Why, or why not?
This is all new, therefore an increase, next year we would expect a decrease as we will not need new cars for these positions just our normal replacements of our current fleet.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
We took salary and benefits costs from Mr. Montoya's personnel spreadsheet, we added to that the costs for the car, equipment, uniforms, etc., to create this expansion request for 2 Police Safety Aides.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
Not at this time.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Police Department Expenditure Summary

**CITY OF SANTA FE
POLICE DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

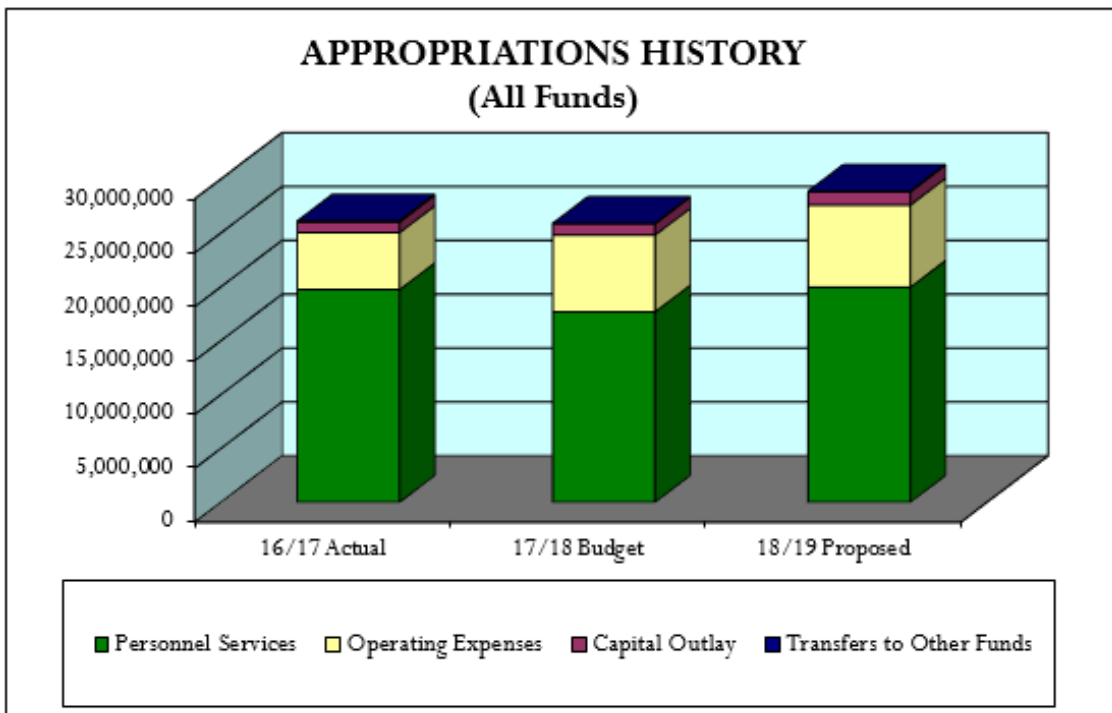
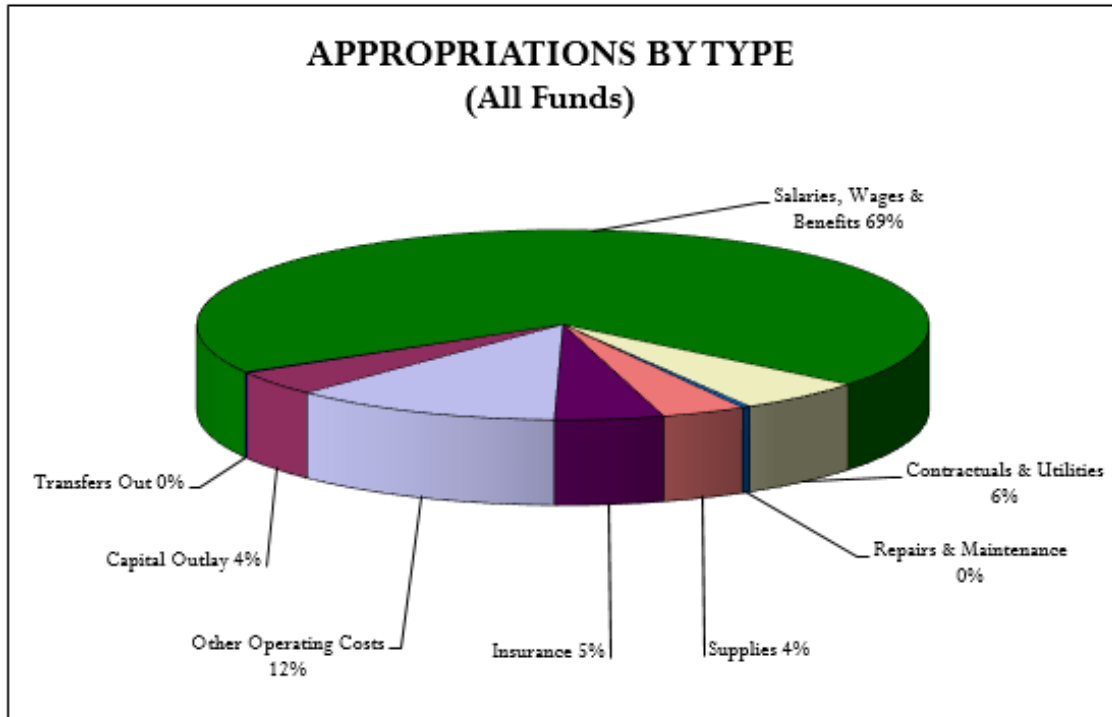
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Police Administration	10,215,398	7,711,695	8,865,591	2,379,844	1,889,672	9,363,496
Police Operations	17,541,697	18,398,887	17,019,973	8,476,272	576,338	19,501,559
TOTAL POLICE DEPARTMENT	27,757,095	26,110,582	25,885,564	10,856,116	2,466,010	28,865,055

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	19,217,505	19,745,505	17,676,768	9,336,061	—	19,970,587
Contractuals & Utilities	1,761,379	1,577,192	1,739,980	481,233	598,669	1,632,017
Repairs & Maintenance	87,056	140,514	145,300	14,984	24,393	103,000
Supplies	1,029,937	967,476	1,001,654	298,553	296,765	1,072,709
Insurance	1,378,651	1,165,983	1,189,875	33,177	—	1,383,931
Other Operating Costs	1,244,863	1,442,126	3,052,713	544,821	718,578	3,433,507
Capital Purchases	1,108,413	975,996	1,028,970	122,135	827,605	1,219,000
Transfers to Other Funds	1,929,291	95,790	50,304	25,152	—	50,304
TOTAL POLICE DEPARTMENT	27,757,095	26,110,582	25,885,564	10,856,116	2,466,010	28,865,055

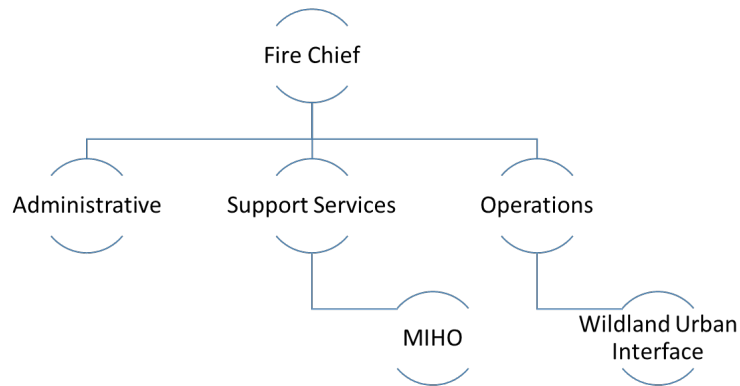
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	21,084,936	22,495,788	22,328,228	9,720,967	1,072,953	25,495,288
Corrections Fee Fund	214,653	71,766	150,000	—	—	75,000
Federal Forfeiture Sharing	357	—	—	—	—	—
DWI School	67,300	59,213	56,880	23,706	26,050	52,680
Municipal GRT-Police	2,196,699	1,774,241	1,824,251	769,959	574,534	2,286,087
Law Enforcement Protection	127,101	110,719	170,800	55,290	94,181	121,800
Edward Byrne Justice Asst. Grants	62,344	33,216	19,631	—	—	—
Public Safety Special Revenue	885,360	823,207	717,732	56,874	506,074	315,300
DWI Forfeiture Program	545,443	279,977	571,042	226,773	169,942	445,900
Police Grants	93,100	—	—	—	—	—
Animal Control Spay/Neuter	—	62,153	—	—	—	—
Animal Control Training/	90,428	57,083	47,000	2,525	1,801	73,000
Police Property Tax/Safety Fund	2,388,498	342,409	—	22	20,475	—
Camera Nuisance Abatement	876	8	—	—	—	—
Railyard Security Fund	—	802	—	—	—	—
TOTAL POLICE DEPARTMENT	27,757,095	26,110,582	25,885,564	10,856,116	2,466,010	28,865,055



POLICE DEPARTMENT



b. FIRE DEPARTMENT



ADMINISTRATION DIVISION

Executive Summary

The Fire Administration Division is the core of the executive leadership and administrative operations support all 179 members of the Department.

This Division directly supports the mission of the City of Santa Fe Fire Department. The mission is to preserve life and property through public education and prompt, efficient emergency response. The Fire Department is dedicated to serving the best interest of the public by taking the steps necessary to reduce human suffering, as well as the preventable loss of life and property. Members commit to continued learning, personal growth, and professional development; and at all times work in a respectful, honest, and professional manner with each other, the public, and the members of all other agencies. Above all else, City of Santa Fe Fire Department members prize the dignity of human life and strive to treat all people with the compassion, professionalism, and understanding they deserve.

Work from this Division includes: personnel, accounting, budget, procurement, contracts, and finance; data collection, management and reporting, records, ITT services - mobile computing, land mobile radio services, and logistics - Facilities, equipment, apparatus, uniforms and personal protective equipment.

RBA Performance Measurements

Continue to evaluate and provide executive direction to the Department on the most effective and efficient ways to provide our services and pioneer new ways to do so in the future.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding for this proposal is from the General Fund.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, possibly due to CBA raises and or adjustments to non-union employees salaries.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Details, if applicable, included in the Expense worksheet.
- E. Describe the process your division went through to build a zero-based budget.
Intensive budget meetings at the executive, mid-management and operational level.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

Yes, two Battalion Chiefs are being moved from the Administrative Section to the Operations Section. This is an organizational move only not new FTEs.

OPERATIONS DIVISION

Executive Summary

The mission of the Operations Division is to provide a sustainable quality of life now and in the future for the entire community of Santa Fe by protecting against and preventing the loss of life and property through professional and efficient planning, preparation, training, fire prevention, public education and delivery of emergency services.

The Fire Department provides all hazard emergency response to the citizens and visitors to the City of Santa Fe, including the surrounding areas, through mutual and automatic-aid agreements. The delivery of high quality and efficient fire, rescue and emergency medical services is accomplished through three work shifts (A, B, and C) with a minimum of 35 responders on duty at any given moment. Response is initiated through our Regional Emergency Communication Center (911); call volume is nearly 17,000 calls for assistance per year. The responders currently operate out of six operational fire stations (including the Santa Fe Airport) with an additional station in the works to cover the new annexation area. Our response on the airport property is to Federal Aviation Administration standards and the City of Santa Fe Fire Department attempts to meet National Fire Protection Association (NFPA) response standards as the Standard of Cover throughout all responses. All risk response includes emergency medical services, structure fires, wildland fires and other outside fires, motor vehicle accidents, technical rescue incidents, hazardous materials calls and providing general assistance to the public.

RBA Performance Measurements

- Continue to provide professional and effective emergency response to the City of Santa Fe.
- Expand on our abilities to proactively address fire risk reduction in the wildland urban interface inside and surrounding the City.

Fire Operations

- #/% Fire response time < 6 min (Including First Engine crew, full alarm assignment response times)
- #/% Fees collected / \$ Collected - ambulance fees
- #/% Total calls breakdown by type
- % Patients transported to hospital
- Outcome rates - a) time to Cath. Lab b) time to TPA c) time to Operating Room

Wildland Fire Operations

- # Properties served with assessment and mitigation
- % Property owners who make changes/completed mitigation project as a result of property assessments
- # Acres Fuel reduction, Prescribed Fires, Mitigation and % of acres completed to targets
- Respiratory call volume during Prescribed fires
- % Wildland Deployment reimbursements met toward Division budget goal (\$580k)
- % Resource orders requested and filled
- % Department red card qualified (% in ROSS, refresher, pack test, deployed, and by qualification type)

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

The majority of the funding is from the City's general fund, with a small percentage being from State and Federal Grants.

- B. Are any new costs other than inflation included in this proposal?
Yes, ten new FTEs (see Expansion proposals) and CBA and non-union raises over the past year.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, additional FTEs, CBA raises and potentially new grants acquisitions.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Details are in the Expense Report.
- E. Describe the process your division went through to build a zero-based budget.
Intensive budget meetings at the executive, mid-management and operational level.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
Yes, the addition of an additional Battalion Chief, 6 promotions to accommodate Fire Station #2 (new station) and nine new Firefighters to help staff Station 2.

SUPPORT SERVICES DIVISION

Executive Summary

The Support Services Division consists of seven different components with seven different missions.

Fleet

The Fleet Division is responsible for the design, purchase and maintenance of the Department's fleet, which includes 7 firefighting apparatus, 11 ambulances, 16 specialized pieces of equipment, and 31 staff and utility vehicles. In addition to servicing the fleet of apparatus and vehicles, the Division is responsible for repair and maintenance to the Department's small engines, tools, pump testing unit and air cascade and compressing stations.

To ensure all of these services, the Division needs to maintain special skills that include, basic ASE certifications, CDL Driver's Licenses, EVTCC (Emergency Vehicle Technician Certification Commission) certification, trained and certified fire pump mechanics.

Training

The Training Division relies upon and follows state statues and guidelines as well as national standards and best practices to provide comprehensive training across all disciplines that the Department needs to perform. The focus is on high quality content distribution and skills performance rather than simply fulfilling education hours. In short, the following organizations and documents dictate or guide training hours offered: National Registry of EMT's, New Mexico EMS Bureau, New Mexico State Statue, National Fire Protection Association, New Mexico Firefighters Training Academy, Occupational Safety and Health Administration, SFFD/SFFA CBA, rules and Regulations and Standard Operating Guidelines, and the Insurance Services Office.

In addition to internal training, the Division plans for and conducts the SFFD Recruit Academy upon hiring of new personnel and multiple nationally offered trainings in collaboration with the State Fire Marshal's office and the National Fire Academy. Upon request, the Division helps other City departments and schools with training and fire safety education.

Health & Safety

The Health and Safety Officer monitors and provides education and policies to the Department surrounding our member's health and wellbeing. This includes annual physicals for all personnel, proactive health screenings, monitoring of hazardous materials exposures and developing policies that target a firefighter's increased risk of contracting cancer. The Officer also helps evaluate and purchase all personnel protective clothing for the Department.

Fire Prevention

The Fire Prevention Division works to reduce property loss and the number of fire related incidents in the City of Santa Fe. This is done through several specific programs. Plan review is done cooperatively with Land Use on all properties within certain parameters and for all developments. Inspections are done annually on business and certain high-risk use properties and business types, and according to local resolution. Code enforcement is done periodically, unannounced for certain occupancies, and as requested by complaint or for follow-up. All inspections, plan reviews, and enforcement are done to City Council approved International Code Council standards by Division staff, which consists of the Fire Marshal, Deputy Fire Marshal, and three Fire Inspectors. In addition, the Division works to affect public relations and public education with hundreds of scheduled events and visits to every school within the City.

Mobile Integrated Health

A directive initiative involving former Mayor Gonzales and Chief Litzenberg, the Mobile Integrated Health Office (MIHO) pro-actively seeks out frequent users of the City's emergency 911 system, provides them with the help and resources to improve their health status, and becomes less reliant on emergency services. This not only improves the person's individual health but also saves money and creates less of a burden on the emergency response system by decreasing non-emergency requests from that population.

CONNECT

The CONNECT program is the flagship program for SFFD's EMS operations into the 21st century. Participants in the CONNECT program are identified either internally through a high rate of 911 use or externally by health care partners for high utilization of health care resources. Participants are enrolled for a 90-day intervention, which consists of home visits, identification of barriers to health and goals, and a participant/provider partnership aimed at connecting the participant to existing resources. Other programs are directed to deliver Naloxone to those identified as at risk for narcotic overdose, services to address falls in elderly populations, and response to relieve emergency response units when not needed.

ITT Support

The Department host and funds one ITT Specialist that is shared with the Santa Fe Police Department to provide IT services to both departments.

RBA Performance Measurements

- Continue to support Fire Department operations through professional training and development, health and safety initiatives, and fire prevention/risk reduction strategies and education.
- Expand and further develop and support the Department's Mobile Integrated Health Office (MIHO) that is providing the City of Santa Fe proactive health care solutions for our residents.
- Provide the most effective and efficient equipment and apparatus for operational and non-emergency personnel.

Training Division

- #/% Job required licensures met annually
- #/% Staff people applying for promotion who pass testing
- Academy success rate - #/% Academy graduates who pass

- #/% Academy applicants who fill out application successfully
- #/% Injury rate @ Academy

Fire Prevention Division

- # Fires over time
- # Completed inspections compared to state average
- % Inspections completed to total
- % of Improvement Fire drill times w/ 100% students accounted for & schools who improve time from beginning to end school year
- # Fire safety presentations completed

Mobile Integrated Health Office (MIHO)

- Patient Satisfaction Scores (Program: Health 6 and CONNECT)
- Provider Satisfaction
- 911 Utilization of Patients 12-months before and after program enrollment
- # of Incidents on which a Health Unit was present

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The majority of the funding comes from the general fund with some grant funding sources.
- B. Are any new costs other than inflation included in this proposal?
Raises due to CBA increases and base rate adjustments.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, due to CBA rate increases and an increase in our State Fire Funding.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Details are in the Expense Report.
- E. Describe the process your division went through to build a zero-based budget.
Intensive budget meetings at the executive, mid-management and operational level.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No.

EXPANSION REQUEST #1

Executive Summary

This expansion is a request for one additional Battalion Chief (1.0 FTE), nine additional Firefighters (9.0 FTE), and for promotions needed to staff a new Fire Station (Fire Station #2).

The additional personnel and subsequent promotions will be assigned to cover and staff our new Fire Station (Station 2) which will be built and cover the annexation area. The new station will be staffed (at a minimum) with three Captains, three Engineers, three Paramedic and six Firefighters over three shifts. These personnel will provide emergency services with one Type-1 Fire Engine and one Ambulance. The additional Battalion Chief will be assigned to help geographically cover the City due to our increased coverage area.

EXPANSION REQUEST #2

Executive Summary

This expansion is a request to cover the cost of holding a Cadet Academy for 20 new Firefighters. Nine new Cadets for Fire Station 2 and the balance will be normal Fire Department vacancies (5 to date with an anticipated 3-4 more before the beginning of the fiscal year).



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Fire Department Expenditure Summary

**CITY OF SANTA FE
FIRE DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

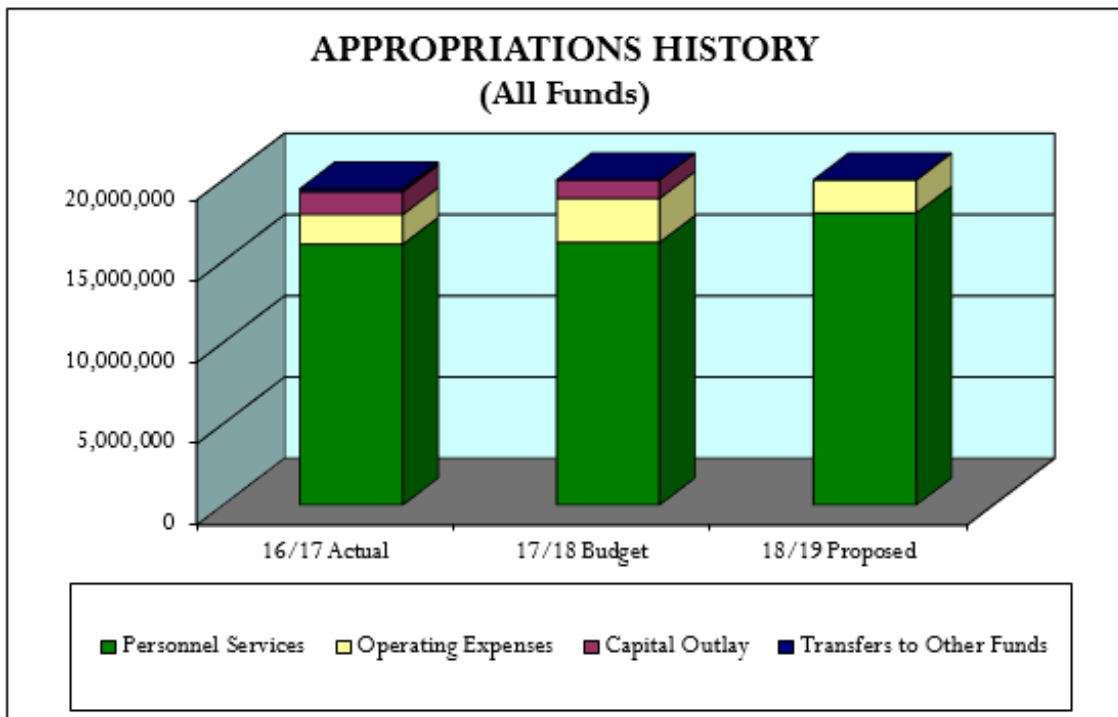
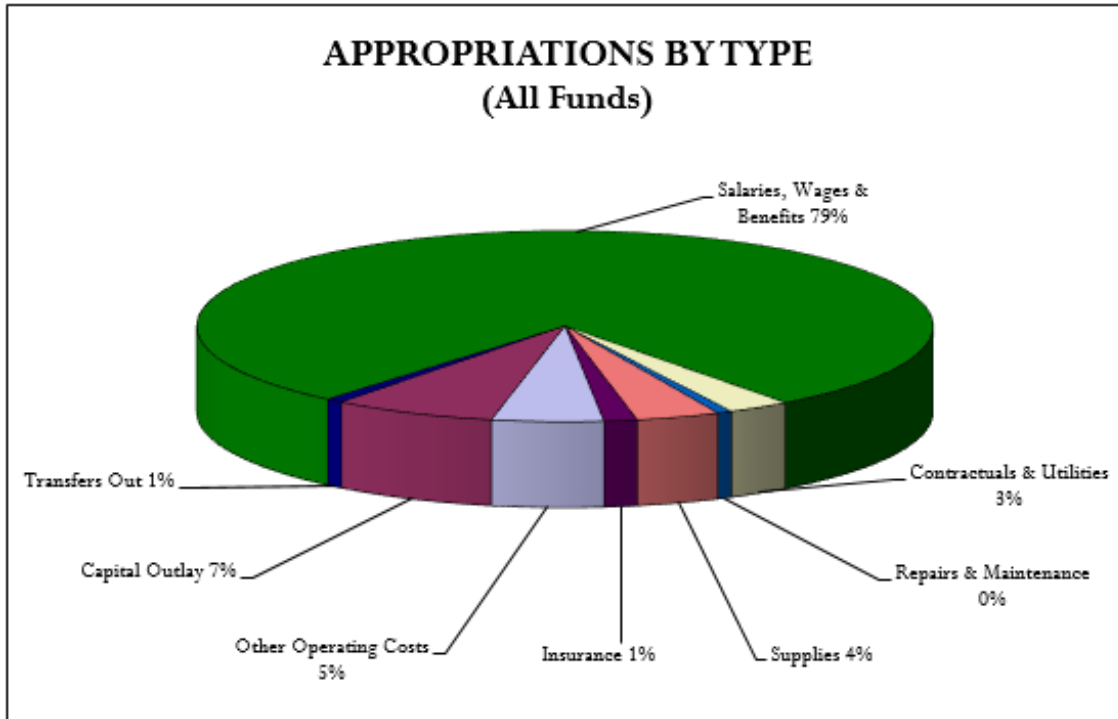
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Fire Administration	4,812,901	17,143,592	2,827,303	7,752,678	268,927	12,140,883
Fire Operations	14,075,302	734,262	14,459,353	486,509	378,645	5,217,779
Support Services	1,285,882	1,577,836	4,013,221	788,759	469,122	5,466,085
TOTAL FIRE DEPARTMENT	20,174,085	19,455,690	21,299,877	9,027,946	1,116,694	22,824,747

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	16,264,088	16,045,822	16,160,616	8,161,068	—	17,964,602
Contractuals & Utilities	278,860	270,439	524,149	106,183	113,268	624,465
Repairs & Maintenance	107,873	133,563	135,718	32,008	39,824	146,043
Supplies	684,194	695,704	880,297	359,157	180,953	837,069
Insurance	369,674	390,794	379,416	21,900	—	330,750
Other Operating Costs	309,113	407,375	924,308	114,682	5,837	1,114,515
Capital Purchases	881,225	1,330,463	2,115,413	146,258	776,812	1,633,838
Transfers to Other Funds	1,279,058	181,530	179,960	86,690	—	173,465
TOTAL FIRE DEPARTMENT	20,174,085	19,455,690	21,299,877	9,027,946	1,116,694	22,824,747

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	15,389,045	17,409,016	18,484,877	8,691,701	310,434	19,616,567
Capital Equipment Reserve	8	59	—	—	—	—
Emergency Medical Services	68,809	18,251	20,000	715	—	20,000
Emergency Preparedness Grant	6,572	6,025	7,000	—	649	7,000
State Fire Fund	1,131,721	1,481,727	1,538,731	217,521	414,437	2,121,140
Fire Hazard Reduction Grants	372,400	416,322	484,249	69,586	366,602	549,015
Fire Wildland-Urban Interface	41,540	44,548	315,000	501	—	220,944
Fire Training Fund	28,363	26,771	29,000	23,046	3,053	—
Homeland Security Hazmat Grant	11,460	—	—	—	—	—
Mobile Integrated Health Program	67,295	52,971	122,426	24,876	21,394	78,876
US DOJ/Bureau of Justice Opioid	—	—	298,594	—	—	211,205
Fire Property Tax/Safety Fund	3,056,872	—	—	—	125	—
TOTAL FIRE DEPARTMENT	20,174,085	19,455,690	21,299,877	9,027,946	1,116,694	22,824,747

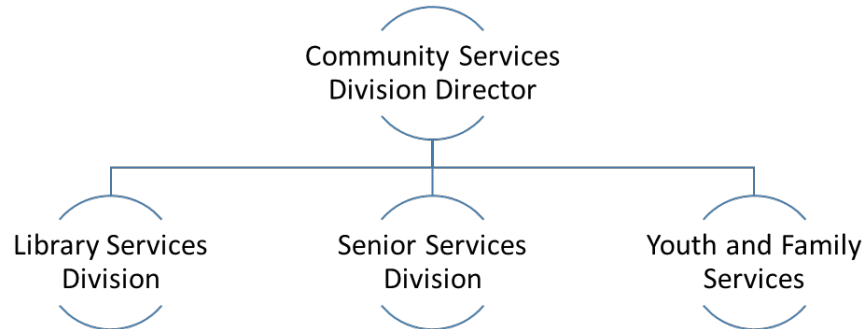


FIRE DEPARTMENT



2. Community Services Departments

a. COMMUNITY SERVICES



ADMINISTRATION DIVISION

Executive Summary

The Community Services Department serves as a catalyst for positive social change for all residents of Santa Fe, from infants and youth to elderly. Our primary goal is to provide access to all Santa Fe residents to the many resources and opportunities Santa Fe has to offer. The Santa Fe Public Library's mission is to inform, enrich and educate the members of the community by creating and promoting access to a diversity of ideas and information by supporting lifelong learning and reading. Senior Services provides a consolidated comprehensive array of programs to serve our elderly to allow older adults to remain at home as comfortably, independently as possible. The Youth and Family Services Division provides a continuum of services to improve the quality of life of the residents of Santa Fe in the areas of health and human services, children and youth programs and juvenile justice.

RBA Performance Measurements

- #/% of BAR's and % of budget expended per line item
- #/% Budget expended per line item
- #/% Vacancies and % of vacancies filled within X days
- #/% Grants awarded/secured as percentage of total applied for
- #/% Audit findings (AAA)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
All funding in Community Services Administration is General Fund.
- B. Are any new costs other than inflation included in this proposal?
None.
- C. Do you expect an increase in expenditures? Why, or why not?
None at this time. Could have a possible increase for LEAD Program (at the legislative level, not city funds).
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
None other than LEAD program for this Section.
- E. Describe the process your division went through to build a zero-based budget.
The Department Director and Office Manager looked at what was currently expended and what would be expended by the end of the year to see what possible cost savings could be found or what adjustments needed to be made.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if
No structural organizational changes for FY2018/19.

LIBRARY SERVICES DIVISION

Executive Summary

The Library offers a number of different programs.

Access Services and Customer Experience

The Library maintains three facilities with access to resources which improve the lives of members of the community, including public Internet access, reference services and research databases, a large collection of circulating materials, reader's advisory, programming for all ages and meeting rooms for Community events.

Library Collections/Digital Resources

The Library provides physical collections of materials (books - including Spanish language, DVDs, CDs, magazines), as well as research databases, down-loadable or streaming e-books, e-audiobooks, music, movies, and language learning resources. We provide access to digital resources from home computers or on mobile devices for our library cardholders as well as in-library computers.

Library Youth Services

The Library creates and implements youth services and programming for early childhood, 6 months to 12 years of age, to promote pre-reading, preschool reading skills and caregiver involvement in early literacy, and we offer Summer Reading programs for ages zero to twelve. Through the availability of computers, the Libraries provide homework help to students, 171 hours a week, to serve students afterschool, nights and weekends.

Administration and Management

The Library provides leadership, management, administrative services, technology and planning.

Library Volunteers

The Library recruits and trains volunteers for Library programs and services. Volunteers must be ages 16 and older to participate. Volunteers are trained and given specific assignments, such as in youth programs, shelving or other library related needs.

Deliverables and Milestones

Access Services and Customer Experience

This program is in direct support of the Library's mission - to inform, enrich and educate the members of the community by creating and promoting access to a diversity of ideas and information, and by supporting lifelong learning and reading. In accomplishing its mission, the library honors the community's unique cultural heritage and traditions, while preparing its community members for the future.

Library Collections/Digital Resources

The Library orders new materials throughout the publishing year. A team of librarians assesses available digital services to provide what our patrons want and need. The library system generates high demand reports of items with holds and additional copies are ordered to meet demand. The cost of physical materials has increased 2-3% per year in the last 10 years and the City has not increased the library budget. There are many digital services and technologies that the Library would like to provide to our users, but we are stymied by lack of

funding. Our technology infrastructure is not keeping up with times. We desperately need more funding to provide the library services that are being offered in other libraries to meet community needs.

The growing trend of providing eBooks has grown exponentially, with budget needs matching paper books for the first time in the Library's history.

The Library submits an extensive annual report to the State Library. This data is entered nationwide into the Public Library Data Service (an online databank) which allows us to do comparisons with peer institutions on per capita expenditures, staffing, collection size and currency, etc. The Library also follows national standards/guidelines for de-selection, turnover/usage of the collection and age of collection, etc.

Library Youth Services

The Santa Fe Public Library has a commitment to the youth of this community, supporting their reading, schooling and encouraging creative activities through programs and encouraging reading. The Library is committed to early literacy and fulfills that goal through the Books and Babies and Spanish/Bi-Lingual Books and Babies programs plus Pre School Story times. Books and Babies served over 5,521 caregivers and their children in FY2016/17. The pilot and Spanish Books and Babies held 12 sessions serving 32 families. The Summer Reading program carries out an over 90-year-old successful program of encouraging children to read when out of school; 1,502 enrolled in FY2016/17. The Southside 10th Anniversary and Summer Reading Celebration drew over 3,000 attendees. Afterschool homework help is a key function of library staff. School bus tours are provided during the school year, funded by a Friends sponsored program; 1,410 children visited in FY2016/17. Teen programming had 389 teen visits. 190,486 children's and teen books were checked out. 614 programs were held for youth, from art to science to crafts and chess, conducted by Library staff and volunteers. Walk-in groups such as Girls, Inc. Boys and Girls Club, and other non-profits brought in 764 groups.

Library Volunteers

Volunteers were paired with programs and services best suited to their interests and skills at all three-branch libraries. Forty-nine (49) volunteers provided 3,263 hours of volunteer service in FY2016/17. Volunteers were from age 16 and up. Program benefits include thank you parties, parking passes and other benefits if they join RSVP.

RBA Performance Measurements

- # of Active card users to total number of cards issued
- Rate of utilization during operational hours (Workload/staffing ratios)
- % Users who report satisfaction with Library programs/services
- %Parents/Caregivers who report (via survey) that they better understand how to help their child with reading, have access to books and see improved reading habits in their children

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Gross Receipts Tax.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, due to contract maintenance agreements, costs will increase.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
Viewed current expenditures and prior fiscal year expenditures.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

No.

DIVISION OF SENIOR SERVICES

Executive Summary

The Division of Senior Services (DSS) provides a consolidated comprehensive array of programs to serve City of Santa Fe's Older Adults. Our programs and our mission are designed to provide accessible, integrated services to older adults, adults with disabilities, and caregivers to assist them in maintaining their independence, dignity, autonomy, health, safety, and economic well-being, thereby empowering them to live on their own terms in their own communities as productively as possible. By leveraging Federal, State and City funding, taxpayers receive the greatest benefit for their dollar. We strive to preserve existing programs by obtaining sufficient funding for operating and maintenance costs (adequate staffing/necessary supplies, etc.) to provide efficient quality services

RBA Performance Measurements

- # Participating in Senior Olympics and # new participants to Senior Olympics annually
- # Safety incidents annually
- Staff workload ratio

% Volunteers retained

- % Units to target
- % Staff retained annually/Turnover rate
- % Seniors who report increased quality of life (able to remain in home, increased social support)
- % Customer/Senior satisfaction with service

% Caregivers who report better quality of life due to respite support provided

- # Units/Congregate meals provided
- # Units delivered meals
- % Seniors who report better quality of life due to meals provided (increased food security - fewer missed meals, increased consumption of fruits & vegetables, increased social interaction)
- % Inspections passed
- # New users and # total users served annually

% Senior/Customer satisfaction with the service (quality, timely deliver, staff service)

- #/% Volunteers retained and active
- #/% Volunteers who report better quality of life due to participation in the Retired Senior Volunteer Program (RSVP), Senior Companion Program (SCP) and Foster Grandparent Program (FGP).
- #/% Children and youth who participate in the FGP program who are successfully promoted to the next grade level and #/% of children who participate in FGP programs who enter school Kindergarten ready
- #/% SCP clients who participate in the program who are able to continue to live at home

% of recipients satisfied with services provided by volunteers

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

DSS program funding is a compilation of Federal, State, Local, and consumer donations.

B. Are any new costs other than inflation included in this proposal?

Yes, DSS is seeking one additional position, a case manager for the In-home Support Section.

C. Do you expect an increase in expenditures? Why, or why not?

Outside of the additional salary expense for a case manager, we are not requesting additional budget.

D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.

Vehicles -

- *DSS is not purchasing any vehicles with General Fund monies.*

In State/Out of State Travel and Employee Training -

- *The in-state/out-state travel requests are based on a number of training's: American Society on Aging Annual conference; New Mexico Conference on Aging; NM Aging and Long-term Services Department quarterly training's; NM Area Agency on Aging contractor training's; New Mexico Senior Olympics planning meetings; National Planners Conference; Corporation for National and Community Service contractors conference; NM Passenger Transportation Association driver training's and a variety of certifications.*

Equipment & Machinery -

- *DSS operates five kitchens and while we have a rigorous asset management plan, kitchen equipment requires unscheduled maintenance and /or replacement based on wear and tear and the age of the equipment.*

Furniture & Fixtures -

- *Furniture needed for new case manager position and replacement based on normal wear and tear of current furniture in the Administrative offices.*

Data Processing -

- *Data processing needs are being coordinated through ITT.*

Contracts -

- *Multiple contracts and Professional Service Agreements will be developed as part of contractual requirements, scheduled equipment inspections, code compliance and repair of kitchens and facilities.*

E. Describe the process your division went through to build a zero-based budget.

We started from zero and built it up from there, based on previous year's expenses and contractual requirements.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassification or requests for pay increases. Do include changes to lines of supervision if applicable.

Yes, DSS is requesting a Case Manager at range L. The City of Santa Fe older population is expected to double in numbers through the year 2030. It is expected that the city's 60+ population will reach 33% of the total city population. The fastest growing subsection will be those 80 and older. As individuals grow older, their needs and lifestyle change, especially those 80 and older. Environmental, social, medical, and behavioral service needs should be reassessed. The complexity of this process is beyond our current capabilities. Without the services of non-medical case management, identifying resources before a crisis occurs and help individuals locate the most appropriate resources and services to best meet their need is hampered.

YOUTH AND FAMILY SERVICES DIVISION

Executive Summary

The Youth and Family Services Division (YFSD) provides leadership, technical assistance, funding opportunities, collaborative partnerships, afterschool, summer programming and a safety net of services to improve the quality of life for children, youth and families throughout the City of Santa Fe.

Based upon annual needs assessments, YSFD is committed to using Results-Based Accountability and collective impact approaches to improve the following:

- Babies being born healthy and meeting the developmental milestones
- Pre-k and K readiness
- Increase extended learning time for children and youth
- Increase Graduation Rates
- Reconnect Disconnected youth
- Increase career pathways
- Decrease poverty and homelessness
- Increase access to substance abuse and mental health services and programs for uninsured citizens
- Protect the human rights for Immigrants
- Increase services and programs for Veterans
- Create, partner or enhance alternative to incarceration programs and services

RBA Performance Measurements

- % Grants secured/awarded as a percentage of total applied for
- Turnaround time for RFP release to time PSA in place (by contract start date 7/1)
- # Youth Contacts with Police or JJ Probationary
- # Juvenile Justice indicators that we are making progress on as a community
- #/% Grantees who demonstrate improvement on grant performance measures
- #/% Grantees that can demonstrate a turned curve related to funder investment
- # Wait list
- % Daily staff attendance
- % Parents satisfied with the quality of afterschool program and services provided
- % Youth satisfied with the quality of afterschool program and services provided
- % Youth served with family income under 80% AMI
- % Youth staff retained through the full summer
- % Youth and parents satisfied with program
- # Youth who receive nutritious meals through Summer Youth Program

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The source of funding is revenue local taxes, General Fund and donations.
- B. Are any new costs other than inflation included in this proposal?
There are no new costs associated with this proposal.
- C. Do you expect an increase in expenditures? Why, or why not?
There is no increase in expenditures for this proposal. We have worked and adjustments within the line items to reflect our programs needs without any increase.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
There is detail and justification for all items requested in the proposal.
- E. Describe the process your division went through to build a zero-based budget.
A review was done with the staff and Division Director on each business unit and line item. Adjustments were made based on the needs of each section.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No structural organizational changes for FY2018/19.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Community Service Expenditure Summary

**CITY OF SANTA FE
COMMUNITY SERVICES DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Community Services Admin	542,045	654,984	1,406,030	255,473	220,308	1,306,258
Library	4,766,339	4,689,278	5,131,733	2,138,567	338,729	4,754,104
Senior Services	6,614,026	6,081,188	6,534,833	2,779,894	44,477	6,794,410
Youth & Family	3,800,998	3,320,526	3,900,117	1,310,318	1,360,448	3,874,831
TOTAL COMMUNITY SERVICES	15,723,408	14,745,976	16,972,713	6,484,252	1,963,962	16,729,603

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	6,883,747	6,688,983	6,986,714	2,982,115	—	6,861,852
Contractuals & Utilities	2,680,703	2,759,345	3,246,311	1,096,116	1,646,092	3,244,538
Repairs & Maintenance	93,125	54,328	69,590	5,062	24,417	67,304
Supplies	1,191,148	1,249,664	1,545,179	534,896	285,444	1,521,453
Insurance	316,794	324,308	397,595	35,501	—	372,681
Other Operating Costs	344,444	293,339	1,124,973	101,887	8,009	1,253,354
Capital Purchases	552,255	102,573	145,000	—	—	7,000
Transfers to Other Funds	3,661,192	3,273,436	3,457,351	1,728,675	—	3,401,421
TOTAL COMMUNITY SERVICES	15,723,408	14,745,976	16,972,713	6,484,252	1,963,962	16,729,603

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	6,178,983	7,307,812	8,438,582	3,422,955	344,171	8,412,190
Quality of Life	575,745	97,035	151,310	49,438	29,742	170,210
Children & Youth Programs	1,121,847	1,162,287	1,287,323	496,253	663,545	1,349,647
Human Service Providers	801,298	899,058	1,068,986	353,716	533,936	1,042,106
Juvenile Justice Program	163,345	101,667	130,113	19,723	109,623	130,113
Senior Companion Program	199,560	189,584	199,881	91,339	3,101	201,310
Senior Center Programs	473,681	504,410	487,078	207,624	3,542	501,418
Senior Employment Program	34,824	32,923	34,824	15,978	—	34,877
Foster Grandparent Program	233,148	227,262	229,090	106,319	240	240,803
Retired Senior Volunteer Program	126,390	141,091	146,044	60,273	1,496	150,209

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PROPOSED ANNUAL OPERATING BUDGET

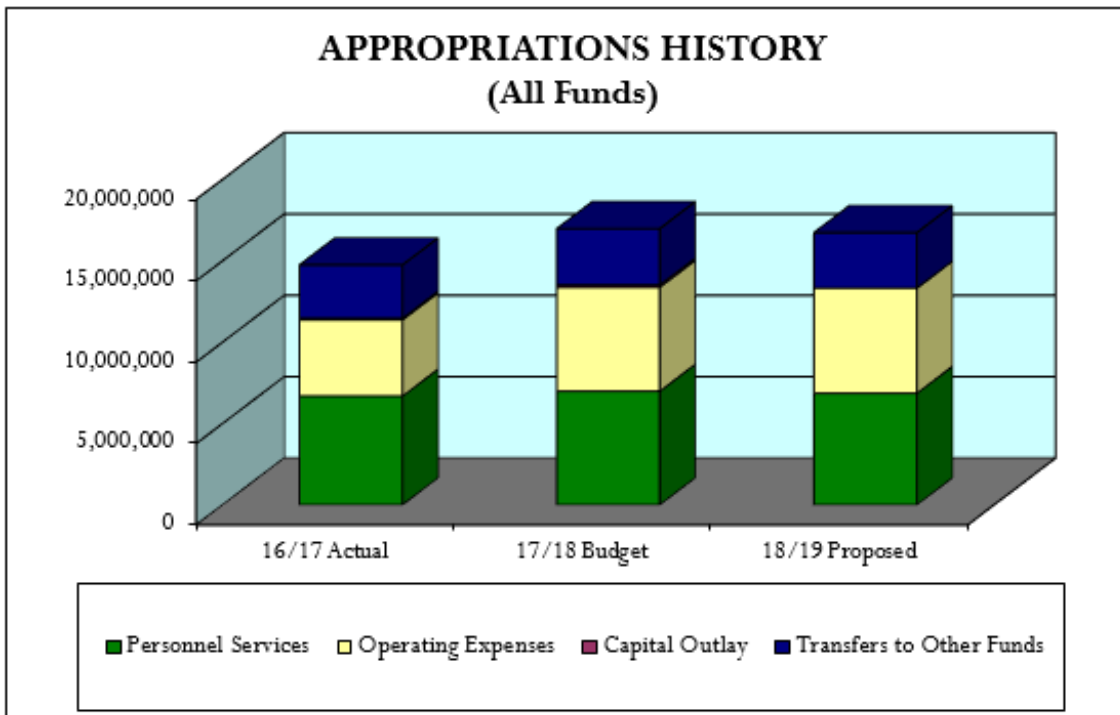
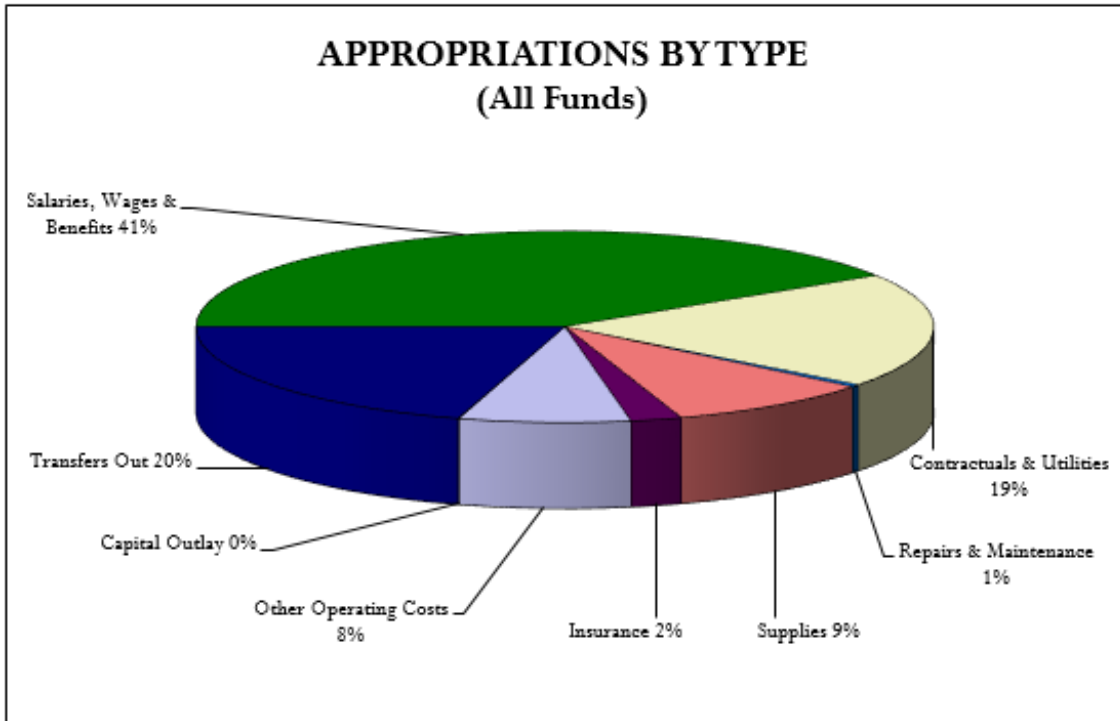
FISCAL YEAR 2018-2019

CITY OF SANTA FE COMMUNITY SERVICES DEPARTMENT - EXPENDITURES SUMMARY FISCAL YEAR 2018/19 PROPOSED BUDGET

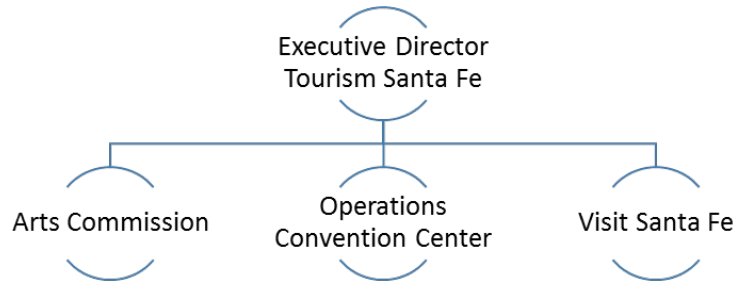
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
<i>(continued from previous page)</i>						
Senior Nutrition Program	873,284	823,416	961,100	410,385	17,700	1,018,325
Senior Caregiver Program	777,886	648,507	797,353	288,184	6,522	793,371
Senior Assisted Transportation	800,034	791,180	819,639	298,462	11,188	824,967
Senior Non-Reporting Programs	3,164	3,045	3,904	1,356	—	3,904
Cash In Lieu of Commodities Prog	151,682	177,376	153,934	99,137	689	153,934
State Agency Capital	588,959	118,886	—	—	—	—
Community Services Misc. Grants	—	34	145,000	13	—	—
Veteran Programs	27,349	15,084	80,000	4,181	20,433	70,500
Library Grants	143,935	51,702	223,918	46,682	8,630	165,083
State Library Grants	35,910	14,291	14,449	14,449	—	15,196
Recreation Fund	471,478	474,899	535,816	182,962	17,562	544,500
South Side Library	969,178	964,427	1,064,369	314,823	191,842	899,034
½% GRT Income Fund	971,728	—	—	—	—	—
Special Recreation Leagues	—	—	—	—	—	7,906
TOTAL COMMUNITY SERVICES	15,723,408	14,745,976	16,972,713	6,484,252	1,963,962	16,729,603



COMMUNITY SERVICES DEPARTMENT



b. TOURISM SANTA FE



ARTS COMMISSION DIVISION

Executive Summary

The Arts Commission Division was established by ordinance (#1987-39, §1) to initiate public programs to further the development and public awareness of, and interest in, arts and culture. Our services develop and promote artistic excellence in the community. Four policy planks inform all programs and services: Economic Growth, Youth Arts, Creative Spaces and Equitable Engagement. Current programs include operation of the Community Gallery, Art in Public Places (Ord. #2005-05, §2), Lodgers’ Tax for the Arts programs (Ord. #1987-45), Culture Connects Santa Fe cultural plan implementation (Resolution #2017-13), City Historian (Resolution #2017-41), international relations through UNESCO Creative Cities Network and Sister Cities program, Mayor’s Arts Awards and others. A staff of five FTE carries out all programs and services.

RBA Performance Measurements

Primary Measures

- % of economic benefit/return on funding
- % of tourism audiences aligning with/supporting TOURISM Santa Fe target markets
- % of funding to youth-focused programs/youth participation
- % increase/decrease in digital engagements (i.e. likes, shares/retweets/re-grams/forwards, comments, open rates, unsubscribes/unfollows, etc.) engagements
- % artists earning income from participation

Secondary Measures

- % program location by districts
- % new/returning applicants
- % of funding by discipline
- % programs funded by districts
- % funded projects completed on time
- % new initiatives funded
- % visitor attendees per dollars funded
- % visitor program participants

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants? *City code related to the Lodgers’ Tax for the Arts (18-11.17B SFCC 1987) establishes the majority of the funding for this proposal. The code allocates the fourth one percent of the Lodgers’ Tax for the advertising and promotion of nonprofit arts activities and event, less administrative costs. The second largest source of funding source is the Art for Capital Improvement Projects (6-1.4 SFCC 1987), which designates 2% of the total of each revenue bond net proceeds for capital improvement projects (CIP) paid by gross receipts or Lodgers’ Taxes to fund the acquisition of works of art in public places. While*

this proposal does not address CIP funds, code does allocate 20% of those net proceeds for administrative and operating costs. Rounding out funding for the proposal is a small general fund allocation to support youth/community programs that do not comply with Lodgers' Tax requirement, special use Lodgers' Tax funding to support international promotion, and grants. All sources except for grants have been recurring.

B. Are any new costs other than inflation included in this proposal?

No.

C. Do you expect an increase in expenditures? Why, or why not?

No, projections for tax revenues are level.

D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.

Provided by line item w/in expense budget proposal.

E. Describe the process your division went through to build a zero-based budget.

The process for building a zero-based budget within the Arts Commission Division was based in the two current planning documents: "The Arts, Culture & Creativity Agenda" for the Arts Commission and the adopted "Culture Connects Santa Fe: Cultural Cartography." The proposed budget aligns the requirements of funding source and projected revenue to the programmatic and service goals of both documents. In particular, the proposal seeks to strengthen the Division's work in the areas of Youth Arts and Economic Growth, specifically through the convening of youth arts providers, development of mural/free wall program, connecting creative workers to access to markets, and strengthening neighborhood identities, while ensuring compliance with the Lodgers' Tax for the Arts.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

No.

COMMUNITY CONVENTION CENTER

Executive Summary

The Community Convention Center offers 40,000 square feet of meeting and event space for groups bringing attendees to Santa Fe, art exhibits, performances and community social needs. The largest space can accommodate 1,800 in a theater style set up and based on the need for groups to meet, eat and exhibit, the largest typical meeting group that can be accommodates is about 650 attendees. This division oversees the operational needs of the building including all set up activity, custodial and maintenance and repair. It also coordinates the activity of preferred local providers for catering, beverage service, audiovisual services, other meeting and event needs and security. This budget also includes approximately 70% of the long-term debt and principle associated with the building.

RBA Performance Measurements

- Facility Usage measured by % of capacity
- % Event orders completed as planned
- % Service orders completed on time for maintenance
- Customer Satisfaction with surveys sent out
- % Repeat bookings
- Workload ratio (# work orders) Compared to industry standard)
- % Sales Event Orders issued to operations in less than 2 weeks' time

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Primary funding is from Lodger's Tax with 2 points of lodger's tax dedicated to debt service and operational needs. An additional \$500,000 is generated from use and preferred provider revenues.
- B. Are any new costs other than inflation included in this proposal?
The proposal includes the permanent addition of a historic district litter patrol and 1/3 of the city advertising contract.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, due to the inclusion of the new litter patrol and the portion of the advertising contract.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
The Operations Manager and Assistant have developed a detailed list of required contracts and services for the ongoing operation of the facility; contingency needs have been added to come to the line item totals. As the building ages, it is anticipated that additional contingency needs will be required. It is important to note that any budgeted items not required in the fiscal year are dedicated to the building and revert to the ongoing fund balance that can be used for future one-time improvements.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
There are no proposed structural organizational changes for FY2018/19.

VISIT SANTA FE

Executive Summary

Visit Santa Fe is responsible for the marketing and sales efforts of the City. It oversees the primary advertising contract, public relations, social media, direct group sales, visitor centers (3), tribal liaison, citywide programs and event support. Though the efforts of this Division, more than a 30% increase in lodger's tax has been achieved since the end of FY2014 and the proposal for FY2018/19 contemplates a continuation of the efforts that have achieved this success.

RBA Performance Measurements

Marketing

- Lodgers Tax Revenue
- REVPAR-Revenue Per Available Room
- # Total website visits
- Conversion rate (website visit to action)
- Earned media
- Advertisement Impressions

Sales

- Lodgers tax Revenue
- % New bookings
- Increase in RevPAR (Revenue Per Available Room)

Program and Events

- Increase in Lodgers Tax

- Growth of current programs & events by participation both local and visitors
- # of new programs & events created that draw regional visitors
- % Room night bookings during events

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding comes from Lodger's Tax plus a small amount from web site advertising and partner co-ops.
- B. Are any new costs other than inflation included in this proposal?
There are no new costs in this proposal.
- C. Do you expect an increase in expenditures? Why, or why not?
Revenues have been budgeted flat to the FY2018 budget and no additional expenditures are anticipated.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
Budget was created through a collaborative effort that included those primarily responsible for the execution of the work. All contracts and major expenditures were carefully reviewed and verified with the larger expenditures calculated based on known contracts and expenditures known to continue from a zero-based starting point.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No structural changes are anticipated within the organization.

EXPANSION REQUEST

Executive Summary

The purpose of this expansion is to continue the pilot project during the current fiscal year to provide additional resources to the existing services provided by parks and public works to pick up of litter in the historic district. The focus of the effort is a two-block deep area on each side of the Plaza with extension of pick up beyond as time and staffing permits. On an annual basis, the two-man crew will work independently on week days, and together on Friday, Saturday and Sunday. From April through October the crew will consist of two workers daily with a third individual on either Saturday or Sunday to handle the additional seasonal traffic. Reporting is to the Assistant Operations Manager of the Community Convention Center. The function is separated from parks to avoid any assimilation into the larger workforce of that department resulting in a loss of focus on the historic district where the concentration of tourist traffic exists. The workers will be identified as tourism advocates, carry brochures and be available to answer basic questions relating to the city, directions and where restrooms are available.

RBA Performance Measurements

These will fall under the existing performance measurements of the operational division.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Lodger's Tax dedicated to the Community Convention Center.
- B. Are any new costs other than inflation included in this proposal?
Yes, two permanent employees, one seasonal employee, and a small amount of funding for supplies and fuel.
- C. Do you expect an increase in expenditures? Why, or why not?

No. The current pilot project has demonstrated that this is sufficient for the desired improvement to the appearance of the historic district.

- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Tourism Santa Fe Expenditure Summary

**CITY OF SANTA FE
TOURISM SANTA FE - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

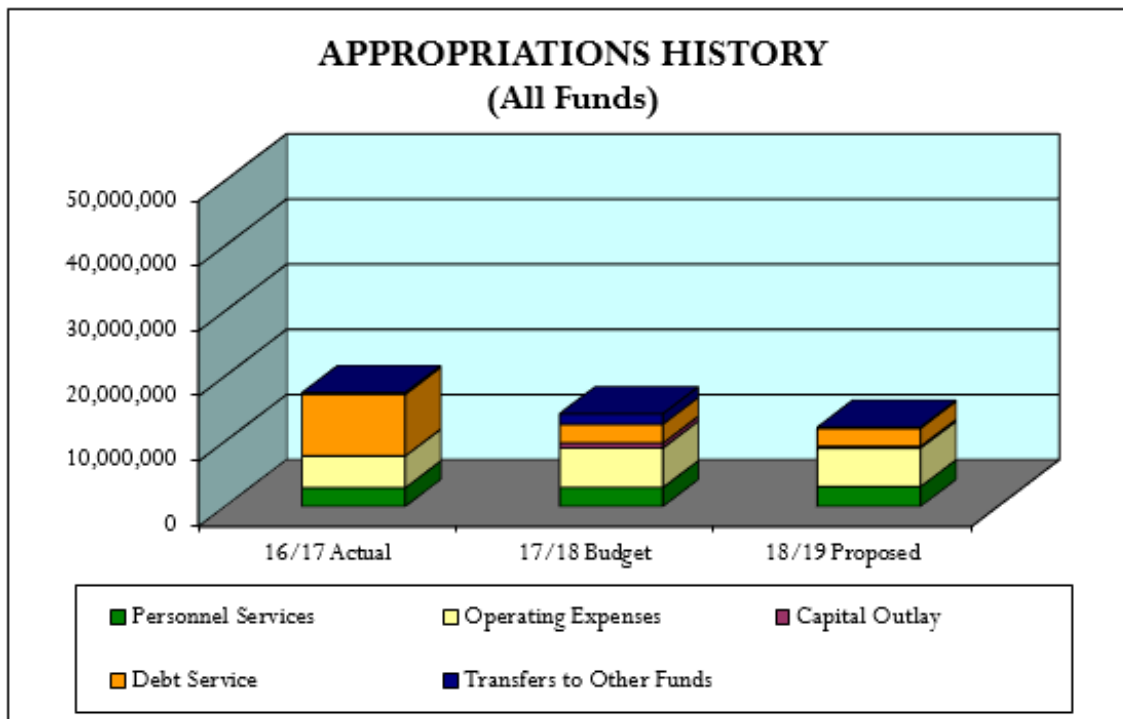
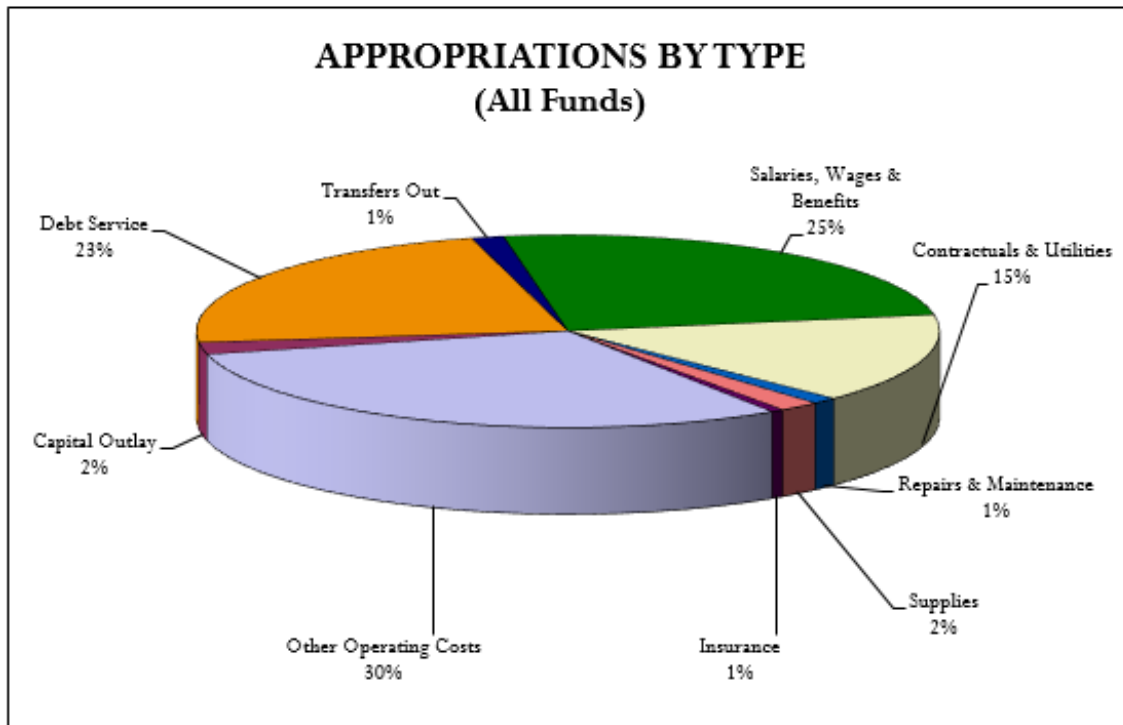
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Arts & Culture	1,590,941	1,518,162	1,994,167	563,297	684,638	1,992,304
Santa Fe Civic Center	8,695,109	11,835,975	7,281,859	1,709,518	352,293	5,817,306
Visitors Bureau	3,857,793	4,122,226	4,963,246	2,015,816	1,174,865	4,367,897
TOTAL TOURISM SANTA FE	14,143,843	17,476,363	14,239,272	4,288,631	2,211,796	12,177,507

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	2,511,945	2,876,812	2,924,393	1,303,851	—	3,054,431
Contractuals & Utilities	1,247,344	1,518,827	1,679,858	545,615	644,856	1,830,716
Repairs & Maintenance	117,370	116,734	191,000	19,834	5,298	133,500
Supplies	185,102	180,803	229,362	104,178	25,465	216,810
Insurance	53,047	64,663	76,702	8,577	—	66,883
Other Operating Costs	2,897,823	2,996,054	3,929,961	1,199,902	1,522,367	3,692,408
Capital Purchases	—	21,207	712,854	111,727	13,810	245,000
Debt Service	2,866,030	9,442,902	2,890,010	601,449	—	2,766,659
Transfers to Other Funds	4,265,182	258,361	1,605,132	393,498	—	171,100
TOTAL TOURISM SANTA FE	14,143,843	17,476,363	14,239,272	4,288,631	2,211,796	12,177,507

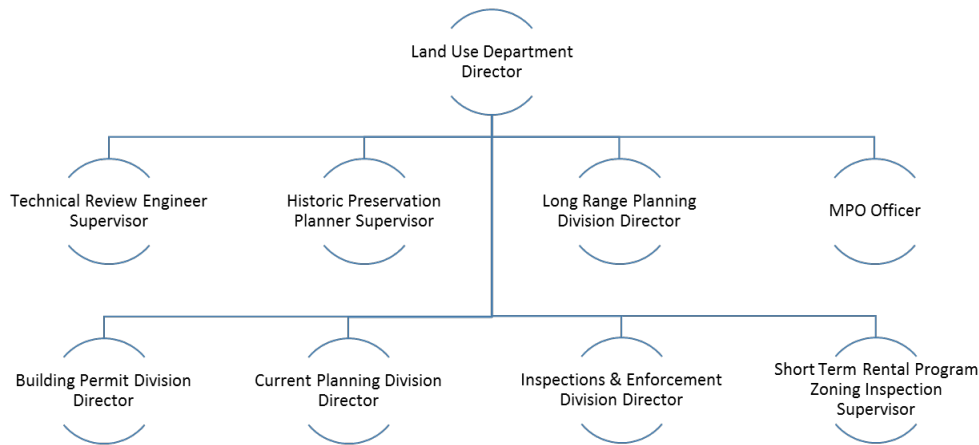
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
1% Lodgers Tax - Arts	1,337,653	1,328,859	1,739,054	489,843	617,176	1,674,633
Special Uses Lodgers Tax (45%)	17,387	13,459	75,850	13,484	1,002	195,040
Marketing Lodgers Tax (50%)	3,857,639	3,951,313	4,963,246	2,015,816	1,174,865	4,367,897
Convention Center-Lodgers Tax	4,116,075	—	1,476,863	339,363	—	—
Wayfinding Signage	—	170,913	—	—	—	—
Quality of Life	66,250	—	—	—	—	—
Arts Education Grants	65,250	71,126	70,634	7,692	59,191	75,315
400th Anniversary Committee	154	—	—	—	—	—
Civic Convention Center	1,684,040	2,716,028	2,894,718	1,372,238	352,293	3,050,406
Convention Center Debt Service	2,894,993	9,119,947	2,910,278	(2,083)	—	2,766,900
Civic Center Art Space	104,402	104,718	108,629	52,278	7,269	47,316
TOTAL TOURISM SANTA FE	14,143,843	17,476,363	14,239,272	4,288,631	2,211,796	12,177,507



TOURISM SANTA FE



c. PLANNING & LAND USE



ADMINISTRATION DIVISION

Executive Summary

The mission of the Land Use Department is to address the land use need of our citizens by providing the highest level of customer service for enforcement, information, and support for land development and construction activities across the City. The Department’s activities involve extensive coordination with other city departments and outside agencies. These basic functions are performed in the contexts of compliance with applicable state statutes and implementation of the general plan and other policies adopted by the governing body.

“Build SF” (or "Build Santa Fe") is the Department's mantra as our City continues to emerge from the recession and expand economically. Santa Fe's growth has brought with it an increased attention to the land use needs of our citizens. Land use is the canvas upon which this city is built. Most recently it was described as the marshmallow to the Rice Krispy Treat; connecting and balancing diverse and varied interests, departments, and experts.

RBA Performance Measurements

We continue to emphasize the importance of supporting economic development by facilitating timely approvals by land use boards, and by providing expedited review and issuance of construction permits. As planners, technicians, reviewers and inspectors, we constantly connect people with regulations ranging from building codes and economic development incentives to transportation and sustainability initiatives. Our efforts to assist our customers with working through regulations, and ultimately decreasing permit review times (from two months to one week for residential permits and two weeks for commercial permits) has been a function of both staffing and process improvements to streamline and improve customers' experiences. Detailed performance measures associated with these critical customer service initiatives are detailed within individual Division budget proposals.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The Land Use Department is funded from the General Fund.
- B. Are any new costs other than inflation included in this proposal?
No additional funds are being requested at this time, unless the Department is authorized to implement a new fee proposal and utilize the funding to hire three new staff members. A combination of plan review, planner and legal staff are recommended to meet permit/development workloads.
- C. Do you expect an increase in expenditures? Why, or why not?

The Department does not expect a significant increase in expenditures unless additional staff are authorized for hire.

- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.

Staff monitored the budget throughout the year and was able to assess necessary costs associated with the functions of the Land Use Department.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19?

We hope the City will consider approving a plan to hire a reviewer, a planner and a full-time attorney.

BUILDING PERMIT DIVISION

Executive Summary

The Building Permit Division ensures code compliance for the preservation of life, safety, and the general welfare for the people of the City of Santa Fe through the performance of residential and commercial plan review and permit services.

RBA Performance Measurements

- Number of days from intake to completed review for new permits, for revisions, and for resubmittals
- Percentage of permits that need corrections versus those that are approved without
- Percentage of permits that are submitted, but never issued, either because they were approved but never picked up or they required corrections that were never submitted.
- Percent of permits that require corrected review station assignments that were erroneously not included in original routing.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The funding source of this proposal is General Fund.
- B. Are any new costs other than inflation included in this proposal?
No new costs at this time.
- C. Do you expect an increase in expenditures? Why, or why not?
We expect in an increase in expenditures for in state travel and membership dues.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Detail on each line in the expense tab.
- E. Describe the process your division went through to build a zero-based budget.
Re-evaluated needs based on new staffing levels and certifications.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No organizational changes at this time.

CURRENT PLANNING DIVISION

Executive Summary

The mission of the Current Planning Division is to review development applications for compliance with the City's land development code and land use department policies while providing information, guidance, and the highest possible level of customer service to applicants, neighborhoods, and the City's Land Use Boards and Governing Body.

RBA Performance Measurements

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The Division's activities generate application and other fee revenues that are deposited in the General Fund. Projected increases to fee revenues are addressed elsewhere in the budget proposal.
- B. Are any new costs other than inflation included in this proposal?
Most of the Division's costs are directly related to personnel. Costs for training (including travel) are increased for FY2018/19 due to one additional professional staff position in the division (previously re-classed and shifted from Permits Division during FY2018), and training costs shifted from FY2018 due to a freeze on out-of-state travel during March and April 2018.
- C. Do you expect an increase in expenditures? Why, or why not?
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
See proposal for line item detail.
- E. Describe the process your division went through to build a zero-based budget.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

HISTORIC PRESERVATION DIVISION

Executive Summary

The mission of the Historic Preservation Division (HPD) is to preserve the character, history, and culture of Santa Fe by effectively and efficiently administering the Historic Districts and Archaeological Districts Overlay Zoning ordinances and by educating the public about historic preservation. In 2017, the National Geographic Society presented Santa Fe with a World Legacy Award in the Sense of Place category which is preserved through the attention paid to Santa Fe's historic districts.

HPD has handled 246 HDRB cases, 54 ARC cases, 658 Administrative Approvals, and 710 site visits in 2017. HPD has also performed 341 permit reviews and 461 inspections in 2017. This is in addition to Staff working on the preparation of files for the digitization of operations. HPD is also actively participating in the defining of workflow and initiation of the digital process in order to increase efficiencies in the Land Use Department.

We propose to relocate the funding that we have had for a State-Santa Fe Certified Local Government grant which, due to a lack of staff, we have not had the time to work on, be reallocated to the consulting line item so that we can hire an outside consultant to provide us with Historic Cultural Property Inventories. These forms are required to properly apply the ordinance to each structure in the Historic Districts. HPD averages a need for a minimum of 40 of the HCPI forms per year. Previously the HPD was able to hire a consultant to do these on a regular basis. In recent years the cost (approximately \$1000 for each form) has become the responsibility of the homeowner. This has caused undue pressure on consultants for biased reports in favor of the constituent. HPD

would like to re-establish the funding these forms in order to better serve the public by having non-biased, more accurate reports.

HPD also requests funds for the certifications required by the inspector. ICC issued certifications will assist the inspector in gaining knowledge to better serve the community. In past years the ICC has provided these classes locally in Albuquerque. However, at this time these classes are only available in Colorado. Therefore, out of state travel funds in addition to the previously budgeted registration fees will be necessary. HPD also requests funding for the continuing education credits for their planners.

All other line items are proposed to remain the same.

RBA Performance Measurements

HPD attempts to have 10-day turn around for all administrative approvals and site/office visits, a 3 day turn around on permit reviews and inspections. HPD also attends HDRB hearings every two weeks and ARC hearings once a month.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
We are a General Fund revenue-generating Division, unlike other Divisions who use the General Fund, but do not bring funds into it. This funding cycle will be the same as the City's Fiscal Year cycle. There are no grants, HPD will not be participating in our annual CLG grant due to an overwhelming regular workload.
- B. Are any new costs other than inflation included in this proposal?
Expenses include the actual expenses incurred by HPD. The only line item not currently available to HPD is the Out of State travel. The other line items are already in the budget from 2017/2018. HPD is simply reallocating them.
- C. Do you expect an increase in expenditures? Why, or why not?
The only increase in funds for this year is the out of state travel for the inspector to receive required certifications from ICC.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Certifications for the inspector are issued through the ICC. Previously they have provided training in Albuquerque. However, they are currently only scheduling training in Colorado. Therefore, HPD is requesting an increase in funds for this year for out of state travel for the inspector to receive required certifications from ICC. There is also a request for registration for this training which HPD has had budgeted in the past. HPD contracts with a local business for the Annual Heritage Preservation Awards and would like to reallocate funds from the CLG grant to issue a contract for Historic Cultural Property Inventory Reports for correcting property information within the Historic Districts.
- E. Describe the process your division went through to build a zero-based budget.
HPD reviewed line items of their budget over the past four years and compared what was budgeted to what was consumed. HPD then reviewed purchases of supplies from those years and adjusted their orders in order to cut costs. For this year's budget HPD looked at what supplies were necessary for the year and calculated estimated costs.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
The Land Use Director is requesting an expansion and a salary adjustment in HPD.

INSPECTIONS & ENFORCEMENT DIVISION

Executive Summary

The Inspections & Enforcement Division safeguards the health, safety and welfare of the Citizens of Santa Fe by inspecting structures under construction to guarantee that they are built according to established minimum standards for structural, mechanical, plumbing, electrical and ensures these structures are sound, safe, and sanitary. Existing commercial buildings are also inspected to ensure they meet minimum standards for compliance of current codes and zoning rules for Chapter 14.

RBA Performance Measurements

- # Complaints/# resolved within a certain period
- #Inspections performed/ % cancelled & % re-inspected
- % of Inspections completed in given turnaround times / 24-hr period
- measure workload ratio based on Quadrants assigned to each inspector and % of inspections completed in each area including annexed areas
- #meetings/special inspections for independent contractors, property owners, engineers & architects to include amount of time allocated per inspector
- # of certificate of occupancy issued related to business license process

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding source for Inspections & Enforcement is General Fund.
- B. Are any new costs other than inflation included in this proposal?
Vehicle replacement cost for one vehicle in the Division.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, increase to training and corresponding out of state travel for each inspector to attend Construction Exam Center in Englewood, Colorado. Also, increase to vehicle line item for replacement of city unit #29853 as per fleet manager recommendation.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
The Inspection & Enforcement Division focused primarily on training needs. The employees of this Division are required as per their job description to hold certifications in various disciplines; therefore, continuous training and continuing education is a necessity.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No structural organizational changes proposed for FY2018/19.

LONG-RANGE PLANNING DIVISION

Executive Summary

Integrates land use planning, transportation and urban design to create a sustainable future for Santa Fe.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund.
- B. Are any new costs other than inflation included in this proposal?
No new costs in this proposal.

- C. Do you expect an increase in expenditures? Why, or why not?
No increase to expenditures.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
Evaluated upcoming needs and anticipated costs and tied them to funding.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No organizational changes in FY2018/19.

SANTA FE METROPOLITAN PLANNING DIVISION

Executive Summary

The Santa Fe Metropolitan Planning Organization (SFMPPO) was designated by the U.S. Department of Transportation in 1982 to provide transportation planning services and to program federal transportation funding [within a Metropolitan Planning Area] when Santa Fe reached a population over 50,000. Now, SFMPPO member governments include the City of Santa Fe, Santa Fe County, and Tesuque Pueblo. Being a smaller MPO, with limited staff and constrained resources, it depends on the City for support services and to be its fiscal agent. City expenditures in support of the MPO program are reimbursed quarterly, less a required match, through two federal grants. Santa Fe County by agreement reimburses the City 30% of the total required match.

SFMPPO works within the Land Use Department and works collaboratively with other City and County transportation related departments. It has regular and monthly public meetings as forums for transportation issues and to recommend actions through a Technical Coordinating Committee to the MPO Transportation Policy Board. All MPOs are required to have a Public Participation Plan and an updated Title VI process. The SFMPPO submits a four-year Transportation Improvement Plan (TIP) and quarterly amendments to the NM Department of Transportation. The TIP includes federally funded and/or regionally significant transportation projects and programs with identified funding.

The SFMPPO budget is tied to a two-year Unified Planning Work Program (UPWP), which is aligned with federal fiscal years. Transposing it to the City's annual budget requires some adjustment of expenditure timing. Expenses are also split between two business units 22305 and 22306. The UPWP includes required tasks and planning initiatives that address goals and objectives of the Metropolitan Transportation Plan (MTP). The Santa Fe MTP is a long-range transportation plan (25 years) that reflects MPO members' transportation improvement projects and planning objectives over the next 25 years. The UPWP is based on the federal fiscal year and its budget is transposed by MPO staff into the City's budget format and aligned to the State fiscal year.

RBA Performance Measurements

Performance measures focus on the four main tasks of the SFMPPO's Work Program. These tasks is assessed through quarterly reports submitted to NM Department of Transportation (NMDOT) on hours spent, costs incurred, and progress made toward their completion.

- Management and Support of the Planning Process - Measures include the number of monthly public meetings held and the number of staff training (webinars or workshops) attended related to transportation related issues.

- Transportation Improvement Program (TIP) - Measures include the number of projects included in the TIP that are successfully completed within budget and the total percentage of funding expended compared to funding allocated to all projects in the TIP.
- Data Collection and Analysis Activities - Measures include the number of bicycles and pedestrians using Santa Fe's major urban bike/pedestrian trails system.
- Transportation Planning Activities - Measures include the number of events held to promote bicycle and pedestrian safety, increase bicycle usage, and promote walking.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Sources of funding are through Federal Transit Administration Section 5303 Program and Federal Highway Administration Section 112 Program. These are both reoccurring grants. Both grants include local matching funds: Section 112 (14.56%) and Section 5303 (20%).
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
Expenditures may vary in line items but overall are consistent with federal grant amounts.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Details for designated line items are noted under the Expense tab.
- E. Describe the process your division went through to build a zero-based budget.
Looked at anticipated and reoccurring costs for each line item.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19?
No. In FY2018, the MPO Senior Planner position was only 25% filled. In FY2019, MPO staff with include three full-time positions, the same budgeted in FY2018.

TECHNICAL REVIEW DIVISION

Executive Summary

The Technical Review Division (TRD) consists of four staff who review and inspect Planning Cases and Building Permits for grading/drainage, landscaping, escarpment overlay, ADA, prairie dog, and floodplain considerations. We also administer all of the financial guarantees required for development of commercial projects and subdivisions. Additionally, we respond to citizen concerns about drainage, tree removal, and ADA compliance.

RBA Performance Measurements

- Number of Planning Cases reviewed
- Number of Building Permits reviewed
- Number of inspections: grading/drainage, escarpment, landscaping, ADA, prairie dogs
- Number of financial guarantees initiated, number of draw requests processed, number of financial guarantees closed out
- Number of citizen concerns investigated
- Number of tree removal requests processed

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The source of funding is the General Fund.
- B. Are any new costs other than inflation included in this proposal?

No new costs at this time.

- C. Do you expect an increase in expenditures? Why, or why not?

An increase to in state travel is requested for the TRD employees to attend Floodplain, FEMA, and other in state trainings to maintain CEU's.

- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.

Detail provided in expense tab.

- E. Describe the process your division went through to build a zero-based budget.

Evaluated needs of the Division and the employees.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

No changes to the organization of the Division for the upcoming fiscal year.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Planning & Land Use Expenditure Summary

**CITY OF SANTA FE
PLANNING & LAND USE DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

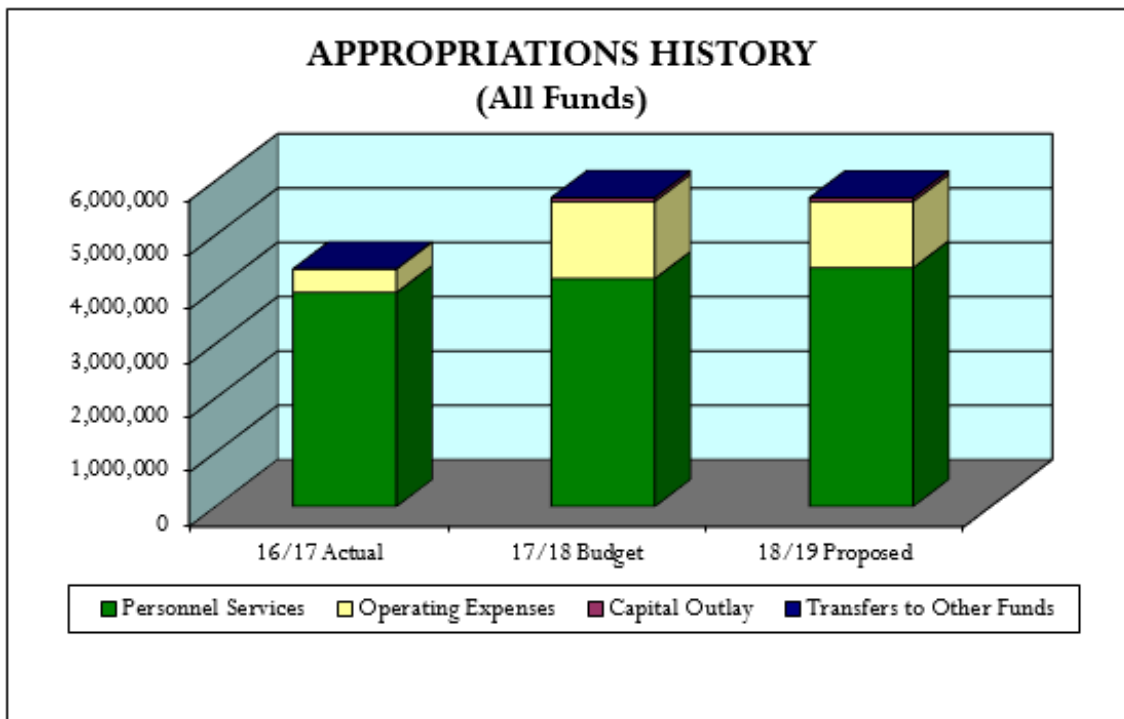
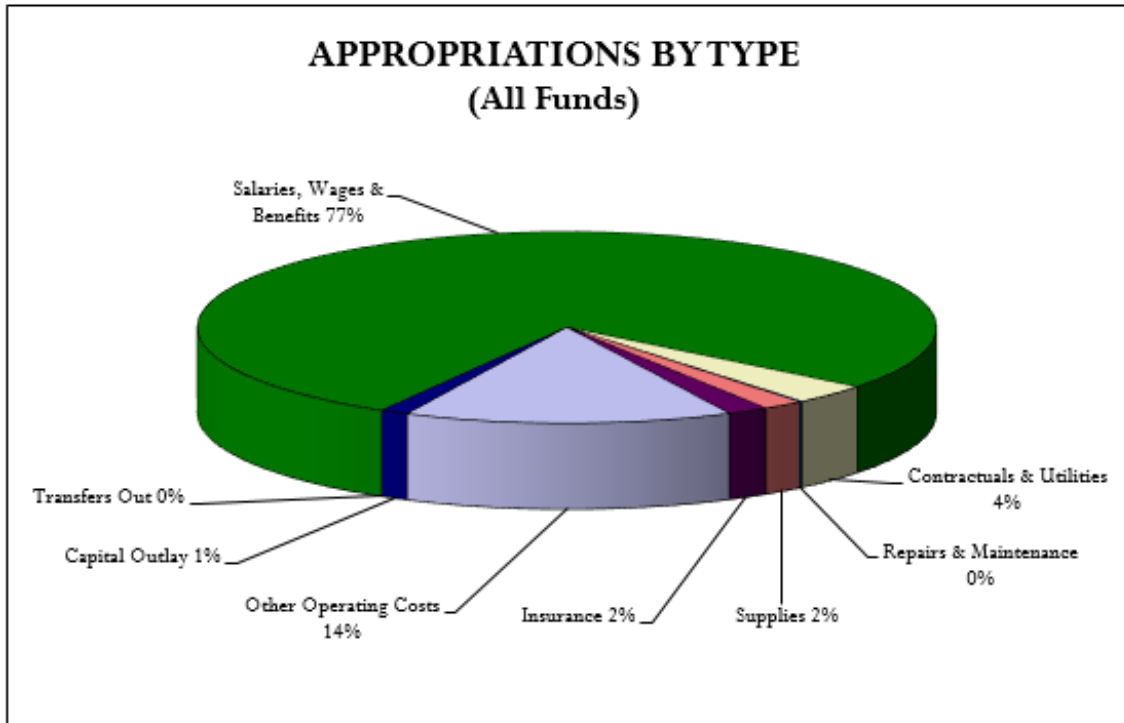
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Land Use Administration	514,546	633,157	1,627,483	354,595	78,656	1,653,157
Building Permit Division	493,749	512,484	644,147	258,098	—	620,332
Current Planning	503,485	463,475	592,452	305,230	65	631,848
Historic Preservation	339,849	349,419	421,006	169,596	3,197	386,687
Inspections & Enforcement	1,534,208	1,496,220	1,391,430	659,026	8,390	1,397,473
Long-Range Planning	236,532	240,842	221,019	97,998	812	197,965
Metropolitan Planning Organization	451,041	295,190	403,320	117,406	12,238	381,740
Technical Review	372,682	385,255	385,548	155,117	1,680	415,626
TOTAL PLANNING & LAND USE	4,446,092	4,376,042	5,686,405	2,117,066	105,038	5,684,828

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	3,957,065	3,942,133	4,198,338	1,951,354	—	4,396,729
Contractuals & Utilities	210,091	144,975	262,231	36,978	12,391	192,000
Repairs & Maintenance	2,323	2,963	8,093	—	—	7,900
Supplies	84,966	82,791	102,782	22,512	22,368	100,815
Insurance	107,875	108,718	126,452	7,073	—	102,941
Other Operating Costs	70,986	89,462	918,825	84,465	20,615	814,443
Capital Purchases	—	—	69,684	14,684	49,664	70,000
Transfers to Other Funds	12,786	5,000	—	—	—	—
TOTAL PLANNING & LAND USE	4,446,092	4,376,042	5,686,405	2,117,066	105,038	5,684,828

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	3,945,095	4,074,317	5,283,085	1,998,712	92,370	5,272,438
Section 112 Grant	362,202	218,852	321,136	103,869	6,685	307,075
Section 5303 Grant	88,839	76,338	82,184	13,538	5,553	74,665
Archaeological Fund	10,000	—	—	947	—	29,250
Historic Preservation Grant	39,956	6,535	—	—	430	1,400
TOTAL PLANNING & LAND USE	4,446,092	4,376,042	5,686,405	2,117,066	105,038	5,684,828

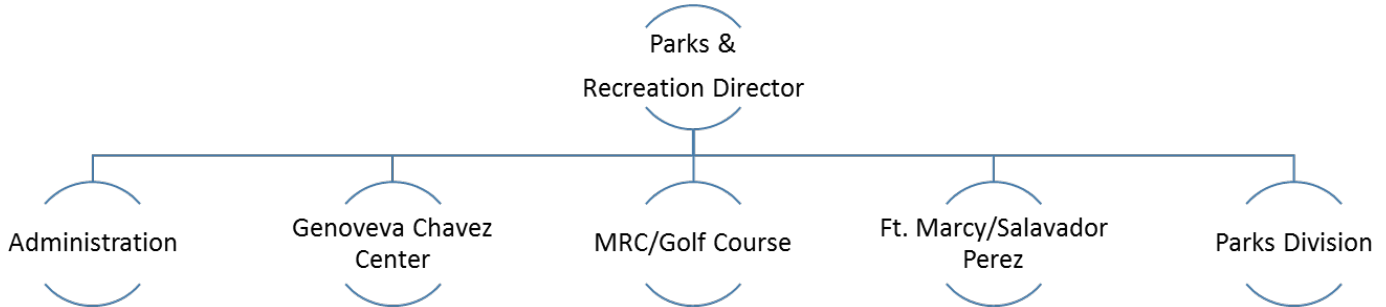


PLANNING & LAND USE DEPARTMENT



3. City Services Departments

a. PARKS AND RECREATION DEPARTMENT



ADMINISTRATION DIVISION

Executive Summary

The Parks and Recreation Administrative Division oversees the entire operation of the department. This staff in this section include: Parks and Recreation Director; Administrative Manager; Administrative Assistant; and two Marketing & Special Events Administrators. Overall management of financial and supervisory duties are handled in this section, along with: hiring; advertising; special events; department marketing; final approvals for purchases and contracts; and community relations.

RBA Performance Measurements

- % Purchase agreements processed < 2 weeks
- #/% PSA's processed < x days
- Contracts processed < x days (over 50K and under 50K)
- # Purchase orders processed by division & % processed on time < \$5, 50, 50K (Volume & time to process)
- #/% Budget rejections/approvals @ 1st submission
- #/% FMLA

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The source of funding for this section is the General Fund.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
Did a little adjustment in a couple of categories for training, but eliminated funding for Communication.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Explanations are included in the line items.
- E. Describe the process your division went through to build a zero-based budget.
We looked at what we needed and estimated some pricing to ensure we were getting the funding that was needed to develop a good, sound budget.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19?
No.

GENOVEVA CHAVEZ COMMUNITY CENTER

Executive Summary

The Genoveva Chavez Community Center (GCCC) is a 177,000 square foot recreational facility located on Rodeo Road in Santa Fe's rapidly growing south-side. GCCC is comprised of seven main program and facility sections. The sections are administration, facilities, gymnasium, fitness, youth, ice arena, and natatorium. Each section offers a variety of unique programs, beyond daily workouts, such as: developmental youth leagues for volleyball and basketball, adult sports leagues for indoor soccer, racquetball, basketball, and volleyball, challenge courts for table tennis, pickle-ball, badminton, racquetball, indoor soccer, volleyball, and basketball, recreational youth camps and after school programs, hockey clinics, learn to skate and learn to play hockey lessons, adult and youth hockey leagues, private skating lessons, curling lessons and leagues, learn to swim lessons, swim team training rentals, swimming competitions, functional fitness, cardiovascular workouts, bodybuilding, and fitness classes.

GCCC generates nearly two million dollars in revenue annually through fees for the above-mentioned programs along with fees for drop-in use for daily customers that want to use the amenities for personal workouts, classes & special programs, group field trips and party rentals, and long-term memberships. Our goal is encourage Santa Fe residents to exercise healthy habits by utilizing our safe, clean, professional, and accessible facility as a positive means to increasing their quality of life. We strive to offer exceptional customer service by aiming to exceed our customers' expectations.

GCCC is part of the City of Santa Fe's public service to encourage every constituent to utilize and enjoy diverse social and recreational methods to develop a healthy community.

RBA Performance Measurements

- # Utilizing services (including #'s of persons with disabilities utilizing services)
- # Fee revenue (and fee revenue by program)
- # Hours open and staff ratio
- # Days facility open to target
- # Customer complaints
- Membership Retention rate

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
GCCC is funded from 1/16% of GRT along with additional subsidy from the General Fund.
- B. Are any new costs other than inflation included in this proposal?
Under service contracts, we have put \$116,000 for the Pigeon feces removal- this is a four times a year service. Also added some training funding to Aquatics. Increased instructor fees by \$5/hour, due to loss of several instructors, with new PSA requirements. Also, Officials' and Monitors' salaries were increased.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, increase in Ice Arena, Facility Operation and Pool Business Units. Increase due to repair and maintenance of aging equipment, re-keying GCCC and some repairs in the Pools. Moved some Repair/Maintenance items to Service Contracts, as staff were coding incorrectly.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
This was provided throughout the proposal.
- E. Describe the process your division went through to build a zero-based budget.
The management sections of GCCC met several times and went through each Business Unit and Line Item and viewed current expenditures and what expenditures were anticipated before year end.

Budgets for FY2018/19 were based off actuals from previous fiscal years and anticipated costs for next fiscal. Needs of the facility played a major role in the budget process for FY2018/19.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

Recreation plan.

MUNICIPAL RECREATION COMPLEX

Executive Summary

The Municipal Recreation Complex (MRC) encompasses a 27-hole golf course facility called Marty Sanchez Links de Santa Fe (MSL) and the MRC Sports Complex that offers a variety of sports playing fields including "Soccer Valley" - 4 adult regulation size soccer fields, 4 softball fields (with concession/restroom amenities), 2 rugby fields (with concession/restroom amenities) and 2 hardball fields.

MSL is open year-round (except Christmas). Depending on weather, we may close our Pro-shop and restaurant if turf conditions are not playable. MRC is a seasonal facility that is open from April through October for permitted league activity. We accommodate high school soccer and baseball, adult softball, soccer, rugby and baseball. In addition, our facility permits out for special events like the annual, city sponsored Easter Event, Senior Olympics Archery competition and several school sponsored cross-country meets throughout the season.

Our goal is "To provide a variety of quality and affordable recreational opportunities to Santa Fe city, and county residents and visitors who visit the MRC. The emphasis is on growing the MRC to be a model for golf and recreational activities through superior customer service, and continued collaborative relationships among staff, the governing body, contractors and volunteer groups and volunteer advisory board."

The mission of Marty Sanchez Links de Santa Fe is to:

- Provide expert service and entertainment to our golf customers
- Create a wholesome atmosphere for the enjoyment of the game
- Be a sound financial business
- Make our citizens and visitors feel welcomed in our facility
- Provide a pleasant work environment for our fellow employees
- Our commitment to these simple goals will ensure the golf course growth as well as our employees.
- "Marty Sanchez Links de Santa Fe is committed to being the golf course of CHOICE for the citizens and visitors of Santa Fe."

RBA Performance Measurements

- # Rounds sold/total revenue
- Revenue over time and % revenue target met
- # Carts rented/day and/or month, revenue
- # Adult Sr. & Jr. Rounds Sold/Year > Total revenue
- Preventative maintenance of golf cart fleet schedule on time (under warranty) including monthly inspection

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Revenue generated through greens fees/cart rental fees and MRC sports complex league user fees; in addition, a transfer in of funds from GRT subsidizes us.

- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, under contractual services, our current golf management services vendor, New Mexico Golf Limited's four-year agreement will expire on June 30, 2018. RFP #18/15/P was sent out and we received one proposal from the current vendor. Under the new agreement between the City and NMGL, compensation reimbursement by the City to the vendor will increase approximately 6% per year. In an effort to improve employee professional development, we are requesting that several MRC staff attend in and out of state training to increase their level of knowledge of the golf industry and improve their job performance through what they learn from these golf/park and recreation specific trainings.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
See itemized entries for each line item that applies.
- E. Describe the process your division went through to build a zero-based budget.
Based on our current approved budget for this FY2017/18, we reviewed our current spending habits, and in being mindful of our budget needs, we itemized our known and/or anticipated operating expenses, service contracts, capital equipment, and all aspects of our budget based on what we plan to spend each fiscal year.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19?
No.

PARKS DIVISION

Executive Summary

The Parks Division creates and maintains recreational opportunities throughout the City of Santa Fe. From sports turf facilities to ball courts to Community Gardens to Special Events, Division incorporates numerous technologies across a multitude of scientific disciplines to cultivate native and introduced grasses, trees, shrubs and flowering plants. With a Team led by two Superintendents and eight Supervisors, the five Equipment Operators, eleven Senior Maintenance Workers and seventeen Maintenance Workers work diligently to perform a variety of tasks on daily, weekly, seasonal and/or annual schedules. Two classified specialist positions within the Division provide technical leadership in Horticulture and Integrated Pest Management. Division Director is supported by Administrative Assistant and Project Specialist positions.

RBA Performance Measurements

- % Participant satisfaction with events (Tourism survey) Parks Division is hoping to implement a mobile 811 application with a company called Dude Solutions to assist in these measures; how many parks were maintained, how many employees it took to maintain, how many hours employees were at park, types of
- Inventory loss/shrinkage rate supplies used such as trash bags, doggy poop bags, irrigation maintenance and supplies, this can also be used to track which park the employees are maintaining at any given time. This can also track inventory supplies rotation and loss or shrinkage.
- # Complaints Safety claims and safety supplies, number complaints received and completed.
- # Safety claims (medians and park incidents)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

The Division is supported by the General Fund, which relies on recurring Gross Receipts Tax collection and distribution.

- B. Are any new costs other than inflation included in this proposal?
Yes. Division requests a mobile application for work order tracking, cost center accounting and asset management.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes. See B.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
This was done.
- E. Describe the process your division went through to build a zero-based budget.
Reviewed previous year's expenses and projected needs for FY2018/19.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
Yes, we are proposing a Parks Reorganization plan.

RECREATION DIVISION

Executive Summary

The purpose of the Recreation Division at the City of Santa Fe is to provide year-round leisure service programs that offer a wide variety of activities offered to improve the Quality of life to our citizens and visitors. The City of Santa Fe operates 3 Multipurpose Recreational Facilities and one Outdoor Seasonal Swimming Pool that are open from 80 to 100 hours per week at reasonable fees.

In recognition of our responsibility to our community we strive to provide safe, quality facilities and services. We foster open communication and identify the ever changing and growing needs of the community, following trends, needs and implementing such programs. On an annual basis we identify CIP projects and compete for funding to purchase new equipment and enhance our facilities with improvements.

RBA Performance Measurements

- # Utilizing services
- Membership retention rate
- \$ Fee revenue (and fee revenue by program)
- % Staff turnover
- # incidents/safety accidents
- # Customer complaints.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
No.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.

We reviewed E-1 and made determined what worked well or us last year. We realized that in some funds water usage had decreased.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

Yes, a plan has been proposed to streamline personnel and services to reduce costs.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Parks and Recreation Expenditure Summary

**CITY OF SANTA FE
PARKS AND RECREATION DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

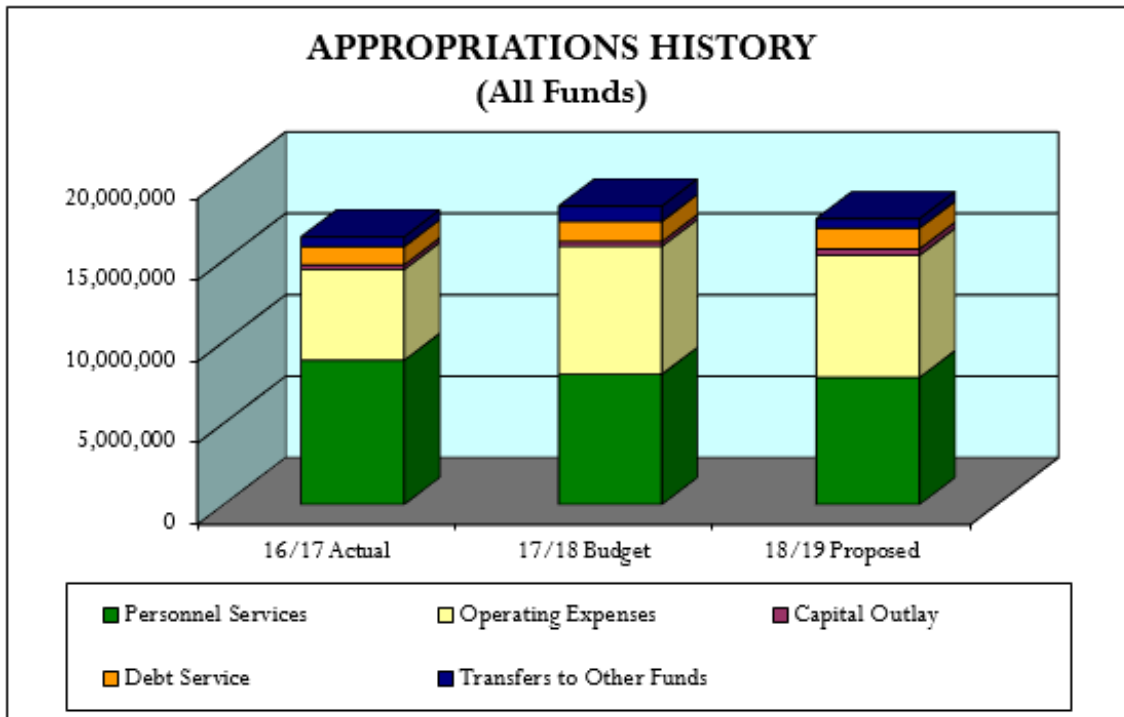
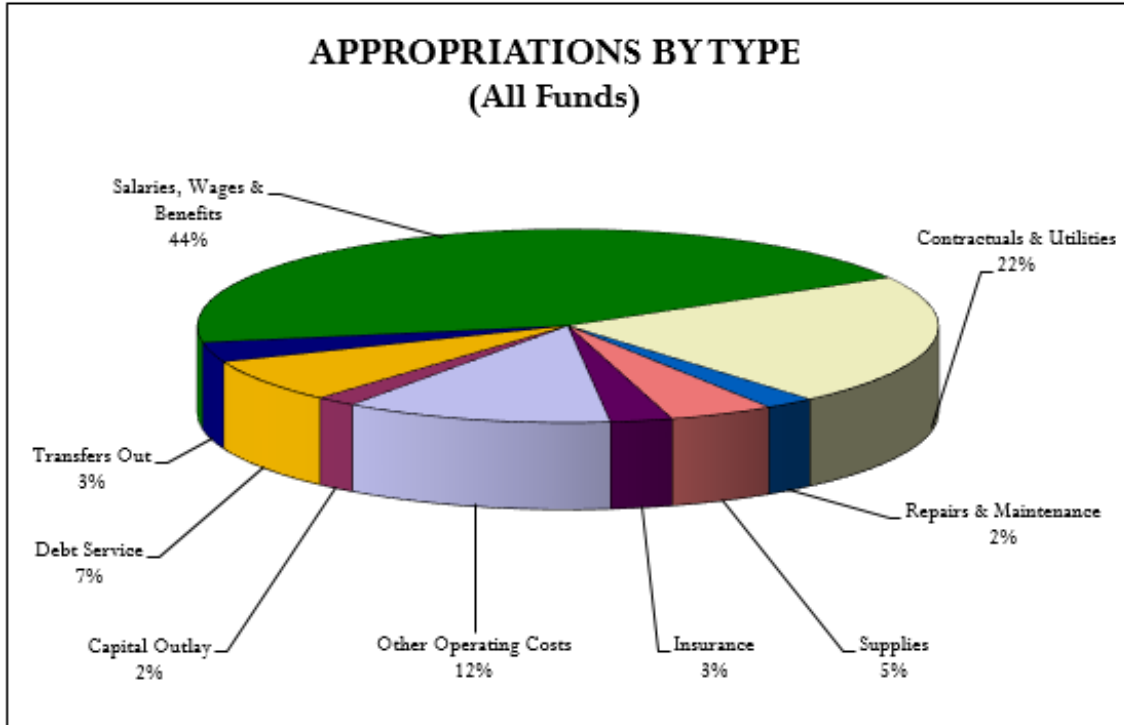
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Parks & Recreation Admin	67,717	127,255	428,079	88,610	73,998	359,899
Genoveva Chavez Community Ctr.	4,454,341	4,810,718	4,856,720	1,501,471	538,017	4,684,945
Municipal Recreation Complex	2,798,774	3,130,098	3,763,044	1,082,186	199,293	3,372,715
Parks, Trails & Watershed	5,509,157	6,031,821	6,551,069	3,572,771	330,422	6,615,113
Recreation Division	2,320,984	2,326,392	2,720,851	1,071,041	154,932	2,513,188
TOTAL PARKS & RECREATION	15,150,973	16,426,284	18,319,763	7,316,079	1,296,662	17,545,860

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	7,904,559	8,860,209	8,000,555	3,712,826	—	7,800,666
Contractuals & Utilities	3,333,343	3,524,085	3,884,671	2,318,503	928,076	3,865,327
Repairs & Maintenance	279,477	274,355	407,821	88,281	100,087	382,968
Supplies	679,788	728,645	858,330	302,483	108,139	803,490
Insurance	378,482	394,149	437,622	26,796	—	472,813
Other Operating Costs	783,463	712,693	2,313,614	242,025	158,160	2,051,265
Capital Purchases	209,782	220,250	239,242	34,282	2,200	310,264
Debt Service	1,309,353	1,119,125	1,234,500	119,179	—	1,275,358
Transfers to Other Funds	272,726	592,773	943,408	471,704	—	583,709
TOTAL PARKS & RECREATION	15,150,973	16,426,284	18,319,763	7,316,079	1,296,662	17,545,860

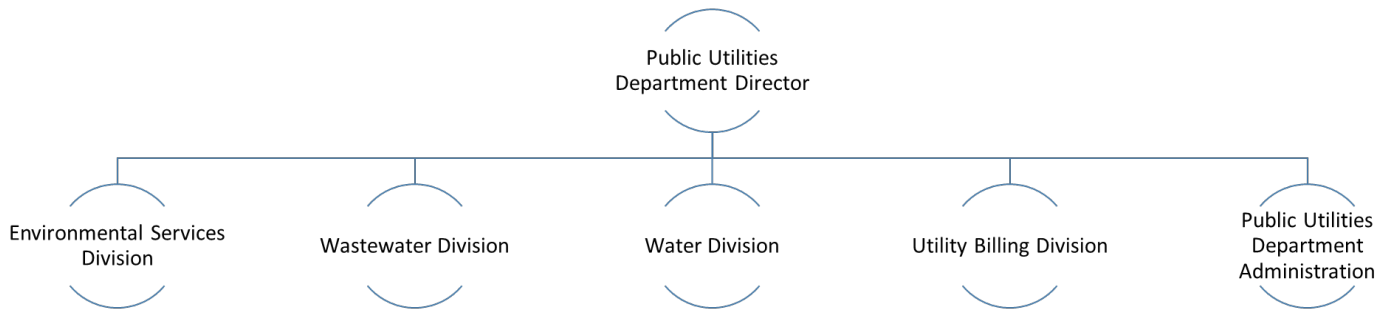
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	7,572,884	8,593,308	9,953,382	4,943,300	469,678	9,517,503
Quality of Life	82,476	59,964	133,897	14,027	12,418	84,097
Plaza Use Fund	24,866	28,449	25,000	11,281	7,752	25,000
Recreation Fund	27,693	27,137	30,700	2,570	8,032	28,340
Municipal Rec Complex (Golf)	1,266,884	1,390,154	1,614,455	545,096	189,028	1,553,833
MRC Bond Fund	51	—	—	—	—	—
MRC - FORE Kids Golf	7,231	6,563	11,564	4,694	—	6,480
MRC - Sports Fields	214,807	216,905	233,418	78,717	10,264	126,898
MRC - Debt Service	1,309,801	1,119,196	1,234,741	119,246	—	1,275,479
Genoveva Chavez Community	4,454,341	4,810,718	4,856,720	1,501,471	538,017	4,684,945
Railyard Parks	133,371	129,173	157,307	72,478	34,292	175,824
Special Recreation Leagues	56,568	44,717	68,579	23,199	27,181	67,461
TOTAL PARKS & RECREATION	15,150,973	16,426,284	18,319,763	7,316,079	1,296,662	17,545,860



PARKS & RECREATION DEPARTMENT



b. PUBLIC UTILITIES DEPARTMENT



ADMINISTRATION DIVISION

Executive Summary

The Public Utilities Department provides management oversight to the Utility Divisions. The department consists of; Water Division, Environmental Services Division, Wastewater Management Division, and Utility Billing Division. The Department facilitates the needs of the Public Utilities Committee, and assures compliance of all Utility Division with local, state, and federal regulations. The Department provides customer service to the public and other department of the City of Santa Fe.

RBA Performance Measurements

(Please refer to those listed within each Division.)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funded from all three Utilities.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
No.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Done as requested.
- E. Describe the process your division went through to build a zero-based budget.
Added up required expenditures and contracts.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No.

ENVIRONMENTAL SERVICES DIVISION

Executive Summary

The Environmental Services Division (ESD) is the sole-source provider of municipal solid waste collection from residential and commercial sources for the City of Santa Fe. ESD collects trash and recycling from about 32,000 single-family homes, and about 2,500 businesses, institutions, and multi-family complexes.

ESD consists of several sections. ESD Collection Operations includes the Residential Refuse, Residential and Commercial Recycling, and Commercial Refuse sections, as well as Container Maintenance, which includes the welding team and the cart maintenance team. Residential collections are conducted Monday through Friday, whereas commercial collections run six days a week, Monday-Saturday. The Fleet Maintenance section was separated from Operations in FY2016/17. Our fleet mechanics are responsible for repair and maintenance of the collection vehicles, plus the Division's light vehicles, for a total of 72 vehicles. Additionally, the Administration section includes the management team, customer service/field support employees, and our outreach & education group, which also includes recycling marketing, compliance, Keep Santa Fe Beautiful (KSFB), and Graffiti. The Graffiti section is overseen by ESD but is funded by the General Fund. KSFB receives grant funding, and is a partnership between the City and the 501 c (3) organization, overseen by its Board of Directors.

RBA Performance Measurements

- % of vehicles operational on a daily basis
- % of completed routes on time
- Workload ratio for mechanics as compared to national average
- On-job injury rate of mechanics
- % Vehicles with major repairs (engine, transmission)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
ESD is an enterprise fund with a fee-for-service structure. We have various residential and commercial rates that are our basis for budgeting. Other significant funding sources include:
- *Keep Santa Fe Beautiful receives an average of \$47,000/year from the State of New Mexico for its intern program*
 - *The Graffiti section is funded by General Government*
 - *The Bag Ordinance Fee revenues are reflected in this budget, with its own budget for expenditures*
- B. Are any new costs other than inflation included in this proposal?
We anticipate increasing our safety program by implementing driver camera technology in our fleet vehicles that monitors driver behavior and street conditions just prior to incidents. We estimate the technology to cost approximately \$45,000.
- C. Do you expect an increase in expenditures? Why, or why not?
We anticipate rising costs for our recycling programs through SFSWMA. The Agency has indicated it will need to pass along approximately \$480,000 in higher processing fees from our processor, Friedman Recycling, due to the changes in the global commodities market caused by the Chinese government. The Chinese "National Sword" is a policy that creates a ban on certain recyclables and stringent requirements for contaminants in these commodities. Additionally, the Chinese government is not issuing import licenses for their manufacturers to purchase these commodities, which is causing a flooding of U.S. domestic markets and lowering prices paid for these commodities.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
 Vehicles -
Vehicles scheduled to be replaced are:
- *Special Collections vehicle, replacing unit 531; BU 52265; \$187,000*
 - *Front Load truck replacing unit 561; BU 52262; \$350,000*
 - *Rear load truck replacing unit 500; BU 52262; \$360,000*
 - *Roll-Off truck replacing unit 549; BU 52262; \$200,000*
 - *Two Automated Side Load trucks replacing units 560 & 588; BU 52255;\$350,000 each*
 - *Automated Side Load replacing unit 562; BU 52255;\$338,000*

Out of State Training -

- *US Conference of Mayors Municipal Waste Management Association in Houston, 1 staff- Director is on national Steering Committee for MWMA*
- *Sustainability Organization, 1 staff*
- *Solid Waste Association of North America (SWANA) Wastecon in Nashville, TN, 3 staff attending with two attending 40-hr certification classes in Collection Operations (we are working toward SWANA certification for all Supervisors)*
- *SWANA Road to Zero Waste, 4 staff (2-3 new staff also obtaining SWANA Certification in Zero Waste offered at the conference)*

In State Training -

- *New Mexico Recycling Coalition/ NMSWANA Bi-Annual Conference in Albuquerque, 5 staff (training and CEU's)*
- *SWANA ROAD-E-O in Santa Fe 10 staff- this is the annual Safety Driver Road-e-O competition for the State. Last year two of our staff won best in state and competed at the National Road-E-O.*
- *NM SWANA Annual Meeting in Albuquerque 5 staff- this is the annual business and training meeting, and one of the only other opportunities in-state for CEU's.*
- *Code Enforcement meeting in Clovis, NM 1 staff- ongoing training for our staff to obtain code enforcement certification*
- *Code Enforcement meeting in Red River, NM 1 staff-ongoing training for our staff to obtain code enforcement certification*
- *Safety Meeting Subscription- SWANA offers discounted safety videos and training materials for the municipal solid waste industry; this covers twelve months of relevant safety topics for our monthly safety meetings.*
- *SWANA Webinars on line- these cover many subjects, from safety to recycling, to operations efficiencies, and many attended by any of our staff depending on the subject*
- *Welder Certification (TIG) TBD, 2 staff*
- *Excel training in Santa Fe, 3 staff*
- *Customer Service Training in Santa Fe, 6 staff*
- *SWANA Online Certification on line- this would help obtain 40-hour certifications for staff needing them, but limit travel. Our preference is in-person classes with peers, but this can help get everyone up to basic industry standards.*

Contracts -

- *Monitoring of ground water and landfill gas at the Paseo and Frank Ortiz \$60,000- combining these regulatory required activities(new)*
- *Public Utilities Rate Evaluation & Financial services and Cost of Services study, \$ 82,000*
- *Collections management system Cloud-based Tracking \$300,000 (new)*
- *Driver Safety Camera system \$45,245 (new)*
- *Vehicle Wash and Detailing program \$126,000 18/25/RFQ*
- *Car wash/power washer preventative maintenance \$6,000 (new)*
- *Propane Service for ESD maintenance shop. PSA 17-1296 \$ 1,400*
- *Uniform Service for ESD mechanics NJPA062415-UFC \$9,809*
- *Parts Washer Service for mechanics shop 18/13/RFQ \$5919*

E. Describe the process your division went through to build a zero-based budget.

We have been working toward a similar goal for three years, to separate costs into their proper cost centers so we can compare revenues to expenditures per section. This does not provide a complete cost of service, but gives supervisors and managers a more solid idea of the costs of the services they deliver compared to their specific revenues.

Each Manager worked with their supervisors and staff to identify what needed to be included in their section budget and worked to obtain the specific costs for these items or services. They built the budget

by section, and management met several times to examine the entire Division budget and make sure costs are allocated and accounted for properly, and that programs or services for the Division are adequately included in the Administration Section.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

We have moved the Welders and SWM Maintenance Workers from BU 52254 Maintenance to BU 52273 to accurately track the Container Maintenance group as a succinct work team that delivers, maintains and repairs both dumpsters and carts. The team's supervisor will be the Operations Manager Position # 1203.

<u>Classification</u>	<u>Position #</u>	<u>Employee #</u>
Welder	1160	1001323
Welder	1159	1001580
SWM Maintenance Worker	2446	1003131
SWM Maintenance Worker	2447	1005180

UTILITY CUSTOMER SERVICE DIVISION

Executive Summary

To provide excellent customer service and utility billing services to the citizens of Santa Fe. These services include accurate water meter reading, timely billing for water, refuse, sewer and storm water services, and a proactive collection services for delinquent accounts.

RBA Performance Measurements

- #/% of Complaints recorded
- Utility accounts receivable balance < 3 month billing amount
- Process < 3 Budget Adjustment Requests (BARs)
- 95% accuracy of utility bills
- 50 hours of training/employee

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

Funded from the three utilities.

B. Are any new costs other than inflation included in this proposal?

No.

C. Do you expect an increase in expenditures? Why, or why not?

No.

D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.

Done as requested.

E. Describe the process your division went through to build a zero-based budget.

The costs were added up for contracts required and needed. The day-to-day costs were based on actual expenditures.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

No.

WASTEWATER MANAGEMENT DIVISION

Executive Summary

It is the primary mission and objective of the Wastewater Management Division to ensure that all sanitary sewage produced within the City's service area is collected, conveyed and treated in compliance with local, state and federal regulations and guidelines, and to protect the public's environment health/safety, and welfare. The Division consists of seven Operational Sections: Administration, Collection System, Engineering, Industrial Pretreatment, Laboratory, Wastewater Treatment Facility, and Solids Handling.

RBA Performance Measurements

- # Per 1,000 feet of rod - flushed/day
- #/% Response time for line clogs serviced in < 1 hour
- # Gallons de-watered 40,000/day
- Process < 3 Budget Adjustment Requests (BARs)
- 100% Permit Compliance

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Sources of funding for this proposal are generated through rates and fees assessed to customer base. These revenue streams are recurring.
- B. Are any new costs other than inflation included in this proposal?
There are no new costs other than inflation included in this proposal.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, it is anticipated that the division will increase expenditures in electrical cost and tipping fees associated with landfill as transition from land application of bio solids to land-filled applied. Increase in engineering services to update Chapter XXII and address aging secondary electrical power equipment.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
Each section manager develops a proposed budget by itemizing all expected expenditures, proposal is reviewed and commented on by the division director. Managers review comments and adjust accordingly. Division Director and Administrative Manager meet with each section manager to discuss and finalize proposal.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
Wastewater Management would request that one vacant Engineering Technician Senior be moved from Industrial Pretreatment to the Engineering Section.

WATER OPERATIONS DIVISION

Executive Summary

The purpose of the Water Operations Division is to provide a clean, safe, reliable supply of water, at all times, including long-range supply, to Water Division customers within the City's service area. Accordingly, providing water is an essential public service, and vital to the health, safety, and welfare of Santa Fe water customers.

RBA Performance Measurement

- % Water loss < 7%

- # Incidents < 20
- # Gallons per capita per day (GPCD) < 90
- 100 % Regulatory compliance
- Process < 3 Budget Adjustment Requests (BARs)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Water Sales Revenues.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
No.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Done as requested.
- E. Describe the process your division went through to build a zero-based budget.
Required contracts and expenditures were added up for each line item.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Public Utilities Expenditure Summary

**CITY OF SANTA FE
PUBLIC UTILITIES DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

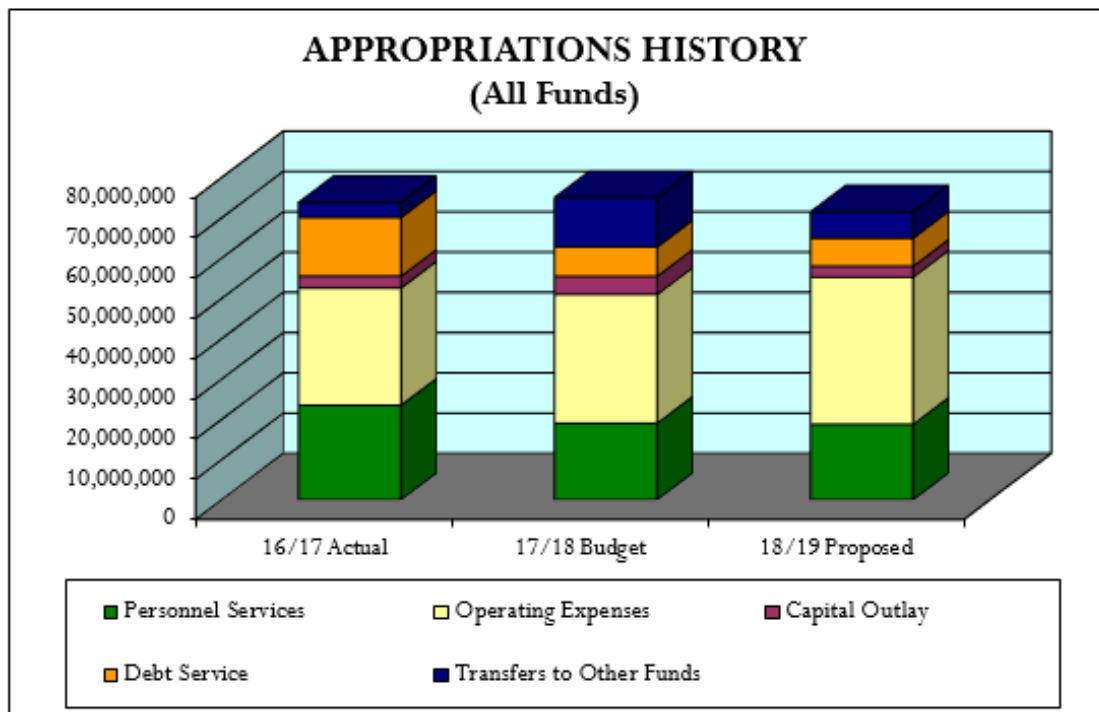
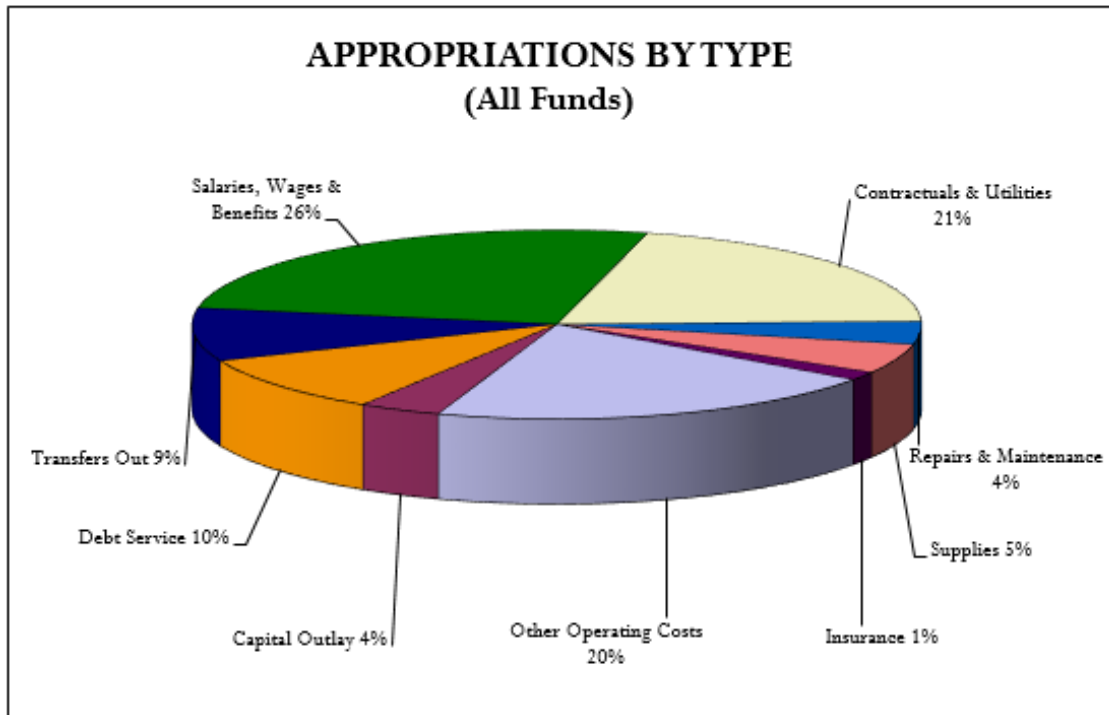
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Public Utilities Administration	337,418	369,527	1,026,428	155,870	115	711,757
Environmental Services	12,707,193	24,250,282	16,851,770	5,745,139	2,625,857	17,135,125
Utility Customer Service	6,591,914	2,783,817	4,557,285	1,115,231	916,031	4,787,282
Wastewater Management	11,448,228	13,220,800	12,239,200	3,028,783	1,512,265	13,509,047
Water Operations	194,374,986	33,161,413	40,344,850	5,908,385	3,151,437	29,342,636
TOTAL PUBLIC UTILITIES	225,459,739	73,785,839	75,019,533	15,953,408	8,205,705	65,485,847

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	17,882,290	23,477,638	18,999,673	7,847,708	—	18,740,385
Contractuals & Utilities	16,520,343	11,893,302	10,521,531	3,018,798	3,482,835	14,650,553
Repairs & Maintenance	1,971,751	1,904,885	3,162,118	683,980	1,070,077	2,789,999
Supplies	2,114,770	1,918,599	3,414,277	787,116	1,207,539	3,610,586
Insurance	822,905	986,694	894,565	34,823	—	1,049,471
Other Operating Costs	9,012,831	12,389,198	14,103,316	788,201	412,444	14,513,981
Capital Purchases	4,708,245	2,927,893	4,384,869	1,334,707	2,032,810	2,599,350
Debt Service	98,831,043	14,581,699	7,253,177	1,280,728	—	6,969,022
Transfers to Other Funds	73,595,561	3,705,931	12,286,007	177,347	—	562,500
TOTAL PUBLIC UTILITIES	225,459,739	73,785,839	75,019,533	15,953,408	8,205,705	65,485,847

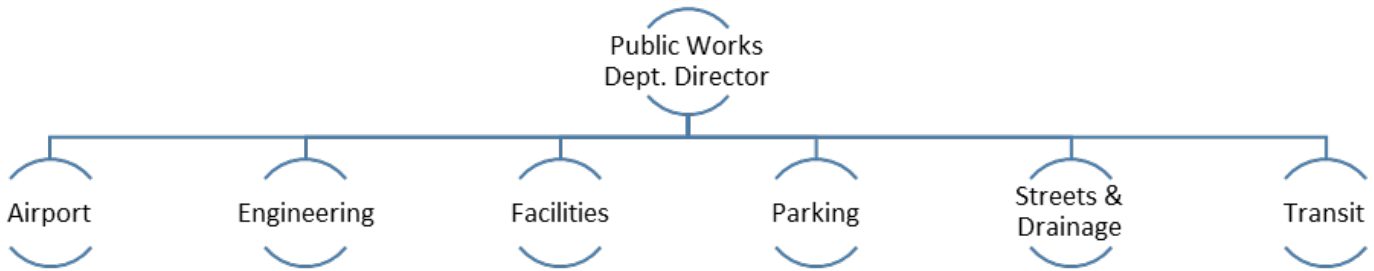
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	303,308	284,160	300,427	130,765	2,779	281,204
Santa Fe Beautiful Grant	64,644	32,078	47,523	12,403	—	47,643
Utilities Administration	337,418	369,527	1,026,428	155,870	115	711,757
Utility Customer Service	6,591,914	2,783,817	4,557,285	1,115,231	916,031	4,787,282
Environmental Services	12,339,241	23,835,984	16,377,820	5,566,857	2,562,873	16,647,798
Environment'l Svcs Paper Bag Fee	—	98,060	126,000	35,114	60,204	158,480
Water Division Operating Fund	114,719,106	32,699,781	30,174,762	5,782,727	3,003,575	28,609,858
Water Debt Service	58,754,337	816	3,746,026	—	—	—
Water Acquisition Fund	678	—	—	—	—	—
Water Reserve for Arbitrage	711	—	—	—	—	—
Water Accounts Receivable	251,063	—	—	—	—	—
River/Water Conservation	1,235,923	460,816	927,600	125,658	147,863	732,778
¼% Water GRT Fund	19,413,168	—	5,496,462	—	—	—
Wastewater Management	11,448,228	13,220,800	12,239,200	3,028,783	1,512,265	13,509,047
TOTAL PUBLIC UTILITIES	225,459,739	73,785,839	75,019,533	15,953,408	8,205,705	65,485,847



PUBLIC UTILITIES DEPARTMENT



c. PUBLIC WORKS



ADMINISTRATION DIVISION

Executive Summary

The Public Works Department's structure is comprised of six functional divisions: Aviation, Facilities, Engineering, Parking, Streets and Drainage Maintenance and Transit. The department is located at Market Station, with several divisions in the outlying areas, such as Siringo Road, Siler Road, Rufina Road, as well as, the Airport. The department administrative office provides management and oversight for all divisions within the department to ensure compliance with various policies and procedures. Providing this level of oversight ensures the safe, reliable, accessible, and cost effective assurance of department functions and provides that standard of service to all citizens and visitors of the city. Write a succinct summary of the divisions purpose.

RBA Performance Measurements

(Please refer to those listed within each Division.)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding source for Public Works Department Administration is through the general fund. Public Works Department Railyard is funding through Railyard revenue.
- B. Are any new costs other than inflation included in this proposal?
Yes, increases requested due to permanent position potentially to be filled, as well as, increases requested on behalf of Railyard program.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, will need additional funding for small purchases for a permanent department director and possibly the permanent administrative assistant.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Completed within the proposal.
- E. Describe the process your division went through to build a zero-based budget.
The department's administrative budget is small; between the department fiscal administrator and department director, we considered all the functional needs to make sure the level of support to our divisions, as well as, customers could be met with effective and efficient resources.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
None proposed; however, we would like to note the department needs to be structured with the appropriate staffing level for the size of the department. Assuring the department director, fiscal administrator/office manager, and an administrative assistant all be funded appropriately as a department. The administrative assistant was unfunded more than five years ago and the department needs a succession plan for current fiscal administrator/office manager. Currently, the department

fiscal administrator/office manager is funded by a division and funding for the department director is not in place.

AVIATION DIVISION

Executive Summary

Santa Fe Regional Airport, the second busiest airport in the state, is a vital transportation hub and economic engine for our city and region. Currently, the airport supports 180,000 commercial passengers and 64,000 aircraft flight operations annually generating over \$70 million to the economy and 680 full time jobs. The airport supports over 400 tenants, 180 based aircraft, 20 businesses, 26 aircraft hangars, Air Methods, the US Game and Fish, US Forest Service, NM Army National Guard, NM State Police, NM State Aviation, Civil Air Patrol, SFFD Fire Station 10, SF Waste Water Treatment Plant, SFPD Impound Lot and Firing Range.

RBA Performance Measurements

- Percent of FAA inspections passing safety standards.
- Percent of work orders completed on time (quantified by time limit based on type of issue).
- Number of security incidents (quantified by type of security incident).
- Number of repeat security incidents.
- Number of grants received and total amount of awards.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding for the Regional Airport comes through three different sources: FAA, the State of New Mexico and the City of Santa Fe general fund. In general, the funds from the FAA are earmarked for projects listed on the FAA approved CIP list (rehabilitation of runways, taxiways, and aprons). The funding from the State of New Mexico is typically in support of the FAA grants in the form of a 3.125% match. In the past, the Santa Fe Regional Airport has been successful in receiving funding for improvements to the terminal.
- B. Are any new costs other than inflation included in this proposal?
Furniture inside the passenger waiting area to be replaced. The existing furniture is dated and difficult to clean. The furniture proposed would be made of vinyl and chrome, which will allow for easy cleaning. Licensing for airport security camera software and badging program which is a requirement through TSA.
- C. Do you expect an increase in expenditures? Why, or why not?
The proposed budget is lower than the 2017/18 budget.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- Travel - Out of State Per Diem - **\$1,200**
- *FAA Conference (3 Managers)*
 - *AAAE Conference (3 Managers)*
 - *Governmental/Accounting Financial Seminar (1 Manager)*
- Travel - In State Per Diem - **\$700**
- *Roswell Equipment Backhoe and Motor training (3 EE's)*
 - *AAAE Airport Operations Training (3 EE's, FAA Part 139 Requirement)*
 - *Wildlife Training (3 EE's, FAA Part 139 Requirement)*
 - *NMMAMA Conference & Monthly meetings (3 Managers)*
- Travel - Out of State Transportation - **\$5,000**
- *FAA Conference (3 Managers)*
 - *AAAE Conference (3 Managers)*
 - *Governmental/Accounting Financial Seminar (1 Manager)*

Travel - In State Transportation - **\$2,000**

- **Roswell Equipment Backhoe and Motor training (3 EE's)**
- **AAAE Airport Operations Training (3 EE's, FAA Part 139 Requirement)**
- **Wildlife Training (3 EE's, FAA Part 139 Requirement)**
- **NMMAMA Conference & Monthly meetings (3 Managers)**

Registration - **\$3,000**

- **Based on airline and trade organization conference registrations.**

Employee Training/Tuition - **\$3,500**

- **Roswell Equipment Backhoe and Motor training (3 EE's)**
- **AAAE Airport Operations Training (3 EE's, FAA Part 139 Requirement)**
- **Wildlife Training (3 EE's, FAA Part 139 Requirement)**
- **Governmental/Accounting Financial Seminar (1 Manager)**

Equipment & Machinery - **\$900,000**

- **Snow removal equipment to be purchased with FAA grant funds.**

Furniture & Fixtures - **\$40,000**

- **Replacement of the furniture inside the passenger waiting area. The existing furniture is dated and difficult to clean. The furniture proposed would be made of vinyl and chrome, which will allow for easy cleaning.**

Data Processing -

- **The security camera network data needs to be backed up on a server for a minimum of 14 days.**

Contracts -

- **G4 Security for terminal.**

E. Describe the process your division went through to build a zero based budget.

Staff reviewed all required operations for the airport and identified the expenditures that will be necessary to execute those operations.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

No changes to the organizational structure are being contemplated.

ENGINEERING DIVISION

Executive Summary

The Engineering Division provides and maintains safe, efficient, and cost effective multi-modal traffic flow throughout the City. The Engineering Division develops transportation and watershed infrastructure projects in a fiscally and environmentally responsible manner utilizing technical and administrative project management expertise in the study, design and construction of capital improvement projects.

RBA Performance Measurements

- % Projects and Trails completed on time
- % Projects and Trails completed within budget
- % Signs maintained to total
- Travel time reliability of major roads (peak & after peak time)
- # Days to turnaround permits -% permits delayed

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

Local Taxes.

B. Are any new costs other than inflation included in this proposal?

We have a small increase in Training/Registration due to staff being transferred into Division during last year's budget process.

- C. Do you expect an increase in expenditures? Why, or why not?
Non-salary expenses went down due to fewer vehicle requests; however, salaries will show an increase based on getting Storm water, ADA, and Grant writer positions placed in the division through the course of last year's budget process.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Completed.
- E. Describe the process your division went through to build a zero-based budget.
We evaluated each line item and base our proposed budget on anticipated needs as opposed to re-budgeting what we had last year.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassification's or requests for pay increases. Do include changes to lines of supervision if applicable.
No changes are proposed.

FACILITIES MAINTENANCE DIVISION

Executive Summary

The Facilities Maintenance Division is comprised of four sections: CIP development, Construction Locals, Custodial, and Maintenance. CIP development follows procurement guidelines by securing RFPs, RFBs, quotes in order to complete contracts needed for projects, the area also oversees grants, capital improvements and federally funded projects. The construction locals complete small construction and maintenance projects for all city departments; they work on saving the city funds by providing skilled in-house labor and direct purchase of materials. The division's custodial staff keep the city buildings clean and maintained, they are a staff of 16 custodians, 3 lead workers, and 1 supervisor. The team provides 365 days a year service with an average of 16 hours per day coverage to dispose trash, maintain clean and stocked restrooms, vacuum and dust, along with special projects such as carpet cleaning and hard surface floor care. The Maintenance section performs emergency repairs and routine maintenance on mechanical, electrical, plumbing, paint, structural elements, along with various other tasks around the city. On average, the team responds to over 2,200 work orders within a completion time of 21 days.

RBA Performance Measurements

- # Days of completion work order by type
- #/% Buildings rated critical condition or good condition
- # Work load ratio
- # Hours from request to emergency repairs
- # Hours/days from request to address sewage backups -% addressed within x days

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding sources in this proposal come from the General Fund and 1/2% GRT CIP.
- B. Are any new costs other than inflation included in this proposal?
Increased some line items to the true need based on current level of employees.
- C. Do you expect an increase in expenditures? Why, or why not?
Not at this time.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.

Completed.

E. Describe the process your division went through to build a zero-based budget.

The Interim Division Director and administrative staff met with respective areas to determine true needs of the Division and entered requests based on need.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

In the custodial section, this fiscal year we identified custodial staff will return to their respective department/division as originally funded previous years, such as FY2016/17. Also, we would like consideration for hiring two temporary, full-time construction laborers as the need for additional help is quantified by the number of new projects given to that area, these positions recommended funding would be project-based.

PARKING DIVISION

Executive Summary

The mission of the City of Santa Fe Parking Division is to manage and operate City's parking infrastructure which includes parking garages, lots and on-street metered parking. Parking enforcement and adjudication is an integral part of the day-to-day parking operations. The Division is committed to providing efficient and adequate supply of parking spaces throughout the City to serve the needs of our community and visitors; while, at the same time ensuring the success of the Municipal Parking System.

The Division was established in 1982 by consolidating all municipal parking functions into one "responsibility center" with the goals of providing improved parking services and making parking functions financially self-sufficient without any subsidy from the City's General Fund. Financially, the Division operates as an Enterprise Fund which combines all parking revenues and expenditures in a special fund separate from other City finances. The Parking Enterprise Fund provides a unified funding category dedicated to the delivery, improvement and expansion of municipal parking facilities and services.

RBA Performance Measurements

Primary Performance Measures

- \$ Revenue collected (garages, permits, meters, pay stations) and % revenues to target
- %/# Hours/minutes to respond to urgent repairs
- # Days administrative review to completed (% Reviews completed within 2 weeks, % initial response within 3 days)
- # Days request from parking permit to time permit issued
- # Hours/days from notification of meter repair to completion of repair

Data Development Agenda

- # Complaints regarding customer service
- # Inquiries
- Time to exit parking garages after event
- % Business owners satisfied with parking service support
- #/% Customers who report satisfaction with directional signage leading them to parking

Secondary Performance Measures

- #/% Calls returned within 24 hours



Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The Parking Division is an Enterprise Fund and generates sufficient revenues to offset its expenditures.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
No.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Details have been provided for each line item.
- E. Describe the process your division went through to build a zero-based budget.
The Division management staff which included Unit supervisors and managers reviewed last FY year's Budget items line by line and adjusted each expenditure based on project needs for FY2018/19.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No.

STREETS AND DRAINAGE MAINTENANCE DIVISION

Executive Summary

The Streets and Drainage Maintenance Division ensures public safety for the citizens of Santa Fe by providing essential services including maintenance and rehabilitation of public streets and drainage ways and by responding to public service / information requests in the most efficient and cost-effective manner.

RBA Performance Measurements

- % Potholes filled within 72 business hours
- #/% CRM requests completed logged within 3 days
- # Claims (Streets and Drainage Maintenance issues) against City

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Primarily General Fund supplemented with Impact Fee Funds and Paved Street Rehab funds.

<u>Fund</u>	<u>Account Description</u>	<u>Account Number</u>
01001	General Fund	
02720	21720 - Rev Impact Fee Fund-Roads	480020
02720	21720 - Rev Impact Fee Fund-Roads	600100
03326	31326 - REV Paved Street Rehab	411150
03326	31326 - REV Paved Street Rehab	411200

- B. Are any new costs other than inflation included in this proposal?
With these revenues, we request to replace 25-year-old equipment with a new water truck and dump truck with plow/spreader box.
- C. Do you expect an increase in expenditures?
No, projections for expenditures are based on past operation and weather events.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
In State/Out of State Travel -
 - *Travel to Pavement Conference (January 2019) and Engineering Conference (April 2019), both in-state.*

Employee Training -

- *Employee training at pavement and engineering conferences, also we have employees attend City, State, and NMDOT (LTAP) sponsored courses.*

Equipment & Machinery -

- *We request to replace two pieces of heavy equipment older than 25 years old, with a new water truck and a dump truck with a plow/spreader box.*

Contracts -

- *Street maintenance contracts using On-Call agreements.*

E. Describe the process your division went through to build a zero-based budget.

We evaluated each line item and base our proposed budget on anticipated needs as opposed to re-budgeting what we had last year. We projected for expenditures based on historical operation and weather events. Our objective is to be prepared for standard street and drainage maintenance, weather events, unexpected safety conditions and situations that are inherent to street and drainage maintenance.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

We are asking an expansion of four (4) street maintenance workers be considered; otherwise, no changes are proposed. For the FY2017/18, \$320,000 was budgeted for on-call contracts for street maintenance repairs. The request of four (4) street maintenance workers is expected to cost \$220,000 w/benefits. The remaining \$100,000 can be utilized for on-call contracts for situations requiring skilled specialized repairs for FY2018/19 keeping the budget request for street maintenance repair at the same level.

TRANSIT DIVISION

Executive Summary

The Transit Division oversees and manages the day-to-day operations of three distinct transit programs delivering service within the City of Santa Fe, namely, the Santa Fe Trails fixed-route bus system which delivers service on ten routes, the Santa Fe Pick-Up system which provides fare-free circulator service to the downtown, Canyon Road, and Museum Hill, and the Santa Fe Ride Complimentary ADA Paratransit system which exclusively serves the elderly and disabled population with door-to-door service.

RBA Performance Measurements

- # Riders served (w/subgroups as a % of total riders)
- # Complaints/type and # Repeat complaints
- #/% Vehicles available for service daily
- # Revenue/ridership compared to last 2 years
- % On-time performance for Paratransit

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

The Transit Division receives GRT under Ordinance 2016-5, "C. Revenue from the fifth one-quarter percent (1/4%) increment of the municipal gross receipts tax is dedicated to the public bus system and quality of life purposes in the following manner:

1. *Finance the acquisition, operation, maintenance, and any other expenses necessary for or incidental to the provision of a public bus system. If the public bus system is ever discontinued, the funds allocated pursuant to this paragraph shall be used for general municipal operations and the discontinuance of the public bus system shall not affect the*

allocations set out in paragraph 2. below. The governing body shall not discontinue the public bus system until the notice and hearing requirements of subsections 2-2.3A, 2-2.3B, 2-2.4A, 2-2.40, and 2-2.6 SFCC 1987 have been met.

2. *After satisfying the distribution provided for in paragraph CC (1), the remaining proceeds of the gross receipts tax shall be allocated exclusively for the following quality of life purposes: recreational facilities, bike and pedestrian pathways - with a priority given to pathways that connect with bus stops - libraries, and parks. Allocations for these quality of life purposes shall not exceed eleven percent (11%) of the total amount received from the fifth one-quarter percent (1/4%) increment of the gross receipts tax, except that any amount unspent for quality of life purposes shall be used for general municipal operations."*

In addition to the GRT Funding the Transit Division receive funding for operational expenses from the following sources:

1. *NCRTD provides through reimbursement approximately \$1,000,000 in funding to provide Santa Fe Trails Transit Service to the NM599 and South Capital Rail Runner Stations and for Special Transit Service during 5 special events (Folk Art Market, Spanish Market, Indian Market, Zozobra, Canyon Road Farolito Walk)*
 2. *Through Section 5307 FTA funding the Transit Division receive approximately \$1.5 million through reimbursement for operational expenses.*
 3. *Through Section 5307 FTA funding the Transit Division receives \$71,733 in funding for the Ridefinder program which promotes transit services and provides trip planning.*
 4. *The Fixed Route Transit Service generates approximately \$300,000 a year in fare box revenues.*
 5. *The Santa Fe Ride Program Generates approximately \$70,000 a year in fare box revenues.*
 6. *An advertising contract will generate at least \$110,000 next year.*
- B. Are any new costs other than inflation included in this proposal?
- C. Do you expect an increase in expenditures? Why, or why not?
Personnel Costs are \$880,000 less. This is primarily a result of the health and dental benefits being budgeted at current levels versus maximum levels last year. Assuming charges for Services to Other Departments will be in line with last year, our budget is \$61,000 over last year (after excluding the \$880,000 reduction in Personnel Costs), primarily due to the need to add \$100,000 to the cost of the purchase of 2 new buses (LI:571000 - now \$1,000,000) and budgeting \$150,000 for Consulting Services (LI:510340) to conduct a Transit System Plan (a full evaluation and redesign of our fixed route transit system).
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts
Details provided with each line item.
- E. Describe the process your division went through to build a zero-based budget.
For each line item we started with zero. We reviewed the need for the expenditure and if still needed looked at past spending trends along with forecasted needs to budget the needed amount.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
See Transit Personnel Budget. Also, we request consideration to finance the acquisition, operation, maintenance, and any other expenses necessary for or incidental to the provision of a public bus system.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Public Works Expenditure Summary

**CITY OF SANTA FE
PUBLIC WORKS DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Public Works Administration	1,936,106	2,944,791	2,537,249	441,151	378,534	2,017,567
Airport Division	2,096,293	2,894,317	4,589,097	879,871	305,741	2,634,079
Engineering Division	4,951,679	4,677,902	6,600,870	1,987,862	1,083,056	5,963,478
Facilities Maintenance	3,150,215	3,415,272	5,446,269	1,906,236	430,240	4,763,455
Parking Division	5,409,738	7,262,051	6,633,626	1,939,192	272,805	5,860,788
Streets & Drainage Maintenance	2,285,104	2,825,465	3,292,079	1,045,319	219,467	5,249,958
Transit	14,441,362	12,156,496	12,652,678	3,883,550	615,903	12,507,445
TOTAL PUBLIC WORKS	34,270,497	36,176,294	41,751,868	12,083,181	3,305,746	38,996,770

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	17,224,114	20,268,342	18,945,415	8,034,711	—	18,312,460
Contractuals & Utilities	2,327,098	2,652,894	4,286,032	1,002,801	2,012,753	3,615,768
Repairs & Maintenance	840,513	922,755	1,630,395	263,561	330,340	1,333,578
Supplies	1,182,410	1,584,926	1,831,855	550,639	529,420	1,600,773
Insurance	1,149,974	880,191	995,383	54,353	—	1,064,703
Other Operating Costs	2,279,275	2,660,170	4,550,461	614,692	168,975	4,428,483
Capital Purchases	4,486,401	1,223,595	4,448,629	793,299	264,258	2,539,201
Debt Service	2,178,440	3,585,992	2,716,891	516,436	—	2,153,051
Transfers to Other Funds	2,602,272	2,397,429	2,346,807	252,689	—	3,948,753
TOTAL PUBLIC WORKS	34,270,497	36,176,294	41,751,868	12,083,181	3,305,746	38,996,770

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	5,385,292	7,012,389	10,741,116	3,336,858	1,446,557	10,501,509
Ridefinders Program	86,594	93,658	107,106	37,136	15,049	100,815
Storm Water Drainage	1,681,895	1,134,065	2,278,616	590,331	277,499	1,563,662
Roads Impact Fees	326,282	58	—	—	—	—
½% GRT Income Fund	1,674,555	1,609,595	1,923,472	783,323	1,303	1,996,242
Paved Street Rehabilitation	1,328,887	1,368,702	879,503	357,820	7,470	2,222,356
Parking Enterprise Fund	5,116,148	6,435,956	5,677,156	1,940,421	272,805	5,480,788
Parking Debt Service	293,590	826,095	956,470	(1,229)	—	380,000

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PROPOSED ANNUAL OPERATING BUDGET

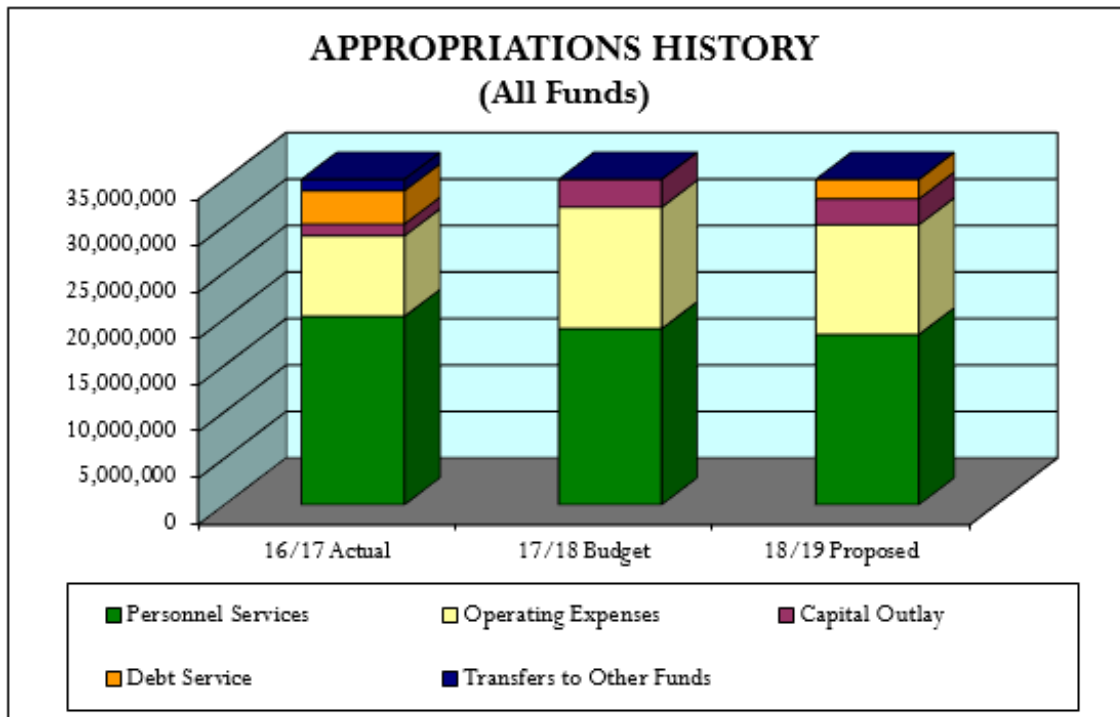
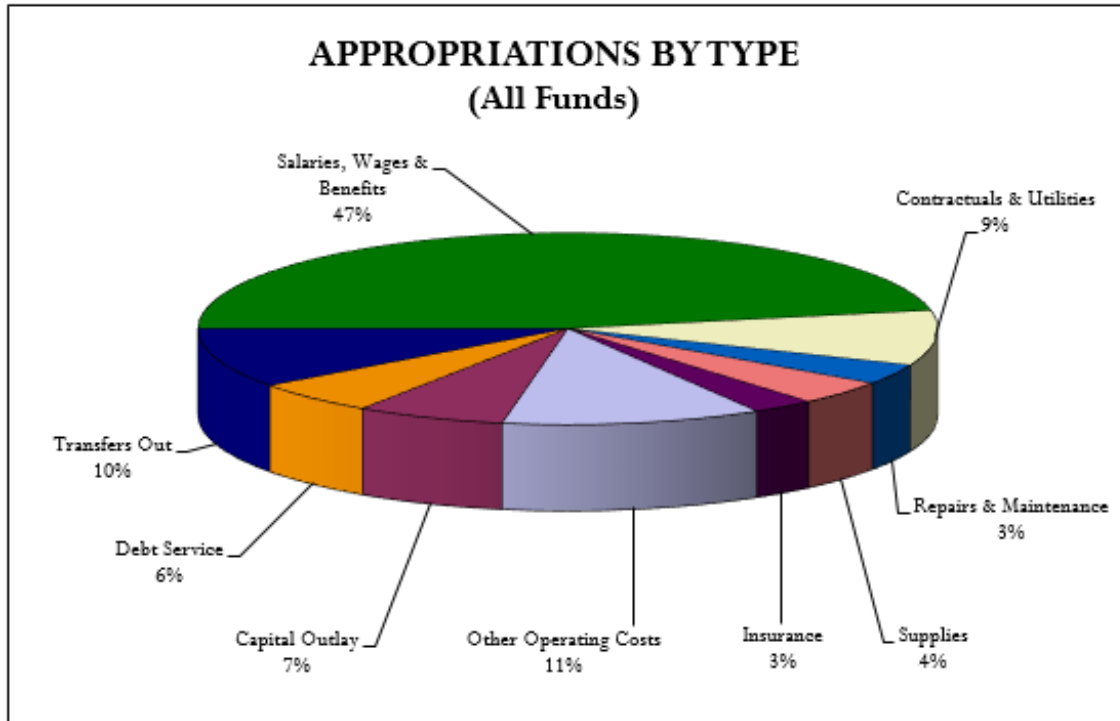
FISCAL YEAR 2018-2019

CITY OF SANTA FE PUBLIC WORKS DEPARTMENT - EXPENDITURES SUMMARY FISCAL YEAR 2018/19 PROPOSED BUDGET

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
<i>(continued from previous page)</i>						
Transit Bus Operations	9,065,501	10,627,423	9,389,966	3,102,512	558,341	8,898,078
Transit Debt Service	342,859	342,858	342,858	31,333	—	342,859
Transit Federal Grants	3,915,402	1,912	1,494,604	231,798	35,421	1,900,000
Santa Fe Paratransit Operations	1,031,006	1,090,645	1,318,144	480,770	7,091	1,265,693
Airport Operations Fund	1,507,403	1,849,713	3,341,151	655,139	122,087	1,919,996
Airport Terminal Fund	461,890	448,644	435,070	—	32,388	630,244
Airport Landside Fund	127,000	242,116	165,449	—	—	—
Air Service Development	—	208,118	541,883	171,961	151,266	—
Railyard Operations	1,532,974	2,454,999	1,752,049	337,403	369,794	1,398,981
Railyard - Market Station	393,219	429,348	407,255	27,605	8,675	395,547
TOTAL PUBLIC WORKS	34,270,497	36,176,294	41,751,868	12,083,181	3,305,746	38,996,770

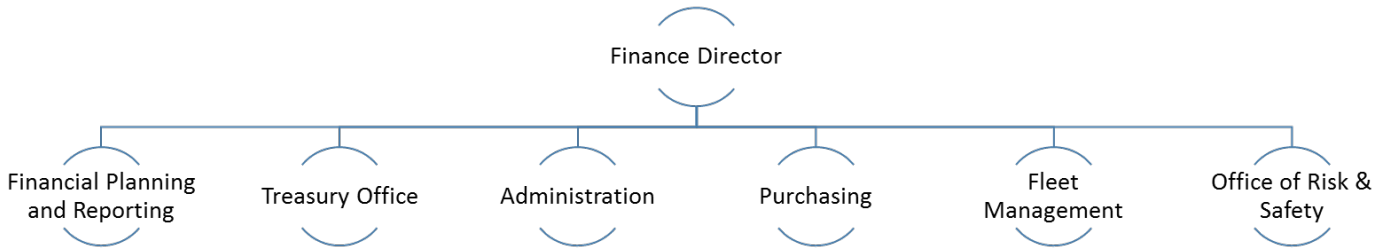


PUBLIC WORKS DEPARTMENT



4. Administrative Support Services Departments

a. FINANCE



ADMINISTRATION DIVISION

Executive Summary

The City of Santa Fe Finance Department Administration Division provides essential services in support of the Department's constituent-centered vision and mission. We strive for excellence in our daily operations and are committed to enhancing the experience of those we serve and employ. Our commitment is reflected in our core values:

- Maintain a high level of respect, ethics and integrity in all aspects of our operations;
- Ensure financial stewardship and regulatory compliance at the highest level of accountability,
- Provide a supportive, inclusive and engaging team-oriented work environment;
- Identify innovative solutions that enhance services in an efficient and cost-effective manner; and
- Communicate openly and proactively to successfully meet the challenges of the future.

RBA Performance Measurements

- % of Administrative Staff fully cross-trained in the Finance Department's administrative responsibilities.
- Percentage of Contracts processed through necessary divisions within the Finance Department in three business days.
- % of Finance Committee Agendas/Packets completed error free by 10am Wednesday prior
- % of Finance Department administrative staff retained greater than 5 years
- % of Departmental purchases made via P-card procurement
- % of New employees fully on-boarded* within 3 weeks
- % of Processes mapped via Data Flow Diagram process

**Fully on-boarded: The employee has completed the HR process, has been assigned a fully functional workstation, all resources have been set up, Finance Department New Hire Orientation completed, Training courses scheduled, New Employee Manual Provided, New Employee Office Supplies Order form returned and fulfilled.*

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The funding for the Finance Administration Operating budget proposal is sourced from local taxes.
- B. Are any new costs other than inflation included in this proposal?
Many of the costs associated with this proposal are new to this Division; however, they not all are new costs to the department. A streamlined approach to purchasing office supplies, print needs, postage, inventory exempt, books and periodicals and data processing is being used to maximize economies of scale, while minimizing waste, for these procurement lines. New costs associated with this budget are:
- *Contract for Shredding Service six boxes, collected and shredded monthly*
 - *Three day, onsite Granicus Training (Granicus Streaming Minutes - One-time implementation and Yearly Subscription; Granicus Boards & Commissions - One-time implementation and Yearly Subscription)*

- *Department team building activities*
 - *Department common area renovations*
 - *City of Santa Fe logo'd shirts for staff to align with dress code policy*
 - *Software for SOP Development subscription*
 - *LucidChart and LucidPress software subscription*
 - *Todoist Software subscription*
- C. Do you expect an increase in expenditures? Why, or why not?
Not department wide. Based on the streamlining of expenditures through the points mentioned above, this proposal will remain flat through the decrease of the other proposals within the department.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Please refer to proposal for details.
- E. Describe the process your division went through to build a zero-based budget.
To develop our zero-based budget, office staff reviewed the collective department's line item expenditures and brainstormed various approaches for streamlining expenditures and reducing waste. We have removed many of the items that are historically over budgeted and underspent and performed use and historical analysis of those lines to determine an appropriate and concise budgetary amount for the department. We then looked at those savings and decided to return as much as possible to the organization while moving forward with the implementation of needed technological resources to increase our operating capacity while addressing our policy development agenda and building a robust administrative team.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No, we are not proposing any structural organizational changes for FY2018/19.

FINANCIAL PLANNING AND REPORTING DIVISION

Executive Summary

The Financial Planning and Reporting Division provides three core functions to the City's Governing Body, Finance and other departments and the public: Complete and accurate financial information and analysis, annual budget development and the preparation of the Comprehensive Annual Financial Report (CAFR).

The Division is managed by the Financial Planning and Reporting Officer whom has three direct reports:

- The Comptroller oversees the General Ledger and reconciliation process and ensures that all financial transactions in the general ledger are reconciled and in compliance with the budget, generally accepted accounting principles as they apply to governmental accounting, city ordinances, grant instructions, Federal/State laws and regulations.
- The Senior Budget analyst leads a team of two Financial Analysts and a Budget Analyst who assist capital-intensive departments from budget development to CAFR, ad hoc financial reports and analysis, budget and grant compliance and tracking of their fixed assets.
- The Senior Financial Analyst leads a team of four Financial Analysts on operating-intensive departments from budget development to CAFR, ad hoc reports and analysis, budget, contract and grant compliance and tracking of their fixed assets.

Deliverables and Milestones

The Financial Planning and Reporting Office provides accurate and timely reporting on financial activities across the City. Its CAFR fairly presents, in all material aspects, the respective financial position of the governmental,

special revenue, capital, debt service, enterprise, and business-type activities. The Division plans to implement a reporting software enabling staff to prepare and present accurate financial statements throughout the year. The Division is also responsible for developing the City's annual operating budget and compiling the five-year CIP and annual capital budget. In regards to the budget, the FP&R staff works with all departments throughout the year managing their budgets and tracks all budget adjustments. The Division is involved with the ERP development and implementation project. Lastly, the Division plans to complete a new Financial Management Manual.

The Division's monthly processes and tasks include the following:

- *January* - Budget preparation training sessions offered to all departments.
- *February* - Review, analyze and make corrections as necessary to Department and operating and capital budget submissions; prepares for Mayor, City Manager, Finance Director and Department Directors review.
- *March* - Preparation of budget books, reports and other support for the Finance Committee's review of the operating budget.
- *April* - Preparation of budget books, reports and other support for the Governing Body second reading and adoption of the operating budget.
- *May* - Preparation of budget books, reports and other support for the Finance Committee and Governing Body's review of estimated year-end positions and Public Works/Finance Committee's review of the capital budget. Begin preparation for closing the fiscal year. Begin review and development of the City's five-year CIP and annual capital budget. Prepare for new fiscal year.
- *June* - Prepare reports, schedules and supplemental material for the NM Department of Finance and Administration - Local Government Division initial budget approval by June 1, and final budget approval by July 31. Close previous three quarters of currently fiscal year; begin tracking of potential payables and receivables for fiscal year end.
- *July* - Prepare accruals, trial balances and other work papers for the auditors.
- *August* - Complete SEFA and SOFA reports, complete payable and receivable work papers, complete all bank and other reconciliations to the General Ledger.
- *September* - Continue closing the previous year's books.
- *October* - Prepare work papers, schedules and reports for auditors, compile other data requests for the auditors.
- *November* - Complete all requests for auditors.
- *December* - File CAFR with the NM State Auditor's Office.

RBA Performance Measurements

- Number of audit findings
- Number of repeat audit findings
- Dollar value of audit findings as a percent of agency budget
- Number of adjusting Journal Entries
- Percent of staff turnover, retention

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding is primarily from the General Fund via local taxes. In some circumstances, grants will fund a small portion of the divisions' costs.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
No significant changes are expected.

- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Please refer to proposal for details.
- E. Describe the process your division went through to build a zero-based budget.
Evaluation of the current year budget and expense trends. With the merger of the Budget and Controller's Offices into the Financial Planning and Reporting Office, no significant increase to the budget is expected, but some expenses will likely be shifted.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
The Finance Department began the merger of the Budget and Controller's Offices into the new Financial Planning & Reporting Division at the end of FY2017/18.

FLEET DIVISION

Executive Summary

Fleet Maintenance and Auto Parts work together to support the City's infrastructure with vehicle and equipment repairs, maintenance and material services. We operate 7 days a week both in shop and on the road, providing efficient and cost effective services to the City of Santa Fe. The entire staff is comprised of one Fleet Manager, one Administrative Assistant, one Mechanic Supervisor, two Heavy Equipment Mechanics, four Automotive Mechanics, two Service Workers and two Supply Inventory Technicians. While Fleet provides repair and maintenance services to over 1100 pieces of equipment, the Parts department provides material services to over 1500 pieces of equipment year round on a 24-hour on-call basis.

RBA Performance Measurements

Fleet

- #/% Vehicles returned for repeat repairs
- # Service calls monthly
- % Service calls responded to <1 hour
- #/% Vehicles in good condition
- % of vehicle repairs done at outside vendor
- Cost to maintain vehicles
- #/% Vehicles replaced of those recommended replacement
- #/% Oil Changes complete <1 day
- % Scheduled preventive maintenance done on time
- #/% repairs completed (by type) within x days
- % Vehicles serviced for repairs <1 week

Auto Parts

- Warehouse yearly annual inventory on target
- Inventory control (accuracy of billing on inventory)
- % Parts in good working condition
- #/% P.O.'s processed correctly (not rejected at first submission)
- #/% of payments processed on time
- #/% of returns processed
- Cost of Parts over time
- % on time fuel delivery

- # Fuel gallons delivered
- #/% Parts turnaround time

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Funding sources in this proposal come from the General Fund and charge backs to each department. Now that Fleet is monitoring and dispersing funds for the purchase of parts, there has been a tremendous savings to the general fund. As of 3/1/18, we have saved \$418,717 to the following line items under Fleet 520400, 520500, 530850 & 530900. This does not include the savings to each business unit that has a 520400 line item that we also monitor.
- B. Are any new costs other than inflation included in this proposal?
Yes, this year we want to upgrade our education and certifications.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, Fleet has grown and now oversees Auto Parts.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- In/Out of state Travel -
- *Joe and Antoinette to attend GFX Government Fleet Expo & conference June 3-8, 2018 in San Diego, CA.*
 - *Registration Cost is \$795 each plus flights \$550 and rooms \$3,390*
- Employee Training -
- *Joe to get certified in Petro Fuel for the fuel station \$295*
 - *Antoinette Chavez and Will Varela to attend (Making the Transition from Staff to Supervisor 1 day seminar) the cost is \$199 each*
 - *Public speaking classes for Antoinette Chavez cost \$595*
 - *Welding course for Ben Blea cost \$500*
 - *ASE certifications for eight mechanics at \$500 each*
- Equipment & Machinery -
- *All repairs for the city except (Fire, Transit, ESD, BDD and seniors) are funded through Fleet*
- Furniture & Fixtures -
- *We need two new office chairs at a cost of \$700.*
- Remodel -
- *Build barrier walls for security in Auto Parts at a cost of \$5,000.*
- Contracts -
- *The only contract Fleet has is with Uni-first on uniform rentals. We are requesting consideration to purchase AssetWorks software, one of the most effective Fleet Module packages on the market. Currently used by the State of New Mexico and Los Alamos National Laboratory, it is capable of monitoring and flagging all aspects of Government Fleet operations, from repair order documentation, worked time, labor and parts cost, and parts inventory to asset depreciation. The fuel focus can tie into the system to monitor fuel consumption, vehicle operations-engine codes, theft prevention, preventive maintenance (flags driver and Fleet when due). It can replace the aged fuel system that we currently have if it were not to be decommissioned. AssetWorks can interface with TylerMunis.*
- E. Describe the process your division went through to build a zero-based budget.
We evaluated each line item and based our proposed budget on anticipated needs as Fleet now manages all expenditures for vehicle maintenance for the whole city except (Fire, Transit, ESD, BDD and Seniors) as well as oversees and manages auto parts.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No, not at this time.

PURCHASING DIVISION

Executive Summary

The Purchasing Division provides services adding value to and improvement of the City's successes. The procurement team is committed to acting in accordance with best practices and cost-effective approaches to meet and exceed internal and external customer expectations. We provide value and product to each procurement.

RBA Performance Measurements

- #/% Purchase orders processed
- #/% RFPs, RFBs, processed from open to closing
- #/% Purchase order close outs
- #/% Contract amendments
- #/% Contract Review
- #/% Procurement method review and approval

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Local taxes.
- B. Are any new costs other than inflation included in this proposal?
Training to enhance assist with public speaking, computer skills, management skills and procurement.
- C. Do you expect an increase in expenditures? Why, or why not?
No significant changes are expected.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Please refer to proposal for details.
- E. Describe the process your division went through to build a zero-based budget.
Each line was evaluated and based on last year's budget.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

RISK MANAGEMENT DIVISION

Executive Summary

The Office of Risk Management and Safety effectively forecasts, controls and mitigates the City's risks through the administration of comprehensive liability/loss control programs. The Office also provides guidance and trainings on safe work practices that will result in protecting our most valuable asset, our employees.

RBA Performance Measurements

- Liability/work comp claims filed per division
- Cost of liability/work comp claims per division
- Average reporting lag time for work comp claims

- Subrogation recoveries
- Number of trainings offered/number of employees receiving training
- Number of safety inspections/investigations
- Drug testing program regulatory compliance (number of tests being done)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Risk is funded solely through cost allocations.
- B. Are any new costs other than inflation included in this proposal?
No new costs are anticipated.
- C. Do you expect an increase in expenditures? Why, or why not?
We expect an increase in general liability claims paid with a higher self-insured retention. We recommend an additional \$250,000 to the current \$899,600 to cover claims between \$50,000 and \$100,000. We anticipate a 5% increase (if we increase SIRs, more if not) in our insurance premiums, but will not receive our renewal quotes until April/May. This year's premium was \$2,129,552. We recommend an increase in property claims paid based on how much we have paid this fiscal year. We foresee an increase in workers' compensation indemnity payments as the City has enforced the 6-month rule in recent years, increasing the number of employees entitled to indemnity payments.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
Listed in budget proposal.
- E. Describe the process your division went through to build a zero-based budget.
In building a zero-based budget, we line by line through this year's actuals as well as factoring in next year's needs in forecasting the budget. For claims paid line items, we based budget on current year losses to date.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19?
No.

TREASURY DIVISION

Executive Summary

The Treasury Division embodies the fiduciary responsibility to protect and safeguard the City's fiscal assets. Established in 2016, the Division has grown dramatically over the last year, presently encompassing all areas pertaining to incoming and outgoing revenues within the City's Finance Department, including: Accounts Receivable, Business Licenses, Cashier Offices at City Hall and the Water Department, Accounts Payable, Payroll, bank account activities and the management of investment (\$182m) and debt portfolios (\$248m). The Treasury Division employs 19 full-time FTEs who provide a range of professional services to perform functions in these respective areas.

Investments

- Benchmarking Services RFP: In response to increased oversight and to provide investment performance evaluation and support to the City's portfolio, a professional, external service would be contracted, via completion of an RFP process during the fiscal year. The service would provide performance evaluation at regular periods, comparing the City's investment performance against various municipalities across state, regional and national parameters.
- Issue \$40m General Obligation Bond for Capital Improvement.

Treasury

The Treasury Officer oversees and is responsible for the Division, including cash flow management and investment, debt service and post-issuance compliance, collection and receivables processing. The Officer supervises 19 FTEs to provide a full range of professional services across the Division; maintains the daily balances with the City's fiscal agent, performs oversight of the City's fiscal assets at various bank and trust accounts; reviews, evaluates and approves purchases, transfers and reimbursements; initiates, develops, constructs policies, procedures and services pertaining to Treasury and revenue activities, and makes recommendations to the Finance Director, City Manager and Governing Body. The Treasury Accountant review and performs initial reconciliation of revenue activities through Central Cashiers Office.

FY2018/19 Activities

- Streamline cash processing and posting. Evaluate and implement WFB business process efficiencies.
- Convert Treasury Officer Position to 'Professional Classified' categorization.
- Armored Courier RFP to be issued.

Accounts Payable

The Accounts Payable office processes all payment disbursements from the City. Through an accurate and timely process, they provide payment control and recordkeeping pertaining to A/P and expenditures.

FY2018/19 Activities

- Currently, 33 Pcards have been issued and utilized by cardholders; it is anticipated that 75 Pcards will be issued in FY2018/19.

Payroll

The Payroll office provides issuance of payment services performed by all City of Santa Fe employees. In conjunction with Human Resources, they provide payment recordkeeping services as well as complete payments for withholding and other payroll-related payments.

FY2018/19 Activities

- Contract out Payroll Services to ADP - potentially max \$250k/year considered in early conversations. Will consider RFP process and conversations with additional potential providers.
- Eliminate all paper check payments for Payroll.
- Hire 1.0 FTE to double fill Payroll Supervisor position to fully onboard replacement due to upcoming retirement. (2 months)

Cashier Office - City Hall

The Cashier Office at City Hall is the Central repository for all revenues received across the City from various departments and intake sites, approximately 25 in all. Review and reconciliation of processing and posting of all deposits and related transactions occur.

FY2018/19 Activities

- Significantly reduce # of cash transactions across all sites - begin installation of payment kiosks at various sites Citywide.

Cashier Office - Water Department

The Cashier Office at the Utilities Department provides an 'in-office' payment option for constituents. One of the largest volume transaction sites in the City, processes payments primarily for water, refuse and sewer services.

FY2018/19 Activities

- Implementation of Paymentus online payment option.

- Move management and oversight of Cashiers Office from Treasury to the Water Department to align with appropriate funding source.
- Significantly reduce # of cash transactions across all sites - begin installation of payment kiosks at various sites Citywide.

Accounts Receivable

Accounts Receivable encompasses Business Licenses and Lodger's Tax. The City licenses 7,000+ businesses, all of which are processed through the A/R office. Annually, the office processes renewals for business owners, the bulk of which occur December through March. Additionally, the office issues busker's licenses for street performers and special event vendor permits. Lodger's Tax collected by the City is monitored by the A/R office. Payments are processed by the Central Cashier's Office.

FY2018/19 Activities

- Move Business-Licensing operations (1.0 FTE) to Economic Development for consolidation and alignment of economic development and growth initiatives in the City.
- Evaluate and rewrite ordinance regarding Business Licenses to eliminate unnecessary processes and create greater efficiencies.

RBA Performance Measurements

Treasury/Investments, Accounts Receivable and Cashiers

- Investment rate of return compared to benchmark
- Debt-to-income ratio
- Amount of revenue collected compared to amount billed
- Bond rating
- Amount of Lodgers Tax collected compared to amount owed

Payroll

- #/% Mistakes corrected following pay period
- % Reviews & approvals of time entry data by Supervisors completed by bi-weekly deadline
- % Quarterly reports filed on time
- % Interims/manual extra checks run outside of payroll run

Requested Funding

- Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Revenues sourced via taxes.
- Are any new costs other than inflation included in this proposal?
Yes, it has decreased from the prior fiscal year. Contracting out Payroll services will provide for a large startup cost during the current fiscal year and provide broad efficiencies and accuracy while increased productivity to an essential function for the City.
- Do you expect an increase in expenditures? Why or why not?
While building out large changes through establishing tools and practices which occurred during last fiscal year, this would decrease initial startup costs.
- Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, and Contracts.
Most of this is covered in the narrative above. Contracts for services are listed in the proposal above. There was a significant drop due to the one-time cost associated with the purchase of the SymPro Debt Module for the in-house management of the Debt Portfolio.
- Describe the process your division went through to build a zero-based budget.

Staff interviews were conducted within each Business Unit. We compared last year's request to actual, and itemized cost from each area for next fiscal year comparison which were then documented, evaluated and rolled up into proposal. Most expenses will be captured in Finance Administration budget for office supplies.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19?
Proposed changes are included in the above narrative.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

Finance Department Expenditure Summary

**CITY OF SANTA FE
FINANCE DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

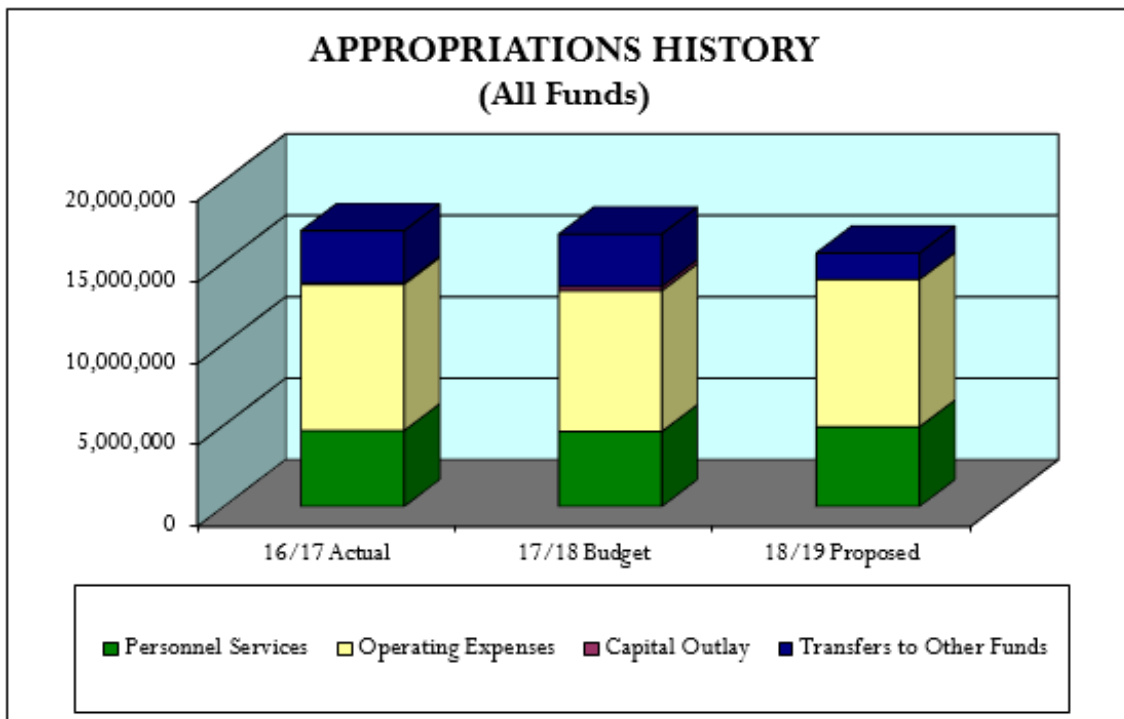
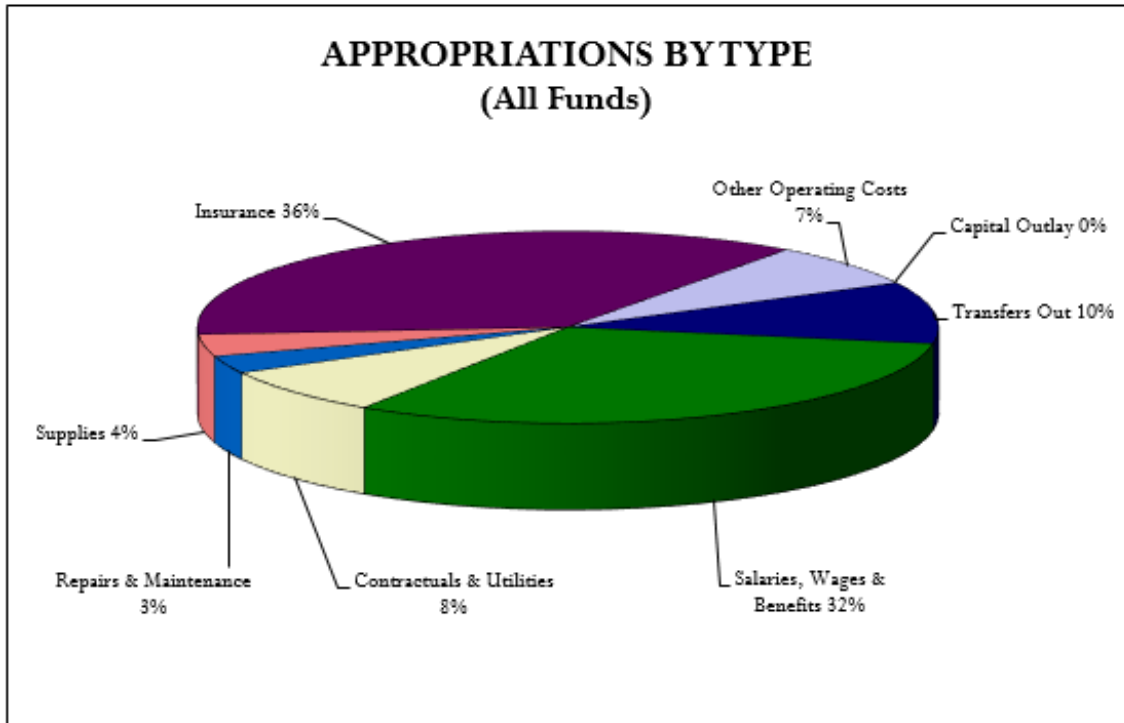
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Finance Administration	1,813,422	2,299,612	1,648,641	590,479	34,790	1,966,310
Financial Planning & Reporting	1,813,576	1,647,838	3,323,855	819,399	228,933	1,880,464
Fleet Management	601,417	661,451	1,363,161	465,991	47,837	1,684,797
Purchasing	389,465	367,335	549,636	137,508	4,169	292,237
Risk Management	6,476,417	8,646,045	8,061,932	3,591,805	464,309	8,187,579
Treasurer	2,450,719	3,311,068	1,778,062	517,518	62,010	1,550,576
TOTAL FINANCE DEPARTMENT	13,545,016	16,933,349	16,725,287	6,122,700	842,048	15,561,963

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	4,153,281	4,666,237	4,606,119	2,097,841	—	4,895,421
Contractuals & Utilities	615,411	771,095	1,462,795	474,934	411,349	1,222,545
Repairs & Maintenance	17,888	53,353	449,460	28,726	13,273	463,135
Supplies	259,886	150,412	437,450	204,479	61,185	574,610
Insurance	4,517,663	5,453,780	5,161,999	3,216,146	256,552	5,648,956
Other Operating Costs	2,173,675	2,549,862	1,132,145	90,131	99,689	1,136,501
Capital Purchases	—	71,848	253,000	—	—	2,000
Transfers to Other Funds	1,807,212	3,216,762	3,222,319	10,443	—	1,618,795
TOTAL FINANCE DEPARTMENT	13,545,016	16,933,349	16,725,287	6,122,700	842,048	15,561,963

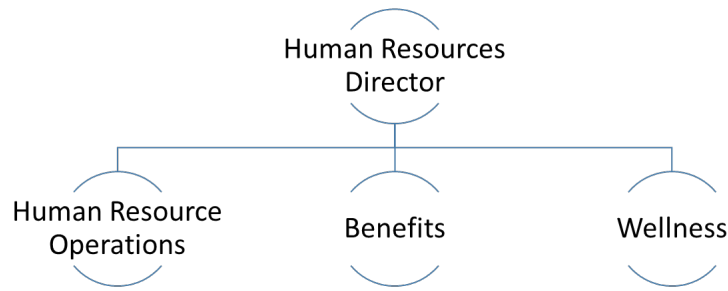
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	6,459,505	7,573,724	6,528,564	2,106,532	282,639	5,028,195
Capital Equipment Reserve	47,628	75,223	143,250	4,110	2,898	15,800
½% GRT Income Fund	—	104,168	99,465	32,849	—	102,961
Utility Customer Service	561,466	534,188	528,915	239,287	44,371	542,631
Risk/Safety Administration	3,803,490	5,227,772	4,914,610	2,184,707	149,692	4,552,197
Insurance Claims Fund	1,339,190	1,827,108	1,778,928	682,045	284,713	2,017,378
Workers' Compensation Fund	1,333,737	1,591,166	1,368,394	725,051	29,903	1,618,004
Services to Other Departments	—	—	1,363,161	148,119	47,832	1,684,797
TOTAL FINANCE DEPARTMENT	13,545,016	16,933,349	16,725,287	6,122,700	842,048	15,561,963



FINANCE DEPARTMENT



b. HUMAN RESOURCES



Executive Summary

The Human Resources (HR) Department's mission is to advance management's goals while protecting the rights of City employees. In fulfilling the mission, HR staff provides a range of services to managers, employees and outside applicants to include: administering all health benefits, ensuring compliance with City ordinances, rules and regulations, ensuring compliance with Federal, State and Local employment laws, maintaining employment records, providing consultation on personnel issues, investigating personnel issues, implementing new programs in relation to human resources, recruiting and screening for job applicants, as well as providing training and professional development for all City staff.

RBA Performance Measurements

- Rate of non-promotional turnover
- % of personnel actions processed in under two weeks into the existing HCMS system
- Total # of hours and % of managers provided with training from HR
- % of job advertisements from closing to list of eligible sent to hiring manager in under two weeks
- % of employees that complete benefits enrollment within thirty days
- % FMLA documents processed in under five days
- % disciplinary actions processed within the timeframes outlines in contracts
- % absenteeism
- % repeat disciplinary actions
- # of certifications/degrees received through tuition assistance program
- #/% of EEOC/HRB complaints per department
- % performance evaluations completed within fourteen days of employee's annual anniversary date

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The funding for this proposal comes from two different cost centers, one being the General Fund, the other being the Health Fund.
- B. Are any new costs other than inflation included in this proposal?
No new costs are expected or outlined in this proposal.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes. An increase in expenditures is expected for next fiscal year due to the number of vacancies throughout which causes the background costs, pre-employment costs (drug/alcohol, psychological, physicals, etc.) to increase.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.
HR has gone through the line-by-line details of each cost and over the past three years has reduced the HR budget. This upcoming year, while keeping a zero-based budget in mind, there is a need for HR to increase the expenditures in the areas of pre-employment as well as training. With the number of



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

vacancies that have been occurring (due, in part, to retirements) the increase in costs has been due to the Fire & Police retirements. In addition, with the revival of the Training Office, HR will need to build a budget to incorporate the training needs of the City that were not necessary until this position became fully functioning.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

HR is not proposing any structural organization changes.

Human Resources Expenditure Summary

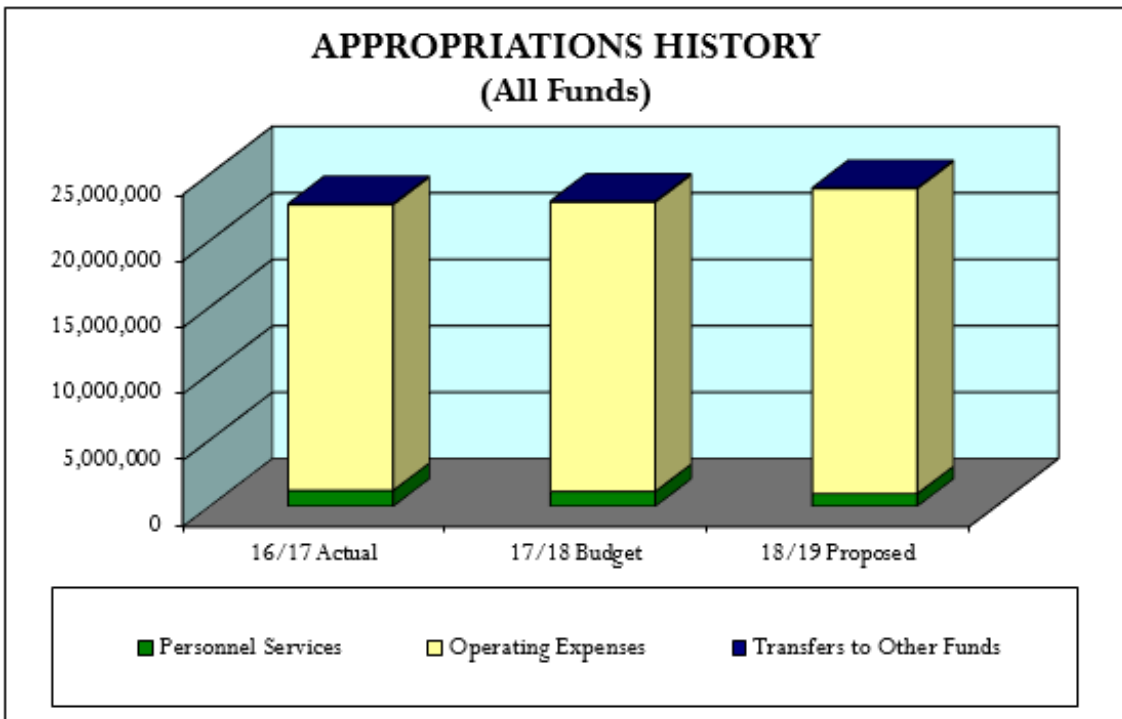
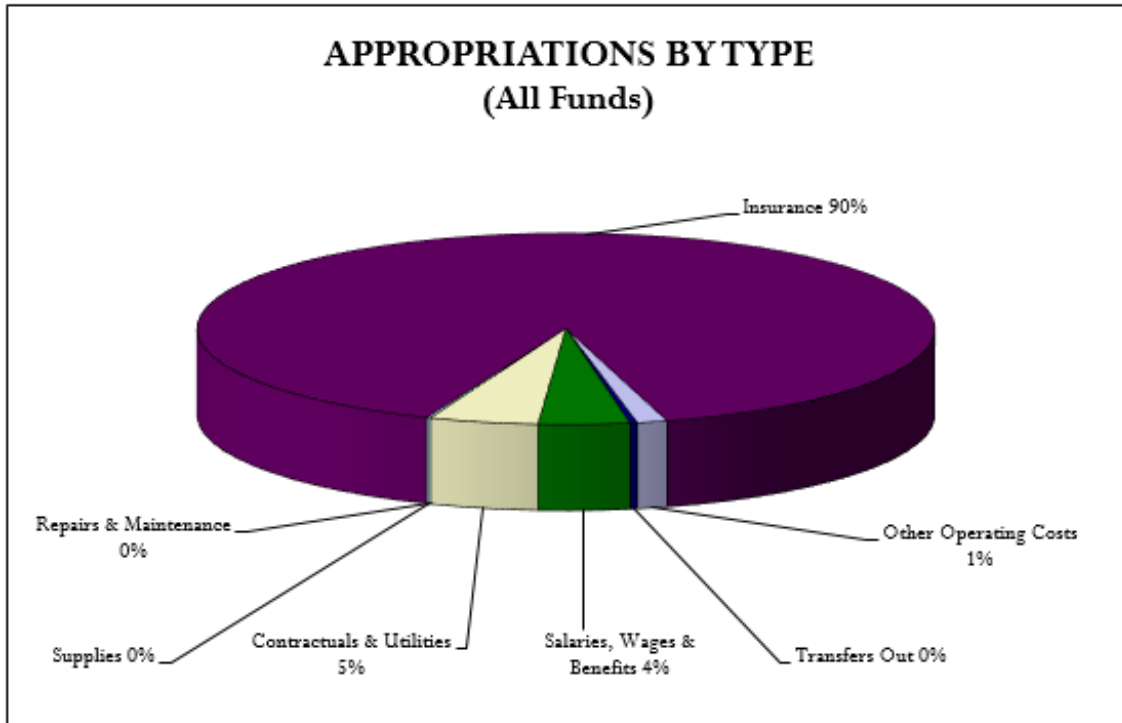
**CITY OF SANTA FE
HUMAN RESOURCES DEPARTMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	1,209,547	1,197,548	1,122,410	552,964	—	955,519
Contractuals & Utilities	623,876	805,717	916,755	523,975	438,186	1,142,053
Repairs & Maintenance	1,050	462	2,000	—	—	1,000
Supplies	30,809	45,021	35,996	4,461	3,260	39,300
Insurance	18,990,811	20,523,992	20,547,786	9,549,490	746,767	21,452,343
Other Operating Costs	301,557	128,475	267,571	43,907	16,139	315,906
Transfers to Other Funds	120,000	75,000	75,000	37,500	—	75,000
TOTAL HUMAN RESOURCES	21,277,650	22,776,215	22,967,518	10,712,297	1,204,352	23,981,121

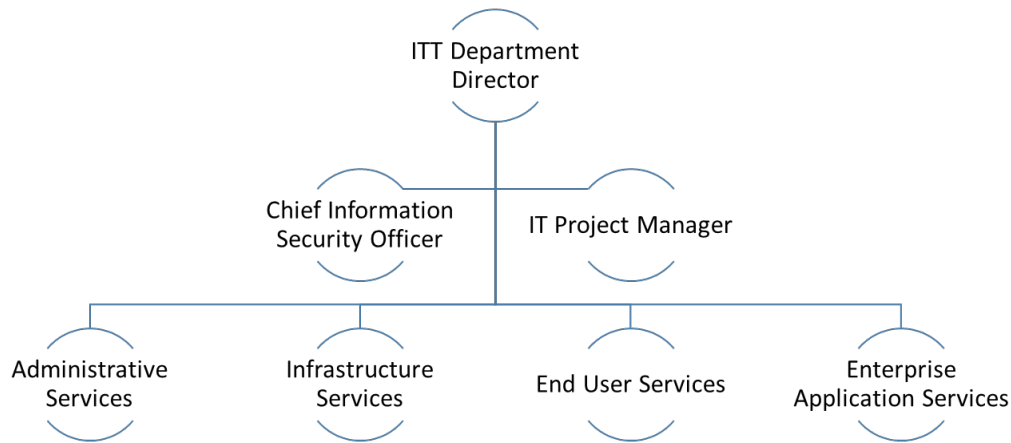
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	1,114,554	910,996	1,157,631	512,056	213,647	1,650,134
Benefits Administration	664,069	559,983	503,848	213,299	24,144	56,913
Santa Fe Health Fund	18,575,511	20,129,218	20,172,800	9,444,615	966,361	20,995,991
Unemployment Claims Fund	14,808	152,705	205,752	19,422	200	218,000
Santa Fe Dental Fund	908,708	1,023,313	927,487	522,905	—	1,060,083
TOTAL HUMAN RESOURCES	21,277,650	22,776,215	22,967,518	10,712,297	1,204,352	23,981,121



HUMAN RESOURCES DEPARTMENT



c. INFORMATION TECHNOLOGY & TELECOMMUNICATIONS



Executive Summary

The Vision of the Information Technology and Telecommunications (ITT) Department is to be a trusted technology advisor to the City; achieve by establishing key partnerships with department/division directors, implementing industry best practices, becoming more technology capable, collaborative, and agile in the digital age. The Department provides and supports a broad range of information technology systems and services to meet the evolving needs of the City of Santa Fe workforce and customers for all City Departments. The services provided include, but are not limited to:

- Business Applications
- End User Services
- Network Infrastructure Operations
- Information Security
- IT Procurement Services
- GIS Mapping
- Radio Devices and systems
- Vehicle technology
- Phones and unified telecommunications
- Servers
- Storage
- Back up
- City Website

The current portfolio of technology used and supported includes 40+ business applications, 2000 endpoint systems, 100+ network switches-firewalls-routers, and 40 connected worksites. The complexity and need of technology is in high demand to move the city into a more capable position to achieve maximum performance and efficiencies to better serve the community.

ADMINISTRATIVE SERVICES DIVISION

Executive Summary

The Administrative Services Division provides for the effective management of IT resources in the form of budgets, purchases, contracts, personnel and projects to support all City Departments and the customers each serve. The IT Department manages a total City IT annual budget of approximately \$6 million. Large contacts with vendors such as CenturyLink, Motorola, Dell and Verizon are managed.

The goal is to provide high quality services to all customers (employees, departments, public) at an affordable cost. High quality in this program/service area will be measured primarily in terms of cycle time to complete services. Other key performance measures are cost savings achieved by negotiating favorable pricing with IT vendors; and % of projects completed on budget and schedule.

Responsibilities

- IT Resource Management Capabilities - The capability to schedule and forecast IT resources to meet on-going service and project demands is needed.
- IT allocation - focal point for all things IT acquisition and requisition
- IT contract support

END USER SERVICES DIVISION**Executive Summary**

The End User Services Division provides installation, configuration, support and maintenance services to City employees using personal computing and communications hardware, software and related office equipment such as printers, scanners and plotters. Channels available to request services are by phone to the IT Service Desk and on-line using the City IT Service Management software.

Responsibilities

- IT Service Desk is first point of contact for IT service requests and problems
- Resolve problems with existing services and equipment in a timely manner
- Provision new services in a timely manner to maximize the productivity of employees and Departments.

ENTERPRISE APPLICATION SERVICES DIVISION**Executive Summary**

The Enterprise Applications Services Division is focused on the selection, implementation, administration, and ongoing maintenance of software applications to support and enable Departments and workgroups to provide services to internal and external customers. Business Applications personnel are responsible for analyzing department and workgroup needs, assessing the feasibility of automating operations and services; providing maintenance and support of on-site and hosted applications, services & licenses; selecting and implementing software applications to meet operational and customer needs and requirements. Business Application services also include educating users in the effective use of these applications.

The Geographic Information Services (GIS) section serves the residents of the City and City Departments by providing quality map and other presentation products, performing spatial analysis, developing GIS applications, and supporting departments and citizens in their use of GIS. GIS is a key tool used by City Departments to support policy development, decision support and operations in the practice domains of land management, event management, infrastructure and asset management, public safety, emergency planning, and other physical environment domains.

The City has a large selection of standard maps available for reproduction and purchase at City Hall. These include City Limits & Roads, Zoning, Future Land Use, Historic District, Trails and Bikeways.

Responsibilities

- The modernization of core City business applications, including Utility Customer Management, Enterprise Resource Planning and Land Use Community Development is currently underway.

INFRASTRUCTURE SERVICES DIVISION

Executive Summary

The Infrastructure Services Division provides for the design, configuration, installation, support and maintenance of the City's data and voice networks that connect the 30+ offices in Santa Fe to shared computing platforms such as email, business application and document management systems. Data center services are provided to manage and protect server and storage systems. Also includes Radio and Vehicle Technology Services which provide for the on-going maintenance and support of the City's public safety land mobile radio system and the installation of computer technology (laptops, printers, sirens, lights, GPS) into City vehicles to support the mobile workforce.

Responsibilities:

- Data Center Management
- Upgrade data network (fixed and wireless) capacity
- Expand City broadband capacity
- Public Safety Land Mobile Radio System Modernization
- Installation and maintenance of all City vehicle and base station radios as well the programming of trunked and conventional subscriber and system radios.
- Coordination of maintenance agreements for the radio-control station and dispatch console equipment
- Processing frequency requests in accordance with FCC regulations
- Management of the 800MhZ trunked radio system central controller
- Management of the SIMS and System Watch databases
- Management of City radio license agreements in compliance with Federal Communications Commission (FCC) and the Federal Aviation Administration (FAA) requirements

IT SECURITY SERVICES DIVISION

Executive Summary

The IT Security Services Division's information security program is comprised of the following service areas and primary activities for each:

Policies and Procedures

- Formalize and document compliance management process
- Instituting a formal workflow compliance review process
- Instituting a formal Change Management program

Awareness and Education

- Establishing workforce and supplier risk priorities (High, Moderate, Low)
- Provide security awareness training and education
- Detection and Protection
- Defining Security In-depth program
- Establishment of an Event Monitoring Program
- Establishing resource and response time processes

Access Control

- Defining proper roles and responsibilities
- System and information access is based roles and responsibilities

IT MANAGEMENT SERVICES DIVISION

Executive Summary

The IT Management Services Division's services include strategic planning, governance, performance management, and process improvement. Their purposes are listed below.

- IT strategic planning: Establish and maintain a strategic plan with a 2-3 year time horizon that aligns with and supports the overall City strategic plan.
- IT governance: Guide the IT governance committee to provide business leadership to IT investment and policy decisions to enable and support the evolving goals and objectives of the City of Santa Fe.
- IT performance management: Establish key performance indicators via Results-Based Accounting (RBA) for core IT service areas. Track, trend and compare actual results and identify areas for improvement or course correction.
- IT process improvement: Prioritize IT processes for improvement, provide process.

RBA Performance Measurements (Department-Wide)

The Information Technology department has initially addressed the following RBA metrics focusing on customer service.

- End Users Services - % of systems downtime and uptime
- Business Applications - % recovery time/restoration for down applications
- Network Infrastructure - Measuring network traffic to identify % of network anomalies affecting performance
- IT Procurement - % of work orders processed on a weekly basis
- Information Security - % of Virus attacks/vulnerabilities on end points

Requested Funding (Department-Wide)

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants? The funding that is being requested is based on annual operating cost and needs to improve services.

End User Services

- ***Replace and 9 year old antiquated help desk trouble ticketing system to comply with Service Desk Industry Best Practices; Information Technology Infrastructure Library. Implementation of this service will allow IT to institute a robust RBA process.***
- ***Implement a Mobile Device Management system for asset and control tracking of all mobile devices.***
- ***Migrate to Windows 10 operating system to better support Enterprise Resource Planning (ERP)***

Infrastructure Services

- ***Office 365 email module and consulting services to begin the process of updating the City of Santa Fe antiquated domain to prepare for a Windows 10 rollout to better support current and future ERP services.***

Information Security Services

- ***Enhance auditing and monitoring capabilities via the Varonis module. Today IT is auditing all activities on the file servers. This enhancement of an additional module will provide IT with classifying data, such as PHI/PII, HIPAA, etc....***
- ***Consolidate security technical services. Currently IT has a myriad of security mechanism. IT would like to evaluate and deploy a centralized management gateway that would centrally house security services; Threat Intelligence, Malware Protection at the gateway, real-time detection, HTTP traffic, and mobile threat control.***

B. Are any new costs other than inflation included in this proposal?

Yes. Budgeting software cost at approximately 5% due to software and subscription increases on a yearly basis.

C. Do you expect an increase in expenditures? Why, or why not?

The main expenditure that IT is evaluating is the need for additional storage space on a regular basis. It has been estimated that 3 to 5 Terabytes of data is generated approximately every 4 months. This would equate to roughly \$40K on a yearly basis.

- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.

For FY2018/19, IT will be focusing on training and education. It is imperative that all IT staff are qualified and certified in their respective areas of responsibility to manage and maintain system needs.

End User Services Division

- *Each EUS technician to achieve Dell Certification and A+ at a minimum*
 1. *Dell Certification*
 2. *A+ Certification*
- *Each ESU technician to attend an ITIL based training focused on customer service and proper service desk implementation.*
 1. *ITIL training*
 2. *Enterprise Application Services Division*
- *Each EAS member will engage in continuing education via user conferences regarding Kronos, Telestaff, and Tyler ERP systems.*
 1. *EAS staff will continue to pursue education in SQL training*

Infrastructure Services Division

- *Cisco Certification Network Associate Certification*

Administrative Services Division

- *CPO certification*

Information Security Division

- *Information System Security Management Professional certification*

- E. Describe the process your division went through to build a zero-based budget.

- *Align resources with the mission of the function and enterprise. This initiative is based on the heavy lift of fulfilling ERP implementation needs from an applications perspective. Currently, IT is staffed to support the ERP and operations and maintenance of current systems. All future city initiatives will be hard pressed in taking ownership.*
- *Cost savings initiatives where services can be consolidated. IT is looking at consolidating security services by looking at an all-in-one security appliance. By consolidating these services, it will provide greater efficiency to alleviate one staff member to concentrate on one appliance vice multiple appliances. The benefit will be better monitoring of computer event activity and response time to future computer security initiatives.*
- *IT asked the questions as to what activities and resources will truly be needed to better support user/ERP needs, addressing and antiquated domain, enhancing information security services to set a clear strategic vision and cost target.*
- *Fund key strategic imperatives while removing non-value-adding costs.*
- *Justify proposed activities and resources by working with management on IT vision for the city.*

Requested Personnel Change Summary (Department-Wide)

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

The challenge of the FY2018/19 is to ensure IT services and projects is align with the City's vision to move the City of Santa Fe into a direction of digital efficiencies and performance. City IT funding continues to lag behind industry benchmarks for the local government sector. The industry benchmark for IT spending is 3.6% of the total operating budget; the current City IT spending is 3%. The industry benchmark for IT staffing is 3.6% IT FTEs as % of total FTEs; the current City IT spending level is 2.5%. (Reference City of Santa Fe ITT Gartner Report 2015-2016.)

ITT Expenditure Summary



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

CITY OF SANTA FE INFORMATION TECHNOLOGY & TELECOMMUNICATIONS DEPARTMENT - EXPENDITURES SUMMARY FISCAL YEAR 2018/19 PROPOSED BUDGET

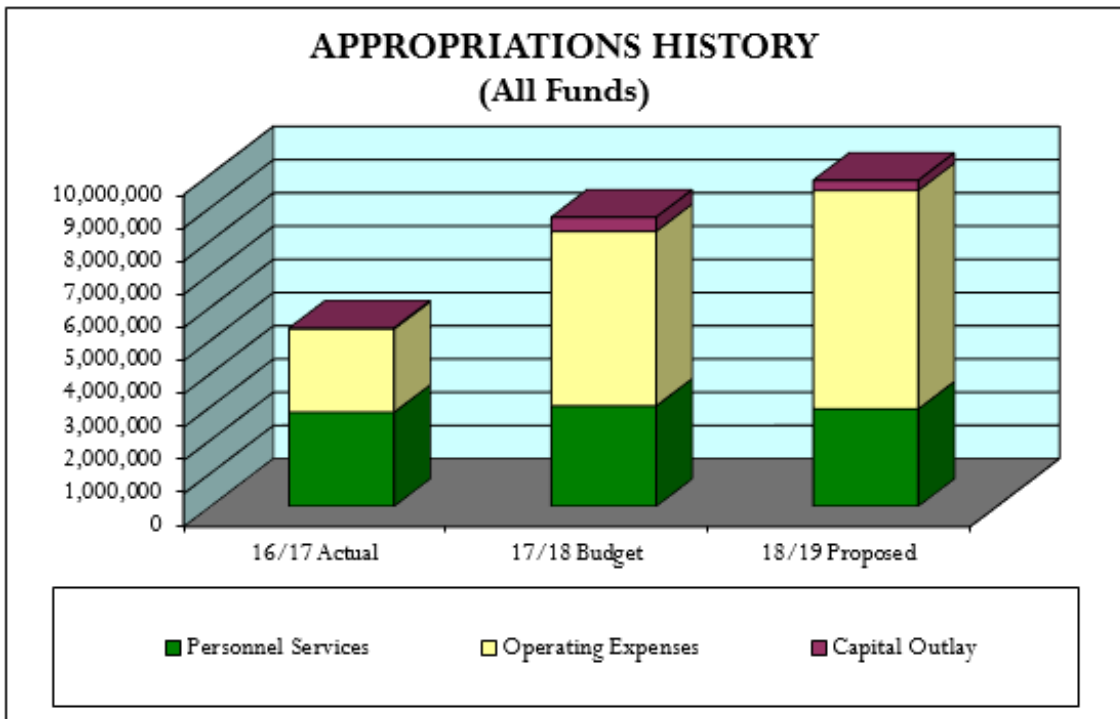
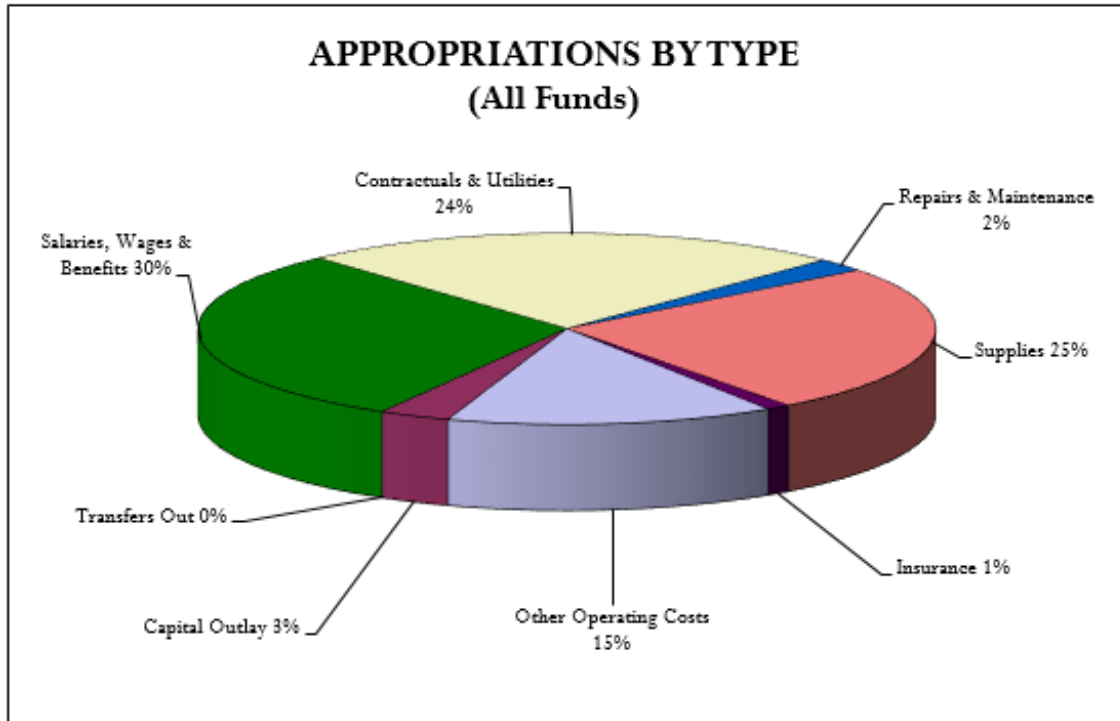
SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
ITT Administration	4,151,305	5,204,743	1,366,696	1,315,220	424,256	982,813
End User Services	197,976	3,263	600,213	49,605	14,293	521,450
Enterprise Application Services	358,393	157,844	3,150,916	272,962	956,206	3,398,895
Infrastructure Services	—	—	3,744,713	647,383	1,280,697	4,911,743
TOTAL ITT DEPARTMENT	4,707,674	5,365,850	8,862,538	2,285,170	2,675,452	9,814,901

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	2,232,811	2,835,050	3,024,871	1,284,850	—	2,934,625
Contractuals & Utilities	936,338	894,975	743,932	445,317	1,010,665	2,357,048
Repairs & Maintenance	386,273	316,412	628,385	10,827	70,383	222,500
Supplies	589,545	801,052	2,255,090	195,087	1,196,635	2,479,929
Insurance	51,671	64,676	84,663	4,353	—	104,090
Other Operating Costs	348,120	426,102	1,542,888	247,743	378,621	1,410,709
Capital Purchases	162,916	27,583	426,476	18,876	19,148	306,000
Transfers to Other Funds	—	—	156,233	78,117	—	—
TOTAL FIRE DEPARTMENT	4,707,674	5,365,850	8,862,538	2,285,170	2,675,452	9,814,901

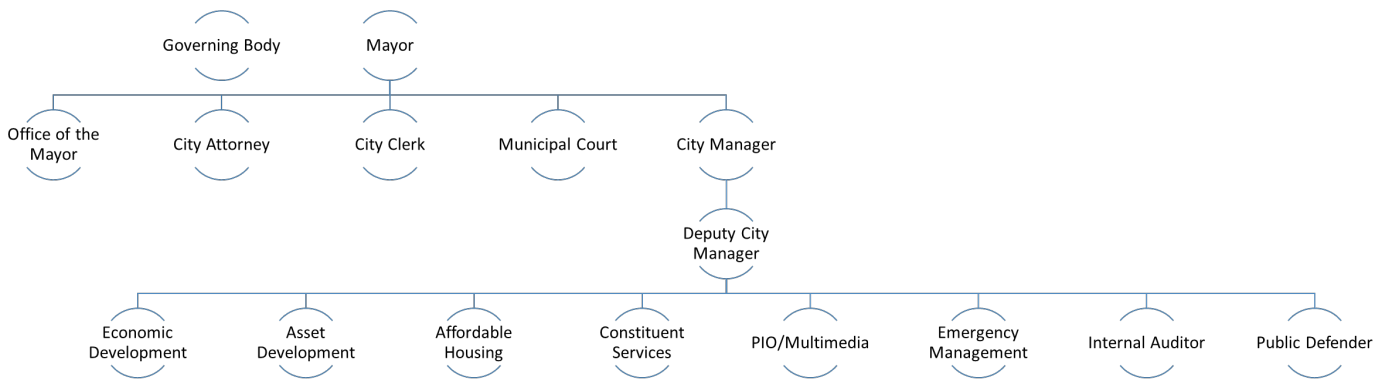
SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	3,466,735	4,157,037	—	1,037,780	65,928	—
½% GRT Income Fund	1,240,939	1,208,813	310,233	210,365	333,046	—
Services to Other Departments	—	—	8,552,305	1,037,025	2,276,478	9,814,901
TOTAL FIRE DEPARTMENT	4,707,674	5,365,850	8,862,538	2,285,170	2,675,452	9,814,901



INFORMATION TECHNOLOGY & TELECOMMUNICATIONS



d. GENERAL GOVERNMENT DEPARTMENT



The **General Government Department** comprises twelve functional areas: the Mayor's Office; the City Manager's Office, which includes Constituent Services, the Asset Development Office, Public Information and Multimedia Office; the City Attorney's Office; the City Clerk's Office; Internal Audit; the Office of Affordable Housing; Municipal Court; the Office of Economic Development; and, the Office of Emergency Management.

MAYOR'S OFFICE

Executive Summary

This election marked a major transition to the City's first full-time, chief executive Mayor, responsible for the City's daily management and directly accountable to the people of Santa Fe.

The shift is also toward a more professional, more efficient and more effective City Hall. Although new to Santa Fe, the operation and staffing of a fully functioning Mayor's Office is standard practice in many cities throughout New Mexico. In professionalizing the Office of the Mayor, Mayor Webber has proposed a deliberate approach, adding a minimum of new positions, with the minimal impact on City expenditures, while the City moves forward with a citywide reorganization effort.

To create the first real Office of the Mayor, the following positions are proposed: A Chief of Staff, a Director of Neighborhood Engagement, two additional Constituent Services team members, and a Council-focused staff position.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The source of revenue for this proposal is local taxes.
- B. Are any new costs other than inflation included in this proposal?
New costs are incidental to the re-organization of the office to support the switch to a full-time Mayor.
- C. Do you expect an increase in expenditures? Why, or why not
Increases in expenditures are incidental to the re-organization of the office. They include office supplies, meals for council meetings, service contracts to cover AV costs for State of the City address, office furniture for the Mayor and Chief of Staff.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts
 - Furniture & Fixtures - ***Office furniture for the Mayor and Chief of Staff.***
 - Service Contracts - ***Increase to cover AV contract for Charter-required annual State of the City address.***

E. Describe the process your division went through to build a zero-based budget.

N/A.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

Yes. We propose to re-organize the Mayor's office to include positions, consolidated from vacancies, for a Chief of Staff, reporting directly to the Mayor; a Neighborhood Engagement Director and two Constituent Services staff reporting to the Chief of Staff; and a City Council Liaison reporting to the Chief of Staff.

CITY MANAGER'S OFFICE

Executive Summary

The City Manager is appointed by the mayor and confirmed by the governing body. The City Manager coordinates the implementation of the governing body policy decisions and the initiation of all intergovernmental operations of the City. The City Manager is responsible for directing the various departments and providing guidance in the implementation of the mandates of the governing body.

The Deputy City Manager is responsible for championing new and existing initiatives that streamline operations, enhancing performance and improving customer services across the city. The Deputy City Manager provides leadership to the activities of city offices that report directly to her; and works with departments and other stakeholders to identify, evaluate and implement innovative and creative solutions to operational issues.

Deliverables and Milestones

The City Manager is focused on continuing to work with the governing body in implementing their policy decisions and will continue to work with them regarding their concerns in each of their districts. He will continue to work closely with his department directors to continuing providing the best customer service to our constituents and improve services to the City. He also will continue working with the departments in providing a safe and respectful work place for the employees.

The Deputy City Manager will continue to work with the IT Department to initiate the ERP Project throughout the City. The Deputy City Manager will work closely with the departments appointed to her to evaluate and implement innovative and creative solutions to our operational issues. The Deputy City Manager will work on cybersecurity by assembling an Information Security Ambassador Program, to help the City to understand the importance of cybersecurity in the work place. She will continue to work on growing our website for a better, easier, user-friendly site. She will work with the City Manager in improving customer service throughout the City.

CONSTITUENT SERVICES

Executive Summary

The office of Constituent Services (CS) was established in May 2006 as a key initiative for Mayor-Elect David Coss. The function of our office is to serve as a conduit between the general public and all city services; assist the City Manager and each member of the Governing Body in addressing and resolving their constituent requests; ensure submitted requests do not fall through the cracks, are resolved in a reasonable amount of time and constituents are kept informed on the progress of their requests. Our function is to also identify trends and work with the appropriate city personnel to develop/determine the best media source to keep the public informed.

Additional services provided include: ensuring that approved bills and resolutions are implemented in a timely manner; monitoring the use and functionality of the City's Citizen Relationship Management (CRM) system; continuously improving the City's website; and administering the Plaza Artist/Artisan and Pushcart Vendor Programs

RBA Performance Measurements

Primary Performance Measures

- #/% constituent requests/calls resolved by CS staff
- # Calls by type per month #/% constituent requests resolved, outstanding, new, pending, and on hold
- #/% Calls transferred to and resolved by other departments
- % Constituent requests closed < X days

Data Development Agenda

- # Repeat calls/boomerang calls
- # Complaints escalated to City Manager
- % Customers satisfied with CS service/support/our system
- % City Staff who report increase in productivity due to support by CS
- #/% Constituents using mobile application

Requested Funding

- A. Describe the source(s) of funding for this proposal. GRT is the source of recurring revenue.
Local Taxes.
- B. Are any new costs other than inflation included in this proposal?
The new cost is securing the 311 (N11) for a citywide 311 Non-Emergency Call Center.
- C. Do you expect an increase in expenditures? Why, or why not?
No. Other than securing the 311 (N11) phone number, we do not expect an increase in expenditures.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
N/A.
- E. Describe the process your division went through to build a zero-based budget.
We reviewed our tasks and responsibilities and determined our staffing operational needs.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No.

ASSET DEVELOPMENT OFFICE

Executive Summary

The mission of the Asset Development Office (ADO) is to contribute to the achievement of agreed-upon city goals by leveraging underutilized city real estate assets to generate revenue, to maximize the value of the city's assets, and develop city-owned and public-private projects that maximize cost savings and create efficiency in city operations, create jobs, affordable housing opportunities, local amenities, and enhance the general economic strength and resiliency of the city. The ADO provides services in four main program areas in furtherance of its mission: revenue generation, asset development, information services and property management.

RBA Performance Measurements

- Revenue generated for the Economic Development Fund and various Enterprise Funds.
- Number of real estate transactions completed and dollar value (\$) of each transaction.
- Number of Interdepartmental (city internal) and Citizen (external) real estate information requests processed.
- Lease Revenue as percentage (%) of total revenue generated.
- Number of acres/parcels provided for affordable housing.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The ADO is part of the City Manager's Office and therefore funded through the General Fund. The ADO generates a significant amount of revenue (for both the Economic Development Fund and various Enterprise Funds); however, none of the revenue generated supports the ADO directly.
- B. Are any new costs other than inflation included in this proposal?
No, all costs are reduced from the previous fiscal year's budget.
- C. Do you expect an increase in expenditures? Why, or why not?
The ADO does not expect an increase in budgeted expenditures because the ADO's mission has not expanded and the ADO does not require additional equipment or supplies. The ADO has requested scheduled replacement of existing computers and that an existing, under-utilized city vehicle be assigned to the office.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts, Other Consulting -
- *\$32,000. Real Estate Appraisals (SFUAD & other/misc.) and Real Estate Legal Consulting.*
- Software Subscriptions -
- *\$2,400. Web-based "Visual Lease" subscription service for ongoing lease management software.*
- Registration -
- *\$500. Registration fees for staff to attend seminars/training related to real estate topics.*
- Print/Publish -
- *\$250. Possible newspaper advertising of real property sales.*
- Furniture & Fixtures -
- *\$300. Desk chair for new hire.*
- E. Describe the process your division went through to build a zero-based budget.
The Asset Development Director began from scratch and built a budget based on projected needs of the office.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? (Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.)
No changes are proposed.

PUBLIC INFORMATION AND MULTIMEDIA OFFICE

Executive Summary

The Multimedia Production Office provides film production for the City of Santa Fe organization. The department's focus is to produce programming for the City's Government channel (SFGTV-28) and to produce live events such as City Council meetings, press conferences and special events. Lastly, the office also supports staff with audio/visual support and PSA's. The Multimedia Office is under the City Manager's Office and Public Information Office.

The Public Information Office exists to improve Santa Fe residents' awareness of the day-to-day actions and long-term direction of their government. The Office will use well-developed communications strategy and tactics including traditional and new media to inform the public of major initiatives of City Government as they are developed and implemented.

To do so, we will raise the quality and frequency which we communicate by traditional and non-traditional means; aggressively and proactively interact with local traditional media to increase the quality and frequency of earned media coverage; actively look to increase in-person interaction between city leaders and residents; work proactively with city leaders to generate more "on-message" communication with the public and the media and limit un-forced errors; and innovate and change the way we communicate around major City priorities to find improvements and learn from past mistakes or oversights.

RBA Performance Measurements

To be defined. Staff attended the Constituent Service RBA session and is in the process of developing its primary performance measures and a data development agenda.

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The Office is part of the City Manager's Office and therefore funded through the General Fund. Comcast Franchise Fees, estimated at \$13,333, will be used for Phase II of the Council Chambers Technology Upgrade Project.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
No.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- Professional Contracts -
- *SFCTV Manage Public Access Channel - \$71,374*
 - *KSFR Broadcast City Council Meetings - \$17,500*
 - *Krones Eye Production Assistant on City Hall Live, City Council Meetings and other events - \$5,000*
 - *Adrienne Avitia Production Assistant on City Hall Live, City Council Meetings and other events - \$5,000*
 - *Call Service and Support for Council Chambers - \$8,000*
 - *24 Call Service for Channel Manager Server - \$900*
- Service Contracts -
- *Omni Music - \$2,200*
 - *Phase II Council Chambers Upgrade - \$75,000*
 - *Adobe Cloud License - \$1,600*
- Equipment -
- *Updated Tricaster - \$8,000*
- Inventory Exempt -
- *Batteries, Gaffers Tape and other Production Supplies - \$1,000*
 - *Update Multimedia Laptop - \$3,700*
- E. Describe the process your division went through to build a zero-based budget.
The Office began from scratch and built a budget based on projected needs of the office.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? (Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.)

No changes are proposed.

CITY ATTORNEY'S OFFICE

Executive Summary

The mission of the City Attorney's Office is to provide effective legal counsel to the Governing Body, Committees, Officers, and staff of the City on all legal matters involving the City; to defend the City or monitor the defense of the City in all legal actions; to prosecute violators of the City Code in the Municipal Court; limit liability and exposure of the City through advice, training and litigation; and to facilitate an orderly and informed process of decision-making by all agents of the City. The mission of Legislative Services is to assist and support the Governing Body's and City departments' initiatives by researching, writing and processing bills and resolutions.

RBA Performance Measurements

Legislation

- #/% Bills introduced that are adopted
- #/% Legislation adoption by Councilor (and by City staff)
- Average time from introduction to adoption
- % Resolutions that lead to Bills
- #/% Resolutions & ordinances passed that demonstrate progress on results for community (i.e. social or fiscal impact). [Note: Initially the "data" for this measure could be just a count of how many resolutions or ordinances produced results - "yes" or "no" to results question - with specific impact data as part of DDA.]
- Turnaround time from legislation proposed to introduced
- Time spent on legislation and return on investment
- % Staff who accurately complete FIR
- # Bills and resolutions drafted
- # Bills and resolutions introduced
- # Bills and resolutions passed
- # Bills and resolutions amended
- # Bills and resolutions initiated by City staff
- # Bills and resolutions initiated by Governing Body
- # Bills and resolutions adopted resulting in policy that directly affects City residents
- # Bills and resolutions adopted with external positions
- # Resolutions that lead to Bills

Litigation

- % Lawsuits won (and by type)
- % Appeals won (and by type)
- % Tort claims filed that do not result in a lawsuit filing
- % Plea agreements to trials
- % Cases filed in Magistrate Court that could be filed in Municipal Court
- #/% Criminal cases dismissed
- Damages paid as % of requested damages
- Cost of handling cases internally compared to cost of sending to outside counsel (ROI)
- #/% Defendants who successfully complete pre-prosecution diversion
- Rate of litigation avoided

- # Cases litigated
- # Criminal cases litigated (and by type)
- # Civil cases litigated (and by type)
- # Hearings attended
- # Motions filed
- # Appeals filed
- # Administrative, State and Federal cases
- # Cases won
- # Cases lost
- # Cases settled
- # Memos prepared (i.e., education for Governing Body and staff on specific legal issues)
- # Plaintiff versus defendant cases
- # Defendants referred to pre-prosecution diversion
- # Plea agreements

Contracts

- % Contracts processed with electronic signatures (cross-departmental measure)
- % Staff using relevant contract template successfully (i.e. templates for goods, services and professional services)
- % Contracts that pass on first review by legal
- % Contracts processed by legal in < 3 days
- % Contracts approved < x days (cross-departmental measure from initiation to approval of contracts)
- % Staff who report that new process/templates improved contract process (improved time, accuracy, satisfaction with template & support)
- # Contract legal reviews
- # Contracts drafted
- # Contract templates created (i.e. goods, services and professional services)
- # Contract template revisions
- # Staff trained on contract rationale, formation, and administration
- # Contract expirations
- # Contracts processed with electronic signatures versus hard copy
- # Procurement code changes made
- # Internal training/cross-training sessions
- # Manual Guide adjustments made for repeated functions
- # Checklists developed for repeated functions
- # Contract educational guides, aides, checklists and FAQs produced
- # Staff contacts - requests for assistance

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund.
- B. Are any new costs other than inflation included in this proposal?
Yes, case/document management and Adobe Pro software costs.
- C. Do you expect an increase in expenditures? Why, or why not?
Case/document management software is necessary to centralize and digitize CAO processes; Adobe Pro is necessary for attorneys to redact PDF documents for IPRA and litigation/settlement documents.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- E. Describe the process your division went through to build a zero-based budget.

The budget is generally flat, except for the noted expansions in software acquisition costs, and the process therefore did not require extensive staff input and analysis.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

No changes.

CITY CLERK'S OFFICE

Executive Summary

The City Clerk's Office ("Clerk") efficiently preserves current records and those requiring long-term retention. The Clerk strives to provide a customer friendly atmosphere in which to research and submit documents and for accommodating constituent requests regarding general information related to city departments and their functions. The Clerk posts minutes, bill, ordinances, resolutions and City Council packets on the City's website for greater accessibility to staff and public.

The Clerk is responsible for conducting all facets of municipal elections in accordance with the Municipal Election Code and State Statutes. The Clerk provides guidance for candidates and continues to enhance voting convenience. All election documents shall be accurate and published as required by law. All necessary supplies and equipment needed to conduct an election shall be secured.

The Clerk prepares packets for Governing Body meetings and attends same; responds to Governing Body inquiries; follows up on all Governing Body approved items; ensures adopted bills are enrolled and engrossed; publishes notices of public hearings and adoption of ordinances and attains proper signatures on all resolutions, ordinances, agreements, etc.

The Clerk coordinates the codification of ordinances for hard copy and on-line publication of the Santa Fe City Code. Liquor licenses, special dispenser permits and applications for carnivals and circuses are processed and issued by the Clerk. The Clerk provides internal services for staff and committees by receiving/posting agendas, stenographer assignments, receipt and distribution of minutes, distribution and filing of Code of Ethics forms.

The Clerk oversees the following sections:

- Records Management - Storage, withdrawal, destruction and microfilming of City records
- Graphics - Design, production coordination and forms control
- Duplicating - Copy, scanning, auxiliary services and computer media production
- Mail - Collection, sorting, distribution and processing of incoming and outbound City mail

RBA Performance Measurements

- # Contracts processed
 - Governing Body approved
 - City Manager approved
 - Posted to website
- # Minutes posted on website
- # Newspaper publications prepared for Notices of Public Hearing and Notices of Adoption
- Website
 - Agendas
 - Minutes
 - Bills/Ordinances/Resolutions

- # Licenses, Permits, Applications
 - New Liquor Licenses
 - Special Dispenser Permits
 - Liquor License renewals
- # Packets produced
 - Governing Body
 - Ethics and Campaign Review Board
- # Graphic design projects completed
- # Copies and scans produced
- # Pieces of US Mail processed and associated cost
 - Daily Mail
 - Bulk Mail
- # Boxes of city documents
 - Microfilmed
 - Stored
 - Withdrawn
- Elections
 - # Candidate packets
 - # Nominating Petitions verified
 - # Qualifying Contributions verified
 - # Poll workers recruited and trained
 - # Voting Convenience Centers reserved/technical needs confirmed
 - # Candidate Financial Reports filed and posted on website
 - # Voting machines certified
 - # Absentee ballot applications mailed
 - # Absentee ballots mailed

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
General Fund.
- B. Are any new costs other than inflation included in this proposal?
Yes, Inventory Exempt - Purchase of audio equipment, and US and State Flags.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes, Stenography Services - New committees/task forces.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
See Proposed Budget Line Item Detail.
- E. Describe the process your division went through to build a zero-based budget.
Researched costs, reviewed current expenditures, and compared to FY2018/19 expected need.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No.

INTERNAL AUDIT

Executive Summary

The mission of the City of Santa Fe Internal Audit Department is to provide independent, objective assurance and review services designed to promote transparency, accountability, efficiency, and effectiveness of City government for the citizens of the City of Santa Fe. Internal Audit currently consists of one person tasked with providing auditing services to all City departments and divisions. In order to increase transparency all audit reports are available on the Internal Audit Department website.

RBA Performance Measurements

RBA Performance Measurements for internal audit focus on the number of findings per report, the percentage of those findings management agrees with, and the percentage of the findings cleared. Generally speaking, the more findings a report has, the more complex and difficult the audit was to complete. While implementation of the findings is management's responsibility, internal audit does track this information.

- Audit Reports Issued - FY2017- Temporary Employee's Audit - 4 findings - 100% of findings management is in the agreement with - 75% of findings fully implemented by management
- Audit Reports Issued - FY2017 - Public Utilities Audit - 8 findings - 100% of findings management is in the agreement with - 88% of findings fully implemented by management
- Audit Reports Issued - FY2017 - GCCC Cash Handling Audit - 24 findings - 100% of findings management is in agreement with - 0% of findings fully implemented by management

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
There have been discussions proposing to set up the Internal Audit Department as an internal service department. Cost could be allocated to departments based on a reasonable factor, such as time spent on the audit. In addition, there are opportunities to generate revenue through contingency audits. During FY2017, a contingency auditor hired by Internal Audit was able to generate net cost savings with Public Service Company of New Mexico of \$13,164. The future benefit for every year thereafter is \$17,552, as it does not include any fees for the contingency auditor.
- B. Are any new costs other than inflation included in this proposal?
No.
- C. Do you expect an increase in expenditures? Why, or why not?
With the flat budget, there is no expected increase in expenditures. There may be changes due to considerations being given to either co-source or outsource internal audit.
- A. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- In State/Out of State Travel (including registration fees) -
- *\$3,625. There are budgeted funds to send the internal auditor to an annual convention in order to network with peers and obtain required CPE.*
- Employee Training -
- *\$800. There are budgeted funds to provide required annual training to the internal auditor to ensure that CPE requirements are met.*
- Contracts -
- *\$25,000. This money is intended to be used to hire an investigator or auditor as needed to help resolve hotline cases.*

OFFICE OF AFFORDABLE HOUSING

Executive Summary

The City of Santa Fe's Office of Affordable Housing (OAH) has a long history of supporting affordable housing through regulation (inclusionary zoning), policy (1999 General Plan, Consolidated Plan, Five-Year Strategic Plan, Analysis of Fair Housing), real estate development (Tierra Contenta, donation of city-owned land), and

programming (financial support for homebuyer training/counseling, home repair, down payment assistance, and rental assistance). Housing needs are addressed across a spectrum, from the homeless to the homeowner, and rely on an established network of community partners, including the public, nonprofit and private sectors. To this end, the bulk of the proposed budget is used to support staff time to administer federal grant money from HUD (CDBG and Continuum of Care/Shelter Plus Care), general funds to sub recipients who in turn, provide services directly to those in need, and implementation of Chapter 26. This chapter includes the Santa Fe Homes Program (SFHP) which requires a percentage of housing built by private developers is set aside for income-certified, low- and moderate-income residents, the Affordable Housing Trust Fund (funded through local development revenues), and fair housing.

RBA Performance Measurements

- # Affordable units delivered through Inclusionary Zoning (Include #Agreements and # Built): OAH anticipates that ten (10) SFHP Agreements will be executed resulting in the pre/construction of 10 - 15 affordably-priced units and payment of fee-in-lieu for approx. 500 market rate rental units (\$500K + in revenue for the affordable housing trust fund)
- \$ Leveraged through City down payment assistance support: OAH will administer \$200,000 in AHTF (local) funds and \$160,000 in CDBG (federal) funds for down payment assistance, supporting home purchase for 20 - 30 for low- and moderate income households
- % Non-profit payments processed in fewer than 7 days: 85%
- Average turnaround time for lien processing: 21 days

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
The source of funds is local (General Fund), development revenues (land sales in Tierra Contenta, fractional fees, pay back of City-held liens - affordability and infrastructure liens) and federal grants (HUD CDBG). None is recurring.
- B. Are any new costs other than inflation included in this proposal?
New costs (\$100,000) are included in the General Fund budget to support a rental assistance program. There is a need to shift some administrative costs for staff salaries out of the CDBG budget into the General Fund, given that the City overspent its 20% administrative cap for its FY2016/17 grant.
- C. Do you expect an increase in expenditures? Why, or why not?
Yes. Funds will support local, rental assistance program, which is expressly supported by policy makers.
- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
- In State/Out of State Travel -
- *HUD requires attendance at mandatory meetings held in ABQ so instate expenses estimate roundtrip mileage for 4 round trips; also requires staff to attend HUD-sponsored trainings related to HUD programming and reporting systems. It is anticipated that staff will travel out of state to attend a minimum of two (2) HUD trainings.*
- Employee Training -
- *Registration and training costs are estimated based on actual costs for training during current fiscal year (approx. \$500 per event) + membership registrations (NCDA, APA).*
- Data Processing -
- *The budget contains funding to purchase one laptop and projector for staff to use at community meetings and for public presentations.*
- Contracts -
- *The following contracts will be funded per RFP using General Funds for FY2018/19: Homeownership Services (\$300,000), Landlord/Tenant Counseling Services (\$30,000), HUD-mandated data analysis and/or fair housing outreach (\$20,000).*

- *The following contracts will be recommended for funding using AHTF: down payment assistance (\$200,000), rental assistance for homeless, youth, unstably housed, or patients in recovery (\$200,000).*
 - *The following contracts will be recommended for funding using CDBG: home repair/improvement (\$150,000), rental development (\$75,000); facility improvement (\$105,000); public services (\$75,000).*
- E. Describe the process your division went through to build a zero-based budget.
We based line item amounts on actual program and/or event costs from prior years or used current costs to estimate proposed costs.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
None proposed.

OFFICE OF ECONOMIC DEVELOPMENT

Executive Summary

The purpose of Office of Economic Development (OED) is to “use our tools and resources to create conditions for the economy to evolve and expand so that all residents increase wealth, such that as our community becomes increasingly equitable, our environment is enhanced, and the best of our heritage and culture flourishes into the future.” Since the inception of the Angelou Plan in 2004, the Office of Economic Development (OED) has specifically focused on three strategic areas: business growth (i.e. retaining and growing existing businesses), workforce development, and sites & infrastructure. In 2012, OED added entrepreneurship as an area of focus. Over time and with varied success, OED has sought to diversify our economy by strengthening core industries while supporting new clusters.

OED has 5.5 FTEs, including a project specialist being shared with the Office of Affordable Housing. The project specialist acts in multiple capacities, including senior executive assistant, office manager and budget manager. Currently, one position is vacant and has been published. We expect to hire a replacement within 30 days. Currently, executive director works 65 hours/week on average. We are located in the Railyard office, 500 Market Street, Suite 200.

RBA Performance Measurements

- % Business owners highly satisfied with OED support
- # of LEDA investments made and total \$ invested
- % of results delivered by vendors and grantees (PSAs and LEDA grants)

Requested Funding

- A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?
Gross Receipts Tax is the source of recurring revenue. In addition, OED receives as special allocation from the GRT (1% of the State's share of the GRT that is allocated to Santa Fe), a portion of the sale or lease of certain City properties, and two-thirds (2/3) of the monies in the Tierra Contenta Fund which receives a portion of the revenues generated by the Tierra Contenta Corporation. We will be applying for grants this coming fiscal year, but have not budgeted for any.
- B. Are any new costs other than inflation included in this proposal?
- *Learning, development and training. No training or development was provided this fiscal year, other than City offered leadership training for Matt Brown. We are proposing \$2,700 for training for five FTEs, which is identified in the Registration expense category. Director will not*

participate in order to minimize costs. Exact trainings are not yet defined but would be focused on skills relevant to employees performing their jobs.

- *Existing LEDA commitments to Meow Wolf and Descartes Labs*
- *Yet to be determined LEDA investment(s) for next fiscal year. If possible, can we look at the general fund for any contribution to LEDA grants?*
- *Santa Fe Film office is increase by \$25,000. However, Tourism Department's expense will drop by \$25,000 for a net zero cost/benefit. Matt Brown agreed with Randy Randall on this new, equal split between our departments to support the Film Office.*
- *Depending on the possible expansion of OED, department would have one additional FTE.*
- *So we are not surprised like this year, we are budgeting for programs or projects which may and are likely to arise, but we do not know of them yet. Examples include the Bloomberg Mayor's Challenge and the Midtown Campus Project.*
- *A website suitable for supporting existing businesses, new entrepreneurs, potential recruitment/relocation targeted businesses, and our residents who want greater transparency and understanding of the work and services provided by OED. The site development would also include a new, online business permitting process.*
- *Most significantly is the \$2.2MM debt service expense for the SFUAD property that has been assigned to OED.*
- *Other than the above, there are relatively small changes to items like marketing, travel, out of state events, etc.*

C. Do you expect an increase in expenditures? Why, or why not?

Were it not for the SFUAD debt liability, our proposed budget would be approximately 2.5% less than the current fiscal year.

- *Reductions: We will not engage some of our previous outside contractors due to having staff who can do the work. Additionally, we are reducing the amount for most current vendors, most notably Youthworks and Santa Fe Business Incubator to save money and create other investment opportunities we believe are better strategically and financially.*
- *Increases: See answer to B.*

D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
See Expenses.

E. Describe the process your division went through to build a zero-based budget.

First, we established an outline of our economic development plan, which has numerous assumptions that we needed to establish in order to create this budget. Matt Brown's transition plan provides a good overview of those assumptions, as well as data and concrete activities. Then, we approached our budgeting assuming nothing would go forward from this year's budget, except for obvious items like office supplies. The one exception was certain PSAs such as Santa Fe Business Incubator (SFBI). That organization has been contracted at roughly \$200,000 for nearly 20 years. I believe that to not exercise our option to renew would be an undue burden. Therefore, we determined how much reduction would be reasonable for a legacy contractor's on-going work; yet provide the City with cost savings.

For existing PSAs, we examined and compared the contracts to look for inefficiencies, such as paying Youthworks and Make Santa Fe for potentially overlapping work. We also examined contracts for services we can perform in house, thereby, not budgeting for any new contracts for such services. We also collaborated with Youth and Family services in reviewing Youthworks for overlapping and/or irrelevant work for our goals. We will continue to do research on several PSAs over the next few weeks to further refine our budget proposal and be able to best defend and/or modify the budget based on meetings with CM, Director of Finance and the new Mayor. In particular, we will work with Youth and Family Services to audit Youthworks to determine how we will move forward. We will also include

Affordable Housing and any other department or division that is contracting with Youthworks to ensure we are all coordinated and on the same page regarding contracting in the future with Youthworks.

For travel, we brainstormed and researched events locally, regionally and nationally related to economic development, community development, entrepreneurship, innovation, and business development. We then prioritized and researched the costs, including travel and hotels, for each. Additionally, for recruiting trips to the Bay Area and Los Angeles, we are able to save several thousand dollars by Matt Brown being able to stay with his spouse (Bay Area) or friends (Los Angeles).

Similarly, for training and development, we brainstormed, researched and prioritized for training that would help staff be more effective in their economic development roles.

For web development, we spoke with experts in the field. We shared example sites and received verbal cost estimates, which were used for budgeting.

Requested Personnel Change Summary

A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.

Yes. We have uploaded two org charts. One represents the current. The other represents proposed, which includes one new FTE and a reclassification of all others to simplify the organization and make it align with best practices in job titles.

OFFICE OF EMERGENCY MANAGEMENT

Executive Summary

It is the mission of the City of Santa Fe Office of Emergency Management (SFOEM) to create an environment of readiness for the whole-community through a comprehensive program of prevention, protection, mitigation, response, and disaster recovery. The Office of Emergency Management was established in 2008 by Ordinance No. 2008-57 replacing the Department of Civil Preparedness. SFOEM plans and prepares for emergencies, educates the public about preparedness, manages grant funding to improve homeland security and public safety capabilities, coordinates emergency response and recovery, supports planned events, and works with public and partner organizations to protect our whole community when it needs us the most. Thankfully, major disasters do not happen every day. However, this can lead to a sense of complacency among the community. Fostering engagement with partners is the only way to create a resilient, sustainable community.

RBA Performance Measurements

- % Citizens who report that they have a preparedness plan
- % Departments represented in the City of Santa Fe Emergency Operations Plan
- % Departments reporting they conduct training on their annex to the City of Santa Fe Emergency Operations Plan
- % Departments reporting they exercise their annex to the City of Santa Fe Emergency Operations Plan
- #/% Event benchmarks met per event (e.g. #incidents, turnaround time to triage captured on After Action Reports)
- #/% Links/redirects as a result of social media outreach
- % After Action Reports completed within 60 days
- % of citizens subscribed/opted-in to Alert Santa Fe Emergency Notification System

Requested Funding

A. Describe the source(s) of funding for this proposal. Is the source of recurring revenue local taxes or grants?

The City of Santa Fe Office of Emergency Management (SFOEM), and its initiatives, are funded by a variety of sources:

- *Salary and benefits of the Emergency Management Director are partially funded from the Emergency Management Performance Grant (EMPG), which is granted by the Federal Emergency Management Agency and administered by the New Mexico Department of Homeland Security and Emergency Management (NMDHSEM). In previous years, the federal award amount was 50% of the Emergency Management Director's salary and benefit costs, with the City's cash match of 50% (Fire Department, Police Department, and Risk Management). NMDHSEM has announced that an allocation-based funding algorithm for FY2018/19 will be utilized, preliminary funding allocation for the City of Santa Fe is \$48,748.75 (compared to \$52,150.00 from previous fiscal years), however final funding amounts have not yet been announced - anticipated announcement in March 2018.*
 - *Salary and benefits of the Emergency Management Specialist are general funded (Fire Department, Police Department, and Airport).*
 - *SFOEM typically manages three additional annual grants. Two of these grants are budgeted in the expenses as carry-forward amounts from the FY2017/18 (SHSGP 2017 and HMEP 2017).*
 1. *State Homeland Security Grant Program (SHSGP), no local match required; competitive grant program, annual award varies. This grant program does not provide direct operational funding for the Office, but rather towards homeland-security related initiatives leveraged by City Departments.*
 2. *Hazardous Materials Emergency Preparedness (HMEP) program, 25% local match required (provided in-kind or cash by Fire Department); competitive grant program, annual award varies. This grant program does not provide direct operational funding for the Office, but rather towards Hazardous-Materials training leveraged by the Fire Department.*
 3. *Pre-Disaster Mitigation Grant Program (PDM), 25% local match required (source varies); competitive grant program, annual award varies. This grant program does not provide direct operational funding for the Office, but rather towards mitigation initiatives.*
 - *SFOEM operational expenses are funded by the general fund*
- B. Are any new costs other than inflation included in this proposal?
- *SFOEM anticipates the award of the 2018 Pre-Disaster Mitigation Grant Program to update/revise the City of Santa Fe Hazard Mitigation Plan - this grant will have a total project cost of \$50,000; \$37,500 federal share, \$12,500 local share (as depicted in the expense proposal)*
 - *Advertising (\$1,800) and Print/Publishing (\$300) costs for annual National Preparedness Month campaigns as well as ongoing preparedness social media, traditional media, and public outreach campaigns on Alert Santa Fe (mass notification system) and Ready Santa Fe (preparedness smartphone application).*
- C. Do you expect an increase in expenditures? Why, or why not?
- *In FY2017/18 the Office expanded by one FTE. FY2018/19 reflects an increase in anticipated travel, training, professional dues, and operating expenses as detailed in the expense proposal.*
 - *SFOEM plans to begin the development of the City of Santa Fe Emergency Operations Center (EOC). The EOC is a central command and control facility responsible for carrying out the principles of emergency preparedness and emergency management, or disaster management functions at a strategic level during an emergency, disaster, or special event. A permanent location has not yet been established, however SFOEM and Constituent Services is proposing the buildout in existing space within the SFUAD Admin Building. Construction/building renovation is being budgeted at \$30,000; equipment including projectors, whiteboards, landline phones, computers, and communications equipment is also included in the budget proposal. These new expenses are explicitly marked "EOC" as an individual line item in the expense proposal.*



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR
2018-2019

- D. Provide Line Item Detail and justification for the following accounts: Vehicles, In State/Out of State Travel, Employee Training, Equipment & Machinery, Furniture & Fixtures, Data Processing, Contracts.
See budget proposal line item details for additional information.
- E. Describe the process your division went through to build a zero-based budget.

Requested Personnel Change Summary

- A. Are you proposing any structural organizational changes for FY2018/19? Do not include reclassifications or requests for pay increases. Do include changes to lines of supervision if applicable.
No structural organizational changes are proposed for FY2018/19.



PROPOSED ANNUAL OPERATING BUDGET

FISCAL YEAR 2018-2019

General Government Expenditure Summary

**CITY OF SANTA FE
GENERAL GOVERNMENT - EXPENDITURES SUMMARY
FISCAL YEAR 2018/19 PROPOSED BUDGET**

SUMMARY BY DIVISION	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Mayor & Council	702,345	1,028,336	795,180	281,612	93,705	1,200,380
City Manager	1,655,863	1,686,040	2,274,434	831,012	177,970	2,222,279
City Attorney	1,118,896	1,521,808	1,716,183	744,113	56,907	1,745,049
City Clerk	1,347,706	1,033,218	1,646,592	629,692	153,644	1,578,363
Internal Audit	316,650	132,809	164,991	57,602	—	159,821
Municipal Court	1,727,901	1,898,117	2,054,980	698,804	215,984	1,746,031
Affordable Housing	2,301,861	953,512	2,049,051	437,110	1,056,939	1,574,060
Economic Development	4,403,596	4,016,319	4,018,068	1,356,351	621,993	3,982,260
TOTAL GENERAL GOVERNMENT	13,574,818	12,270,159	14,719,479	5,036,296	2,377,142	14,208,243

SUMMARY BY CATEGORY	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
Salaries, Wages & Benefits	5,473,580	5,883,344	6,411,547	2,838,107	—	6,889,093
Contractuals & Utilities	4,149,107	2,668,592	3,595,170	1,123,280	1,966,992	2,943,877
Repairs & Maintenance	58,928	59,362	164,652	4,884	5,985	98,527
Supplies	174,877	119,659	172,341	39,948	35,099	192,491
Insurance	125,533	126,095	156,369	10,502	—	137,048
Other Operating Costs	512,903	706,676	1,621,744	208,608	369,066	1,475,746
Capital Purchases	45,283	11,075	89,980	—	—	57,000
Debt Service	2,223,555	2,223,567	2,220,265	722,633	—	2,224,461
Transfers to Other Funds	811,052	471,789	287,411	88,334	—	190,000
TOTAL GENERAL GOVERNMENT	13,574,818	12,270,159	14,719,479	5,036,296	2,377,142	14,208,243

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
General Fund	7,157,430	7,275,977	8,812,735	3,243,728	776,649	9,358,780
Economic Development	950,630	1,377,858	1,068,429	312,622	383,741	1,282,753
Santa Fe Business Incubator	—	33,312	—	—	—	—
Comcast Franchise PEG Fee	20,000	15,848	20,000	7,056	13,333	20,000
Municipal Court Automation Fund	1,238	—	—	—	5,419	12,000
Verde Fund	—	—	300,000	61,813	238,187	—
Municipal Court Pass-Thru Fees	77,236	66,626	93,252	26,133	—	—
Municipal Court Program Fund	109,996	109,996	113,000	23,332	98,338	3,000
Public Safety Special Revenue Fund	—	245,045	—	—	31,589	—

(continued on next page)



PROPOSED ANNUAL OPERATING BUDGET

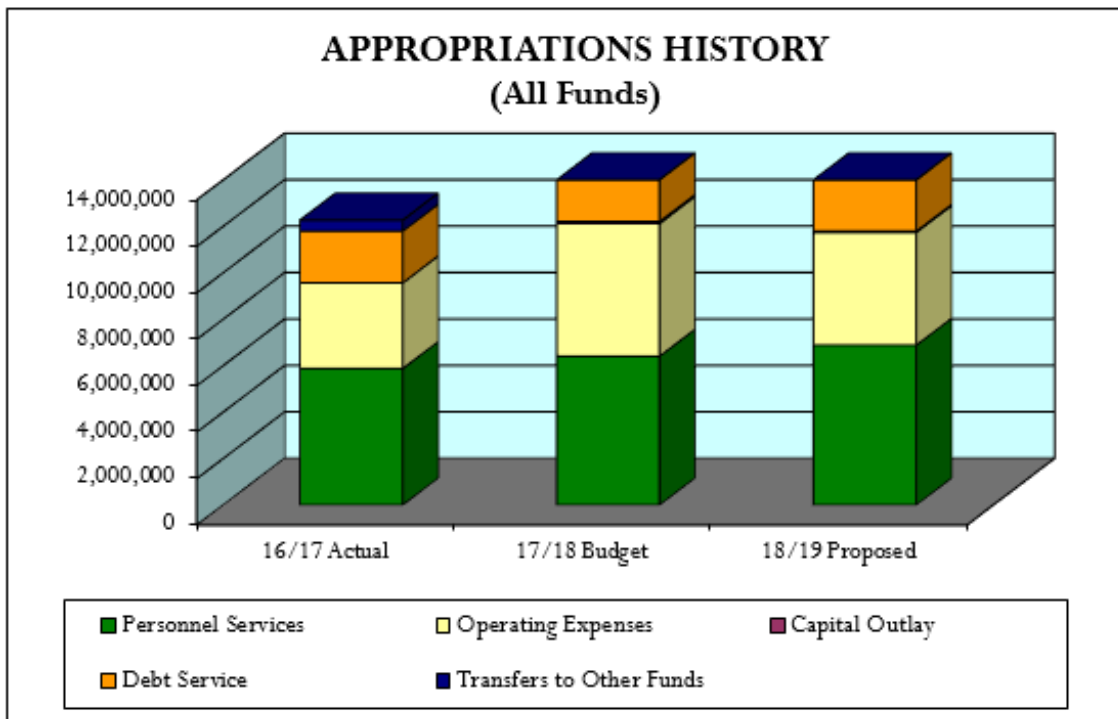
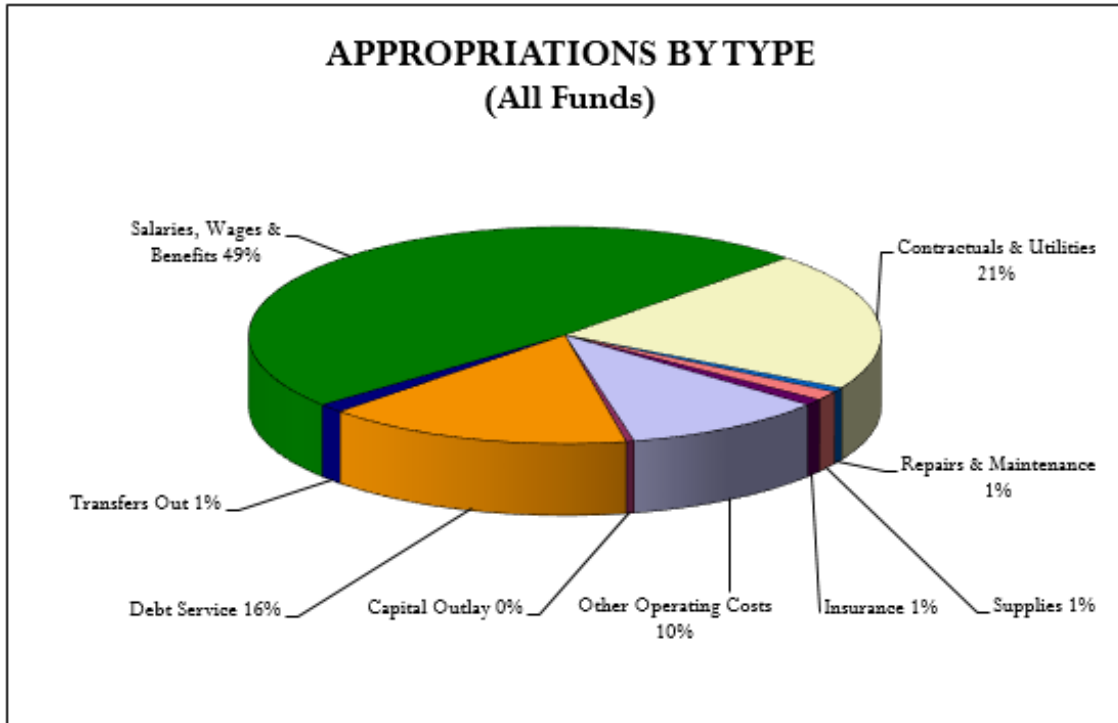
FISCAL YEAR 2018-2019

CITY OF SANTA FE GENERAL GOVERNMENT - EXPENDITURES SUMMARY FISCAL YEAR 2018/19 PROPOSED BUDGET

SUMMARY BY FUND	ACTUAL EXPENDITURES 2015/16	ACTUAL EXPENDITURES 2016/17	2017/18 CURRENT BUDGET	2017/18 CURRENT ACTUAL	2017/18 CURRENT ENCUMBRANCE	CITY MANAGER PROPOSED 2018/19
<i>(continued from previous page)</i>						
Home Detention Program Fund	117,694	120,846	129,280	4,412	20,131	37,000
Affordable Housing	308,664	34,750	400,000	199,980	200,020	400,000
Comm. Development Block Grant	478,612	431,212	818,267	100,203	458,934	503,101
Shelter Plus Care	909,613	128,798	254,273	41,601	120,298	—
Emrgcy Mgmt Performance Grant	107,285	114,746	234,579	52,839	10,574	247,888
Community Dvlpmt. Misc. Grants	—	1,815	—	—	—	—
Public Financing for Elections	75,052	—	—	165,000	—	—
Homeland Security Grants	244,409	78,787	255,399	74,944	19,929	119,260
College of Santa Fe	3,016,959	2,234,543	2,220,265	722,633	—	2,224,461
TOTAL GENERAL GOVERNMENT	13,574,818	12,270,159	14,719,479	5,036,296	2,377,142	14,208,243



GENERAL GOVERNMENT



FY 2018-2019 BONDS & LOANS BY FUNDING SOURCE

Revised: 4/19/2018

FUNDING SOURCE	DESCRIPTION	FUND	PURPOSE	DATE		AMOUNT OF	PRINCIPAL	INT/FEES	PRINCIPAL	INT/FEES	TOTAL	PRINCIPAL	INT/FEES	TOTAL DEBT
				OF	YEAR		OUTST.	OUTST.	PAYABLE	PAYABLE	DEBT SERVICE	OUTST.	OUTST.	OUTST.
				ISSUE	DUE	ISSUE	6/30/2018	6/30/2018	FY 19	FY 19	FY 19	6/30/2019	6/30/2019	6/30/2019
1/2% GRT	GRT Refunding Bonds 2012A	4,124	CIP	3/1/2012	2,026	32,725,000	16,200,000	3,508,225	1,750,000	713,375	2,463,375	14,450,000	2,794,850	17,244,850
1/2% GRT	GRT Refunding Bonds 2013A	4,125	Partial Ref 2006	6/18/2013	2,020	10,880,000	4,545,000	225,800	3,445,000	181,800	3,626,800	1,100,000	44,000	1,144,000
1/2% GRT	GRT Refunding Bonds 2014	4,127	CIP	9/30/2014	2,029	15,460,000	15,460,000	5,980,800	—	728,513	728,513	15,460,000	5,252,288	20,712,288
1/2% GRT	NMFA 2016B	5,102	Con.Ctr.	7/13/2016	2,035	6,570,000	6,530,000	1,384,095	837,000	312,015	1,149,015	5,693,000	1,072,080	6,765,080
1/2% GRT	NMFA 2016B	4,120	CIP	7/13/2016	2,035	15,330,000	15,330,000	3,229,555	1,953,000	728,035	2,681,035	13,377,000	2,501,520	15,878,520
1/2% GRT	NMFA 2016C	5,604	MRC	7/12/2016	2,024	5,782,000	4,766,350	422,576	1,036,999	186,506	1,223,505	3,729,351	236,070	3,965,421
1/2% GRT	2018 Gas Tax	4,153	Roads	2/27/2018	2,028	10,290,000	10,290,000	3,095,090	740,000	596,190	1,336,190	9,550,000	2,498,900	12,048,900
	TOTAL GRT CIP BONDS					97,037,000	73,121,350	17,846,141	9,761,999	3,446,434	13,208,433	63,359,351	14,399,708	77,759,059
1/2% GRT	NMFA - Land Acquisition	4,209	Land Purch.	7/13/2016	2,028	2,020,000	2,020,000	466,450	160,000	87,000	247,000	1,860,000	379,450	2,239,450
	TOTAL GRT LOANS					2,020,000	2,020,000	466,450	160,000	87,000	247,000	1,860,000	379,450	2,239,450
1/2% GRT	TOTAL FROM 1/2% GRT					99,057,000	75,141,350	18,312,591	9,921,999	3,533,434	13,455,433	65,219,351	14,779,158	79,998,509
PROP TAX	General Obligation 2010	4,150	Parks	11/1/2010	2,030	10,300,000	7,215,000	1,718,128	500,000	256,094	756,094	6,715,000	1,462,034	8,177,034
PROP TAX	General Obligation 2013	4,151	Parks/Environ	7/23/2013	2,033	12,000,000	10,025,000	3,031,766	535,000	332,519	867,519	9,490,000	2,699,247	12,189,247
PROP TAX	General Obligation 2014	4,152	Parks/Environ	7/23/2013	2,033	5,800,000	5,185,000	1,616,057	215,000	169,894	384,894	4,970,000	1,446,163	6,416,163
PROP TAX	TOTAL FROM PROPERTY TAX					28,100,000	22,425,000	6,365,951	1,250,000	758,506	2,008,506	21,175,000	5,607,445	26,782,445
Lodger's	NMFA #27 - Cctr/Pkg	5,102	Ref NMFA #14	4/8/2015	2,035	21,383,000	19,495,350	8,000,209	765,450	852,193	1,617,643	18,729,900	7,148,016	25,877,916
Lodger's	TOTAL FROM LODGER'S TAX					21,383,000	19,495,350	8,000,209	765,450	852,193	1,617,643	18,729,900	7,148,016	25,877,916
Parking Rev.	NMFA #27 - Pkg	5,153	Ref NMFA #14	4/8/2015	2,035	12,407,000	11,449,650	4,698,536	449,550	500,495	950,045	11,000,100	4,198,041	15,198,141
Parking Rev.	TOTAL FROM PARKING					12,407,000	11,449,650	4,698,536	449,550	500,495	950,045	11,000,100	4,198,041	15,198,141
MGRT Infra	GRT Refunding Bonds 2016A	5,250	Solid Waste	7/31/2006	2,023	6,700,000	4,980,000	771,500	900,000	124,500	1,024,500	4,080,000	647,000	4,727,000
MGRT INFRA	TOTAL FROM MGRT INFRASTRUCTURE					6,700,000	4,980,000	771,500	900,000	124,500	1,024,500	4,080,000	647,000	4,727,000
MGRT Envir.	GRT Rev. Ref. Bonds 2012B	5,450	WW	3/1/2012	2,022	14,280,000	6,915,000	904,250	1,500,000	345,750	1,845,750	5,415,000	558,500	5,973,500
WW Revenues	GRT/WW Bonds 2016C	5,450	WW	7/13/2016	2,024	3,715,000	2,384,850	270,172	696,150	119,242	815,392	1,688,700	150,930	1,839,630
MGRT Envir/Rev	TOTAL FROM MGRT ENVIRO & WW REVENUES					17,995,000	9,299,850	1,174,422	2,196,150	464,992	2,661,142	7,103,700	709,430	7,813,130
MGRT Transit	NMFA Transit Buses Loan	5,406	Transit	8/1/2014	2,026	3,500,000	2,436,749	294,858	282,944	57,478	340,422	2,153,805	237,381	2,391,186
MGRT Transit	TOTAL FROM MGRT TRANSIT					3,500,000	2,436,749	294,858	282,944	57,478	340,422	2,153,805	237,381	2,391,186
Muni RY GRT	GRT Refunding Bonds 2010B-	5,850	Railyard	12/14/2010	2,026	10,490,000	6,440,000	1,592,600	730,000	336,650	1,066,650	5,710,000	1,255,950	6,965,950
Muni RY GRT	GRT Refunding Bonds 2013B	4,126	Ref NMFA Pkg Gg	6/18/2013	2,036	13,780,000	12,820,000	4,672,850	505,000	468,275	973,275	12,315,000	4,204,575	16,519,575
Muni RY GRT	TOTAL FROM MUNICIPAL RAILYARD GRT					24,270,000	19,260,000	6,265,450	1,235,000	804,925	2,039,925	18,025,000	5,460,525	23,485,525
Water Revenue	Water Utility Revenue 2016	5,300	Water	6/13/2016	2,039	36,665,000	34,875,000	18,544,250	890,000	1,387,500	2,277,500	33,985,000	17,156,750	51,141,750
	TOTAL BONDS FROM WATER					36,665,000	34,875,000	18,544,250	890,000	1,387,500	2,277,500	33,985,000	17,156,750	51,141,750

FUNDING SOURCE	DESCRIPTION	FUND	PURPOSE	DATE		AMOUNT OF ISSUE	PRINCIPAL	INT/FEES	PRINCIPAL	INT/FEES	TOTAL	PRINCIPAL	INT/FEES	TOTAL DEBT
				OF	YEAR		OUTST.	OUTST.	PAYABLE	PAYABLE	DEBT SERVICE	OUTST.	OUTST.	OUTST.
				ISSUE	DUE		6/30/2018	6/30/2018	FY 19	FY 19	FY 19	6/30/2019	6/30/2019	6/30/2019
1/4% Cap. Outlay	NMFA Drinking Water - #DW2	5,300	Water	5/16/2008	2,029	15,150,000	9,069,552	1,124,327	745,127	158,717	903,844	8,324,425	965,610	9,290,035
1/4% Cap. Outlay	NMFA Drinking Water - #DW4	5,358	Water	5/3/2013	2,034	2,445,292	2,080,017	371,079	111,593	41,600	153,193	1,968,424	329,479	2,297,903
	TOTAL LOANS FROM WATER					17,595,292	11,149,569	1,495,406	856,720	200,318	1,057,037	10,292,849	1,295,088	11,587,937
1/4% Cap. Outlay	TOTAL FROM WATER GRT					54,260,292	46,024,569	20,039,656	1,746,720	1,587,818	3,334,537	44,277,849	18,451,838	62,729,687
Environmental Rev	NMFA Recycle Cart	5,250	Recycle carts		2,023	1,300,582	1,047,049	68,256	201,501	21,560	223,061	845,548	46,696	892,244
State Fire	NMFA Fire gear	4,201	Firefighter equip.		2,025	917,815	815,340	41,457	112,494	10,116	122,610	702,846	31,341	734,187
DEPT RENT	GRT Rev Bonds 2017 - Mkt. Stn.	5,856	Market Station	6/2/2017	2,033	4,530,000	4,290,000	1,144,562	240,000	122,479	362,479	4,050,000	1,022,083	5,072,083
LAUREATE	NMFA - College of Santa Fe - #20	5,910	Education	9/14/2009	2,036	29,615,000	24,140,000	15,870,438	815,000	1,409,461	2,224,461	23,325,000	14,460,978	37,785,978
OTHER SOURCES						34,145,000	28,430,000	17,015,000	1,055,000	1,531,940	2,586,940	27,375,000	15,483,061	42,858,061
TOTAL DEBT SERVICE						301,817,292	238,942,518	82,938,173	19,802,813	10,216,280	30,019,093	219,139,705	72,721,894	291,861,598

VII. APPENDIX

1. Investment Policy

1.0 PURPOSE:

1.1 The purpose of this investment policy is to indicate a conscious, formal effort by the City of Santa Fe (the “City”) to develop, implement and monitor the investment of all City funds. It shall be considered an important means to communicate to staff and to the public the City’s policies on management of financial assets.

2.0 APPLICABLE TO:

2.1 Finance Director, Assistant Finance Director, Treasury Officer, Cash Management and Investment Officer.

3.0 REFERENCES:

3.1 SFCC 11-8C.

3.2 Code of Ethics Ordinance 1-7.5H.

3.3 Securities & Exchange Commission Rule 15(c)3-1 (uniform net capital rule).

3.4 NMSA 1978 sections 6-10-10, 6-10-16, 6-10-17, 6-10-18, 6-10-36, 6-10-44, and 3-45-24.

3.5 NMAC 2.60.4

3.6 Local Government Investment Pool Investment Policy

4.0 DEFINITIONS:

4.1. Relevant terms are defined under Procedures.

5.0 POLICY:

5.1 It is the policy of the City to invest public funds in a manner which preserves principal, meets the daily cash flow requirements and earns the highest investment return while conforming to all state and local statutes governing the investment of public funds.

6.0 PROCEDURES:

6.1 This investment policy applies to all financial assets of the City. These funds are accounted for in the City’s Comprehensive Annual Financial Report and include:

General Funds;

Special Revenue Funds;

Capital Project Funds;

Enterprise Funds;

Trust and Agency Funds; and

Any new fund created by the City Council, unless specifically exempted.

6.2 PRUDENCE

The standard of care to be used by the Investment Officer shall be the “prudent person” rule which states:

“Investments shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

This standard shall be applied in the context of managing an overall portfolio. The Investment Officer acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Public confidence in the investment program is imperative. The City will avoid any transaction that might impair the public’s confidence. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs. A balance is struck between preservation of principal, liquidity and the income to be earned.

6.3 OBJECTIVES

The primary objectives, in priority order, of the City’s investment activities shall be:

Preservation of Principal:

The preservation of principal and mitigation of investment risks (default/credit risk, interest rate risk, and reinvestment risk) are the foremost objectives of the investment program. The City will ensure the preservation of its investments by limiting default/credit risk, interest rate risk and reinvestment risk. Default/credit risk is the risk of loss due to the failure or downgrade of the security issuer or backer. Interest rate risk is the risk that the value of an investment will decline with changes in interest rates, e.g. an increase in interest rates will cause a decline in the value of a bond during its holding period prior to maturity. Reinvestment risk is the risk that funds from maturing investments will be reinvested at lower interest rates than that of the maturing investment due to decreases in the level of interest rates. The City will mitigate the effect of default/credit risk by:

- Investing in investment grade government debt securities rated A or better;
- Investing in securities, funds or pools that comply with New Mexico Statute 6-10-10;
- Complete and thorough due diligence and credit analysis on each investment issuer;
- Pre-qualifying all financial institutions and securities dealers with whom the City will do business; and
- Diversifying the investment portfolio to minimize the adverse effects of the failure of any one issuer or backer.

Liquidity:

The City’s investment portfolio shall remain sufficiently liquid to enable the City to meet all of the regular expenses of the City as well as payments on the City’s debt obligations in a timely manner provided they may be reasonably anticipated.

Return on Investments:

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and cash flow characteristics of the portfolio.

Fully Invested:

The City recognizes that cash is an earning asset. It is the City's policy to invest cash balances over amounts required to meet current financial obligations to achieve the highest return consistent with the above-defined objectives. The goal is to have all of the City's available investable assets fully invested at all times and to keep idle cash at a minimum.

Scheduling of Maturities: Investment maturities may be scheduled to coincide with projected cash flow needs taking into account large routine expenditures (e.g. payroll, debt service and Capital Improvement Program disbursements), as well as considering sizeable blocks of anticipated revenues and inflows, (e.g. gross receipts, franchise taxes and investment maturities).

Diversification:

The City shall diversify investments to avoid unreasonable risks from concentrating investments in specific security types and individual financial institutions.

6.4 DELEGATION OF AUTHORITY

Pursuant to SFCC 11-8C, the Governing Body has authorized the City Manager to appoint an Investment Officer to invest money not immediately needed for the operation of the City government. The Investment Officer shall establish written procedures for the investment program consistent with the investment policy. Procedures should include reference to: safekeeping, repurchase agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director and the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of other employees involved in investment transfers.

6.5 ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions or allow personal gain. Employees and investment officials shall disclose as per Code of Ethics Ordinance 1-7.6 any financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any personal financial/investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales.

6.6 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Investment Officer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealer firms selected by credit worthiness who are authorized to provide investment services in the State of New Mexico. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15(c)3-1 (uniform net capital rule).

All financial institutions and broker/dealer firms who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements; proof of Financial Industry Regulatory Authority (FINRA) certification; and

certification of having an understanding of and agreeing to comply with the City's investment policy.

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Investment Officer. In addition, a current audited financial statement is required to be on file for each financial institution and broker/dealer firm through which the City invests.

All broker/dealer firms and financial institutions conducting business with the City shall receive a copy of the City's investment policy, a broker/dealer certification form and a letter signed by the Finance Director that describes the relationship that the City is establishing with the broker/dealer firm or financial institution. This letter will contain the following information:

- City employees who are authorized to buy and sell investments on behalf of the City;
- City employees who are authorized to wire or otherwise transfer funds out of City accounts;
- City employees who are authorized to make changes to the City's instructions regarding authority, delivery instructions, or other critical aspects of the relationships;
- City employees who should be notified if the dealer or financial institution detects any activity that it believes may be irregular given the City's investment policy and practices;
- Controls that the dealer or financial institution should use for wire transfers of funds and securities into and out of City accounts;
- Standard delivery instructions for investments and proceeds from maturities; and,
- Dealers and financial institutions will be notified immediately both verbally and in writing about the change in status of any employee authorized to conduct investment business with that institution.

If the City has contracted with an Investment Advisor, the advisor shall be responsible for performing financial due diligence on the brokers/dealers with which it trades on the City's behalf. On an annual basis, the advisor will provide the City with a list of its authorized brokers/dealers as well as the firm's written certification of compliance with the City's Investment Policy.

6.7 AUTHORIZED AND SUITABLE INVESTMENTS

City funds shall be invested in accordance with New Mexico Statute 6-10-36 and shall be equitably distributed among banks and credit unions having their main or manned branch offices within the municipal boundaries, and who are interested in doing business with the City as directed by Statute 6-10-36, Paragraph C. Funds that are declared excess due to the inability of local financial institutions to accept these deposits may be invested in the following investments pursuant to NMSA 1978 sections 6-10-10, 6-10-36, 6-10-44 and 3-45-24:

- Bonds or negotiable securities of the United States including U.S. treasury bills, treasury notes, TIPS and treasury bonds;
- Other securities issued by the United States government or its agencies or instrumentalities that are either direct obligations of the United States, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank, the Federal Farm Credit Bank, or are backed by the full faith and credit of the United States Government;
- Money market funds that are registered with the SEC, maintain total asset size of not less than \$100,000,000, and carry an investment rating of Aaa-mf, AAAM as rated by Moody's and Standard & Poor's;

- Contracts for the present purchase and future resale of securities (“repurchase agreements”);
- Shares of a diversified investment company registered pursuant to the federal Investment Company Act of 1940 that invests in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one hundred million dollars (\$100,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments;
- Individual, common or collective trust funds of banks or trust companies that invest in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one hundred million dollars (\$100,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments; or
- Shares of pooled investment funds managed by the state investment officer, as provided in Subsection G of Section 6-8-7 NMSA 1978; provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments.
- Bonds or negotiable securities of the State of New Mexico or of any county, municipality or school district which has a taxable valuation of real property of at least one million dollars and has not defaulted in payment of interest or sinking fund obligations or failed to pay any bonds at maturity at any time within the past five years and is rated AA equivalent or better on purchase date; and,
- Any bonds or other obligations issued pursuant to the Municipal Housing Law or issued by any public housing authority or agency in the United States, when such bonds or other obligations are secured by a pledge of annual contributions to be paid by the United States government or any agency thereof.

Reasonable prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

6.8 PROHIBITED INVESTMENTS

Notwithstanding specific authority granted elsewhere in this document, the City or Santa Fe specifically prohibits the following investments and investment practices:

- Collateralized mortgage obligations (CMOs) and other hybrid mortgage-backed, pass through securities;
- Agency securities whose interest rate is tied to a long-term rate or lagging index, or whose interest rate is determined by an index that adjusts opposite to changes in a market index, including, but not limited to, inverse floaters, leveraged floaters, capped and range floaters and dual index floaters;
- Zero coupon securities, with the exception of Treasury bills and other direct obligations of the U. S. government as well as discount notes issued by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank, or the Federal Farm Credit Bank;
- Investment purchases on margin including short sales; and,

- Equity securities.

6.9 INVESTMENT POOLS

A review of the Local Government Investment Pool and its operating policies should be done on a periodic basis. A copy of the most recent audit of the pool must be kept on file or be accessible on-line.

6.10 COMPETITIVE BIDS/EQUITABLE DISTRIBUTION

It is the City's policy to invest all moneys on the basis of competitive bids or offers when practical. When U.S. government securities are being purchased in the secondary market, a minimum of three offers will be solicited. When U.S. government securities are being sold, a minimum of three bids will be received. Transactions shall be made with those firms tendering the best bids or offers to the City. When purchasing new issue securities at par, the purchases will be distributed equitably among the City's qualified brokers as is practicable and prudent. Written documentation of the quotes shall be maintained for a minimum of 3 years.

6.11 COLLATERALIZATION

Collateralization will be required on all repurchase agreements and bank/credit union deposits in excess of amounts insured by the Federal Deposit Insurance Corporation or the National Credit Union Association.

- Repurchase Agreements: The collateralization will be 102% including accrued interest and shall consist of US Treasury, or US Government agency debt. Collateral with maturities greater than 10 years shall be collateralized at 103%. Collateral shall be reviewed daily by the Investment Officer or Investment Advisor and maintained at a minimum of 102% or 103% if the maturity is longer than 10 years. Collateral substitution is permissible with the permission of the Investment Officer or Investment Advisor.
- Checking Deposits: Deposits with the primary fiscal agent, may be collateralized at fifty percent (50%) in accordance with New Mexico Statute 6-10-17 and that collateral shall be in compliance with NMAC 2.60.4.10 A(1) or (7).
- Certificate of Deposits: Shall be collateralized in compliance with NMAC 2.60.4.9, NMAC 2.60.4.10 A(1) or (7)

Collateral for checking and certificates of deposits will be reviewed monthly to ensure that the market value of the securities pledged exceeds the investment or related bank balances with a final fiscal year review in June. Additional collateral may be requested if the Investment Officer deems that the deposits and investments are not sufficiently protected by the pledged collateral.

Exceptions to the collateralization level requirement include deposits in the State Treasurer's Office Local Government Investment Pool.

6.12 SAFEKEEPING AND CUSTODY

All security transactions, including collateral for repurchase agreements entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in the custody of the City's fiscal agent and evidenced by monthly statements, maintained and filed by the Investment Officer.

6.13 DIVERSIFICATION

The City will diversify its investments by security type and institution. With the exception of U.S. treasury securities, authorized pools and the City's fiscal agent, no more than 50% will be invested in a single security type or with a single financial institution.

6.14 TRADING SECURITIES

The City may take advantage of temporary conditions in the U.S. government securities market by trading securities of comparable quality to further improve the overall rate of the return on the portfolio.

Transactions will be competitively marketed to at least three broker/dealers whether proposed by the City or broker/dealers. Trading of securities is permissible if the City's investment goals will be met and the Investment Officer deems the transaction appropriate and consistent with the City's Investment Policy.

6.15 MAXIMUM MATURITIES

Investment maturities shall be limited to five years, unless matched to a specific cash flow.

6.16 INTERNAL CONTROL

Investments shall be included as a specific area in the City's annual audit by the City's independent auditor. In addition, the City's internal auditor may periodically review the City's investments and investment transactions. These reviews will provide internal control by assuring compliance with policies and procedures.

6.17 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the City's cash flow needs.

Staff is currently conducting an in-depth analysis of potential benchmarks to evaluate the performance of the City's investment portfolio. The benchmark is a critical component to any investment policy as it reflects the objectives of preservation of principal and balancing investment risks, liquidity and income to be earned of the City's investment portfolio. A forthcoming addendum to the investment policy regarding the benchmark will be provided in the near future.

6.18 REPORTING

The Investment Officer shall provide to the Finance Committee quarterly investment reports which provide the status of the current investment portfolio. The management report should include comments on the fixed income markets and economic conditions, potential changes in the portfolio and/or investment strategies to be implemented.

The quarterly report should include the following:

- A listing of individual securities held at the end of the reporting period by investment category;
- The call date or final maturity of all investments listed;
- Portfolio Duration, a measure of interest rate risk.
- Yield to maturity and yield to worst;
- Par value, amortized book value and market value; and
- Percentage of the portfolio represented by each investment category.

6.19 INVESTMENT POLICY ADOPTION

The City's investment policy shall be adopted by resolution of the City Council. The policy shall be renewed annually by the Finance Committee with any modifications approved by the City Council.

6.20 COMPLIANCE WITH CITY INVESTMENT POLICY

In addition to receiving written certification of compliance with the City's Investment Policy from all brokers directly assisting the City and any external investment advisor whose services may be retained, any bank or credit union serving as a depository for City funds shall also be required to provide written certification of compliance with the City's Investment Policy and all related and relevant State Statutes (NM Statute 6-10-18), whether referenced in the Investment Policy or not. Such certification will also be required of any other such person or firm that undertakes to work with the City to assist in handling investments for which the terms of this policy apply.

The annually adopted Investment Policy shall be forwarded to all such parties in a timely manner with a request for the return of the certification form via mail, fax, or email. Any interim Investment Policy amendments will also be forwarded to relevant parties and will require resigning and return of the certification form.

2. Debt Policy

City of Santa Fe, New Mexico

Debt Management Policy

July 17, 2017

I. GENERAL PROVISIONS

- A. **Purpose of Debt Management Policy.** This Debt Management Policy (the “Policy”) provides a general framework under which the City plans for and manages the use of debt financing. This Policy should be considered within the broader scope of the City’s Comprehensive Financial Policies and other City rules and regulations. In addition to adhering to this Policy, all City financings will be conducted and maintained in compliance with applicable Federal law, New Mexico Statutes, City Code and other regulatory requirements.
- B. **Capital Financing Proposals.** Department Directors shall be responsible for ensuring that any capital financing proposal involving the sale of securities, execution of loans or capital leases, or making of guarantees or agreements, or directly or indirectly pledging or lending of the City’s credit shall be referred to the Finance Director. The Finance Director shall be responsible for analyzing the proposal, responding to the proposal, and recommending the action to be taken.
- C. **Debt Planning and Administration.** The Finance Director shall be responsible for administering the City’s debt programs, including monitoring ongoing compliance with this Policy. It shall be the responsibility of the Finance Director to coordinate the timing, process, and sale of City debt required in support of the City’s Capital Improvement Plan (“CIP”). The Finance Director shall make recommendations to the City Council as necessary in order to accomplish City financing objectives. Departments (defined for purposes of this Policy as any City department, agency, project or program that utilizes debt financing) are responsible for coordinating with the Finance Director in connection with any planned or active debt financing to ensure compliance with this Policy.
- D. **Investor Communication.** The Finance Director shall be the City’s centralized point of contact for questions from current or prospective bondholders, bond rating agencies and credit analysts regarding City bond issues, bond disclosure and this Policy.
- E. **Periodic Review of Debt Management Policy.** At least annually, the Finance Director shall perform a thorough review of this Policy and recommend updates for City Council approval, if appropriate. This Policy may be updated at any time, subject to City Council approval.
- F. **Comprehensive Capital Planning and Financing Approach.** The City shall utilize an integrated approach to capital planning and financing and shall prepare a five-year CIP for City Council consideration and adoption. Individual departments and agencies shall develop five-year capital plans. Coordination and integration of these individual capital plans into the CIP shall reside with the City Budget Office. The CIP shall be for the coming five fiscal years and shall be updated annually as part of the City budget process. The CIP shall contain a comprehensive description of the sources of funds, including current revenue requirements; identify the timing of project expenditures and their impact on future operating and capital budgets; and evaluate the impact of the projects on the amount and timing of bonds to be issued, debt service requirements, outstanding debt, debt burden and debt capacity. In developing the CIP, the City Budget Office shall coordinate with the Finance Director to determine whether the planned financings conform with policy targets related to (1) the principal amount, interest cost and composition of the City’s indebtedness, and

(2) the fiscal resources of the City to support such indebtedness during the five-year CIP horizon and through the final maturity of the proposed debt. Affordability impacts of the CIP shall be evaluated in consultation with the various departments.

- G. **Debt Authorization for Capital Projects.** The City will authorize use of long-term debt only to fund capital projects and related capital expenditures; long-term debt shall not be authorized to fund short-term operational obligations. No City debt should be issued to fund any capital project unless that capital project has been included in the CIP and authorized by City Council. Inclusion in the CIP may occur as part of an action related to budget approval or budget adjustment. Such approval should occur only after City Council has received a report of the impact of the contemplated borrowing on the CIP and/or budget and recommendations from the Finance Director and the City Budget Office regarding the capacity of existing or new revenues to support the anticipated debt service requirements of the borrowing.
- H. **Pay-As-You-Go Funding of Capital Outlays.** When feasible, the City shall make contributions from current resources or from outside funding sources (such as state or federal grants) to each capital project or program.
- I. **Maintenance, Replacement and Renewal.** The City will set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic renewal and replacement.
- J. **Investment of Tax-Exempt Bond Proceeds.** The Finance Director shall be responsible for investing unspent tax-exempt or tax-advantaged bond proceeds in accordance with the legal requirements described in the tax compliance documentation incorporated in each tax-exempt or tax-advantaged bond or loan transaction, and with the City's Investment Policy.

II. **LIMITATIONS ON CITY INDEBTEDNESS**

- A. **Limitations on General Obligation Indebtedness.**
 - 1. The City shall, as a matter of policy and in compliance with New Mexico statute, limit General Obligation debt outstanding at any time, to not exceed four percent (4%) of assessed value.
 - 2. General Obligation Bonds should not exceed \$1,000 Per Capita.
- B. **Limitations on GRT Tax Revenue Indebtedness.** The City shall, as a matter of policy, manage its finances so that the amount of GRT tax revenue supported indebtedness outstanding at any time shall:

1. Senior Lien:

- Annual debt service will not exceed 1 times coverage by the combined $\frac{1}{2}$ percent Municipal GRT revenue and 1/16 percent Pledged Infrastructure GRT Revenue.
- Issuance of Senior Lien GRT debt will conform to the following established legal provisions:
 - No additional Parity Obligations will be issued unless the Pledged Revenues received for the Historic Test Period have been sufficient to pay an amount representing at least 2 times the combined maximum annual Debt Service Requirements coming due in any subsequent Fiscal Year, on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued.
 - The $\frac{1}{2}$ percent Municipal GRT Revenues and the Pledged Infrastructure GRT Revenue, together with the other GRT revenues received by the City, whether from distribution by the State or pursuant to GRT imposed by the City (other than the State-shared GRT revenues) pledged to the Parity Obligations and the Parity Obligations proposed to be issued, for the Historic Test Period will be sufficient to pay an amount representing 1 times the combined maximum annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued.
 - No additional Parity Obligations will be issued unless Pledged Revenues for the Historic Test Period will have been sufficient to pay an amount representing 1.5 times the combined maximum annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and Subordinate Obligations and the Parity Obligations proposed to be issued.
 - In making the computations described above, other GRT revenues, including without limitation, the Environmental Services GRT revenues, received by the City, whether from distribution by the State or pursuant to GRT imposed by the City (other than State-shared GRT revenues) pledged to the Parity Obligations, Subordinate Obligations, and the Parity Obligations proposed to be issued, may be included only to the extent such GRT revenues are pledged to a particular series of such outstanding Obligations or proposed Parity Obligations and only to the extent of the maximum annual Debt Service Requirements on such outstanding Obligations or proposed Parity Obligations.

2. Subordinate Lien:

- Issuance off Subordinate Lien GRT debt will conform to the following established legal provisions:
 - Senior and Subordinate Lien debt service shall not exceed 2 times coverage of all Pledged Revenues.
 - No additional Parity Obligations will be issued unless Pledged Revenues received for the Historic Test Period have been sufficient to pay an amount representing at least 2 times of the combined maximum annual Debt Service Requirement coming due in any subsequent Fiscal Year on the 2013B Bonds, on the then outstanding Superior Tax obligations and Parity Obligations, and the additional Parity Obligations proposed to be issued.
 - In making the computations described above, other gross receipts tax revenues,

including without limitation, the Environmental Services GRT revenues, received by the City, whether from distribution by the State or pursuant to GRT imposed by the City (other than State-Shared GRT revenues) pledged to the Parity Obligations, Subordinate Obligations, and the Parity Obligations proposed to be issued, may be included only to the extent such GRT revenues are pledged to a particular series of such outstanding Obligations or proposed Parity Obligations and only to the extent of the maximum annual Debt Service Requirements on such outstanding Obligations or proposed Parity Obligations.

- C. **Limitations on Enterprise Revenue-Secured Debt Obligations.** The City may finance a portion of the capital needs of its revenue producing enterprises and activities through the issuance of revenue-secured debt obligations. Prior to issuing revenue-secured debt obligations, Departments, in consultation with the Finance Director, will develop financial plans and projections showing the feasibility of the planned financing, required rates and charges needed to support the planned financing, and the impact of the planned financing on ratepayers, property owners, departments, or other affected parties. The amount of revenue-secured debt obligations issued by a department will be limited by the feasibility of the overall financing plan including consideration of debt service coverage, revenue volatility, fund balances, debt reserves and future capital needs as determined by the Finance Director.

Revenue-secured debt obligations must first be reviewed and approved by the Finance Director in consultation with the involved departments before being presented to the City Council for approval. The City will strive to maintain at least 1.5 to 2 times coverage of debt service on enterprise revenue bonds.

- D. **Limitations on Capital Leases for Equipment and Furnishings.** In Chapter 3, Article 31 NMSA, the term "bond" means any obligation of a municipality issued under Chapter 3, Article 31 NMSA, includes bond, note, warrant, debenture, lease-purchase agreement or other instrument evidencing an obligation of a municipality to make payments. Therefore, all leases shall meet the same criteria and comply with Revenue Secured debt or enterprise debt metrics.

III. **STRUCTURE AND TERM OF CITY INDEBTEDNESS**

- A. **Debt Repayment.** Generally, borrowings by the City should be of a duration that does not exceed the expected economic life of the improvement that it finances and where feasible should be shorter than the expected economic life of the assets being financed. The City shall strive to repay the principal amount of its long-term general obligation debt on an issue-by-issue basis as follows: at least 20 percent in five years and 40 percent in ten years. Revenue bonds should strive for the same repayment period, but may also consider the underlying security, overall capital program needs, debt service coverage and other structuring considerations.

- B. Optional Redemption.** City debt issues with final maturities of 10 years or more should include provisions for optional redemption prior to maturity absent special circumstances in which it does not appear to be cost-effective and in the City's best interests to do so. Determination of redemption features shall be made by the Finance Director in consultation with the City's Financial Advisor and Bond Counsel.
- C. Use of Capitalized Interest.** The City shall use capitalized interest debt structures subject to review and approval of the Finance Director, when a specific repayment cash flow intended to be used by the City is not available to make initial debt service payments, and the project is deemed by City Council to be of sufficient importance to pay the additional interest cost resulting from the use of capitalized interest.
- D. Issuance of Variable-Rate Securities.** When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities. The decision to issue variable rate securities shall be reviewed and approved by the Finance Director before City Council is requested to approve issuance of such securities. Prior to issuing variable rate debt, Departments shall, in conjunction with the Finance Director, develop a plan to address interest rate risk associated with these instruments.
- E. Issuance of Subordinate Lien Obligations.** Creation of a subordinate lien shall be based on the overall financing needs of a particular Department, expected credit ratings, relative cost of a subordinate lien structure, and impacts on the City as determined by the Finance Director, in consultation with the involved Department. Expectations regarding subordination shall be presented to the City Council for consideration prior to or at the time such bonds are being authorized.
- F. Issuance of Tax-Advantaged Debt.** The City may choose to issue taxable bonds that are eligible to receive a direct interest subsidy or that facilitate a tax credit from the federal government. The decision to issue such debt shall be based upon an analysis indicating that the post-subsidy interest cost would be lower than the interest cost of a comparable tax-exempt borrowing. The decision shall also take into account any additional risks or administrative costs associated with issuing such bonds, including the anticipated costs of periodic reporting and semi-annual or annual application for the subsidy. Tax-advantaged debt shall be subject to the same policies and conditions as tax-exempt debt, unless otherwise legally allowable, and subject to approval by the Finance Director.
- G. Issuance of Federally Taxable Debt.** The City may issue debt that is not eligible for any federal tax exemption or other benefit for projects that do not meet federal requirements for tax-exempt or tax-advantaged debt. Decisions to issue federally taxable debt will be made by the Finance Director after appropriate due diligence regarding project qualifications, financing costs, and other considerations of this Policy. The City may also issue federally taxable debt for reasons of maintaining financing flexibility or cost efficiency if it is determined by the Finance Director to be in the City's best interest to do so.

IV. **SHORT-TERM DEBT AND INTERIM FINANCING**

- A. **Lines and Letters of Credit.** Where their use is determined by the Finance Director and to be prudent and advantageous to the City, authorized by New Mexico Statute, and confirmed by Bond Counsel not to create a general obligation, City Council may authorize the Finance Director to enter into agreements with commercial banks or other financial entities for purposes of acquiring lines or letters of credit that shall provide the City with access to credit under terms and conditions as specified in such agreements. Before entering into any such agreements, takeout financing or intended amortization for such lines or letters of credit must be planned for and determined to be feasible by the Finance Director. Lines or letters of credit will be procured in conformance with Section VIII.C. Lines and letters of credit entered into by the City shall be in support of projects contained in the approved CIP as described in Section I.F.
- B. **Bond Anticipation Notes.** Where their use is determined by the Finance Director to be prudent and advantageous to the City, where authorized by New Mexico State Statute, and subject to authorization and approval by City Council, the City may choose to issue Bond Anticipation Notes (BANs) as a source of interim construction financing. Before issuing such notes, takeout financing for such notes must be planned for and determined to be feasible by the Finance Director. BANs may be sold in either a competitive or negotiated sale, or through private placement.
- C. **Tax and Revenue Anticipation Notes.** Where their use is determined by the Finance Director to be prudent and advantageous to the City, where authorized by New Mexico State Statute, and subject to authorization and approval by City Council, the City may choose to issue Tax and Revenue Anticipation Notes (TANs, RANs) to fund internal working capital cash flow needs. Before issuing such notes, cash flow projections will be prepared by the appropriate Departments and determined to be feasible by the Finance Director. TANs and RANs may be sold in either a competitive or negotiated sale, or through private placement.
- D. **Reimbursement Resolutions.** The City may, as determined by the Finance Director, in compliance with Internal Revenue Code and U.S. Treasury regulations, New Mexico Statute, and the City Council, advance internal funds prior to issuance of General Obligation Bonds, GRT Revenue Bonds, Enterprise Revenue Bonds or New Mexico Finance Authority loans, in support of projects contained in the approved CIP as described in Section I.F. for authorized projects. Reimbursement resolutions should be adopted within 60 days of the capital expenditures that will be reimbursed with bond or loan proceeds and the reimbursement bonds must be issued within 18 months of the expenditure.

V. **SPECIAL SITUATION DEBT ISSUANCE**

- A. **Debt Instruments.** There are a number of debt issuance options the City may employ depending on the economic opportunity, the entity in which is seeking the opportunity and the goals and objective of the City. Public Improvement Districts (PIDs), Business Improvement Districts (BIDs), Special Assessment Districts (SADs), Tax Increment for Development Districts (TIDs) or Industrial Revenue Bonds (IRBs) are available financing instruments to the City. These debt instruments may or may not be used in conjunction with other New Mexico statutes such as Enterprise Zones (Article 9) or Metropolitan Redevelopment (Article 60A).
- B. **Governing Policies.** The City's Comprehensive Economic Development policy, CIP Plan and Public Works Development Plan shall govern the use and timing of issuance of said debt instruments in conjunction with the City Council.
- C. **Commitment to Self-Supporting Economic Development Financings.** The City's economic development indebtedness shall be self-supporting. Prior to the issuance of any economic

development bonds, the Finance Director shall review projected cash flows which incorporate scheduled payments, and projections of prepayments, delinquencies, and non-payments to ensure that the proposed bonds meet the City's self-supporting requirement and provide as specified level of coverage or margin for debt service. Unless it is specifically provided by the City, no economic development indebtedness shall have a direct or implied support of City credit. Economic development financing shall have no direct or indirect negative impact on the debt or financing capabilities of the City.

D. **Exception to Limits on Debt Structure.** Economic development financing shall be structured in a manner aligned with the structure and provisions of the dedicated taxes or revenues that provide repayment revenues for the financing, with the exception of IRBs.

E. **IRB Debt Financing.** The City may sponsor conduit financings for those activities that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the City Council. All Conduit financings must insulate the City completely from any direct credit risk or exposure and must first be approved by the Finance Director before being submitted to the City Council for authorization. The City will consider possible property tax abatement, in keeping with New Mexico State Statute and Federal Tax Law. The following criteria will be used to evaluate the possible issuance and structuring of IRBs and associated property tax abatements:

- Unless waived by the City, the minimum amount financed per bond shall be \$5 million dollars.
- The maximum maturity for IRBs is 30 years.
- For all IRBs issued, the City requires the issuer to remit, for the complete duration of the bond, a yearly payment in lieu of taxes (P.I.L.O.T) equal to the total value of real and personal property taxes that would otherwise have been levied on behalf of and paid to the Santa Fe Public School District for the tax period in question. The IRB issuer will have an appraisal of the real and personal property done once every four years.
- Applicants for IRBs shall pay to the City a one-time, application, processing and issuance fee totaling one-tenth of one percent (.001) of the amount financed. For issuance greater than \$100 Million, the fee would be negotiated. One-third of the fee shall constitute the application fee and shall be non-refundable.
- The Applicant shall be responsible for paying all bond sale costs associated with the financing.
- The Applicant shall be responsible for funding any debt reserve requirement, if applicable.
- The Applicant shall be responsible for complying with all arbitrage rebate requirements associated with the bonds and shall, prior to closing of the bonds, enter into a contract for rebate services with a firm recognized as having expertise in performing arbitrage rebate calculations for tax-exempt or tax-advantaged bonds.

VI. **SELECTION OF FINANCE CONSULTANTS AND SERVICE PROVIDERS**

The City's Finance Director shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the City's debt program.

Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices. The solicitation and selection process for such services will comply with City Code requirements for such services,

including procurement requirements for Professional, Technical, and Expert Services, if appropriate.

- A. **Bond Counsel.** As part of its responsibility to oversee and coordinate the marketing of all City indebtedness, the City Attorney, upon consultation with the Finance Director, shall make recommendations to the City Council regarding the selection of one or more Bond Counsel firms to be engaged and the duration of the engagement. Bond Counsel may be selected for an individual financing, for a series of financings or for a specified period of time. The City Council shall make such selection, taking into consideration these recommendations.
- B. **Underwriters.** The Finance Director shall, in consultation with the City's financial advisor, solicit proposals for underwriting services for all long-term debt issued in a negotiated or private placement sale. The solicitation process shall include formation of a review committee selected by the Finance Director to evaluate written proposals and, if deemed necessary, conduct oral interviews. The selection of underwriters may be for an individual or series of financings or for a specified period of time. The Finance Director shall make such selections taking into consideration the recommendations of the review committee.
- C. **Commercial Banks.** The Finance Director may solicit proposals from commercial banks to provide lines of credit, letters of credit, direct loans and direct bank placements as needed. Selection of such providers will be based upon the proposed financial terms deemed most advantageous to the City, including, but not limited to, lowest cost.
- D. **Financial Advisor.** The Finance Director shall make recommendations to the City Council regarding the selection of financial advisors to be engaged and the duration of such engagement. The time period for engagement may relate to an individual or a series of financings, or for a specified period of time. The City Council shall make such selections taking into consideration the recommendations of the RFP review committee. A financial advisor under contract with the City will not be eligible to serve as an underwriter for City bond issues during the term of the contract and for the successive two years. Any firm acting as financial advisor to the City regarding debt issuance must be a registered Municipal Advisor (as defined by the Municipal Securities Rulemaking Board) and must remain in compliance with all securities regulations.
- E. **Other Service Providers.** The Finance Director shall periodically solicit for providers of other services necessary to carry out the debt issuance activities of the City (paying agents, escrow agents, verification agents, feasibility consultants, rebate consultants, trustees, etc.). The Finance Director in recommending such additional service providers to the City Council shall evaluate the cost and perceived quality of service of the proposed service provider.

VII. **METHOD OF SALE**

- A. **Presumption of Competitive Sale.** The City, as a matter of policy, shall issue its long-term debt obligations through a competitive sale unless the Finance Director determines that such a sale method is unlikely to produce the best results or is otherwise not in the best interests of the City. In such instances, the City may enter into negotiation with an underwriter (or syndicate of underwriters) for sale of the securities.
- B. **Negotiated Sale.** When determined appropriate by the Finance Director, the City may elect to sell its debt obligations through a negotiated sale. Such determination may be made on an issue by issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in this Policy, consistent with City Code, and as may be adjusted by the Finance Director, in consultation with the City's Financial Advisor. It is the City's policy that negotiated sale underwriters receive fair and reasonable

compensation for actual expenses incurred as part of the bond transaction, but underwriters will not be compensated for travel or similar out-of-pocket expenses unless such travel is specifically requested or approved by the City.

- C. **Private Placement.** When determined appropriate by the Finance Director, the City may elect to sell its debt obligations through a direct bank loan, private placement or limited public offering. Selection of a placement agent shall be made pursuant to selection procedures developed by the Finance Director, consistent with Section VIII.C of this Policy and with City Code, as applicable.

VIII. **REFUNDING OF CITY INDEBTEDNESS**

- A. **Monitoring of Refunding Opportunities.** The Finance Director shall be responsible for monitoring the interest rates and optional redemption provisions of the City's outstanding debt in order to identify potential current or advance refunding opportunities.
- B. **Debt Service Savings-Advance Refundings.** The City may issue advance refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible and prudent, and when net present value savings equals or exceeds 3 percent.
- C. **Debt Service Savings-Current Refundings.** The City may issue current refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible and prudent, and when net present value savings equal or exceed 3 percent.
- D. **Restructuring of Debt.** The City may choose to refund outstanding indebtedness when existing bond covenants or other financial structures impair prudent and sound financial management. Savings requirements for current or advance refunding's undertaken to restructure debt may be waived by the Finance Director upon a finding that such a restructuring is in the City's overall best financial interests.
- E. **Open Market Purchase of City Securities.** The City may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible. The Finance Director shall be responsible for developing procedures in consultation with Bond Counsel and the Financial Advisor for executing open market purchases and the savings objectives to be achieved by undertaking such actions.

IX. **USE OF CREDIT ENHANCEMENT**

The City may use credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost-effective or is otherwise beneficial to a financing transaction. Selection of credit enhancement providers shall be subject to a competitive bid process developed by the Finance Director. Credit enhancement may be used to improve or establish a credit rating on a City debt obligation even if such credit enhancement is not cost effective if, in the opinion of the Finance Director, the use of such credit enhancement otherwise facilitates the City's debt financing goals and objectives.

X. **CREDIT RATINGS**

- A. **Rating Agency Relationships.** The Finance Director shall be responsible for maintaining relationships with the rating agencies that currently assign ratings to the City's various debt obligations. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.
- B. **Use of Rating Agencies.** The Finance Director shall be responsible for determining whether or

not a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.

- C. **Minimum Long-Term Rating Requirements.** The city will strive to maintain its GO, Senior Lien GRT, Senior Lien water revenue bond ratings at “AA” or higher. Subordinate lien GRT ratings should be maintained at no more than two notches below the Senior lien GRT ratings. For other enterprise or separately secured revenue debt, the City will strive to maintain ratings in the “A” category. If a debt obligation cannot meet this requirement based on its underlying credit strength, then private placement with New Mexico Finance Authority “NMFA” will be considered, or credit enhancement shall be sought to ensure that the minimum rating is achieved. If credit enhancement is unavailable or is determined by the Finance Director to be disadvantageous to the City, then the obligations may be issued without a rating, however, bonds that are not rated shall be sold via a private sale only to NMFA or “accredited investors”, unless such requirement is waived by the Finance Director.

XI. REBATE COMPLIANCE AND OTHER POST-ISSUANCE RESPONSIBILITIES

The Finance Director shall establish and maintain a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. The procedures shall include: tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City’s outstanding tax-exempt or tax-advantaged debt issues. The City’s Post-Issuance Tax Compliance Procedures currently in effect are incorporated by reference in this Policy, as those Procedures may be amended from time to time.

It shall be the primary responsibility of the Finance Department to ensure that appropriate accounting records of bond expenditures are maintained for a period of time that allows the City to comply with its arbitrage rebate requirements. The Finance Director shall advise the Finance Department on appropriate record-retention timeframes based upon current legal requirements and industry best practices. The Departments for which the Debt was issued, is responsible to promptly notify the Finance Director of any concerns surrounding the appropriate use of tax-exempt and tax-advantaged bond proceeds or facilities financed with tax-exempt or tax-advantaged bonds. In particular, it is the responsibility of the debt-issuing Department to notify the Finance Director of any planned or potential sale of or change in use of assets financed with tax-exempt or tax-advantaged bonds, so long as the bonds are currently outstanding.

Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored by the Finance Department and the Finance Director to ensure compliance with all covenants. Debt-issuing Departments will be responsible for providing relevant data and information to the Finance Director to assure ongoing compliance.

XII. DISCLOSURE

- A. **Primary Market Disclosure.** The Finance Director shall be responsible for establishing a process for the review, approval and publication of official primary market disclosure information, including review by Bond Counsel, Municipal Advisor or other Professionals retained by the City. Such process shall be periodically reviewed to ensure that the City is complying with legal requirements and following accepted best practices with respect to primary market disclosure.
- B. **Continuing Disclosure.** The Finance Director shall be responsible for preparing and providing required continuing disclosure information to the Electronic Municipal Market Access (“EMMA”) or any such successor organization designed to assist issuers in maintaining compliance with disclosure standards promulgated by state and national regulatory bodies. The Finance Director shall be responsible for establishing and maintaining a process to guide continuing disclosure

actions and responsibilities. Additionally, the Finance Director may determine that it is in the City's best interest to prepare and provide information beyond the minimum continuing disclosure requirements, and may prepare and provide such information from time-to-time. The City's Continuing Disclosure Compliance Procedures currently in effect are incorporated by reference in this Policy, as those Procedures may be amended from time to time.

XIII. DERIVATIVE PRODUCTS

The Finance Director may, in consultation with the City's financial advisor and appropriate swap advisor, recommend to the City Council that it is in the City's financial interest to enter into contracts and financing agreements involving interest rate swaps or other forms of debt bearing synthetically determined interest rates as authorized under New Mexico statutes.

VIII. GLOSSARY OF TERMS AND ABBREVIATIONS

TERMS

ACCOUNT - An entity for recording specific revenues or expenditures, or for grouping related or similar classes of revenues and expenditures and recording them within a fund or department

ACCOUNTING SYSTEM - The total set of records and procedures that are used to record, classify, and report information on the financial status and operations of the entity (*See also Accrual Basis of Accounting, Modified Accrual Basis of Accounting, and Cash Basis of Accounting*)

ACCRUAL BASIS OF ACCOUNTING - The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at the time or not)

ACTIVITY - Departmental efforts that contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget

AD VALOREM TAXES - Commonly referred to as property taxes levied on both real and personal property according to the property's valuation and the tax rate

ADOPTED BUDGET - A financial plan for the fiscal year beginning July 1

ALLOT - To divide an appropriation into amounts that may be encumbered or expended during an allotment period

ANNUALIZE - To calculate the value of a resource or activity for a full year

APPROPRIATION - An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources

ARBITRAGE - The practice of taking advantage of a price difference between two or more markets

ASSESSED VALUATION - A value established on real and personal property for use as a basis for levying property taxes (*Note: In New Mexico, property values are established by the County*)

ASSESSMENT RATIO - The ratio at which the tax rate is applied to the tax base

ASSET - Property owned by a government or other entity that has a monetary value

ATTRITION RATE - Staffing vacancy rate in a department above the normal turnover rate as the result of retirements

AUTHORIZED POSITIONS - Employees positions that are authorized in the adopted budget to be filled during the year

AVAILABLE (UNDESIGNATED) FUND BALANCE - Funds remaining from the prior year that are available for appropriation and expenditure in the current year

BALANCED BUDGET - A budget where expenditures are equal to revenues

BEGINNING FUND BALANCE - The balance available in a fund from the end of a prior year for use in the following year

BOND - A written promise to pay a sum of money on a specific date at a specified interest rate (*Note: Interest payments and the repayment of the principal are detailed in a bond ordinance*)

BOND REFINANCING - The payoff and re-issuance of bonds, usually to obtain better interest rates and/or bond conditions

BUDGET - A financial plan embodying an estimate of proposed expenditures and the proposed means of financing them, usually for a single fiscal year or period

BUDGET ADJUSTMENT - A procedure to revise a budget appropriation either by the City Council approval through the adoption of a budget resolution or by a City Administrator authorization to adjust appropriations within a departmental division budget

BUDGET ADJUSTMENT REQUEST - A critical step in the formal approval process required before a revision can be made to the budget appropriation (*Note: Budget adjustments of \$5,000 and under shall be approved by the Finance Director; above \$5,000 but no more than \$50,000 shall be approved by the City Manager, and above \$50,000 shall be approved by the City Council*)

BUDGET CALENDAR - The schedule of key dates an entity follows in the preparation and adoption of the budget

BUDGET DOCUMENT - The official writing statement prepared by the Budget Office and supporting staff

BUDGET MESSAGE - The opening section of the budget that provides readers with a general summary of the most important aspects of the budget, including changes from the current and previous fiscal years and recommendations made by the City Manager

BUDGET ORDINANCE - The legal means to amend the adopted budget through recognizing revenue increases or decreases; transferring funds; decreasing funding of a fund or department; or providing supplemental funding to a fund or department or for the establishment of a new capital project (*Note: The City Council adopts or rejects all budget ordinances*)

BUDGETARY BASIS - Refers to the accounting method used to estimate financing sources and uses in the budget

BUDGETARY CONTROL - The management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources

BUSINESS UNIT - A cost accounting unit covering a City department, capital project, or fund

CALENDAR YEAR - The twelve-month period beginning January 1 and ending December 31

CAPITAL ASSETS - Assets of significant value and having a useful life of several years (*also known as Fixed Assets.*)

CAPITAL BUDGET - A capital project financial expenditure plan

CAPITAL IMPROVEMENT - Any significant physical acquisition, construction, replacement, or improvement to a City service delivery system that has a cost of \$5,000 or more and a minimum useful life of two years

CAPITAL IMPROVEMENT PLAN (CIP) - The process of planning, monitoring, programming, and budgeting over a multi-year period the allocation of capital monies

CAPITAL OUTLAY - One of the expenditures account categories used for the purchase of any item with a cost of \$5,000 or more and a minimum useful of two years

CAPITAL PROJECT - A cost accounting method identifying a specific project included in the CIP



CARRY FORWARD - Appropriated funds from the previous or current fiscal year that are appropriated in the next fiscal year

CASH BASIS OF ACCOUNTING - A method of accounting in which transactions are recognized only when cash is increased or decreased

CHARGES FOR SERVICES - Revenues received for services rendered

CHART OF ACCOUNTS - The classification system used by an entity to organize the accounting of various funds, programs, departments, divisions, sources, activities, and items

CITY CHARTER - Legal authority approved by the voters of the City of Santa Fe under the State of New Mexico Constitution establishing the government organization

COLLECTIVE BARGAINING AGREEMENT - A legal contract between the employer and a recognized bargaining unit for specific terms and conditions of employment

COMMODITIES - Expendable items that are consumable or have a short life span such as office supplies, fuel, minor equipment, and asphalt

CONSTANT OR REAL DOLLARS - The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money compared to a certain point of time in the past

CONSUMER PRICE INDEX - A statistical description of price levels provided by the U.S. Department of Labor used as a measure of the increase in the cost of living (economic inflation)

CURRENT BUDGET - The original budget as approved by the City Council, along with any carryover encumbrances from the prior fiscal year and any transfers or amendments since July 1

DEBT SERVICE - The amount of revenue that must be provided for payment to insure the extinguishment of principal, interest and fees on City bonds

DEDICATED TAX - A tax levied to support a specific government program or purpose

DEFEASANCE - A provision that voids a bond or loan when the borrower sets aside cash or bonds sufficient enough to service the borrower's debt

DEFEASE - To void, nullify, or offset a liability or debt

DEFICIT - The excess of an entity's liabilities over assets, or the excess of expenses over revenues during an accounting period

DEPARTMENT - A major administrative division of the City that indicates overall management responsible for an operation or group of related operations

DEPRECIATION - Expiration in the service life of fixed assets attributable to wear and tear through use and lapse of time, obsolescence, inadequacy or other physical or functional cause

DISBURSEMENT - The expenditure of monies from an account

DIVISION - A sub-unit of a department which encompasses a substantial portion of the duties or activities assigned to a department

EFFECTIVENESS - Sometimes referred to as quality indicators, effectiveness measures the degree to which services are responsive to the needs and desires of customers, how well a job is performed, or how well the intent is being fulfilled

EFFICIENCY - Sometimes referred to as productivity, efficiency measures the unit cost over time, money, or labor required to produce a service

EMPLOYEE (FRINGE) BENEFITS - Contributions made by an employer to meet commitments or obligations for items such as social security, medical coverage, retirement, and other insurance plans

ENCUMBER - To set aside or commit funds for a future expenditure

ENCUMBRANCE - The legal commitment of appropriated funds to purchase an item or service

ENTERPRISE FUND - A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges

ESTIMATED REVENUE - The amount of projected revenue to be collected during an accounting period

EXPENDITURE/EXPENSE - The outflow of funds paid for materials received or services rendered

FAIR MARKET VALUE - The value of an asset in the open market, often used to determine the assessed valuation of real property for tax purposes

FINES AND FORFEITURES - The loss of a right, money, or especially property because of one's criminal act, default, or failure or neglect to perform a duty

FISCAL YEAR - A twelve-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations (*Note: The fiscal year for the City and State of New Mexico begins July 1 and ends June 30; the federal government's fiscal year begins October 1 and ends September 30*)

FIXED ASSETS - Assets of long-term nature that are intended to continue to be held or used, such as land, buildings, furniture, equipment, machinery, and vehicles (*also known as Capital Assets*)

FULL-TIME EQUIVALENT - One full-time position funded for a full year or the sum of two or more part-time positions that equal the hours of a full-time position

FUNCTION - A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety)

FUND - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources as well as related liabilities and residual equities or balances

FUND BALANCE - The excess of amounts carried over from a prior accounting period plus the difference between revenues received and expenses incurred in the current period

FUNDED POSITIONS - A term referring to the number of authorized positions for which funding is included in a fiscal year budget

GANG RESISTANCE EDUCATION AND TRAINING - A prevention program built around school-based, law enforcement officer-instructed classroom curricula intended as an immunization against delinquency, youth violence, and gang membership

GENERAL FUND - The largest fund within the City, it accounts for most of the financial resources and day-to-day operations of the government not specifically accounted for in other funds

GENERAL OBLIGATION BONDS - Long-term debt instruments issued by state and local governments to raise funds for capital improvements

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES - A collection of commonly-followed accounting rules and standards for financial reporting

GEOGRAPHIC INFORMATION SYSTEM - An integrated system of computer hardware and software used for storage, retrieval, mapping, and analysis of referenced geographic data

GOAL - A statement of broad direction, purpose or intent

GOVERNMENTAL ACCOUNTING STANDARDS BOARD - The source of generally accepted accounting principles used by state and local governments

GRANT - A sum of money given to a person or entity, usually identified for a specific purpose

IMPACT FEE - Payments required by local governments of new development for the purpose of providing new or expanded public capital facilities such as roads, parks, bikeways, trails, police and fire stations, water and wastewater utilities, and drainage

INDIRECT COST - Costs that are not directly accountable to a cost objective, frequently referred to as overhead, general, and administrative expenses

INFRASTRUCTURE - The fundamental facilities and systems serving a local, State or Federal government, such as roads, bridges, tunnels, water supply, sewers, electrical grids, and telecommunications

INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN - Capital projects proposed to be undertaken within the next five fiscal years identifying estimated costs and potential funding sources

INTERGOVERNMENTAL AGREEMENT - An agreement that involves or is made between two or more governments in cooperation to address issues of mutual concern

INTERGOVERNMENTAL REVENUE - Funds received from Federal, State and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes

INTERNAL SERVICE FUND - A fund used in governmental accounting to track goods and services shifted between departments on a cost-reimbursement basis

LEVY - To impose taxes for the support of government activities

LICENSES AND PERMITS - Permission or authorization to do something or use something, usually resulting in a fee imposed upon the holder

LINE ITEM - A specific account used to budget and record revenues or expenditures

LONGEVITY - Employee compensation payments made in recognition of a certain number of years of employment with the same entity

LONG-TERM DEBT - Debt with a maturity date greater than one year from the date of issuance

MANDATE - A requirement imposed by a legal act of the federal, state, or local government

MATERIALS AND SERVICES - Commodities which are consumed or materially altered when used, such as office or operating supplies, or when a vendor renders a service, such as consulting or in connection with a repair or maintenance of an asset

MEASURE - A plan of action taken to achieve a particular purpose or a standard used to express the size, amount, or degree of something

MILL - A property tax rate based on the assessed valuation of real property, e.g., a tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed valuation

MISCELLANEOUS REVENUE - Revenue that is not identified separately in the chart of accounts

MISSION STATEMENT - A formal summary articulating an organization's purpose, identifying the scope of its operations and the kind of product or service it provides

MODIFIED ACCRUAL BASIS OF ACCOUNTING - The method combining the accrual basis of accounting with the cash basis of accounting in which revenues are recognized when they are both measurable and available but expenditures are recognized when a liability is incurred

NOMINAL DOLLARS - The presentation of dollar amounts not adjusted for inflation

OBJECT OF EXPENDITURES - The lowest and most detailed level of expenditure classification, such as electricity, office supplies, asphalt, and furniture

OBJECTIVE - Something to be accomplished in specific, well-defined, and measurable terms, often including a specific timeframe in which the objective will be achieved

OBLIGATIONS - Commitments which a person or entity may be legally obligated to meet

OPERATING BUDGET - A combination of known expenses, expected future costs, and forecasted revenue over the course of a year stated in terms of functional categories and accounts

OPERATING EXPENSES - A category of expenditures an entity incurs as a result of performing operations, such as salaries, employee benefits, contracted services, supplies, and commodities

OPERATING REVENUE - Funds that the government receives to pay for operating expenses

ORDINANCE - A formal legislative enactment by a City Council, having the full force and effect of law within the City boundaries unless it is in conflict with a higher form of law (*Note: An Ordinance has higher legal standing than a Resolution*)

ORIGINAL BUDGET - The initial adopted budget for an entity that has not been revised or amended

OUTPUT INDICATOR - A unit of work accomplished, without reference to the resources required to do the work (e.g. number of permit issued, or number of arrests made), not necessarily meant to reflect the effectiveness or efficiency of the work performed

PART-TIME EQUIVALENT - A position that is not considered full-time

PAYMENT IN LIEU OF TAXES - A payment made to compensate a government for some or all of the property tax revenue lost due to tax-exempt ownership or use of real property



PERFORMANCE INDICATORS - A measurable value that demonstrates how effectively an entity is achieving its key business objectives or activities

PERFORMANCE MEASURE - A quantifiable indicator used to assess how well an entity is achieving its desired objectives

PERSONAL SERVICES - Salary and wage-related costs of salaried and hourly employees

PILOT - Payment In Lieu Of Taxes

PROGRAM - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible

PROJECT NUMBER - A unique identifier of any special activity, especially where specific reporting requirements exist regarding the activity, often used with capital projects or grants

PURCHASE ORDER - A document issued by a buyer to a seller indicating type, quantity, and pricing for a product or service, resulting in an encumbrance in the buyer's accounting records

PURPOSE - A broad statement of goals or objectives specifying the reason for which something exists or is done

RESERVE - An account used to indicate that portion of fund equity which is legally restricted for a specific purpose and is, therefore, not available for general appropriation

RESOLUTION - A special order by the City Council dealing with matters of a special or temporary nature

RESOURCES - The total amount available for appropriation, including estimated revenues, fund transfers, and beginning balances

REVENUE - The yield from sources of income (such as taxes, licenses, fines, etc.) that the City collects and receives into the treasury for current or future use

REVENUE BOND - A municipal bond that finances income-producing projects and is secured by a specified revenue source, such as Gross Receipts Tax

REVENUE ESTIMATE - The funds projected to accrue during an accounting period, whether or not all of it is expected to be collected during that period

SEVEN MAJORS - Crimes reported to the Federal Bureau of Investigation (FBI), including homicide, robbery, motor vehicle theft, aggravated assault/battery, burglary, larceny, and rape

SHARED REVENUE - Taxes collected Federal or State governments that are allocated back to local governments

SINKING FUND - An account used to periodically set aside money for the gradual repayment a debt

SPAN OF CONTROL - The number of subordinates a supervisor has, expressed as a ratio of supervisor to subordinates

SPECIAL ASSESSMENT DISTRICT - The geographical area a government uses to designate a unique tax to help pay for certain public projects

SPECIAL REVENUE FUND - An account established by a government to collect money that must be used for a specific project

STRATEGIC PLAN - A systematic process of envisioning a desired future, translating that vision into broadly defined goals or objectives, and developing a sequence of steps to achieve them

SYSTEM CONTROL AND DATA ACQUISITION - A radio system for monitoring and managing the City's water and wastewater facilities

TAX - A compulsory contribution levied by a government

TAX LEVY - The amount imposed or assessed by a government on a real property owner or on a consumer or seller engaging in a business transaction

TRANSFER IN/OUT - Amounts moved from one fund or department to another

UNENCUMBERED BALANCE - The amount of an appropriation that is neither expended nor encumbered and is, therefore, still available for future use

UNRESERVED FUND BALANCE - The portion of a fund's remaining resources that is not restricted for a specific purpose and is, therefore, available for appropriation

USER FEE - A sum of money paid by an individual choosing to access a service or facility (e.g., swimming pools)

WORKLOAD INDICATOR - A unit of work to be done (e.g., number of permit applications received)

XERISCAPE - A style of landscape design requiring little or no irrigation, often used in arid regions

ZERO-BASED BUDGETING - A budgeting method in which all expenses for an accounting period must be justified

ABBREVIATIONS

ACA - Affordable Care Act

ADA - Americans with Disabilities Act

ADO - Asset Development Office

AFSCME - American Federation of State, County, and Municipal Employees

AIS - Annual Information Statement

ALGA - Association of Local Government Auditors

APA - American Planning Association

ARRA - American Recovery and Reinvestment Act

ASE - Automotive Service Excellence

ATV - All-Terrain Vehicle

BAR - Budget Amendment Resolution

BDD - Buckman Direct Diversion

BuRRT - Buckman Road Recycling & Transfer station



- CAD** - Computer-Aided Design
- CAF** - Corrective Action Fund
- CAFR** - Comprehensive Annual Financial Report
- CAPER** - Consolidated Action and Performance Evaluation Report
- CBA** - Collective Bargaining Agreement
- CC** - City Council
- CCC** - Community Convention Center
- CDBG** - Community Development Block Grant
- CDL** - Commercial Driver's License
- CERT** - Community Emergency Response Team
- CIAC** - Capital Improvement Advisory Committee
- CIP** - Capital Improvement Plan
- CIPCAC** - Capital Improvement Plan Citizen's Advisory Committee
- CIPTAC** - Capital Improvement Plan Technical Advisory Committee
- CISA** - Certified Information Systems Auditor
- CLG** - Certified Local Government
- CM** - City Manager
- CMO** - Collateralized Mortgage Obligation
- CNG** - Compressed Natural Gas
- CNT** - Crisis Negotiation Team
- COD** - Chemical Oxygen Demand
- COLA** - Cost Of Living Adjustment
- CPO** - Chief Procurement Officer
- CPR** - Cardiopulmonary Resuscitation
- CRM** - Citizen Relationship Management
- CRWTP** - Canyon Road Water Treatment Plant
- CVB** - Convention and Visitors Bureau
- CY** - Calendar Year
- DFA** - Department of Finance and Administration (State of New Mexico)



DHSEM - Department of Homeland Security and Emergency Management (State of New Mexico)

DOJ - Department of Justice

DOT - Department of Transportation (State of New Mexico)

DPS - Department of Public Safety (State of New Mexico)

DPSA - Department of Public Safety Association

DRT - Development Review Team

DUI - Driving Under the Influence of intoxicating liquor

DVP - Delivery Versus Payment

DWI - Driving While under the Influence of intoxicating liquor or drugs

EAP - Employee Assistance Program

EGRT - Environmental Gross Receipts Tax

EMMA - Electronic Municipal Market Access

EMPG - Emergency Management Performance Grant

EMS - Emergency Medical Services

EMT - Emergency Medical Technician

EOC - Emergency Operations Center

EOD - Explosive Ordinance Disposal

EOP - Emergency Operations Plan

EPA - Environmental Protection Agency

ERP - Enterprise Resource Planning

ESD - Environmental Services Division

ESWTR - Enhanced Surface Water Treatment Rule

EVTCC - Emergency Vehicle Technician Certification Commission

FAA - Federal Aviation Administration

FCC - Federal Communications Division

FDIC - Federal Deposit Insurance Corporation

FEMA - Federal Emergency Management Agency

FF&E - Furniture, Fixtures, and Equipment

FFY - Federal Fiscal Year



FGP - Foster Grandparents
FHWA - Federal Highway Administration
FINRA - Financial Industry Regulatory Authority
FT - Full-Time
FTA - Federal Transit Administration
FTE - Full-Time Equivalent
FY - Fiscal Year
GAAP - Generally Accepted Accounting Principles
GAGAS - Generally Accepted Government Auditing Standards
GASB - Governmental Accounting Standards Board
GCCC - Genoveva Chavez Community Center
GFOA - Government Finance Officers Association
GIS - Geographic Information System
GO BONDS - General Obligation Bonds
GOAL - A statement of broad direction, purpose or intent
GPRGC - Grandparents Raising Grandchildren
GPS - Global Positioning System
GREAT - Gang Resistance Education And Training
GRT - Gross Receipts Tax
HPD - Historic Preservation Division
HR - Human Resources Department
HRB - Human Rights Bureau
HUD - U.S. Office of Housing and Urban Development
HVAC - Heating, Ventilation and Air Conditioning
ICIP - Infrastructure Capital Improvement Plan
IGA - Intergovernmental Agreement
IP - Industrial Pretreatment
IPRA - Inspection of Public Records Act
IRS - Internal Revenue Service



ISACA - Information Systems Audit and Control Association

ISC - Interstate Stream Commission

IT - Information Technology

ITT - Information Technology and Telecommunications

JAG - Justice Assistance Grant

JPA - Joint Powers Agreement

KSFB - Keep Santa Fe Beautiful

LANL - Los Alamos National Laboratory

LED - Light Emitting Diode

LEDA - Local Economic Development Act

LEPF - Law Enforcement Protection Fund

LGD - Local Government Division (State of New Mexico Department of Finance & Administration)

LGIP - Local Government Investment Pool

LIHTC - Low Income Housing Tax Credit

LINC - Local Innovation Corridor

MIH - Mobile Integrated Health

MIHO - Mobile Integrated Health Office

MOU - Memorandum Of Understanding

MOW - Meals On Wheels

MPA - Metropolitan Planning Area

MPO - Metropolitan Planning Organization

MRC - Municipal Recreation Complex

MSGP - Multi-Sector General Permit

MSL - Marty Sanchez Links de Santa Fe

MSRB - Municipal Securities Rulemaking Board

MTP - Metropolitan Transportation Plan

NCS - National Citizens Survey

NCUA - National Credit Union Administration

NMAC - New Mexico Administrative Code



NMED - New Mexico Environment Department
NMFA - New Mexico Finance Authority
NMGAS - New Mexico Gas Company
NMGL - New Mexico Golf Limited
NMML - New Mexico Municipal League
NMRPA - New Mexico Recreation and Park Association
NMSA - New Mexico Statutes Annotated
NMSD - New Mexico School for the Deaf
NMWWA - New Mexico Wastewater Association
NOAA - National Oceanic and Atmospheric Association
NPDES - National Pollutant Discharge Elimination System
NRCS - National Resources Conservation Service
NRPA - National Recreation and Park Association
NSIP - Nutrition Service Incentive Program
NWS - National Weather Service
OAH - Office of Affordable Housing
OBG - Office for Business Growth
OED - Office of Economic Development
OEM - Office of Emergency Management
O&M - Operating & Maintenance
OSE - Office of the State Engineer (State of New Mexico)
OTAB - Occupancy Tax Advisory Board
PARCS - Parking Access and Revenue Control System
P-CARD - Procurement Card
PCR - Police Community Relations
PERA - Public Employees Retirement Association
PILOT - Payment In Lieu Of Taxes
PIO - Public Information Officer
PNM - Public Service Company of New Mexico



PO - Purchase Order

POS - Point Of Sale

POTW - Publically Owned Treatment Works

PRV - Pressure Reducing Valve

PT - Part-Time

PTE - Part-Time Equivalent

PTTMP - Part-Time Temporary

PWD - Public Works Department

QWEL - Qualified Water Efficient Landscaper

RFP - Request for Proposal

RFQ - Request for Quote

ROW - Right of way

RSVP - Retired Senior Volunteer Program

RTCR - Revised Total Coliform Rule

SAD - Special Assessment District

SBDC - Small Business Development Center

SCADA - Supervisory Control And Data Acquisition

SCBA - Self-Contained Breathing Apparatus

SCORE - Service Corp Of Retired Executives

SCP - Senior Companion Program

SEC - Securities and Exchange Commission

SEP - Senior Employment Program

SFBI - Santa Fe Business Incubator

SFCC - Santa Fe City Code

SFFD - Santa Fe Fire Department

SFGTV-28 - Santa Fe Government access cable Television channel 28

SFHP - Santa Fe Homes Program

SFPS - Santa Fe Public Schools

SFUAD - Santa Fe University of Art and Design



SIU - Significant Industrial User

SLO - State Land Office (State of New Mexico)

SNAG - Starting New At Golf

SSD - Senior Services Division

SWAT - Special Weapons And Tactics

SWOT - Strengths, Weaknesses, Opportunities, Threats

TAT - TMDL and Assessment Team

TBAR - Technical Budget Adjustment Request

TBBL - Technically Based Local Limit

TEMS - Tactical Emergency Medical Service

TIC - True Interest Cost

TMDL - Total Maximum Daily Load

TSF - Tourism Santa Fe

TSS - Total Suspended Solids

TWAS - Thickened Waste Activated Sludge

UPWP - Unified Planning Work Program

UTV - Utility Vehicle

UX - User Experience

VSS - Volatile Suspended Solids

WERS - Water Efficiency Rating Score

WESST - Women's Economic Self-Sufficiency Team

WIP - Workforce Innovation Program

WW - Wastewater

WWMD - Wastewater Management Division

WWTP - Wastewater Treatment Plant

YFSD - Youth and Family Services Division

ZBB - Zero-Based Budgeting