



**STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION**

Bataan Memorial Building, Ste 201 • Santa Fe, New Mexico 87501
Phone: (505) 827-4950 • FAX (505) 827-4948
www.nmdfa.state.nm.us

BILL RICHARDSON
GOVERNOR

KATHERINE B. MILLER
CABINET SECRETARY

October 9, 2009

ROBERT M. APODACA
DIRECTOR

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

Dear Chair Madam Vigil:

The final budget for Fiscal Year 2009-2010, as approved by your governing body, has been reviewed and we find it has been developed in accordance with applicable statutes. Sufficient resources appear to be available to cover budgeted expenditures. However, approval is contingent on the commission addressing the General Obligations bond series 2001 (Fund 353) and 1999-2001 OS Proceeds (Fund 385) negative cash balances and adjusting the budget to ensure the funds are balanced for fiscal year 2009-2010.

In accordance with Section 6-6-2-(E) NMSA 1978, the Local Government Division (Division) certifies your final FY 2009-2010 budget. However, 2.2.3 NMAC requires that your most recent audit that should have been submitted to the Office of the State Auditor as of this time is for FY 2008-09. If you are behind in the submission of your annual audit(s), then this certification is conditional upon your due diligence to get in compliance with this rule.

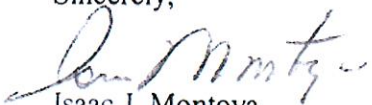
Budgets approved by the Division are required to be made a part of the minutes of your governing body according to Section 6-6-5 NMSA 1978. In addition, Section 6-6-6 NMSA 1978 provides that the approved budget will be binding on local officials and governing authorities. Any official or governing authority approving claims or paying warrants in excess of the approved budget or available funds will be liable for such claims and warrants allowed.

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

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

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

Sincerely,


Isaac J. Montoya
Executive Budget Analyst

SANTA FE COUNTY

Resolution 2009 - 103

A RESOLUTION ADOPTING THE INTERIM 2009-2010 (FY 2010) BUDGET

WHEREAS, the Santa Fe County Board of County Commissioners (BCC), the governing body in and for the County of Santa Fe, State of New Mexico, held an official meeting on May 26, 2009 for the study and review of a 2009-2010 (FY 2010) budget, with recognition of sources and uses of funds of said budget.

WHEREAS, the meeting on May 26, 2009, was duly advertised in compliance with the State Open Meetings Act and the Federal Statements of Assurances pertaining to the requirements for revenue funds, and the budget was duly approved at the regular BCC meeting of May 26, 2009;

NOW, THEREFORE, BE IT RESOLVED, that the BCC hereby adopts the 2009-2010 (FY 2010) "Interim Budget" and respectfully requests final approval from the Local Government Division of the Department of Finance and Administration.

APPROVED, ADOPTED AND PASSED this 26th day of May 2009.

BOARD OF COUNTY COMMISSIONERS

Approved as to Form


Mike Anaya, Chairperson


Stephen C. Ross, County Attorney

ATTEST:

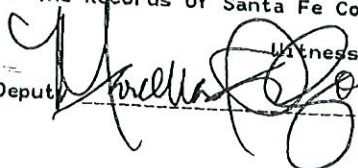

Valerie Espinoza, County Clerk


Teresa Martinez, Finance Director



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss E.C.C. RESOLUTIONS
PAGES: 1

I Hereby Certify That This Instrument Was Filed for Record On The 26TH Day Of May, 2009 at 03:59:24 PM And Was Duly Recorded as Instrument # 1564271 Of The Records Of Santa Fe County


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

SANTA FE COUNTY

Resolution 2009 - 130

A RESOLUTION ADOPTING THE FINAL 2009-2010 (FY2010) BUDGET

WHEREAS, the Santa Fe County Board of County Commissioners (BCC), the governing body in and for the County of Santa Fe, State of New Mexico, held an official meeting on May 26, 2009 for the study and review of a 2009-2010 (FY 2010) budget, with recognition of sources and uses of funds of said budget.

WHEREAS, the meeting on May 26, 2009, was duly advertised in compliance with the State Open Meetings Act and the Federal Statement of Assurances pertaining to the requirements for revenue funds, and the budget was duly approved at the regular BCC meeting of May 26, 2009;

WHEREAS, the State of New Mexico, Department of Finance and Administration, Local Government Division granted interim approval of the proposed operating budget for the 2009-2010 year (Fiscal Year 2010) with documentation and technical adjustments that may be required.

NOW, THEREFORE, BE IT RESOLVED, that the BCC hereby adopts the 2009-2010 (FY 2010) "Final Budget" and respectfully requests final approval from the Local Government Division of the Department of Finance and Administration.

APPROVED, ADOPTED AND PASSED this 28th day of July 2009.

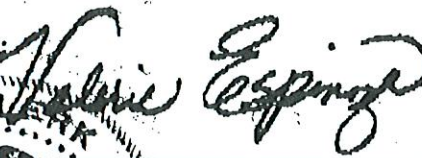
BOARD OF COUNTY COMMISSIONERS

Approved as to Form


Mike Anaya, Chairperson


Stephen Ross, County Attorney

ATTEST:



Valerie Espinoza, County Clerk


Teresa Martinez, Finance Director



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss BCC RESOLUTIONS
PAGES: 1

I Hereby Certify That This Instrument Was Filed for
Record On The 28TH Day Of July, 2009 at 04:01:27 PM
And Was Duly Recorded as Instrument # 1572051
Of The Records Of Santa Fe County

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



Finance Division

July 30, 2009

Isaac Montoya
 Department of Finance and Administration
 Bataan Memorial Building
 Santa Fe, NM 87501

Dear Mr. Montoya:

Below is a summary of the changes made from FY2010 Interim to Final budget. The final budget for Fiscal Year 2010 totaled \$224.3 million, which is a decrease of \$1.9 million from the Interim Budget total of \$226.2 million. The decrease is itemized below by fund:

Fund	Increase/Decrease	Amount	Reason
General	Increase	\$ 98,215	Increase in salaries resulting from transfer of staff between Public Works and Land Use.
Cap. Outlay GRT	Decrease	\$(300,990)	Decrease in carryover amount for encumbrances processed after the interim budget was completed.
Federal Forfeiture	Decrease	\$(24,436)	Corrected budget authority to actual carryover amount.
EMS-Health Care	Increase	\$ 24,000	Increase in AAA revenue and seniors program.
Detox Programs	Increase	\$ 5,076	Increase to Access to Recovery Carryover & budget.
Fire Operations	Increase	\$ 511,316	Added Emergency Preparedness Grant.
Law Enforcement	Decrease	\$(629,004)	Decrease in grant budget authority to correct alignment with a federal fiscal year (Impaired Driver Grant).
CDBG	Increase	\$ 35,643	Added grant for Teen Center Arroyo Seco.
Road Projects	Increase	\$ 149,932	Carryover amounts are budgeted in the final budget.
State Spec. Appr.	Decrease	\$(1,084,864)	Decrease in carryover amount for encumbrances processed after the interim budget was completed.
GOB Series 2007	Increase	\$ 615,666	Carryover amounts are budgeted in the final budget.
GRT Series 2008	Increase	\$ 86,773	Adjusted carryover amounts in the final budget.
GOB Series 2009	Decrease	\$(1,411,472)	Adjusted project budgets for true carryover amounts. The budget authority has been categorized by project vs. the interim submission in total.
Water Fund	Increase	\$ 19,500	To include capital package omitted from interim budget.
	TOTAL	\$(1,904,645)	

- 2 -

Approval of the Final Budget is also contingent on addressing the items detailed in the letter from DFA. As requested, the Santa Fe County Finance Department has addressed the issues as follows:

- The average salary increase in FY 2009 as requested by DFA was .72% which totaled \$323,352 countywide. Santa Fe County implemented cost saving measures during FY 2009 that included soft hiring freezes that assisted in keeping salaries level.
- The total budget for the Property Tax Administration (Valuation fund) is \$1,152,277.
- The total audit expense for FY 2010 is \$91,050 plus gross receipt taxes.

A list of budget priorities for the upcoming fiscal year immediately follows this memorandum. Also attached is the un-audited beginning cash balances as per year-end financial report and investments and the year end DFA financial report for the period ending June 30, 2009.

Sincerely,



Carole H. Jaramillo
Budget Administrator
505-986-6321 (phone)

SANTA FE COUNTY FISCAL YEAR 2010 BUDGET

BUDGET PRIORITIES

As the County embarks on FY 2010 and begins planning for FY 2011, the following issues are of significant importance to the County's fiscal health and future budget planning. The issues detailed below may involve the need for additional funding, total funding or measures to create permanent funding sources.

HEALTH

The finance and the health Division staff are currently preparing a plan that will sustain the entire health operations solely by county dollars in future fiscal years, and possibly as early as FY 2011. Doing so would entail the reliance on existing county gross receipt tax dollars to sustain all health operations and programs without potentially participating in the State programs. The County would still handle indigent claims and may have to evaluate the remaining level of program funding, which may result in reduced or flat program budget levels until the economy recovers and gross receipt tax collections are greater. The total funding for health operations and programs fluctuates between \$3.8 million and \$4.4 million. Other programs funded similarly include the Regional Emergency Communications Center (RECC) and medical care for jail inmates.

This endeavor would require that the County sustain current Indigent funding levels at about \$2.2 million. Based on this, the total funding level shortfall forecasted for FY 2011 is \$500,000, which will be sustained via cash balance. The County is okay with the use of cash given a credit provided to governmental entities participating in the Sole Community Provider program. This forecasted shortfall is based on gross receipt tax collections (from two 1/8th increments) totaling \$7.4 million net of indigent claims. Staff is preparing several funding options for existing health programs, senior services, RECC and jail inmate medical care. And, also includes assumptions for the funding requirements for the remaining health programs and operations at their current funding level. The planning process must consider whether or not the RECC and the inmate medical care costs should be funded using the current model or seek alternative funding mechanisms.

CORRECTIONS

Continue to evaluate the level of operations at both the adult and juvenile facilities. Review revenue earnings compared to expenditure levels in order to monitor the fund's reliance on general fund support. Total general fund support required is now \$8.7 million.

If current trends continue resulting in increased support from the general fund, management will have to define general government and be prepared to make cuts to the general fund. The increased reliance on general fund dollars will require cuts to programs, operations and staffing levels. The FY 2010 corrections budget included use of jail fund cash balance totaling \$2.8 million and additional support of \$2.4 million from the general fund in order to balance the budget.

ECONOMIC DEVELOPMENT

The need for infrastructure improvements related to existing economic development efforts is estimated at \$4.6 million. This need is representative of the SF Business Park and includes improvements for roads, water, broadband and electricity. In order to handle this need, the finance budget staff will prepare a resolution for BCC approval at the August or September administrative meeting to establish a specific set-aside for this from cash balance after the year has been closed and available cash is determined, if any.

PERMANENT FUNDING SOURCES

The County currently has worthy programs in place such as youth and recreation, library services, graffiti and energy efficiency efforts that are either funded at a very base level, a reduced level from previous fiscal years or unfunded altogether. Securing permanent funding will ease the burden on the General Fund. The County is researching the potential of enacting a Quality of Life tax that could offset costs for such things as library services, etc.

The county has also dedicated one staff person to aggressively pursue and attain stimulus funding for some of these initiatives. To date the County has received or is eligible for:

- | | | |
|---------------------------------|-----------|--|
| • EECBG (DOE) | \$264,000 | Renewable energy program |
| • Capital Funds Program (HUD) | \$402,300 | Energy efficiency (windows) and replacement of water system. |
| • Byrne/JAG for Law Enforcement | \$115,445 | |
| • NMDOT Rail Trail | \$100,000 | Agreement pending |

RECESSIONARY PLANNING

The County must continue efforts to ensure that the County's finances remain strong during the current and the future recessionary periods (economists forecast that this recession will continue for at least 2 – 3 years). Continue implementing cost saving measures, pursuing additional revenue mechanisms will little impact to the citizens of the County and enhance smarter and more efficient operations. This includes:

- Increasing revenues without increasing taxes.
- Review of solid waste fees and other fees, for potential increases county wide.
- Exploring fee for service type of options where possible (i.e. RECC).
- Continue to implement S.A.V.E (Santa Fe County Accountability Value and Efficiency Initiative) initiatives recommended from both the cost cutting and revenue generation committees as additional ideas materialize.
- Retrain staff mentality/culture and shift the employee focus from spending to saving.
- Negotiate reasonably and successfully with the Unions (5) to ensure existing staffing levels remain at least flat and prevent the need for furloughs and/or layoffs.

IRS AUDIT

Santa Fe County is currently being examined by the IRS for calendar year 2007. Although the findings have not been finalized, the County will have to deal with a minimal liability inclusive of penalties and interest.

Findings that the County did not contest included (1) the taxable fringe benefit for insurance provided on behalf of the domestic partners of County employees and (2) address the issue of independent contractor versus employees. Required corrective action has already begun and the latter will result in additional FTE's this fiscal year.

BUDGET INITIATIVES

The County will continue to submit future budgets to the Government Finance Officers Association for award presentations. In order to be competitive, the County needs to place more focus on performance based budgeting.

SANTA FE COUNTY
FISCAL YEAR 2010 BUDGET



COMPARISON WITH ORIGINAL FY2009 BUDGET AND FY2010 INTERIM BUDGET

FUND	ACCOUNT DESCRIPTION	FY 2010 FINAL BUD	FY 2010 INTERIM	FY10 FINAL LESS FY10 INTERM	FY 2009 ORIGINAL BUDGET	FY10 FINAL LESS FY09 ORIG
101*	GENERAL FUND	\$ 63,151,815	\$ 63,053,600	\$ 98,215	\$ 70,397,089	\$ (7,245,274)
201*	CORRECTIONS FUND	\$ 250,000	\$ 250,000	\$ -	\$ 200,000	\$ 50,000
203*	PROPERTY VALUATION FUND	\$ 1,152,277	\$ 1,152,277	\$ -	\$ 1,163,425	\$ (11,148)
204*	ROAD FUND	\$ 3,244,737	\$ 3,244,737	\$ -	\$ 3,556,481	\$ (311,744)
206*	EMERGENCY MED SVCS FUND	\$ 134,229	\$ 134,229	\$ -	\$ 132,102	\$ 2,127
208*	FARM & RANGE FUND	\$ 700	\$ 700	\$ -	\$ 800	\$ (100)
209*	FIRE PROTECTION FUND	\$ 1,596,459	\$ 1,596,459	\$ -	\$ 1,478,206	\$ 118,253
211*	LAW ENF. PROTECTION FUND	\$ 72,600	\$ 72,600	\$ -	\$ 72,600	\$ -
212*	ENVIRONMENTAL GRT	\$ 920,000	\$ 920,000	\$ -	\$ 920,000	\$ -
213*	CAPITAL OUTLAY GRT	\$ 12,492,211	\$ 12,793,201	\$ (300,990)	\$ 11,550,000	\$ 942,211
214*	LODGERS TAX FACILITY FUND	\$ 124,290	\$ 124,290	\$ -	\$ 138,100	\$ (13,810)
215*	LODGERS TAX ADVERTISING	\$ 209,385	\$ 209,385	\$ -	\$ 252,650	\$ (43,265)
216*	FIRE IMPACT FEES FUND	\$ 300,000	\$ 300,000	\$ -	\$ 550,000	\$ (250,000)
218*	CLERK RECORDING FEES FUND	\$ 213,600	\$ 213,600	\$ -	\$ 213,600	\$ -
219*	CORRECTIONAL GRT	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -
220*	INDIGENT FUND	\$ 7,076,950	\$ 7,076,950	\$ -	\$ 7,500,000	\$ (423,050)
222*	FIRE TAX 1/4% FUND	\$ 3,661,500	\$ 3,661,500	\$ -	\$ 2,750,000	\$ 911,500
223*	INDIGENT SERVICES FUND	\$ 2,131,100	\$ 2,131,100	\$ -	\$ 2,132,000	\$ (900)
224*	FEDERAL FORFEITURE FUND	\$ 43,032	\$ 67,468	\$ (24,436)	\$ 47,655	\$ (4,623)
226*	LINKAGES	\$ 77,000	\$ 77,000	\$ -	\$ 77,000	\$ -
227*	SECTION 8 VOUCHER FUND	\$ 2,009,307	\$ 2,009,307	\$ -	\$ 2,099,149	\$ (89,842)
231*	DEVELOPER FEES FUND	\$ 228,449	\$ 228,449	\$ -	\$ 180,809	\$ 47,640
232*	EMS-HEALTH CARE	\$ 3,150,970	\$ 3,126,970	\$ 24,000	\$ 5,461,077	\$ (2,310,107)
233*	WILDLIFE/MOUNTAINS/TRAILS	\$ 173,442	\$ 173,442	\$ -	\$ 164,356	\$ 9,086
234*	EMS-HEALTH HOSPITAL	\$ 4,826,950	\$ 4,826,950	\$ -	\$ 5,000,000	\$ (173,050)
241*	ALCOHOL PROGRAMS FUND	\$ 1,418,193	\$ 1,418,193	\$ -	\$ 1,452,019	\$ (33,826)
242*	DETOX PROGRAMS FUND	\$ 1,422,540	\$ 1,417,464	\$ 5,076	\$ 1,620,171	\$ (197,631)
244*	FIRE OPERATIONS FUND	\$ 10,194,611	\$ 9,683,295	\$ 511,316	\$ 10,871,509	\$ (676,898)
245*	EMERGENCY COMM OPERATIONS	\$ 3,660,525	\$ 3,660,525	\$ -	\$ -	\$ 3,660,525
246*	LAW ENFORCEMENT OPS FUND	\$ 10,247,790	\$ 10,876,794	\$ (629,004)	\$ -	\$ 10,247,790
247*	CORRECTIONS OPS FUND	\$ 22,489,813	\$ 22,489,813	\$ -	\$ -	\$ 22,489,813
250*	COMMUNITY DEV BLOCK GRNTS	\$ 35,643	\$ -	\$ 35,643	\$ -	\$ 35,643
301*	HOUSING CAPITAL IMPROV	\$ 738,126	\$ 738,126	\$ -	\$ 305,460	\$ 432,666
311*	ROAD PROJECTS FUND	\$ 1,228,710	\$ 1,078,778	\$ 149,932	\$ 2,443,510	\$ (1,214,800)
318*	STATE SPEC. APPROPRIATION	\$ 9,893,402	\$ 10,978,266	\$ (1,084,864)	\$ 11,560,252	\$ (1,666,850)
330*	GOB SERIES 2005	\$ 487,331	\$ 487,331	\$ -	\$ 428,774	\$ 58,557
331*	GOB SERIES 2007	\$ 3,036,518	\$ 2,420,852	\$ 615,666	\$ 18,556,335	\$ (15,519,817)
332*	GOB SERIES 2007B	\$ 34,699	\$ 34,699	\$ -	\$ 1,131,881	\$ (1,097,182)
333*	2008 GRT REV BOND JUD COM	\$ 4,410,027	\$ 4,323,254	\$ 86,773	\$ -	\$ 4,410,027
334*	GOB SERIES 2008	\$ 1,149,127	\$ 1,149,127	\$ -	\$ -	\$ 1,149,127
335*	GOB SERIES 2009	\$ 14,725,076	\$ 16,136,548	\$ (1,411,472)	\$ -	\$ 14,725,076
353*	GOB SERIES 2001	\$ 1,223,411	\$ 1,223,411	\$ -	\$ 1,284,346	\$ (60,935)
370*	FACILITY BOND 97 PROCEEDS	\$ 320,059	\$ 320,059	\$ -	\$ 313,774	\$ 6,285
385*	GOB SERIES-OPEN SPACE	\$ 3,086,013	\$ 3,086,013	\$ -	\$ 3,052,588	\$ 33,425
401*	GEN OBLIG. BOND DEBT SVC	\$ 11,692,076	\$ 11,692,076	\$ -	\$ 11,616,578	\$ 75,498
403*	EQUIPMENT LOAN DEBT SVC	\$ -	\$ -	\$ -	\$ 300,192	\$ (300,192)
405*	JAIL REV BOND DEBT SVC	\$ 2,250,580	\$ 2,250,580	\$ -	\$ 2,251,890	\$ (1,310)
406*	GRT REVENUE BOND DEBT SVC	\$ 3,063,676	\$ 3,063,676	\$ -	\$ 425,175	\$ 2,638,501
501*	REGIONAL PLANNING AUTHRITY	\$ 173,000	\$ 173,000	\$ -	\$ 60,000	\$ 113,000
505*	ENTERPRISE - WATER FUND	\$ 4,078,078	\$ 4,058,578	\$ 19,500	\$ 1,627,823	\$ 2,450,255
517*	ENTERPRISE - HOUSING ADMN	\$ 1,004,157	\$ 1,004,157	\$ -	\$ 1,062,637	\$ (58,480)
518*	JAIL ENTERPRISE FUND	\$ -	\$ -	\$ -	\$ 23,882,239	\$ (23,882,239)
	TOTAL	\$ 224,304,184	\$ 226,208,829	\$ (1,904,645)	\$ 215,284,252	\$ 9,019,932