

# City of Las Cruces®

PEOPLE HELPING PEOPLE

## Council Action and Executive Summary

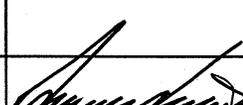
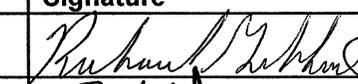
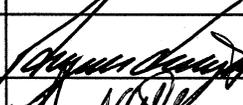
Item # 3 Ordinance/Resolution# 11-128 Council District: ALL

For Meeting of December 6, 2010

(Adoption Date)

**TITLE:** A RESOLUTION DETERMINING THAT THE CITY OF LAS CRUCES SHALL **NOT** UNDERTAKE THE FORMAL FISCAL AGENT PROCESS TO ADMINISTER STATE APPROPRIATIONS MADE DURING THE 2011 LEGISLATIVE SESSION FOR NON-PROFIT AGENCIES OUTSIDE THE CITY ORGANIZATION.

**PURPOSE(S) OF ACTION:** This action declares that the City will not be serving as fiscal agent for non-profit organizations as a result of appropriations made by the New Mexico Legislature in the 2011 Legislative Session.

<b>Drafter and Staff Contact:</b> Auguie Henry III		<b>Department:</b> GAO		<b>Phone:</b> (575) 541-2281	
<b>Department</b>	<b>Signature</b>	<b>Phone</b>	<b>Department</b>	<b>Signature</b>	<b>Phone</b>
Administration		541-2276	Budget		541-2107
GAO		541-2281	Assistant City Manager		541-2271
Legal		541-2128	City Manager		541-2076

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:** Each year the state legislature appropriates funds for capital and operational expenses to local governments and various non-profit organizations around the state. As the number of non-profits continues to increase in the Las Cruces area and their participation/competition with the City for legislative funds increases, the City is often requested or required to assume the role of Fiscal Agent for the respective recipients.

For the City, the role of fiscal agent includes but is not limited to:

1. Implementing a contract between the City and the State for awarded funds, as required by the State's Anti-Donation clause of the New Mexico Constitution;
2. Establishing a contract between the City and the awarded agency as a mechanism to convey the awarded funds to the respective agency;
3. Budgeting and accounting functions, including purchasing, inventory control, contracting services, project management, and legal advice.

Given the current economic condition of the State and the City, coupled with the probability of limited or no state capital or operating assistance from the 2011 Legislative Appropriations; assuming the role of fiscal agent for non-profit organizations outside the City of Las Cruces organization is not prudent at this time. The City would remain as fiscal agent for all current projects only.

(Continue on additional sheets as required)

**SUPPORT INFORMATION:**

1. Resolution

**SOURCE OF FUNDING:**

Is this action already budgeted?	Yes	<input type="checkbox"/>	See fund summary below
	No	<input checked="" type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
<input type="checkbox"/>		Proposed funding is from fund balance in the (# and Fund Name) Fund.	
Does this action create any revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: (Fund #) in the amount of \$ _____ for FY__.
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

**BUDGET NARRATIVE**

N/A

**FUND EXPENDITURE SUMMARY**

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A					

**OPTIONS / ALTERNATIVES:**

1. Vote "Yes"; this will approve the Resolution precluding the City from serving as the fiscal agent for State appropriations made to outside agencies for the upcoming 2011 New Mexico Legislative session.
2. Vote "No"; this will deny the Resolution precluding the City from serving as fiscal agent for state appropriations made to outside agencies from the upcoming 2011 New Mexico Legislative session.
3. Vote to "Amend"; Council could modify the Resolution and vote to approve the modified Resolution.
4. Vote to "Table"; is not an option with this Resolution.

**REFERENCE INFORMATION**

(Continue on additional sheets as required)

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

1. **Resolution No. 10-151** A resolution determining that the City of Las Cruces shall **NOT** undertake the formal Fiscal Agent process for the administration of state appropriations to be made during the 2010 legislative session for non-profit agencies outside the City organization.

**RESOLUTION NO. 11-128 .**

**TITLE: A RESOLUTION DETERMINING THAT THE CITY OF LAS CRUCES SHALL NOT UNDERTAKE THE FORMAL FISCAL AGENT PROCESS TO ADMINISTER STATE APPROPRIATIONS MADE DURING THE 2011 LEGISLATIVE SESSION FOR NON-PROFIT AGENCIES OUTSIDE THE CITY ORGANIZATION.**

The City Council is informed that:

**WHEREAS**, the State of New Mexico, through the legislative appropriations and budgetary processes, makes appropriations for capital projects and operational expenses to both local governments and non-profit organizations; and

**WHEREAS**, with the ever-increasing growth of non-profits in the Las Cruces area and their direct participation in competition with the City of Las Cruces for legislative funds, the City is often requested or required to assume the role of fiscal agent for these organizations; and

**WHEREAS**, since the 2008 Legislative Session, the City of Las Cruces has implemented formal procedures to process requests by non-profits and other organizations for the City to serve as their fiscal agent, as well as policies for implementing and performing these duties; and

**WHEREAS**, the City, in assuming the role of Fiscal Agent, generally is required to perform functions including but not limited to: 1) implementing a contract between the City and the State agency awarding the funds; 2) establishing a contract between the City and the awarded agency to meet the States Anti-Donation clause of the New Mexico Constitution; and 3) budgeting and accounting functions, to include purchasing, inventory control, contracting services, project management, and legal advice; and

**WHEREAS**, the State of New Mexico's budgetary outlook for 2011 is very limited as it relates to the awarding of capital outlay and operating expenses for both local governments and non-profit organizations.

**NOW, THEREFORE**, Be it resolved by the governing body of the City of Las Cruces:

**(I)**

**THAT**, the City of Las Cruces hereby declares that it shall **NOT** serve as the fiscal agent through its formal application process for the administration of State of New Mexico appropriations to be made during the upcoming, 2011 Legislative Session for non-profit agencies outside the City organization or for any non-City projects, unless specifically requested by an organization during the legislative session.

**(II)**

**THE** City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

**DONE AND APPROVED** this 6th day of December, 2010.

APPROVED:

---

Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

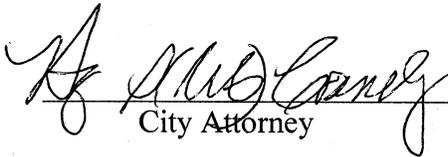
VOTE:

Mayor Miyagishima:	_____
Councillor Silva:	_____
Councillor Connor:	_____
Councillor Pedroza:	_____
Councillor Small:	_____
Councillor Sorg:	_____
Councillor Thomas:	_____

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved as to Form:

  
\_\_\_\_\_  
City Attorney