

Budget Work Session

Budget Work Session

The April 23, 2012 Work Session presentation will focus on the City Manager's Proposed Fiscal Year 2012-2013 Budget for the City of Las Cruces. The proposed budget covers the period July 1, 2012 to June 30, 2013. The work session presentation will address the following topics:

1. The economic outlook for the US and Las Cruces
2. Total budget overview
3. A listing of replacement & new equipment for purchase during the year
4. General Fund overview of revenues and expenditures
5. Infrastructure Capital Improvement Plan for Fiscal Year 2012-2013

City Manager's Proposed Budget Fiscal Year 2012-2013 Overview

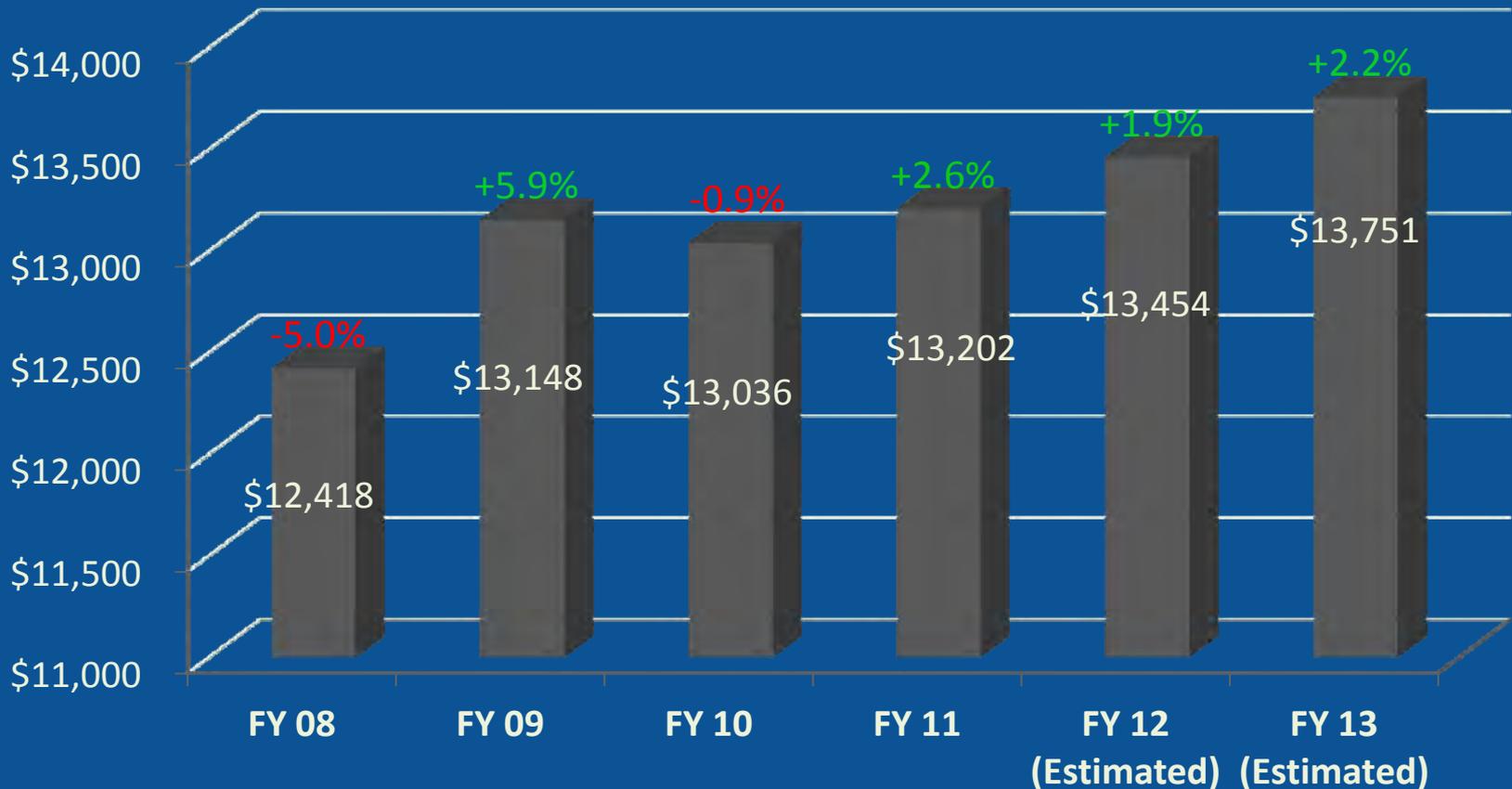
**City Council Work Session
April 23, 2012**

Overview

- U.S. Economic Outlook
- Las Cruces Economic Outlook
- Total Budget Overview
- General Fund Overview
- FY13 ICIP

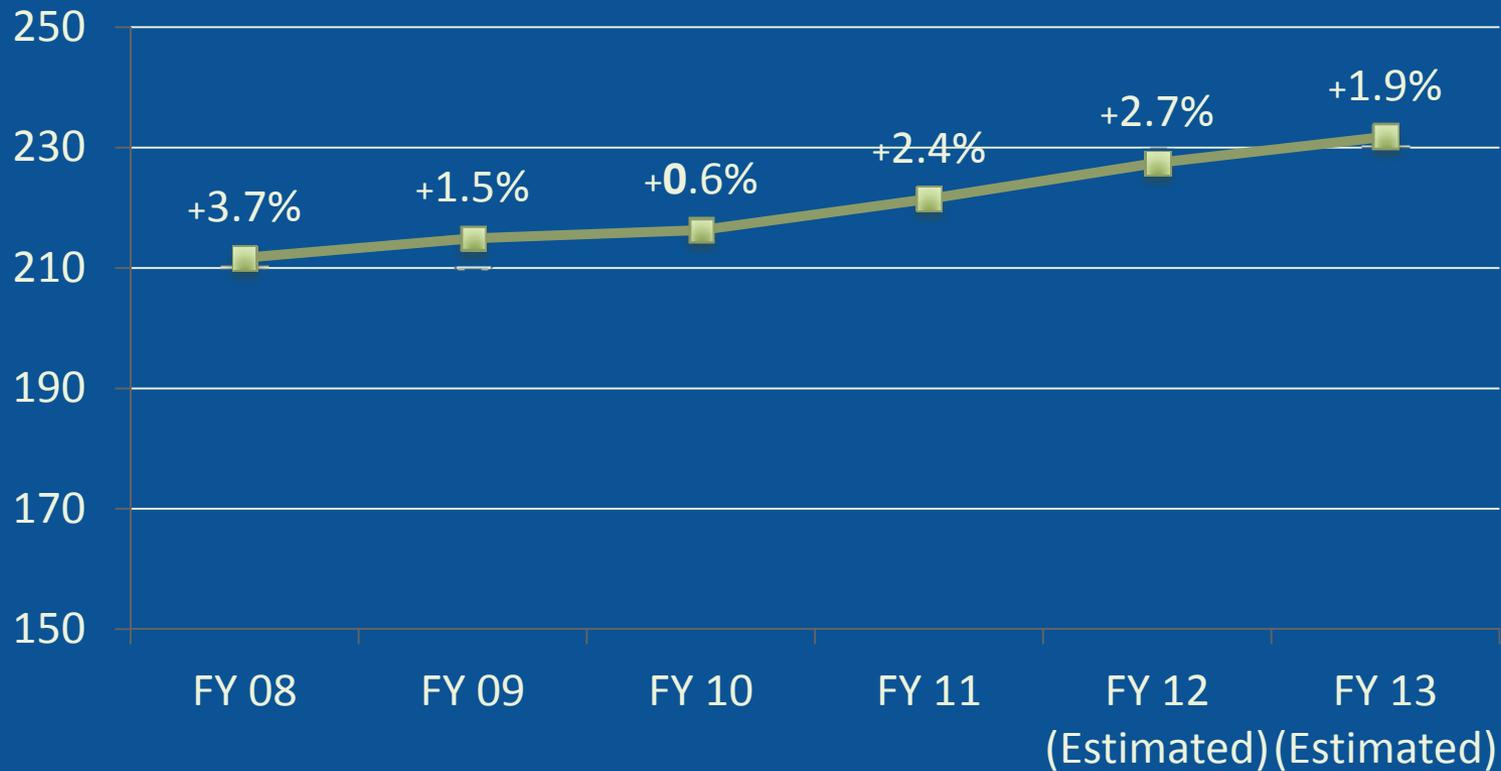
US Real Gross Domestic Product

In Billions, With Percent Change from Previous Year



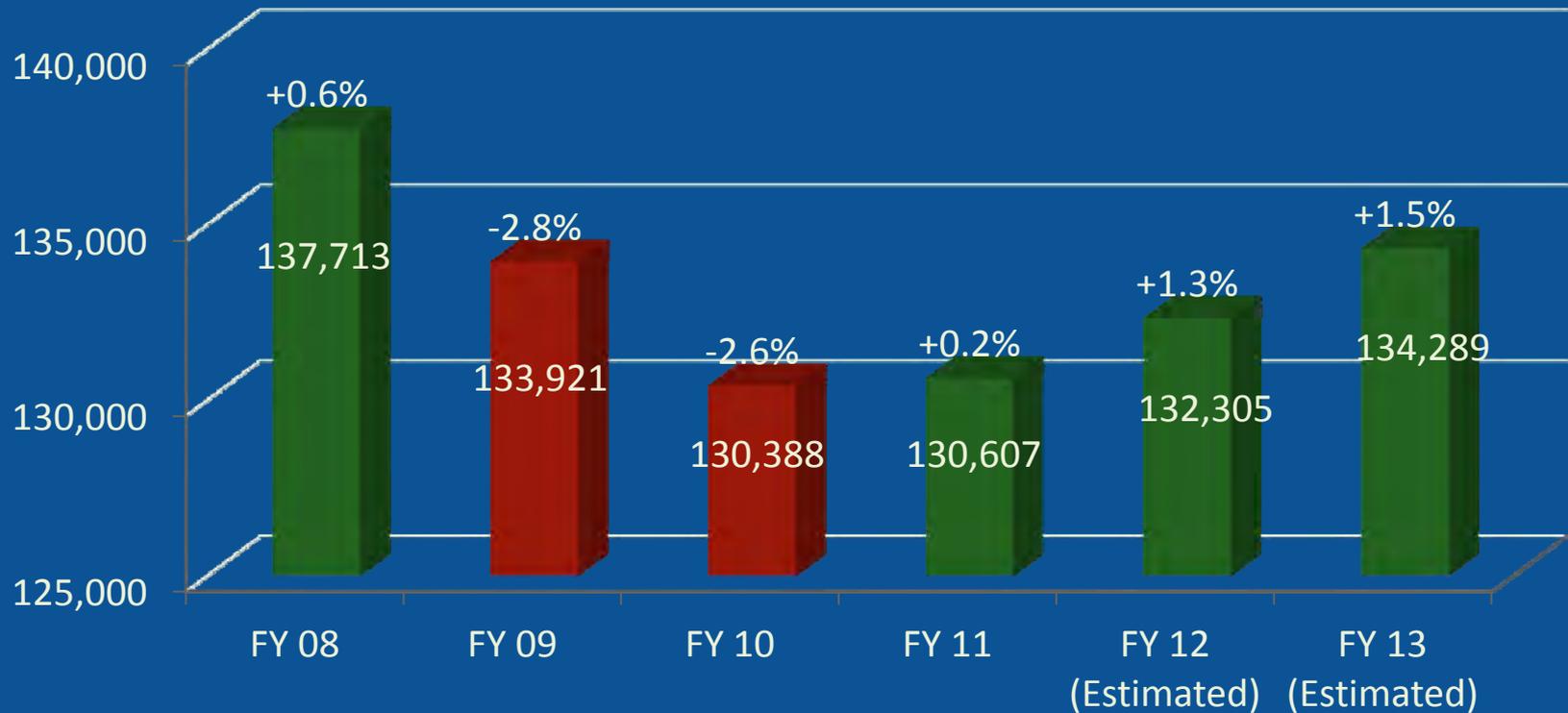
Inflation

As Measured by U.S. CPI-U



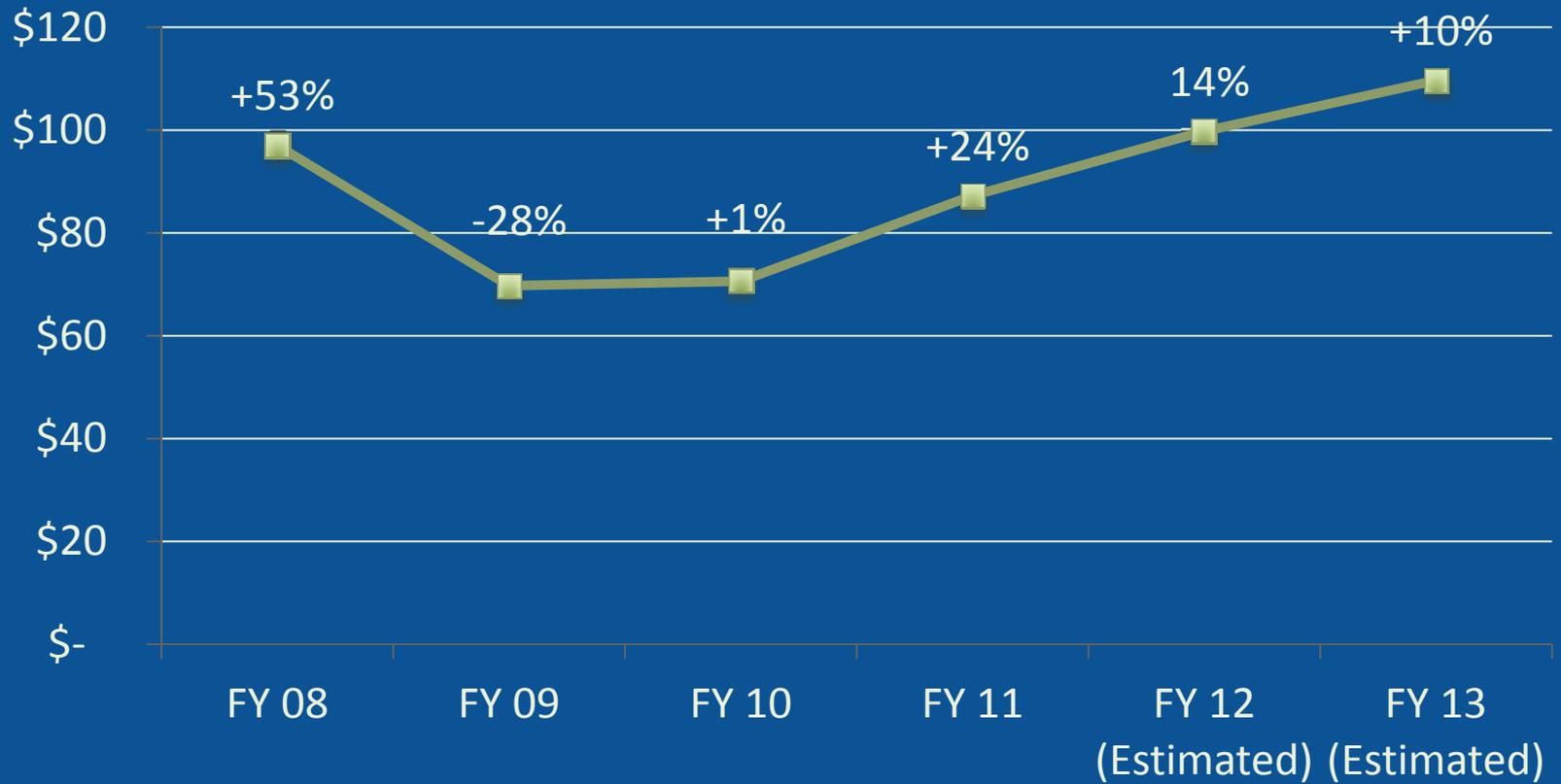
U.S. Non-Agricultural Employment

In Thousands, With Percent Change from Previous Year



Oil Prices

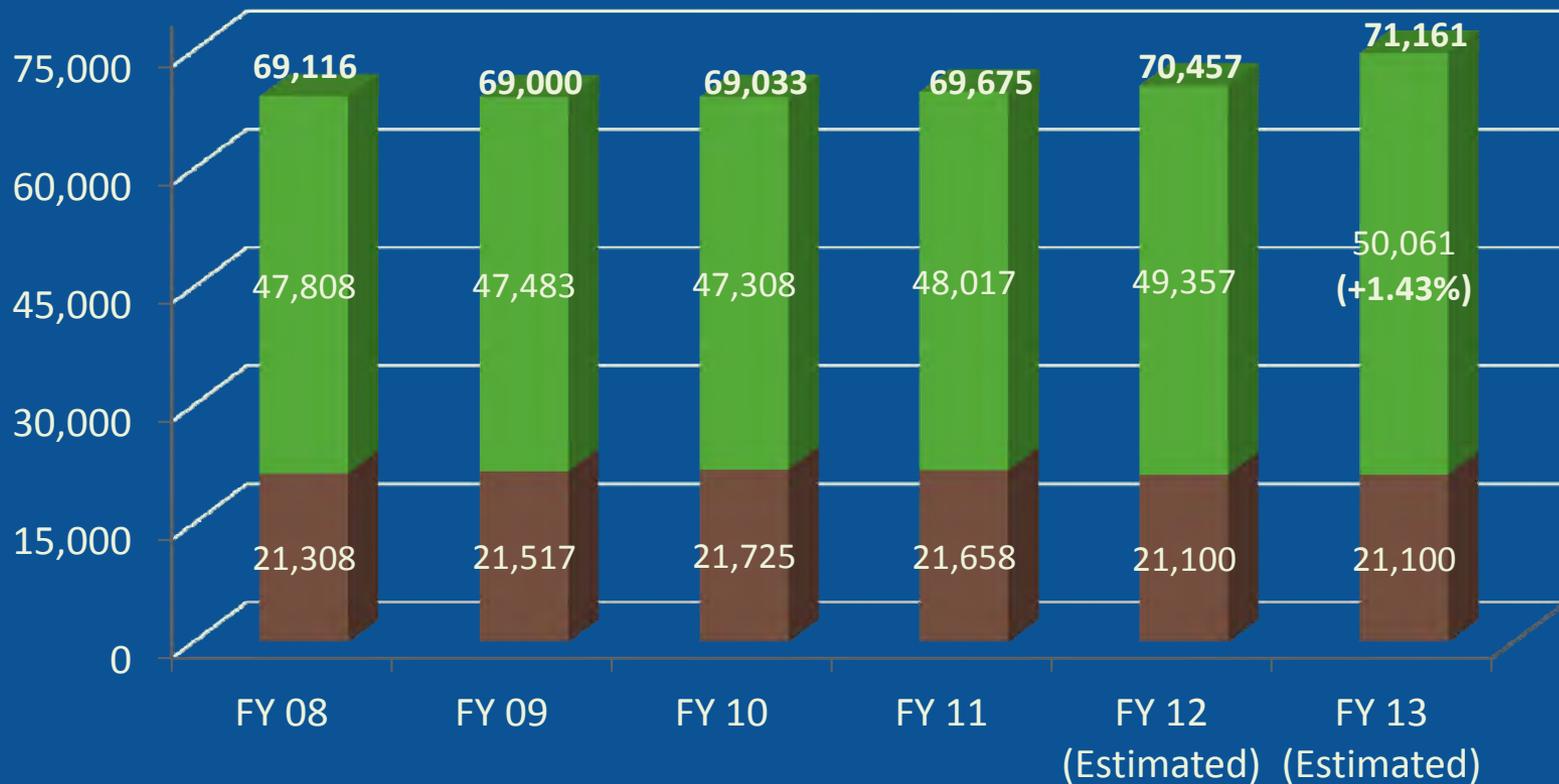
Per Barrel-West Texas Intermediate



Las Cruces Employment

Non-Agricultural Jobs by Sector-MSA

■ Private Sector
■ Government



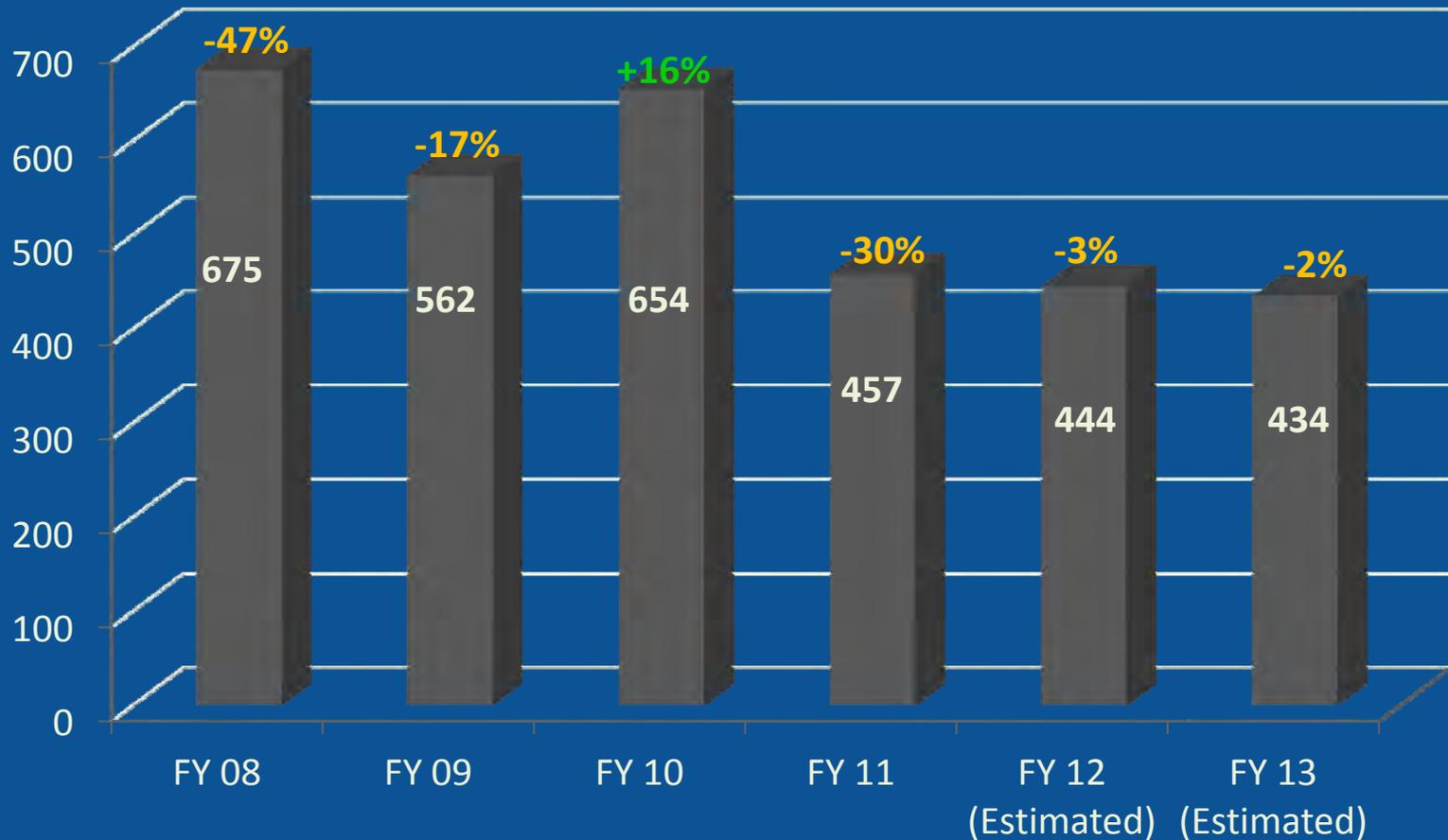
Total Permitted Valuation

In Millions, With Percent Change from Previous Year



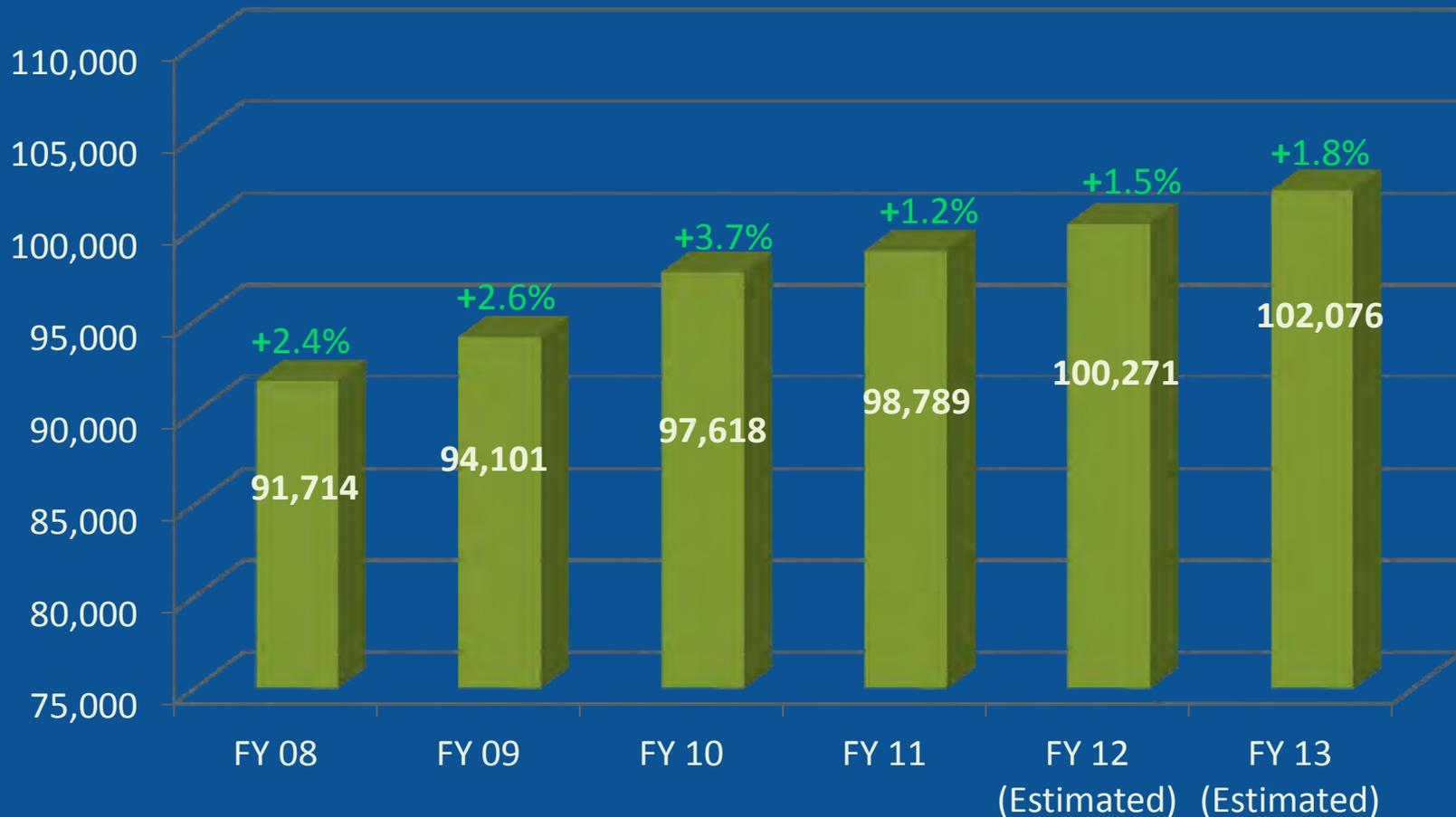
New Residential Building Permits

With Percent Change from Previous Year



Las Cruces Population

With Percent Change from Previous Year



City of Las Cruces Budget Overview

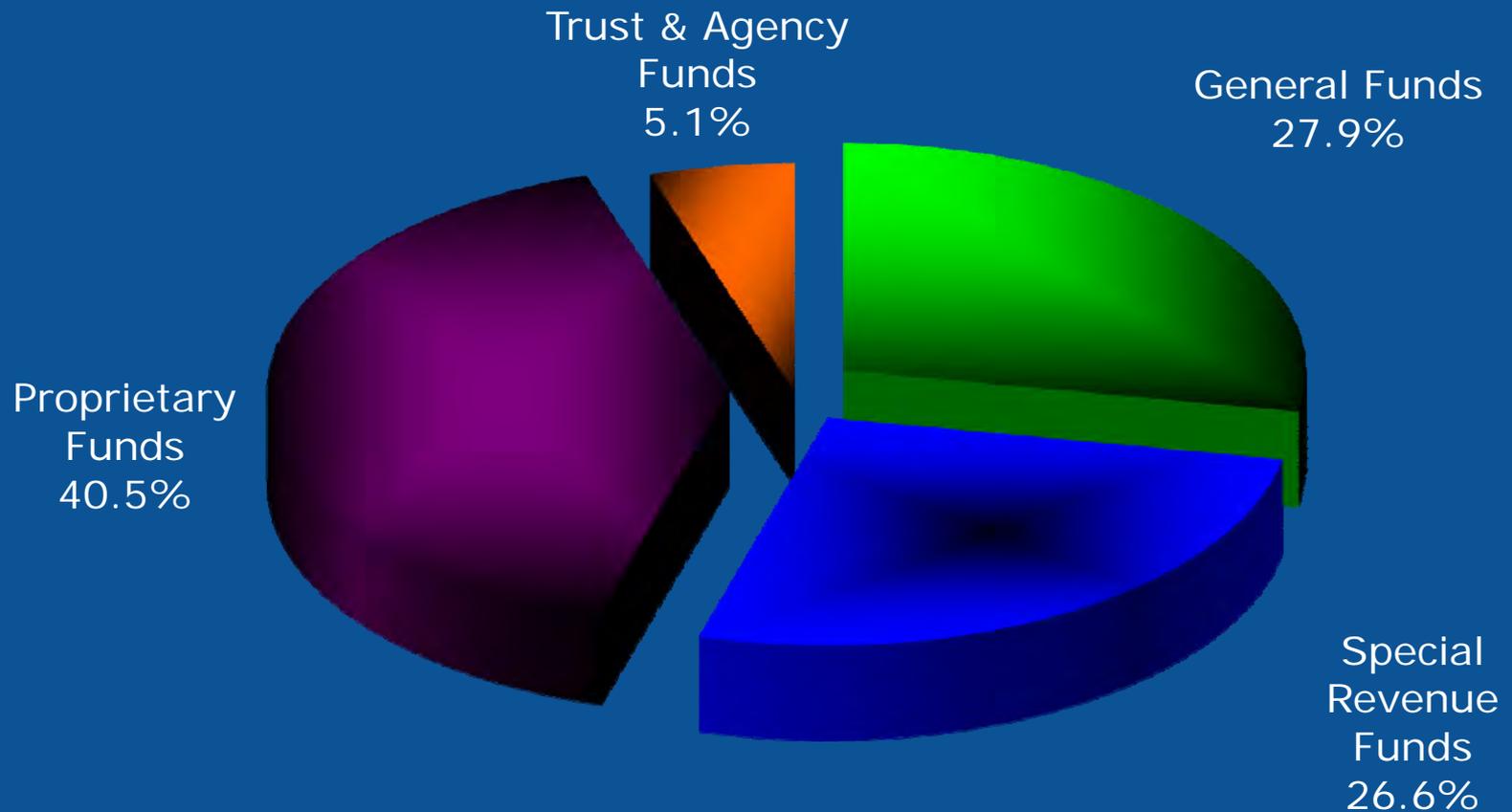
FY13 Total Proposed Budget by

Fund Type

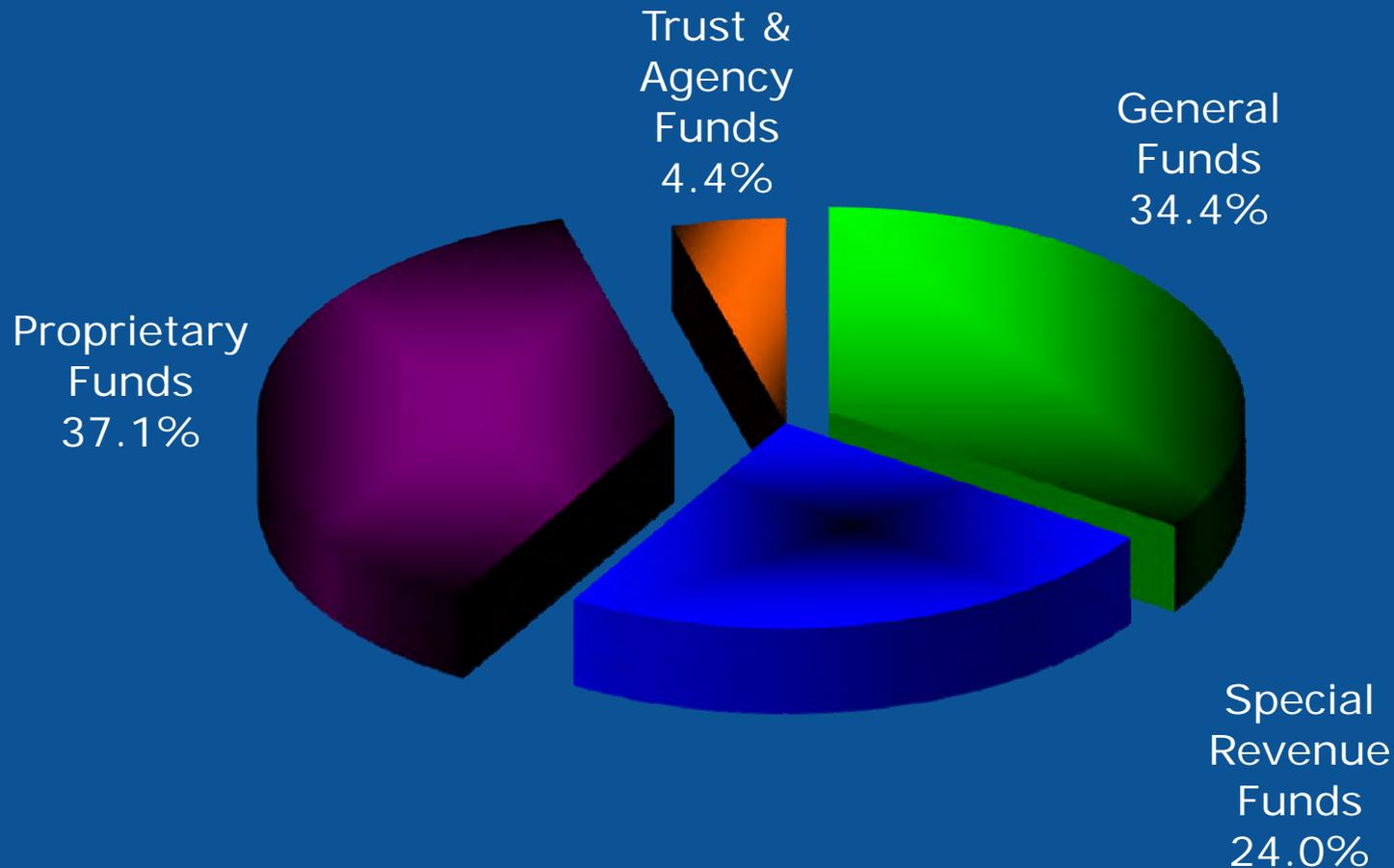
Dollars Millions

<u>Fund Group</u>	<u>FY13</u>	<u>Change</u>	<u>Percent</u>
General (8)	\$83.4	\$4.2	5.4%
Special Rev.(51)	\$25.0	\$1.2	5.2%
Debt Service (24)	\$12.3	(\$0.1)	(0.7%)
Capital Proj. (34)	\$42.1	(\$4.9)	(10.4%)
Enterprise (49)	\$109.7	(\$2.8)	(2.4%)
Internal Service (9)	\$11.2	\$0.6	6.1%
Fiscal Agent (20)	\$15.1	\$1.3	9.5%
Total (195)	\$298.9	(\$0.3)	(0.1%)

Total Expenditures = \$298.9 million

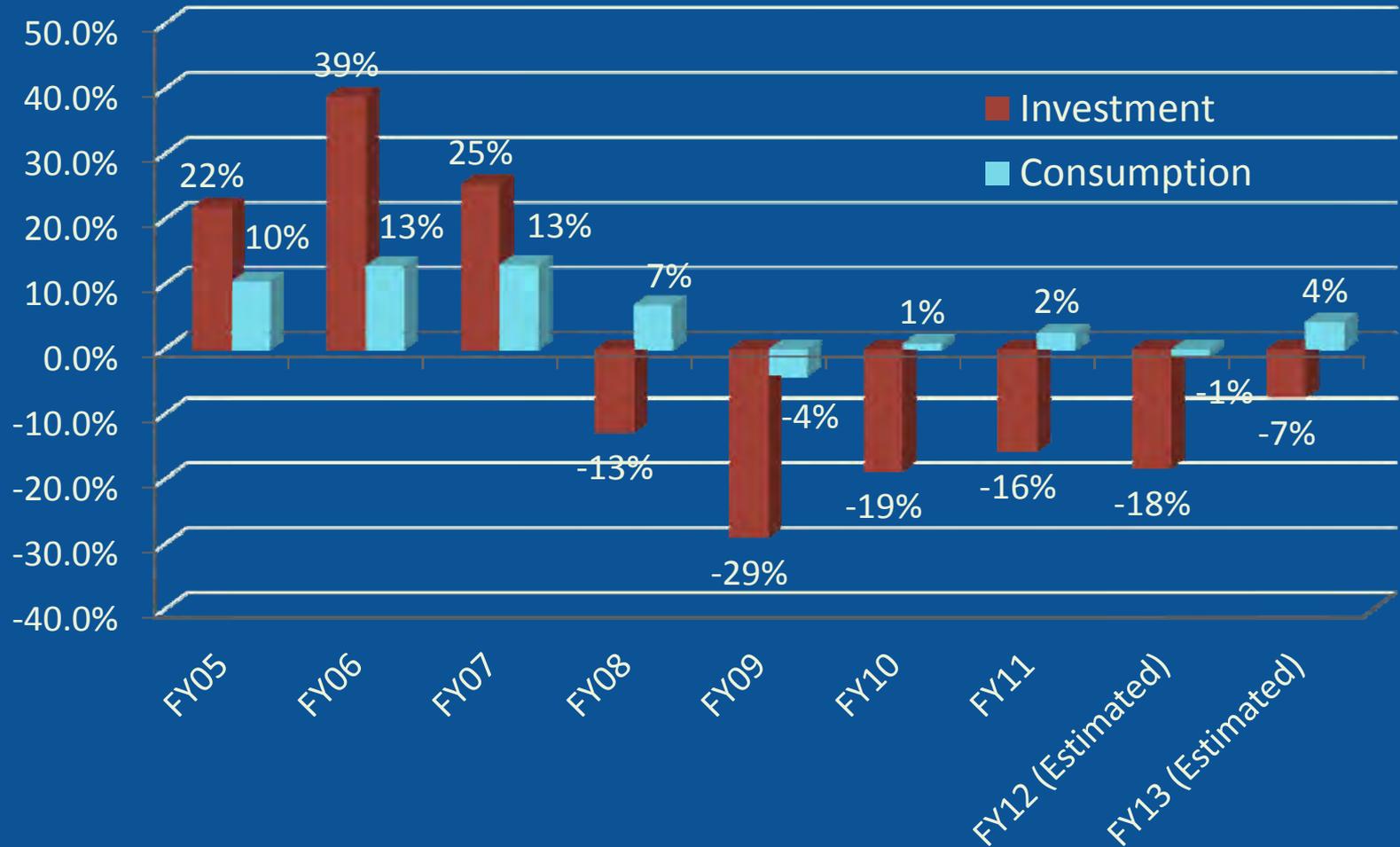


Total Revenues = \$250.3 million



Las Cruces Gross Receipts Tax

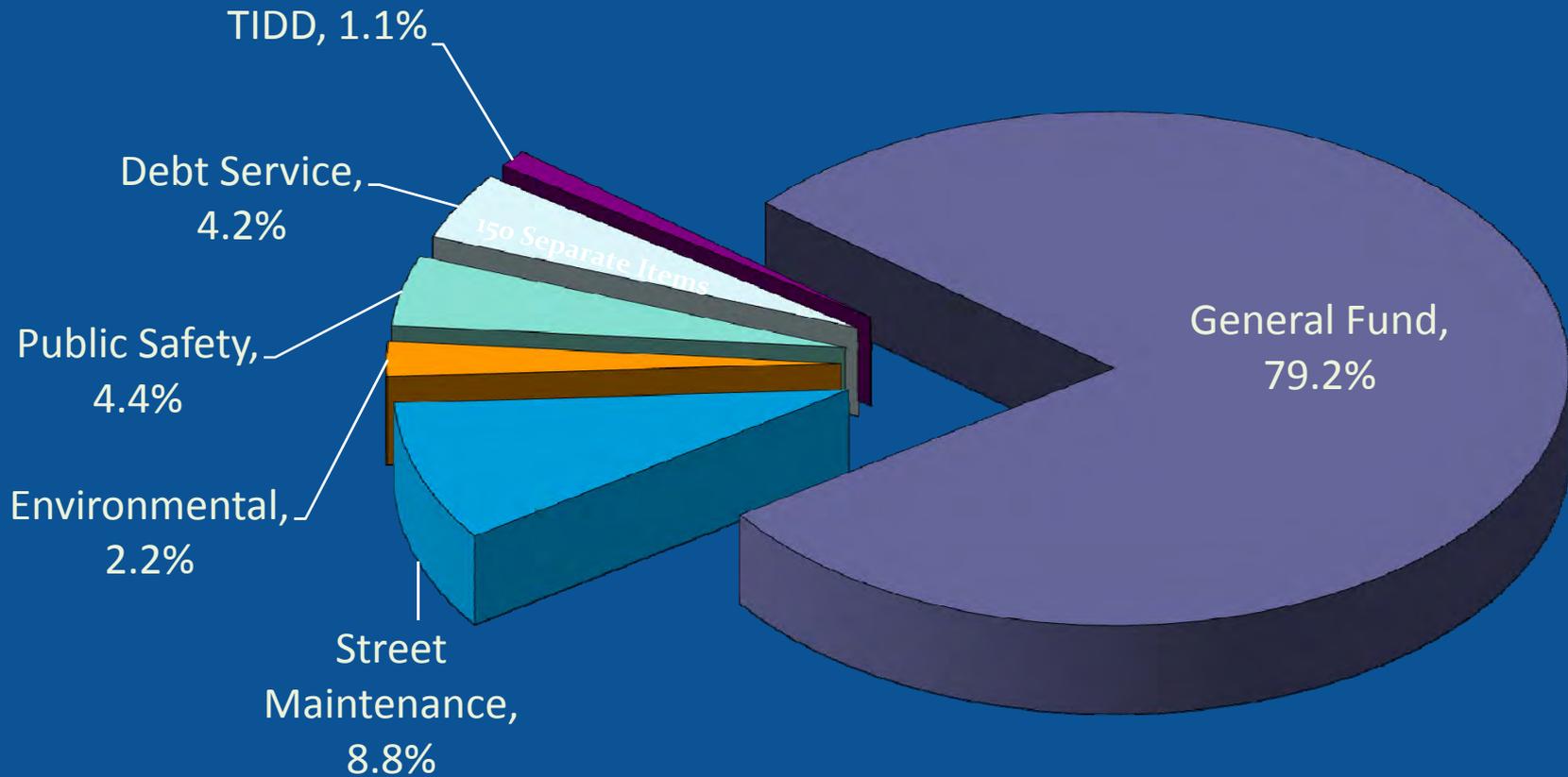
Investment vs. Consumption



Gross Receipts Tax Distribution

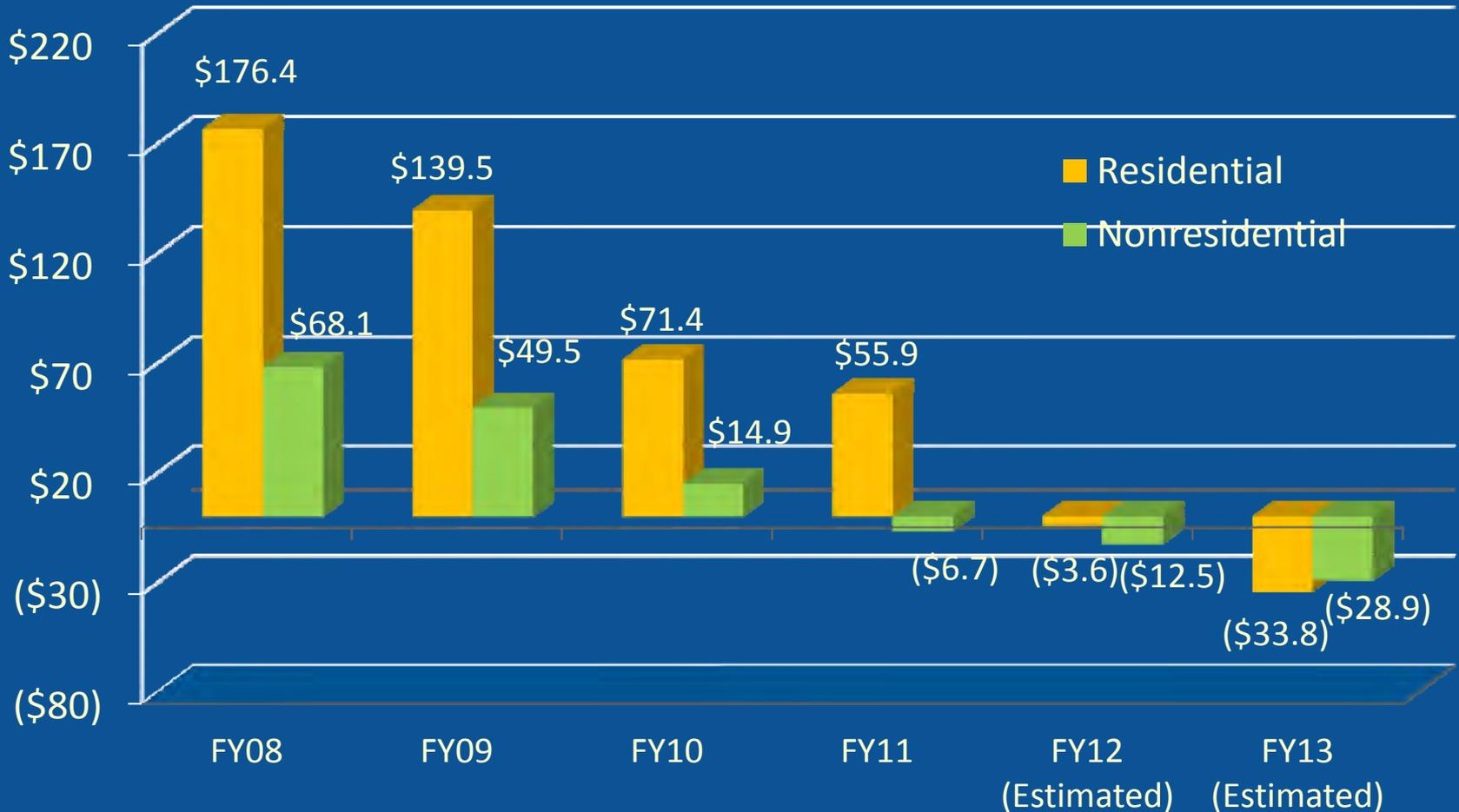
Fiscal Year 2012/2013

Total Estimate = \$74.2 million

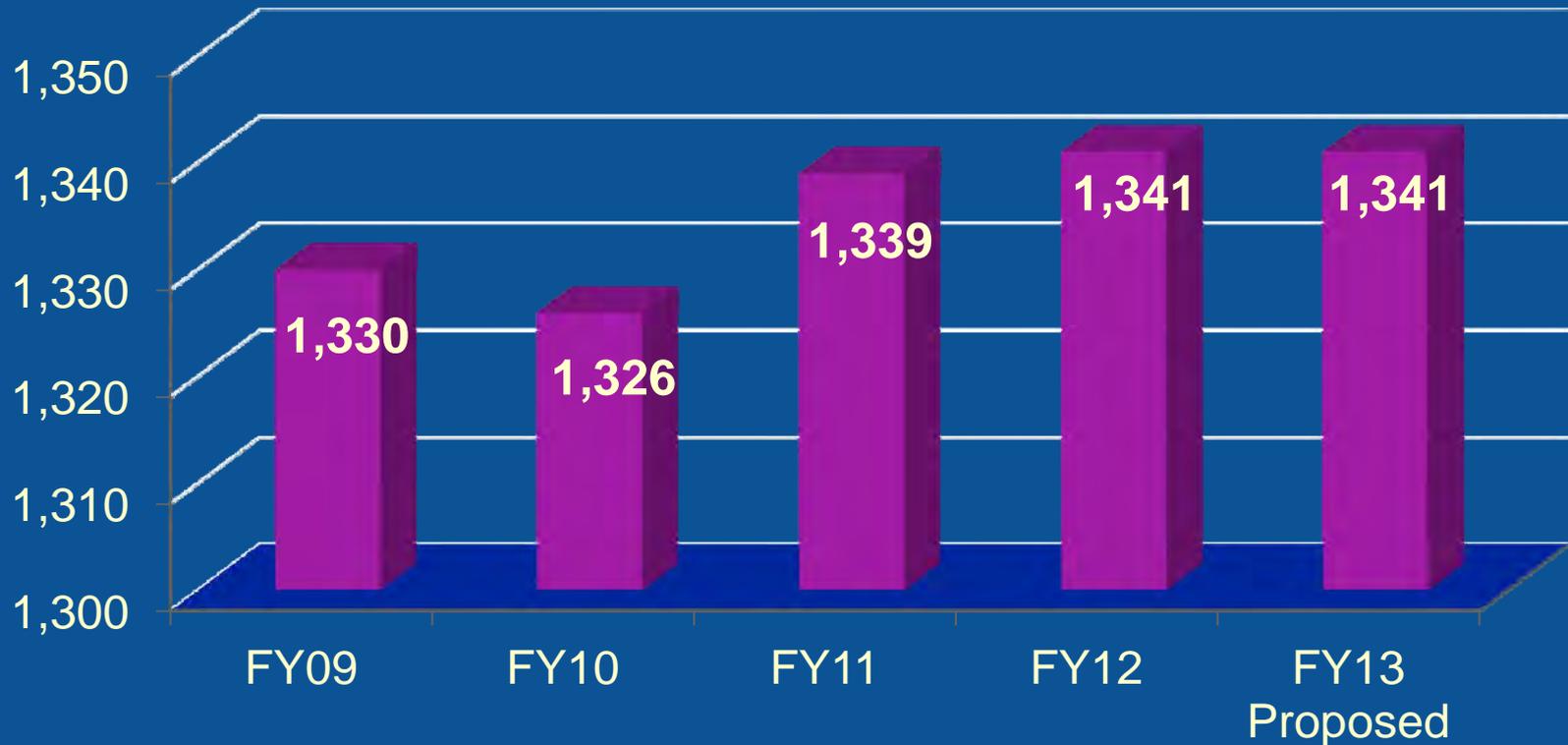


Change In Taxable Value

Las Cruces Property Tax - Dollars Millions



City-Wide Full Time Employees



City Fuel Budget: City Price per Gallon



FY13 Budget Investments

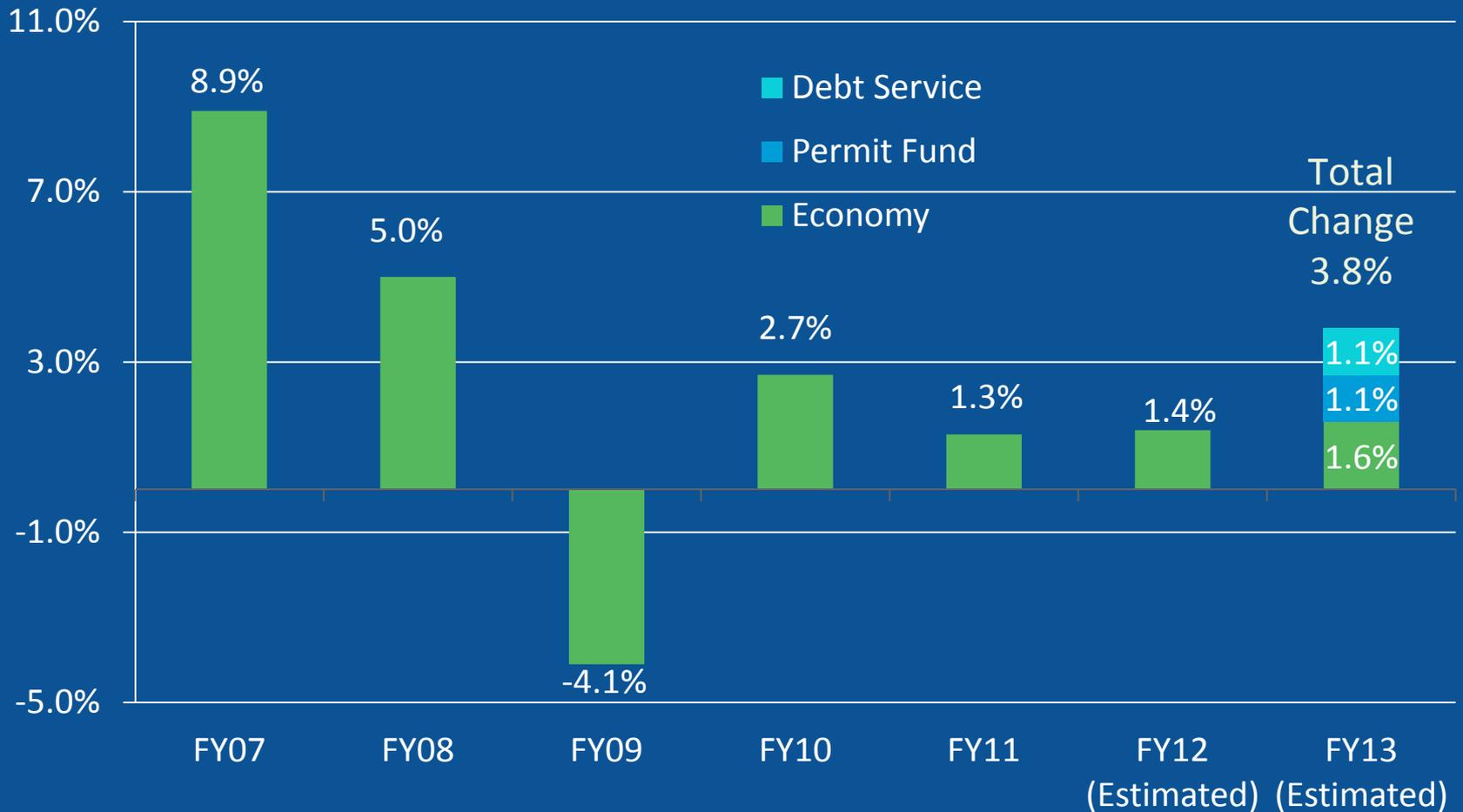
Dollars Millions

<u>Category</u>	<u>FY13</u>
• Replaces 40 Vehicles	\$1.9
• 35 Police Cars	
• 3 Hybrids Codes	
• 1 Truck for Animal Control	
• Replaces one FIRE Truck	
• New Equipment	\$0.7
• 2 Sand Spreaders	
• 2 Snowplows	
• 2 Hydraulic Jacks	
• 1 Equipment Trailer	
• Funds Non-Profits	\$0.3
• Emergency traffic light upgrades	\$0.3

General Fund Revenues

Total General Fund Revenue

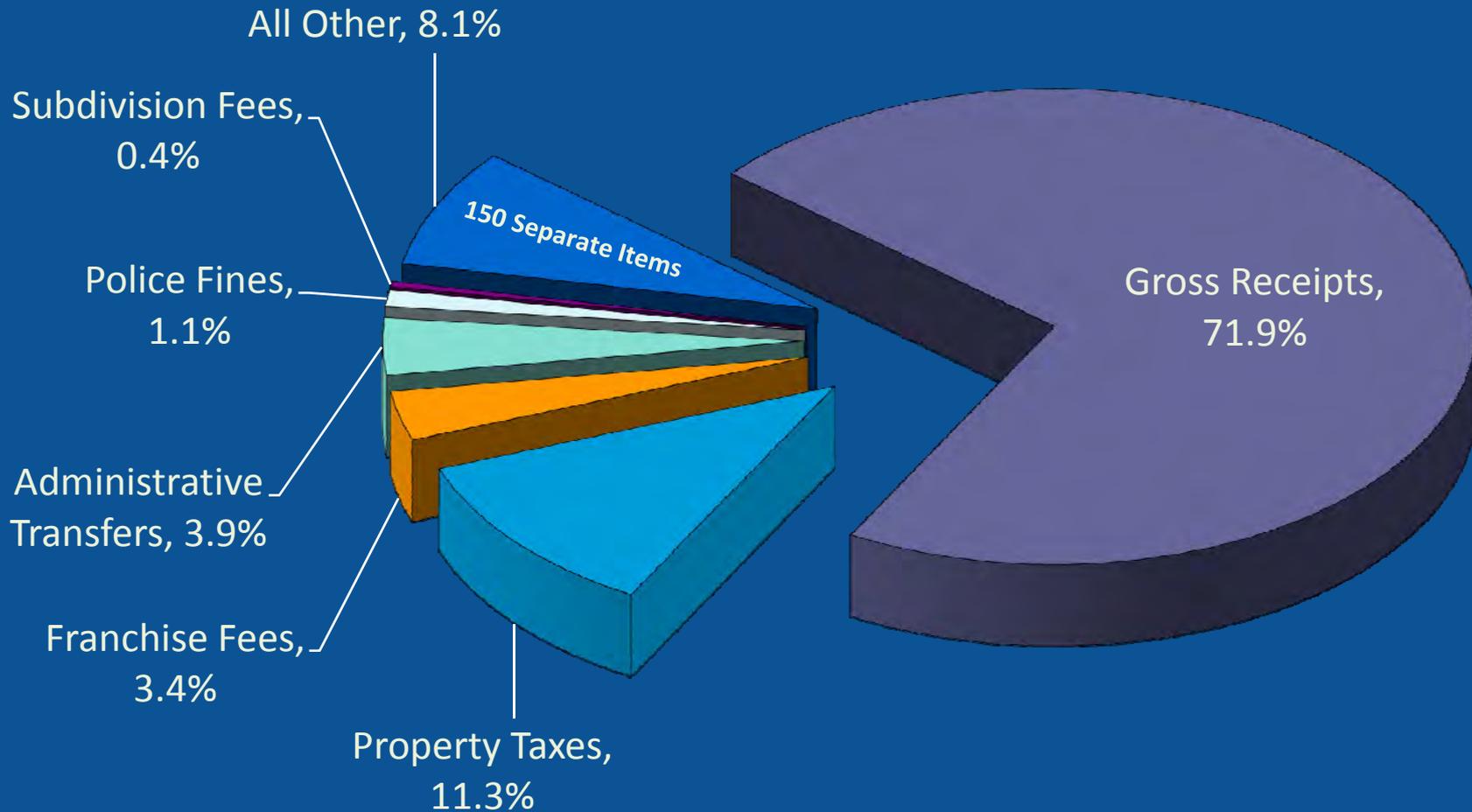
City of Las Cruces - Percent Change



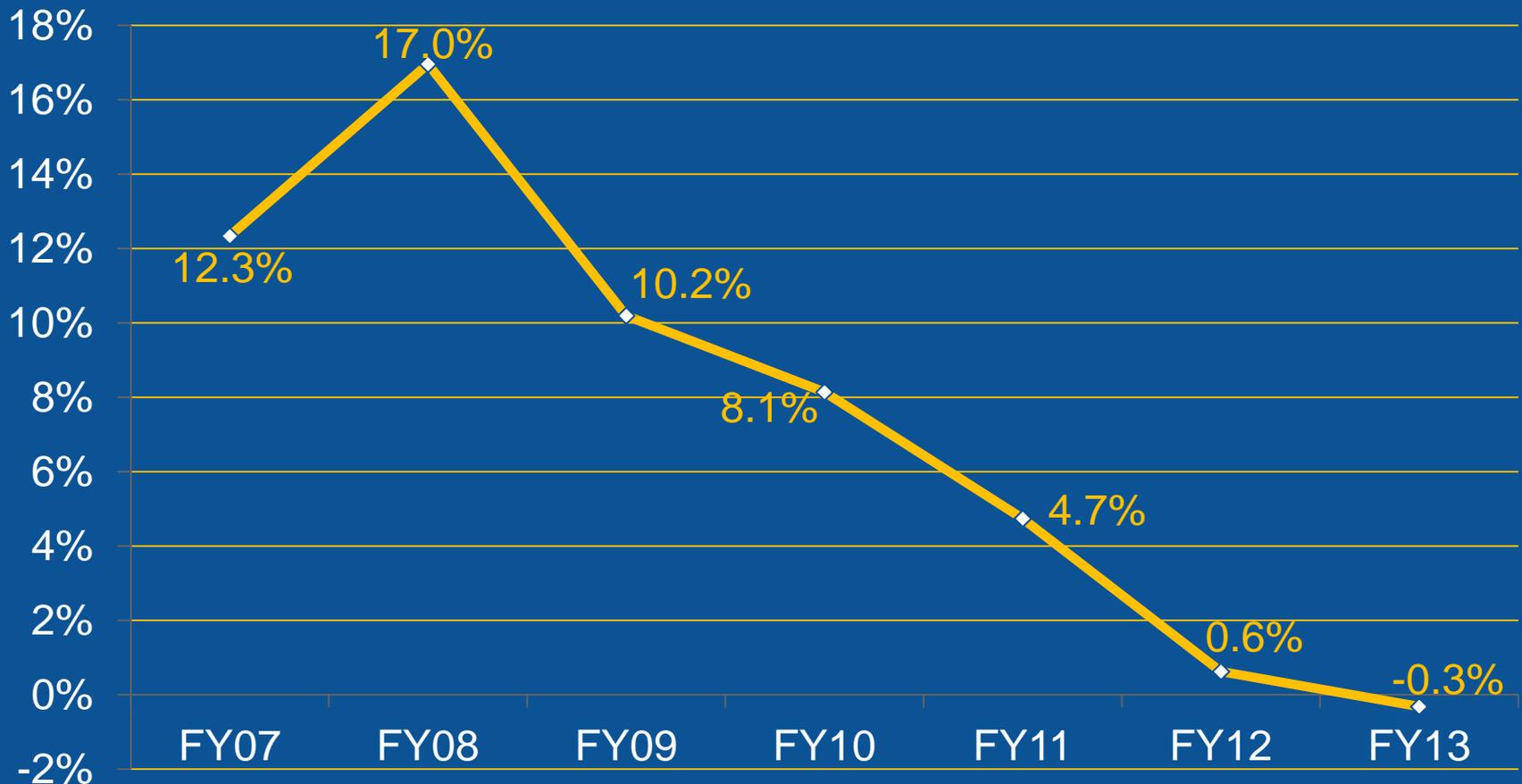
Major General Fund Revenues

Fiscal Year 2012/2013

Total Estimate = \$81.8 million



General Fund Property Tax Receipts Percent Change



General Fund Revenue Changes

Dollars Millions

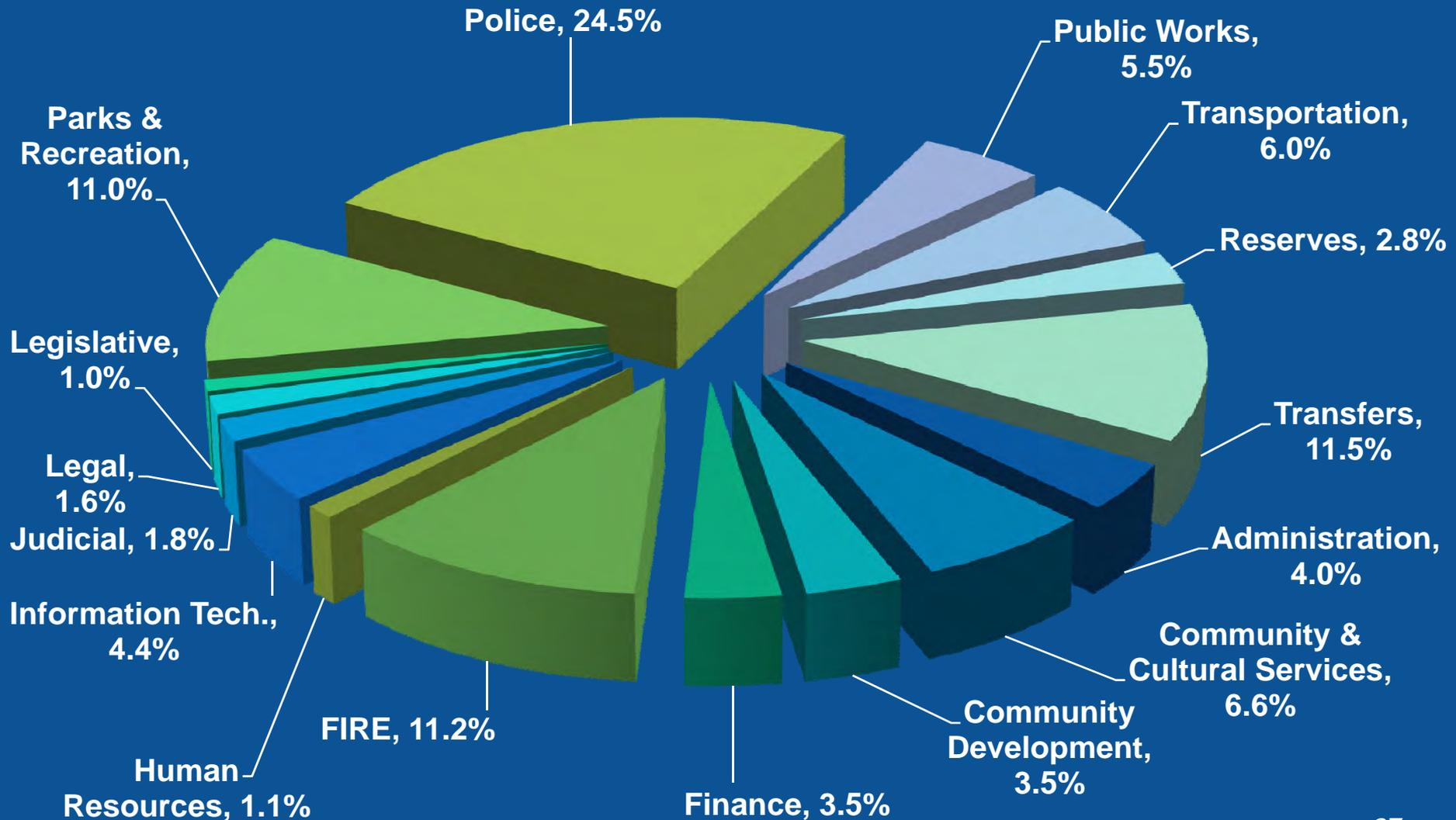
<u>Category</u>	<u>FY13</u>	<u>Change</u>	<u>Comment</u>
GRT	\$58.8	\$2.1	40% Debt Service
Property Tax	\$9.3	\$0.0	
Franchise Fees	\$2.7	\$0.0	
Admin. Transfers	\$3.2	\$0.1	
Police Fines	\$0.9	\$0.0	
Subdivision Fees	\$0.3	\$0.0	
All Other	<u>\$6.6</u>	<u>\$0.8</u>	All One Stop Shop
Total	\$81.8	\$3.0	\$1.3M from growth

General Fund Expenditures

Major General Fund Expenditures

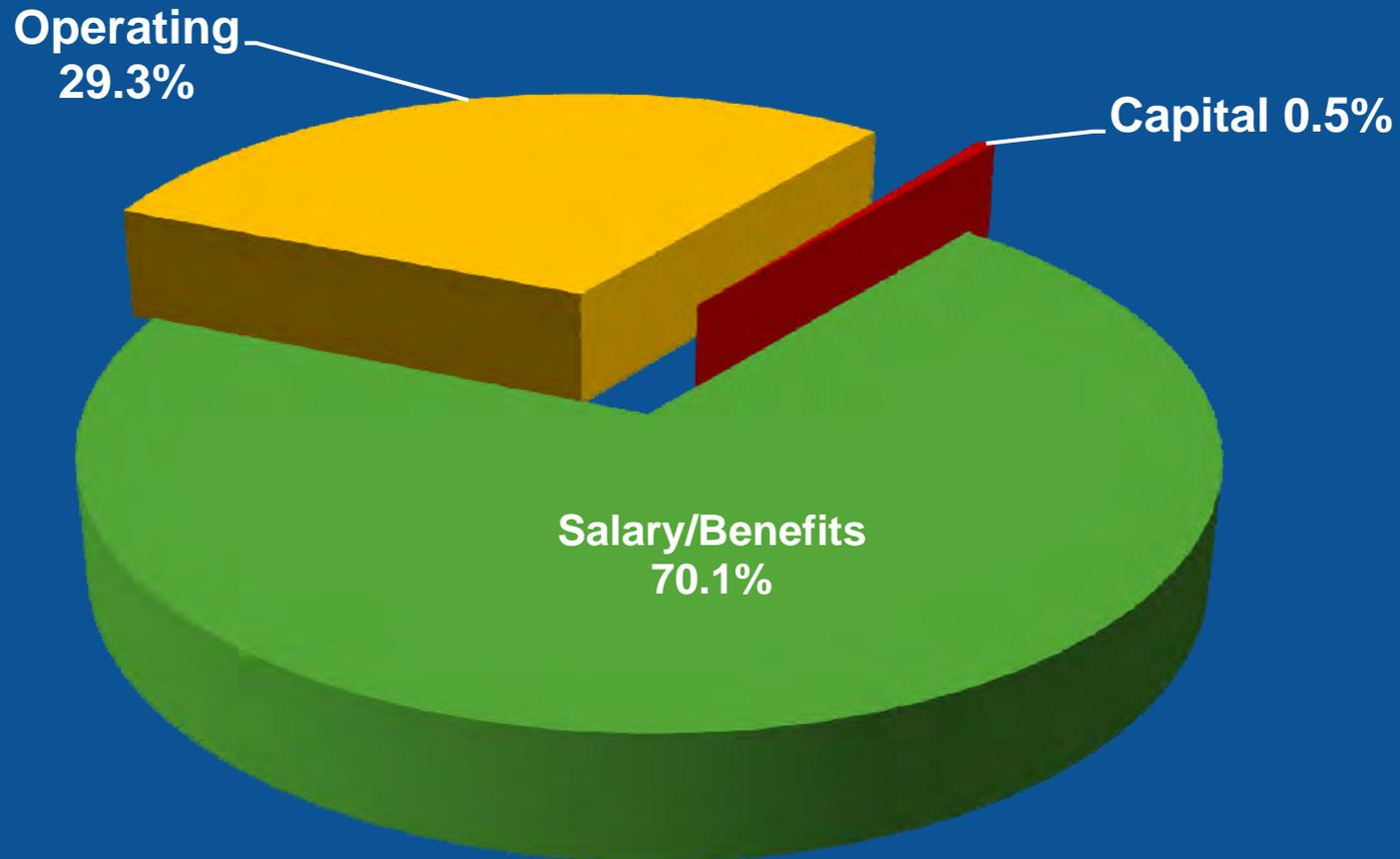
Fiscal Year 2012/2013

Total Estimate = \$85.4 million



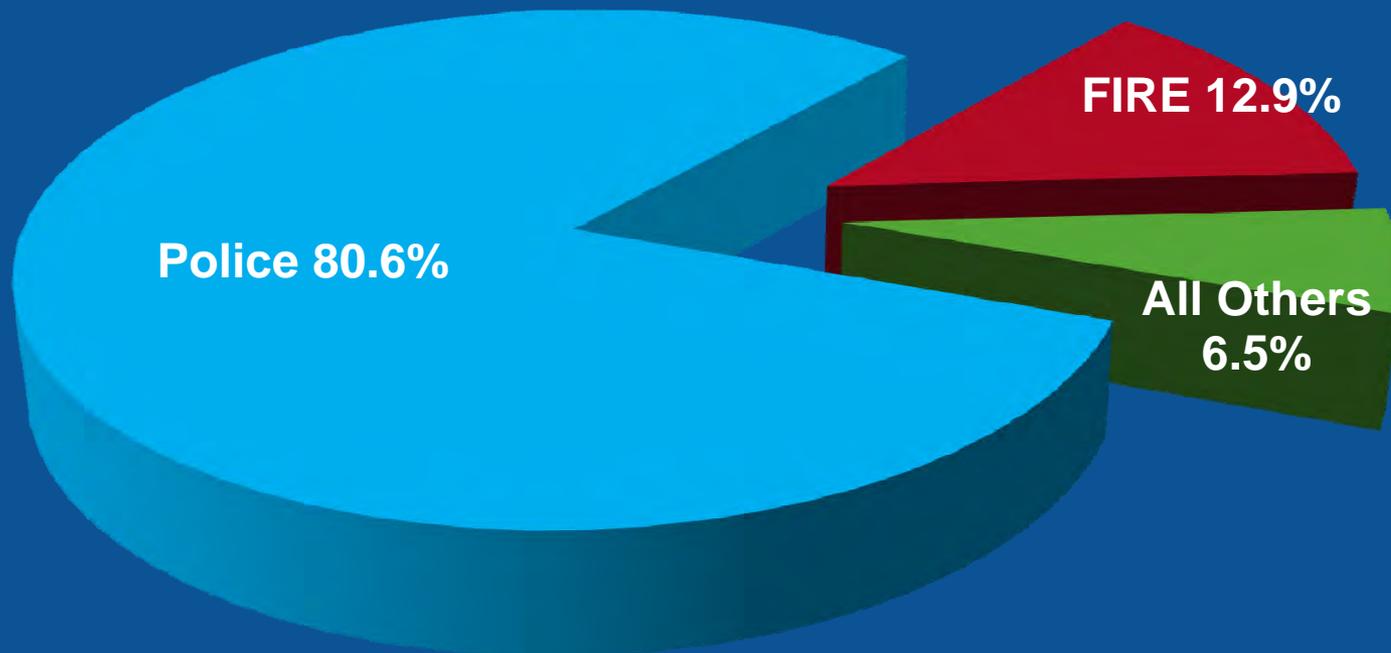
FY13 Department General Fund Expenditures by Category

Total Expenditures = \$75.7 million



FY13 New General Fund Spending By Department

Total New Expenditures = \$3.1 million



General Fund Departments Additional Managed Reductions

Dollars Millions



Additional Major General Fund Expenditures – Dollars Millions

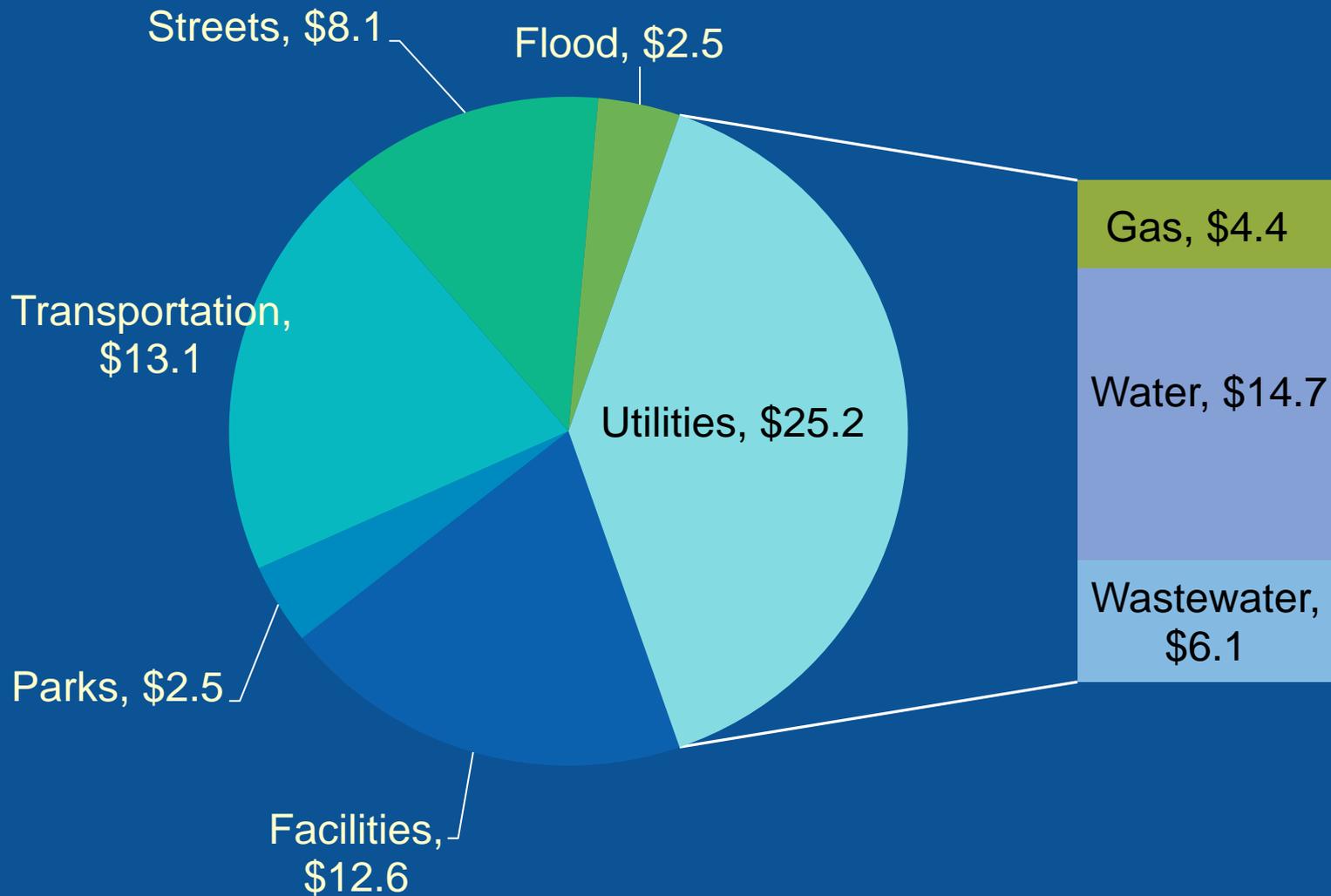
<u>Category</u>	<u>FY13</u>
Step Inc. Unions/Merit Unrep.	\$0.6
ASCMV	\$0.8
MVRDA	\$1.4
VAF	\$0.9
Transit	\$1.3
MVEDA	\$0.2
Prisoner Care	\$1.5
Liability Claims	\$1.1
Arts Council/DLCP	\$0.1

FY12 & FY13 General Fund Summary

Dollars Millions

	Projected <u>FY12</u>	Proposed <u>FY13</u>
Beginning	\$18.4	\$17.8
Revenues	\$78.8	\$81.8
Expenditures	\$79.3	\$85.4
Ending Balance	\$17.8	\$14.2
Req. 1/12 Reserve	\$6.6	\$7.1
Un-Reserved Bal.	\$11.2	\$7.1

FY13 Infrastructure Capital Improvement Program - Dollars Millions



Summary

- Budget based on gradual recovery
- No tax increases
- Adjusts for legislative revenue loss (SB184 & 256)
- No layoffs/furloughs
- No net new employees
- Consolidates “one stop shop”
- Permanent funding for Police academy
- Funds operations of FIRE Station #7
- Maintains twice required reserve
- Continues alignment with Strategic Plan

Next Steps

- April 23rd public hearings scheduled
 - Proposed fiscal year FY13 operational budget
 - Proposed ICIP
- May 7th regular Council meeting to consider two resolutions
 - Resolution to adopt FY13 budget
 - Resolution to adopt ICIP

Questions/Comments