

City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 7

Resolution# 13-073

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of November 19, 2012
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL

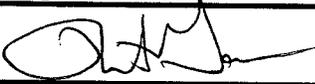
LEGISLATIVE

ADMINISTRATIVE

TITLE: A RESOLUTION APPROVING A BUDGET ADJUSTMENT TO THE ADOPTED FY2013 CITY BUDGET FOR VARIOUS FUNDS RELATED TO U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS, TO CORRECT INITIAL GRANT AMOUNTS AT THE BEGINNING OF FY2013. THE BUDGET ADJUSTMENTS APPLY TO BOTH THE COMMUNITY DEVELOPMENT FUND (FUND 2000) AND THE HUD SPECIAL PROJECTS FUND (FUND 2010).

PURPOSE(S) OF ACTION:

To correct initial budgets for various HUD-related program funds.

| | | |
|--|--|----------------------------------|
| COUNCIL DISTRICT: N/A | | |
| <u>Drafter/Staff Contact:</u> David Dollahon | <u>Department/Section:</u> Community Development/ Planning & Neighborhood Services | <u>Phone:</u> 528-3060 |
| <u>City Manager Signature:</u> |  | |

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The City of Las Cruces has been the recipient of numerous grants from the U.S. Department of Housing and Urban Development; namely the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and the Shelter Plus Care (S+C) Grant for rental assistance for disabled homeless persons, all part of the Community Development Department program activities. When the City Council adopted the FY 2012/13 Budget, City staff had anticipated that certain portions of some of the various grants would be spent, while others were anticipated to have large available balances at the end of FY 2011/12 on June 30, 2012.

Community Development staff, in coordination with the Office of Management and Budget, have developed a budget adjustment to reflect preliminary beginning balances for all HUD Grant funded programs, based on a review of the prior fiscal year's end-of-year expenses. This Resolution is necessary in order to ensure that HUD's accounting of the City's revenues and expenditures for each of the grants is properly reflected in the City's budget.

This budget adjustment also includes a reduction to project expenditures at the end of FY2012 to account for less than anticipated program income for the CDBG Program. This reduction was

accounted for by reducing funds from completed projects that had unexpended balances (i.e. Senior Programs Central Kitchen Project - \$63,303; Jefferson/Davis Right-of-way acquisition - \$4,652) and uncommitted Home Rehabilitation Project funds from PY2011 of \$17,783 for a total of \$85,738.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", Budget Adjustment for both Fund 2000 and Fund 2010.

SOURCE OF FUNDING:

| | | | |
|---|-----------------------------------|-------------------------------------|---|
| Is this action already budgeted? | Yes | <input checked="" type="checkbox"/> | See fund summary below |
| | No | <input 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 Fund. |
| Does this action create any revenue? | Yes | <input type="checkbox"/> | Funds will be deposited into this fund: _____ in the amount of \$_____ for FY_____. |
| | No | <input checked="" type="checkbox"/> | There is no new revenue generated by this action. |

BUDGET NARRATIVE

This is an initial budget correction for Fund 2000 (CDBG & HOME) and Fund 2010 (HUD Special Projects). The total reduction for expenditures in Fund 2000 is \$372,421 and the total reduction for expenditures in Fund 2010 is \$133,065. * Please refer to Exhibit "A" for the budget adjustment details.

FUND EXPENDITURE SUMMARY:

| Fund Name(s) | Account Number(s) | Expenditure Proposed | Available Budgeted Funds in Current FY | Remaining Funds | Purpose for Remaining Funds |
|-----------------------------------|-------------------|----------------------|--|-----------------|-----------------------------|
| Community Development (Fund 2000) | Various* | Various* | Various* | Various* | Various* |
| Community Development (Fund 2010) | Various* | Various* | Various* | Various* | Various* |

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the budget adjustment to the City's adopted FY2013 Budget for both the Community Development (Fund 2000) and HUD Special Projects Funds (Fund 2010). This action is necessary in order to correct the beginning balances of each fund based on actual expenses at the end of FY2012.
2. Vote "No"; this will not approve the budget adjustment to the City's adopted FY2013 Budget for both the Community Development (Fund 2000) and HUD Special Projects Funds (Fund 2010). This action will not correct the beginning balances of each fund based on actual expenses at the end of FY2012.
3. Vote to "Amend"; this would be based on City Council direction.
4. Vote to "Table"; this would not amend the budgets to the various funds and will require direction from the City Council.

REFERENCE INFORMATION

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

1. None.

RESOLUTION NO. 13-073

A RESOLUTION APPROVING A BUDGET ADJUSTMENT TO THE ADOPTED FY2013 CITY BUDGET FOR VARIOUS FUNDS RELATED TO U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS, TO CORRECT INITIAL GRANT AMOUNTS AT THE BEGINNING OF FY2013. THE BUDGET ADJUSTMENTS APPLY TO BOTH THE COMMUNITY DEVELOPMENT FUND (FUND 2000) AND THE HUD SPECIAL PROJECTS FUND (FUND 2010).

The City Council is hereby informed that:

WHEREAS, the City of Las Cruces has been implementing various programs of the Community Development Block Grant, HOME Investment Partnerships, and Shelter Plus Care Grants from the U.S. Department of Housing and Urban Development since the City's designation of an Entitlement Community; and

WHEREAS, the City's adopted FY 2012/13 Budget needs to be amended to reflect the proper beginning balances for all the various grants, as it relates to these programs; and

WHEREAS, these adjustments are to reflect available balances and/or reductions at the end of FY 2012/13 for the CDBG and HOME Programs in Fund 2000, and other special grants (i.e. Shelter Plus Care, Neighborhood Stabilization Program, Transitional Housing, and Brownfield Economic Development Initiative Grants) in Fund 2010 for the Community Development Department.

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

(I)

THAT the City of Las Cruces adopted budget for FY 2012/13 is hereby amended, as reflected in the budget adjustment shown in Exhibit "A," attached hereto and made part of this Resolution.

(II)

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

DONE AND APPROVED this _____ day of _____, 2012.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:

City Attorney

VOTE:

| | |
|---------------------|-------|
| Mayor Miyagishima: | _____ |
| Councillor Silva: | _____ |
| Councillor Smith: | _____ |
| Councillor Pedroza: | _____ |
| Councillor Small: | _____ |
| Councillor Sorg: | _____ |
| Councillor Thomas: | _____ |

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2012/2013**

| FUND | DIVISION | | FUND TYPE | |
|---|------------------------------|-----------------------|--------------------------|------------------------|
| Community Development Fund 2000 | Community Development | | Special Revenue | |
| | FY 2011/12 Prelim Actual* | FY 2012/13 Adopted | FY 2012/13 Adjustment | FY 2012/13 Adjusted |
| RESOURCES | | | | |
| Beginning Balance | \$ 17,921 | 19,504 | (19,504) | 0 |
| REVENUES | | | | |
| HR Non-Refunding Perf Bond 20180060-542301 | \$ 9,855 | 10,000 | | 10,000 |
| CDBG Pgm Inc (Principal) 20180060-581010-110P1 | 39,273 | 78,000 | | 78,000 |
| Interest Revenue CDBG 20180060-570115-110P1 | 6,378 | 23,000 | | 23,000 |
| Other Revenue - CDBG 20180060-592110 | 3,493 | 0 | | 0 |
| CDBG Grant PY2012 20180390-551011 | 0 | 745,651 | | 745,651 |
| CDBG Grant PY2011 20180360-551011 | 490,876 | 516,657 | (214,546) | 302,111 |
| CDBG Grant PY2010 20180320-551011 | 854,247 | 58,979 | (3,102) | 55,877 |
| CDBG Grant PY2009 20180270-551011 | 0 | 21,014 | (18,243) | 2,771 |
| CDBG Grant PY2007 20180210-551011 | 0 | 43,740 | (19,478) | 24,262 |
| CDBG Grant PY2006 20180050-551011 | 0 | 82,381 | (82,381) | 0 |
| HOME Pgm Inc (Principal) 20180060-581011-111P1 | 23,661 | 30,000 | | 30,000 |
| Interest Revenue HOME 20180060-570116-111P1 | 1,085 | 1,500 | | 1,500 |
| Interest Rev Home Rental Proj 20180060-570121-111P1 | 12,516 | 8,500 | | 8,500 |
| HOME Grant PY2012 20180400-551013 | 0 | 320,014 | | 320,014 |
| HOME Grant PY2011 20180370-551013 | 22,583 | 399,733 | | 399,733 |
| HOME Grant PY2010 20180330-551013 | 137,112 | 20,921 | | 20,921 |
| HOME Grant PY2009 20180280-551013 | 1 | 47,363 | (16,891) | 30,472 |
| HOME Grant PY2008 20180240-551013 | 0 | 368 | | 368 |
| Total Revenues | \$ 1,601,080 | 2,407,821 | (354,641) | 2,053,180 |
| Total Resources | \$ 1,619,001 | 2,427,325 | (374,145) | 2,053,180 |
| EXPENDITURES | | | | |
| HR Bond 20184130-722190 | \$ 0 | 10,000 | | 10,000 |
| 2012/13 CDBG | | | | |
| Administration 20184350-XXXXX-10112 | 0 | 168,030 | | 168,030 |
| Rehab Administration 20184350-XXXXX-10212 | 0 | 500,819 | | 500,819 |
| Public Service Administration 20184350-XXXXX-10322 | 0 | 22,802 | | 22,802 |
| Public Service Projects 20184350-722190-103xx | | | | |
| La Casa - 20184350-722190-10305 | 0 | 20,000 | | 20,000 |
| MVCH - 20184350-722190-10306 | 0 | 20,000 | | 20,000 |
| Jardin de los Niños - 20184350-722190-10307 | 0 | 20,000 | | 20,000 |
| MV CASA - 20184350-722190-10314 | 0 | 20,000 | | 20,000 |
| S. Lukes - 20184350-722190-10317 | 0 | 20,000 | | 20,000 |
| Public Facilities Improvements | | | | |
| Saint Luke's HVAC Rehab 20184350-852100-60E13 | 0 | 55,000 | | 55,000 |

*Preliminary Actual as of 11/5/2012.

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2012/2013**

| FUND | DIVISION | | FUND TYPE | |
|---|------------------------------|-----------------------|--------------------------|------------------------|
| Community Development Fund 2000 | Community Development | | Special Revenue | |
| | FY 2011/12 Prelim Actual* | FY 2012/13 Adopted | FY 2012/13 Adjustment | FY 2012/13 Adjusted |
| 2011/12 CDBG | | | | |
| Administration 20184330-XXXXX-10111 | \$ 211,658 | 17,606 | (17,606) | 0 |
| Rehab Administration 20184330-XXXXX-10211 | 204,400 | 224,645 | (17,783) | 206,862 |
| Public Service Projects 20184330-722190-103xx | | | | |
| La Casa - 20184330-722190-10305 | 27,330 | 0 | | 0 |
| MVCH - 20184330-722190-10306 | 27,330 | 0 | | 0 |
| Jardin de los Niños - 20184330-722190-10307 | 27,330 | 0 | | 0 |
| MV CASA - 20184330-722190-10314 | 27,330 | 0 | | 0 |
| S. Lukes - 20184330-722190-10317 | 27,330 | 0 | | 0 |
| TdS Reroofs 20184330-722190-10411 | 0 | 40,000 | | 40,000 |
| Habitat 2011 Prop Acquis. 20184330-722190-10412 | 51,981 | 37,466 | | 37,466 |
| Streets 2011 20184330-854121-71110 (Midway) | 200,000 | 196,940 | (196,940) | 0 |
| 2010/11 CDBG | | | | |
| Rehab Administration 20184300-XXXXX-10210 | \$ 225,191 | 55,714 | 163 | 55,877 |
| CAAS - Sr. Theraputic Mis 20184300-722190-10315 | 10,298 | 0 | | 0 |
| CAASNM - Backpack 20184300-722190-10318 | 11,498 | 0 | | 0 |
| Sr. Kitchen Prop 20184300-853100-10406 | 0 | 3,265 | (3,265) | 0 |
| 2009/10 CDBG | | | | |
| Rehabilitation Administration 20184240-722195-10209 | \$ 139,438 | 16,362 | (13,591) | 2,771 |
| Public Services: | | | | |
| La Casa-Laundry Fac Rehab 20184240-722190-10408 | 23,920 | 0 | | 0 |
| Public Facilities/ADA/Public Improvements: | | | | |
| Jefferson Road 20184240-722190-70M70 | \$ 505 | 4,652 | (4,652) | 0 |
| Jefferson Road 20184240-854121-70M70 | 33,000 | 0 | | 0 |
| 2007/08 CDBG | | | | |
| Public Facilities/ADA/Public Improvements: | | | | |
| Community of Hope 20184160-852100-61411 | \$ 33,682 | 43,740 | (19,475) | 24,265 |
| 2006/07 CDBG | | | | |
| Public Facilities/ADA/Public Improvements: | | | | |
| CLC Central Kitchen 20184110-722190/853100-10406 | \$ 33,512 | 82,381 | (82,381) | 0 |
| Total CDBG | \$ 1,315,733 | 1,579,422 | (355,530) | 1,223,892 |
| 2012/13 HOME | | | | |
| Administration 20184360-XXXXXXXX-11112 | 0 | 36,000 | | 36,000 |
| HFH-CHDO SET ASD 20184360-722190-11212 | 0 | 36,500 | | 36,500 |
| TDS-CHDO SET ASD 20184360-722190-11213 | 0 | 36,500 | | 36,500 |
| HFH-CHDO OP 20184360-722190-11312 | 0 | 9,000 | | 9,000 |
| TDS-CHDO OP 20184360-722190-11313 | 0 | 9,000 | | 9,000 |
| HFH Prop Acq. & Construct 20184360-722190-11419 | 0 | 34,507 | | 34,507 |
| TDS-Prop Acq. & Construct 20184360-722190-11420 | 0 | 198,507 | | 198,507 |

*Preliminary Actual as of 11/5/2012.

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2012/2013**

Page 3 of 3

| FUND | DIVISION | | FUND TYPE | |
|---|--------------------------------------|-------------------------------|----------------------------------|--------------------------------|
| Community Development Fund 2000 | Community Development | | Special Revenue | |
| | FY 2011/12 Prelim Actual* | FY 2012/13 Adopted | FY 2012/13 Adjustment | FY 2012/13 Adjusted |
| 2011/12 HOME | | | | |
| Administration 20184340-XXXXXXX-11111 | 51,695 | 0 | | 0 |
| HFH-CHDO SET ASD 11 20184340-722190-11212 | 0 | 40,100 | | 40,100 |
| TDS-CHDO SET ASD 11 20184340-722190-11213 | 0 | 37,500 | | 37,500 |
| HFH-CHDO OP 11 20184340-722190-11312 | 8,000 | 0 | | 0 |
| TDS-CHDO OP 11 20184340-722190-11313 | 8,000 | 0 | | 0 |
| La Casa TBRA 20184340-722190-11416 | 0 | 86,000 | | 86,000 |
| TDS-Down Payment Asst. 20184340-722190-11417 | 0 | 37,500 | | 37,500 |
| HFH 11 Property Acq. 20184340-722190-11418 | 50,000 | 198,633 | | 198,633 |
| 2010/11 HOME | | | | |
| CAA-CHDO SET ASD 10 20184290-722190-11211 | \$ 0 | 2,053 | | 2,053 |
| SF HSG - HFH 10 20184290-722190-11413 | 22,476 | 14,763 | | 14,763 |
| SF HSG - CAA 10 20184290-72190-11415 | 0 | 4,105 | | 4,105 |
| 2009/10 HOME | | | | |
| TBRA 20184250-722190-11409 | \$ 44,530 | 45,337 | (16,891) | 28,446 |
| Habitat-Property 20184250-722190-11411 | 36,611 | 2,026 | | 2,026 |
| 2008/09 HOME 20184210 | | | | |
| Property Acq - 2008- Tierra del Sol 11407 | \$ 2,482 | 368 | | 368 |
| Total HOME | \$ 223,794 | 828,399 | (16,891) | 811,508 |
| Total Expenditures | \$ 1,539,527 | 2,407,821 | (372,421) | 2,035,400 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer to 3810 - HUD Sect 108 Loan Fund (CDBG PY2010) | \$ (23,422) | 0 | | 0 |
| Transfer to 3810 - HUD Sect 108 Loan Fund (CDBG PY2011) | (60,000) | 0 | | 0 |
| Total Other Financing Sources (Uses) | \$ (83,422) | 0 | 0 | 0 |
| Accrual Adjustment | 3,948 | 0 | | 0 |
| ENDING BALANCE | \$ 0 | 19,504 | (1,724) | 17,780 |

*Preliminary Actual as of 11/5/2012.

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2012/2013**

| FUND | DIVISION | | FUND TYPE | |
|---|--------------------------------------|-------------------------------|----------------------------------|--------------------------------|
| HUD Projects Fund 2010 | Community Development | | Special Revenue | |
| | FY 2011/12 Prelim Actual* | FY 2012/13 Adopted | FY 2012/13 Adjustment | FY 2012/13 Adjusted |
| RESOURCES | | | | |
| Beginning Balance | \$ 4 | 4 | | 4 |
| REVENUES | | | | |
| HUD Shelter Plus Care I Grant 12002 | \$ 82,703 | 96,804 | | 96,804 |
| Neighborhood Stabilization Program 12005 | 0 | 53,354 | (978) | 52,376 |
| HUD Shelter Plus Care II Grant 12006 | 58,742 | 200,869 | | 200,869 |
| HUD Supportive Housing Program 12007 | 112,496 | 130,133 | (41,137) | 88,996 |
| HUD BEDI Grant 20180180-552012-12008 | 267,904 | 815,772 | (90,950) | 724,822 |
| Total Revenues | \$ 521,845 | 1,296,932 | (133,065) | 1,163,867 |
| Total Resources | \$ 521,849 | 1,296,936 | (133,065) | 1,163,871 |
| EXPENDITURES | | | | |
| Shelter Plus Care I 20184100 | | | | |
| S+C Community Housing Connection I 12002 | \$ 82,704 | 96,804 | | 96,804 |
| Total Shelter Plus Care I 20184100 | \$ 82,704 | 96,804 | 0 | 96,804 |
| Neighborhood Stabilization Program 20184230 | | | | |
| HERA Stabilization program 12005 | 0 | 53,354 | (978) | 52,376 |
| Total Neighborhood Stabilization Program | 0 | 53,354 | (978) | 52,376 |
| Shelter Plus Care II 20184100 | | | | |
| S+C Community Housing Connection II 12006 | 58,743 | 200,869 | | 200,869 |
| Total Shelter Plus Care II | 58,743 | 200,869 | 0 | 200,869 |
| Supportive Housing-Trans. Housing Prog. 20184150 | | | | |
| Transitional Housing Program 12007 | \$ 112,494 | 130,133 | (41,137) | 88,996 |
| Total Supportive Housing Program | \$ 112,494 | 130,133 | (41,137) | 88,996 |
| Brownfield Economic Dev. Initiative 20184310 | | | | |
| Museum of Nature & Science Exhibits 12008 | \$ 267,904 | 815,772 | (90,950) | 724,822 |
| Total BEDI | \$ 267,904 | 815,772 | (90,950) | 724,822 |
| Total Expenditures | \$ 521,845 | 1,296,932 | (133,065) | 1,163,867 |
| ENDING BALANCE | \$ 4 | 4 | 0 | 4 |

*Preliminary Actual as of 11/5/2012.