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**City of Las Cruces**<sup>®</sup>  
 PEOPLE HELPING PEOPLE

**Council Action and Executive Summary**

Item # 9 Ordinance/Resolution# 13-152

For Meeting of \_\_\_\_\_  
 (Ordinance First Reading Date)

For Meeting of **May 6, 2013**  
 (Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL       LEGISLATIVE       ADMINISTRATIVE

**TITLE: A RESOLUTION AMENDING THE FISCAL YEAR 2012/2013 BUDGET IN THE SPECIAL STREET PROJECTS (PHILIPPOU SETTLEMENT) FUND.**

**PURPOSE(S) OF ACTION:**

To amend the fiscal 2012/2013 budget.

<b>COUNCIL DISTRICT: N/A</b>		
<b><u>Drafter/Staff Contact:</u></b> Loretta M. Reyes, P.E.	<b><u>Department/Section:</u></b> Public Works/ Administration	<b><u>Phone:</u></b> 528-3125
<b><u>City Manager Signature:</u></b>		

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:**

The City of Las Cruces (City) Public Works Department was contacted by the owner of lots located in the Mission Santa Clara Subdivision about roadway work that needs to be done in the vicinity of these lots.

The City had a disputed claim with the Philippou Group regarding the non-completion of work in various subdivisions. The City and the Philippou Group settled the disputes by way of a settlement agreement in September 2009. The City's position, as outlined in the settlement agreement, was to commit to do a certain amount of work in these various subdivisions. In addition, the City was to receive payment by way of a promissory note from the Philippou Group that was secured by second mortgages on these various subdivisions.

The money received from sales of various properties within the subdivisions is placed in a City fund titled, Special Street Projects (Philippou Settlement). These monies are to be used by the City to complete various items of work in the various subdivisions as outlined in the settlement agreement. Mission Santa Clara Subdivision is one of the subdivisions under this settlement agreement. This roadway work is part of the approved settlement between the City of Las Cruces and the Philippou Group.

The work for this resolution consists of asphalt paving, curb and gutter, header curb, and compacted millings at the intersections of Piqueto Road/Calle Abuelo and La Purisima/Calle Abuelo. The cost of this work is \$12,459.28.

In order to proceed with this project and to account for future projects, \$100,000.00 out of the fund balance in Fund 4205, Special Street Projects (Philippou Settlement) needs to be appropriated into account number 42806230-853100-71054, Land & Land Rights. A budget adjustment is needed to cover these expenditures.

**SUPPORT INFORMATION:**

1. Resolution.
2. Exhibit "A", Budget Adjustment.

**SOURCE OF FUNDING:**

<b>Is this action already budgeted?</b>	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 checked="" type="checkbox"/>	Proposed funding is from fund balance in the <u>4205, Special Street Projects (Philippou Settlement) Fund.</u>
<b>Does this action create any revenue?</b>	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**

Roadway work, as part of the approved settlement between the City of Las Cruces and the Philippou Group, in the amount of \$12,459.28 has been requested in the Mission Santa Clara Subdivision. In order to proceed with this project and account for future projects, \$100,000.00 of the fund balance in Fund 4205, Special Street Projects (Philippou Settlement) needs to be appropriated into account number 42806230-853100-71054, Land & Land Rights.

**FUND EXPENDITURE SUMMARY:**

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Special Street Projects (Philippou Settlement) 4205	42806230-853100-71054	\$12,459.28	\$100,000.00*	\$87,540.72	Future projects.

\*Pending Budget Adjustment

**OPTIONS / ALTERNATIVES:**

1. Vote "Yes"; this will authorize the budget amendment to the Special Street Projects (Philippou Settlement) Fund 4205 in the amount of \$100,000.00.
2. Vote "No"; this will reject the budget amendment. An alternative funding source will have to be found for this project.
3. Vote to "Amend"; this could reject the budget amendment and provide an opportunity to re-scope how this project will be funded.
4. Vote to "Table"; this could reject the budget amendment and delay the project.

**REFERENCE INFORMATION:**

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

N/A

RESOLUTION NO. 13-152

**A RESOLUTION AMENDING THE FISCAL YEAR 2012/2013 BUDGET IN THE SPECIAL STREET PROJECTS (PHILIPPOU SETTLEMENT) FUND.**

The City Council is informed that:

**WHEREAS**, the City of Las Cruces (City) Public Works Department was contacted by the owner of lots located in the Mission Santa Clara Subdivision about roadway work that needs to be done at the intersections of Piqueto Road/Calle Abuelo and La Purisima/Calle Abuelo; and

**WHEREAS**, this roadway work is part of the approved settlement between the City and the Philippou Group; and

**WHEREAS**, in order to proceed with this project and to account for future projects, \$100,000.00 of the fund balance in Fund 4205, Special Street Projects (Philippou Settlement) needs to be appropriated into account number 42806230-853100-71054, Land & Land Rights; and

**WHEREAS**, a budget adjustment is needed to cover this expenditure.

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

**(I)**

**THAT** the amendment to the Fiscal Year 2012/2013 capital fund budget in the Special Street Projects (Philippou Settlement) Fund 4205 is hereby approved as outlined in Exhibit "A" attached hereto and made a 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 \_\_\_\_\_, 2013.

**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: \_\_\_\_\_

## EXHIBIT "A"

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

<b>FUND</b>	<b>DIVISION</b>		<b>FUND TYPE</b>	
<b>Special Street Projects (Philippou Settlement) Fund 4205</b>	<b>Public Works</b>		<b>Capital Project</b>	
	<b>FY 2011/12 Actual</b>	<b>FY 2012/13 Adopted</b>	<b>FY 2012/13 Adjustment</b>	<b>FY 2012/13 Adjusted</b>
<b>RESOURCES</b>				
Beginning Balance	\$ 1,337,818	181,156	127,613	308,769
<b>REVENUES</b>				
570110 Interest AVR & Other	\$ 45,173	15,000		15,000
570010 Investment Income	21,940	0		0
570015 Net Incr(Decr) Fair Value Investment	24,818	0		0
580100 Contribution from Developers	81,798	0		0
903000 Sale of Capital Assets	0	0		0
<b>Total Revenues</b>	\$ 173,729	15,000	0	15,000
<b>Total Resources</b>	\$ 1,511,547	196,156	127,613	323,769
<b>EXPENDITURES</b>				
Operating	\$ 3,089	6,500		6,500
Capital				
71050 Dos Sueños	218,818	94,813		94,813
71051 Mission Espada Ph 1 2A 2B		0		0
71052 Los Enamorados	74,836	0		0
71054 Mission Santa Clara	70,179	0	100,000	100,000
71055 Sierra Norte Heights		0		0
71056 Monte Sombra	0	0		0
71057 Entrada de Sierra	0	0		0
<b>Total Expenditures</b>	\$ 366,922	101,313	100,000	201,313
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to 4400 - Flood Control Fund	\$ (835,856)	0		0
<b>Total Other Financing Sources (Uses)</b>	\$ (835,856)	0	0	0
<b>ENDING BALANCE</b>	\$ 308,769	94,843	27,613	122,456