



# City of Las Cruces<sup>®</sup>

PEOPLE HELPING PEOPLE

## COUNCIL WORK SESSION SUMMARY ROUTING SLIP

Meeting Date April 25, 2016

TITLE: BUDGET FISCAL YEAR 2017.

- Are there attachments to the Council Work Session Summary? Yes  No
- Will there be a Video Presentation for this item? Yes  No
- Will there be a PowerPoint Presentation for this item? Yes  No
- If "yes", will a copy of the PowerPoint Presentation be included on the Council Work Session Agenda? Yes  No

DEPARTMENT / ORGANIZATION	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact			
Department Director		5080	3/24/16
Other <b>BUDGET &amp; GRANTS MANAGER</b>		541-2107	3-23-2016
Assistant City Manager/CAO (if applicable)		541-2078	3-30-2016
Assistant City Manager/COO (if applicable)			
City Manager			4-18-16



# City of Las Cruces®

PEOPLE HELPING PEOPLE

## Council Work Session Summary

Meeting Date April 25, 2016

**TITLE:** BUDGET FISCAL YEAR 2017.

**PURPOSE(S) OF DISCUSSION:**

- Inform/Update
- Direction/Guidance
- Legislative Development/Policy

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

Reference: CITY CHARTER ARTICLE V. Section 5.01-5.06: The fiscal year for the city begins on the first day of July and end on the last day of June of the following year. The City Manager shall submit a budget and budget message to the City Council for the ensuing fiscal year sixty days prior to the start of the fiscal year.

The budget shall provide a complete financial plan of all city funds and activities for the ensuing year. It shall show in detail all estimated income, indicating the estimated property tax levy, estimated tax revenues, and all proposed expenditures. It shall also show comparative figures for actual and estimated income and expenditures of the current fiscal year.

The City Council is required to publish in one or more newspapers of general circulation in the city the general summary of the budget and Capital Improvements Program. A public hearing shall occur not less than fourteen (14) days after such publication.

The work session includes four sections:

1. 2016-17 Operating Budget Summary
2. Infrastructure Capital Improvement Plan (ICIP) – Staff presentation of proposed and planned projects.
3. A public hearing will be conducted to solicit input from the public.
4. City Council comments and questions.

**SUPPORT INFORMATION:**

Attachment "A". Proposed FY 2016/2017 Budget

(Continue on additional sheets as required)



# City Manager's Proposed Budget

**PROPOSED**

# BUDGET

Fiscal Year 2016-2017

City Council Special  
Work Session  
April 25, 2016

# FY2016-17 Proposed Budget Summary



Budget is  
Balanced with  
No Layoffs

No City GRT or  
Property Tax  
Rate Increases



Addresses  
Council  
Priorities

Strikes Balance  
Among Many  
Priorities



# FY2016-17 Proposed Budget

## Total City Budget - \$374.5 Million

Fund Type	2015-16 Forecast	2016-17 Proposed	Change
General Funds	\$ 88.1	\$ 103.3	\$ 15.2
Special Revenue Funds	17.6	23.6	6.0
Debt Service Funds	21.9	19.9	(2.0)
Capital Project Funds	34.0	112.4	78.5
Enterprise Funds	64.3	74.7	10.4
Internal Services Funds	19.9	22.1	2.2
<b>City Total</b>	<b>\$245.8</b>	<b>\$ 356.0</b>	<b>\$ 110.2</b>
Fiduciary	17.8	18.5	0.7
<b>City-Wide Total</b>	<b>\$263.6</b>	<b>\$ 374.5</b>	<b>\$ 111.0</b>

**PROPOSED**

# BUDGET

**Fiscal Year 2016-2017**

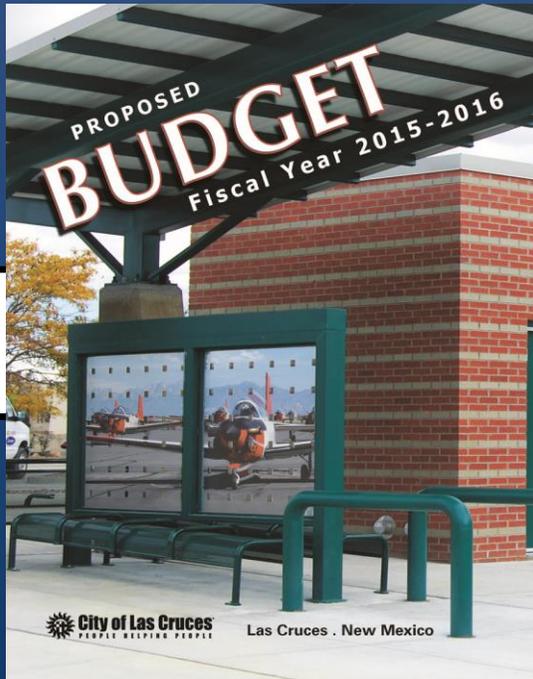
**LAS CRUCES . NEW MEXICO**

# General Fund



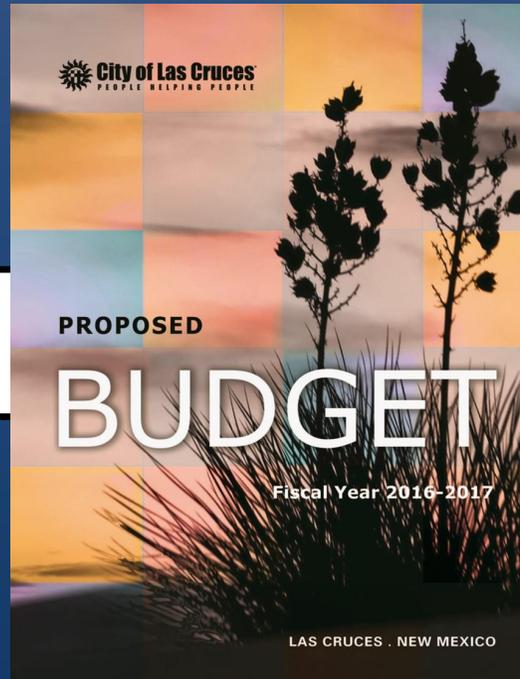
# FY2016-17 Proposed Budget General Fund

FY 2015-16



\$ 85.5 Million

FY 2016-17



\$ 88.0 Million

2.9%  
Increase

# FY2016-17 Proposed Budget General Fund – Budget Development

## City Management Guidelines

- Zero Based Budget - Priority Based Budget

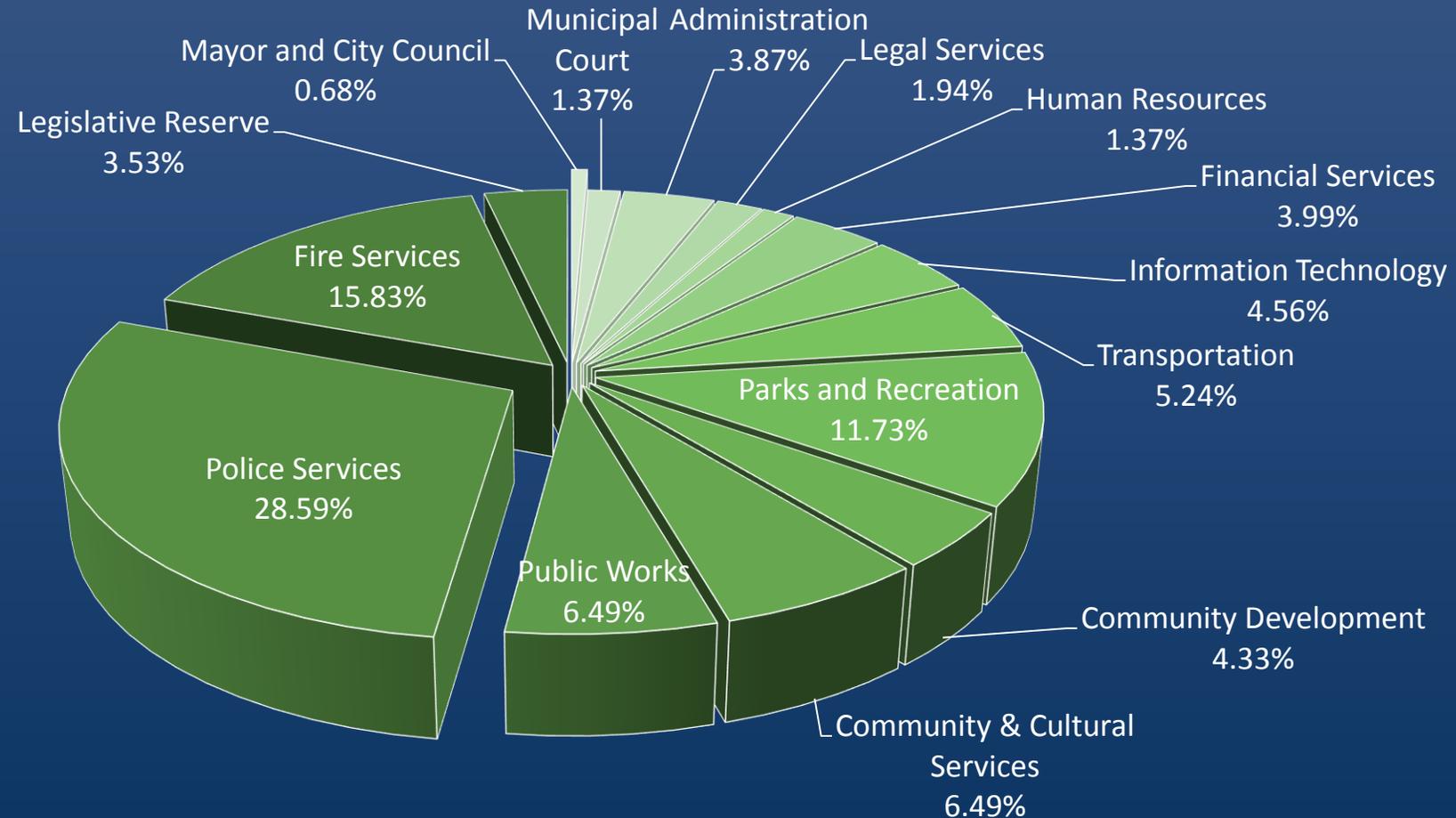
## Department

- Administration
- Parks & Recreation
- Police
- Fire

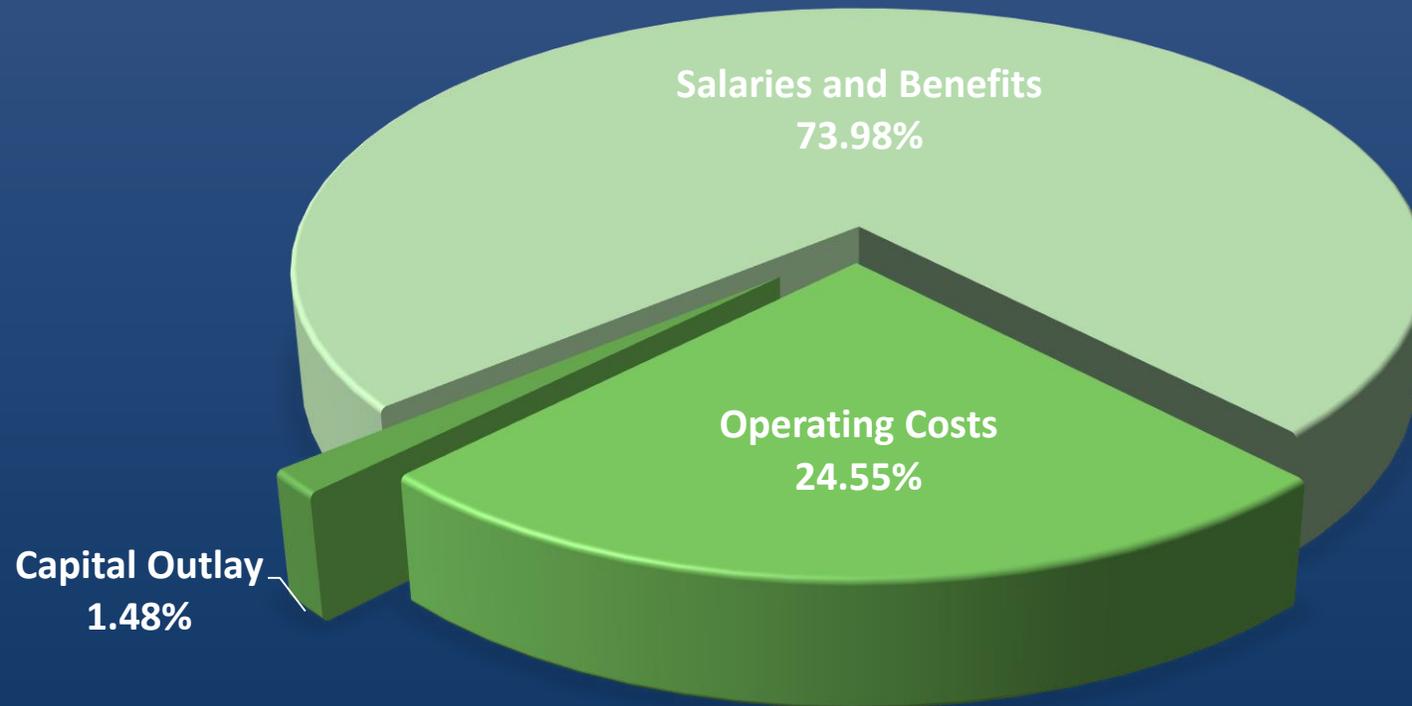
## Changes

- Convert City Council chambers video cameras from SD to HD; Contract writer to research, write & photograph on a per story basis.
- 4 full-time positions & 1 seasonal position; Increase in General Supplies, City Water Meter, and additional Minor Equipment (Sprayer, Front End Loader attachments, trimmers, seeder).
- 1 re-class of a position & 1 Full-time position; fund to support 2015 COPS Hiring Program; Records Management System (RMS).
- 1 re-class of a position, 13 full-time positions, & 28 seasonal position (Academy Fire Cadets – 8 week carryover into 2016-17).

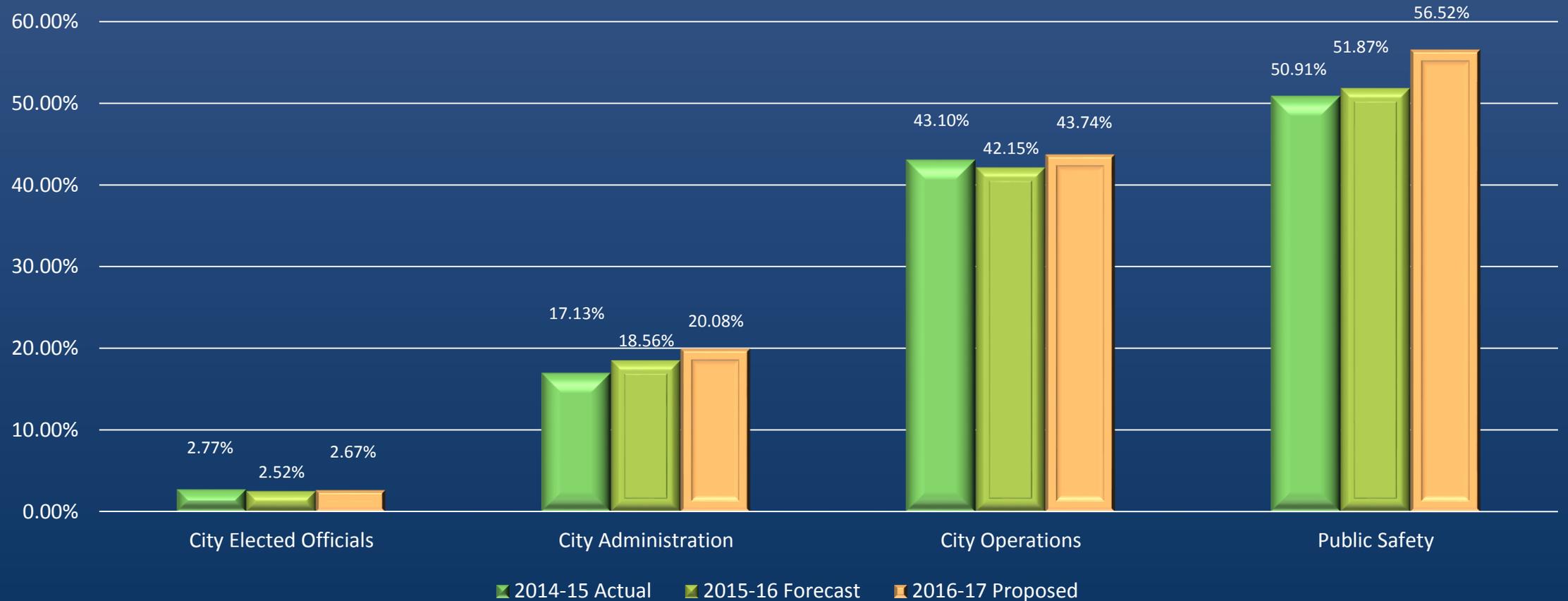
# FY2016-17 Proposed Budget General Fund - \$88.0 Million



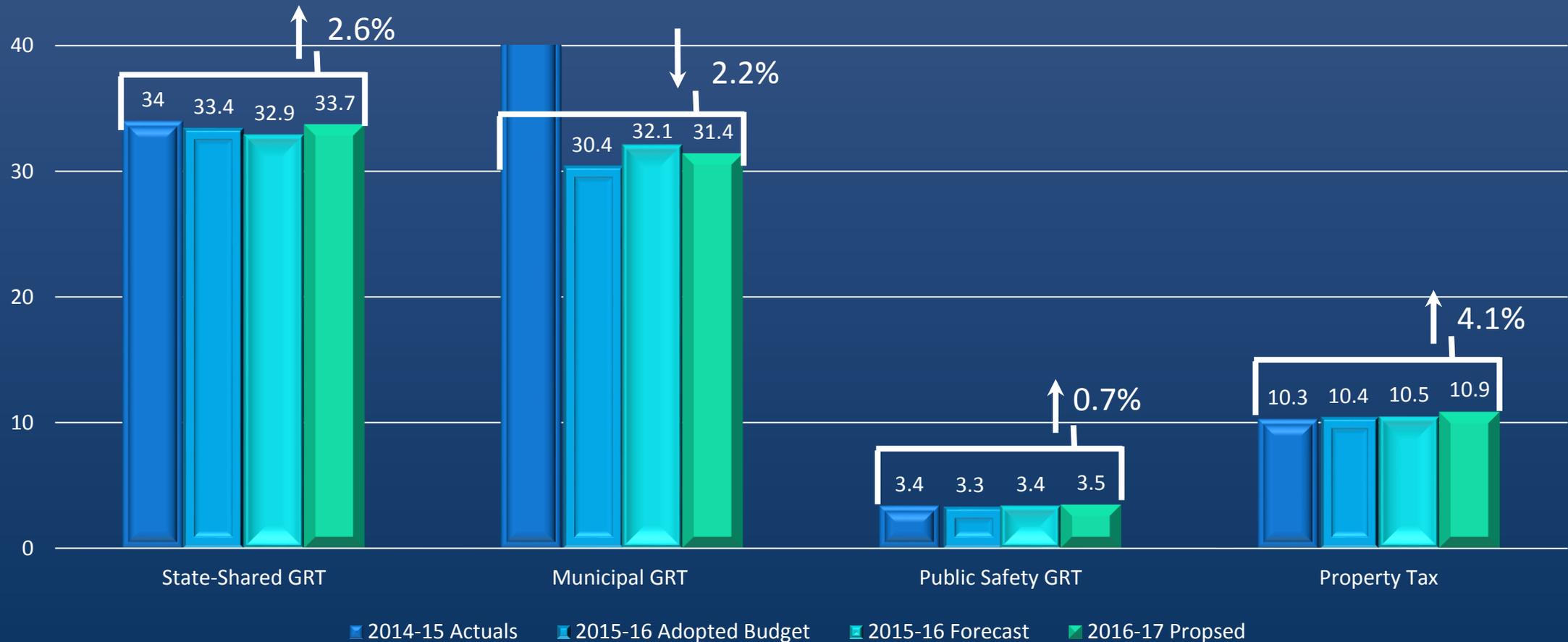
# FY2016-17 Proposed Budget General Fund Expenditures



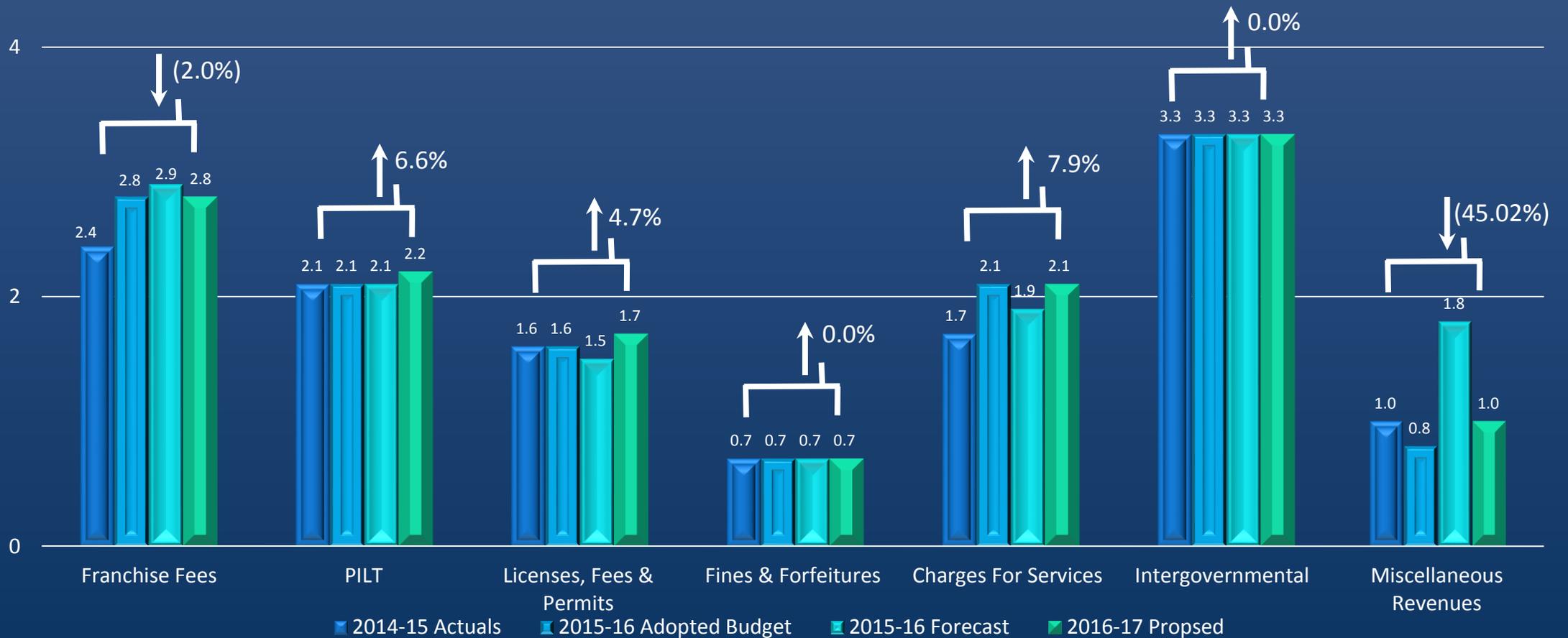
# FY2016-17 Proposed Budget City Functions As % of General Fund



# FY2016-17 Proposed Budget General Fund – Revenues (Taxes) (Millions)



# FY2016-17 Proposed Budget General Fund – Revenues (Millions)



# FY2016-17 Proposed Budget GRT & Property Tax

For each dollar of your Gross Receipts Tax and Property Tax...

[13¢]



City Officials and  
Administrative Staff

[38¢]



Operational Services

[49¢]



Public Safety

# FY2016-17 Proposed Budget General Fund- \$88.0 Million

General Fund	2014-15 Actual	2015-16 Forecast	2016-17 Proposed	Change
<b>Beginning Balance</b>	<b>\$ 22.5</b>	<b>\$ 21.1</b>	<b>\$ 19.8</b>	<b>(\$ 1.3)</b>
Revenue	100.1	93.2	93.4	0.2
Expenditures	82.1	81.8	88.0	6.2
Transfers In/out	(19.4)	(12.7)	(11.0)	1.7
<b>Ending Balance</b>	<b>\$ 21.1</b>	<b>\$ 19.8</b>	<b>\$ 14.2</b>	<b>(\$ 5.6)</b>
Requires 1/12 <sup>th</sup> Reserve	6.5	6.6	7.1	
Local Reserve	6.5	6.6	7.1	
<b>Un-Reserved Balance</b>	<b>\$ 8.1</b>	<b>\$ 6.6</b>	<b>\$ 0.0</b>	

**PROPOSED**

# BUDGET

**Fiscal Year 2016-2017**

# 2016-17 Capital Outlay



# FY2016-17 Proposed Budget Capital Outlay

<b>Department</b>	<b>Allotments</b>	<b>Description</b>
• Administration	\$ 513,726	MUNIS Re-Implementation; HD-SDI Board; Major Computer Equipment.
• Information Technology	\$ 126,000	Network Storage (\$50,000); Server Virtualization Host (2) (\$50,000); Core Network Switch 10GB Upgrade (\$24,000).
• Transportation	\$ 381,425	Lighting (\$145,45); Traffic Signals (\$125,000).
• Parks & Recreation	\$ 70,000	Trademark Turtle Logo (\$20,000); Major Equipment (\$50,000); Upgrade Sump Pumps (\$40,000); Heavy Equipment & Vehicle Lifts (\$71,000).
• Community & Cultural Services	\$ 515,000	Facility for CVB.

# FY2016-17 Proposed Budget Capital Outlay – (Continued)

<b>Department</b>	<b>Allotments</b>	<b>Description</b>
• Police	\$ 634,000	Access Technology Camera System (\$44,000); Police Body/Fleet Cameras (\$40,000); Firearms Conex Storage Box (\$10,000); HoloSights/Optics (\$40,000); Records Management System (\$500,000).
• Fire	\$ 282,600	Station #8: Dorm Room Furniture (7) (\$42,000); Living Room (\$9,000); Radio Dispatch Equipment (\$30,600); Station Alarm System (\$50,000); Fitness Equipment (\$1270,000); Thermal Imaging Cameras (2) (\$24,000).

**PROPOSED**

# BUDGET

**Fiscal Year 2016-2017**

LAS CRUCES . NEW MEXICO

# Summary



# FY2016-17 Proposed Budget Summary

- Hold Harmless Replacement GRT Contingency Fund accommodates \$8.8 Million of Identified Public Works Projects.
- State-Shared GRT reduced by roughly \$600,000.
- Funds step increases for union employees; COLA and longevity increases for non-exempt employees; performance increase for exempt employees.
- Funds debt service costs for bond cycling for East Mesa, Streets, Flood Control & JU.
- Funds Council Sponsorships.
- Continues City support for Arts Council.
- Continues to fund affordable housing.

# FY2016-17 Proposed Budget Summary (Continued)

- Maintains City funding for grants to non-profits for health related activities.
- Replaces 41 vehicles and 13 new vehicles at a cost of \$1.7M through VAF.
- Replaces 41 vehicles and 4 new vehicles at a cost of \$3.5M through Utility Funds.
- Funds 9 police officers in the General Fund for 2016-17
- Funds 13 Fire position in the General Fund for 2016-17
- Maintains twice the required reserve in the general fund
- 2016-17 budget contains Funded Capital Projects for 152 projects totaling \$120.5 million.

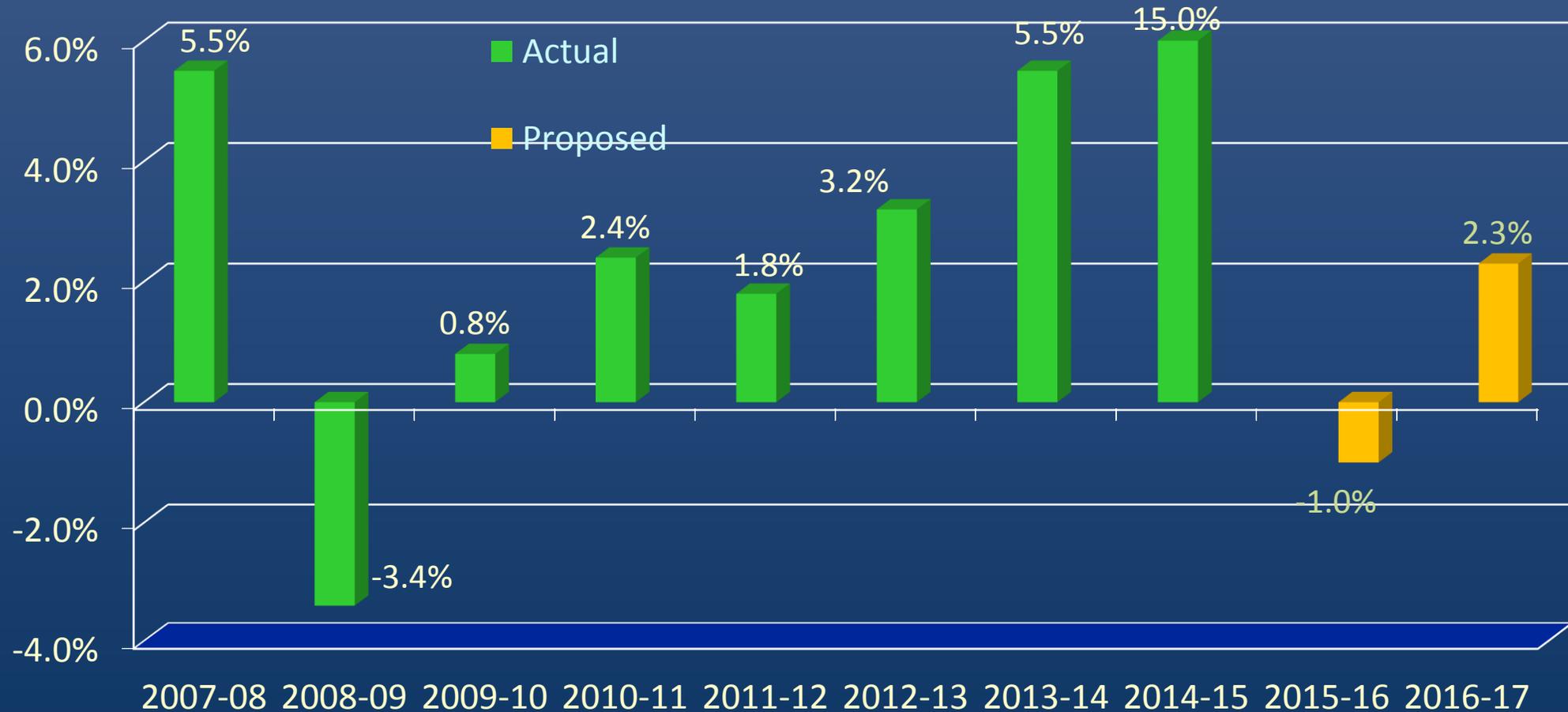
# FY2016-17 Proposed Budget

## Next Step

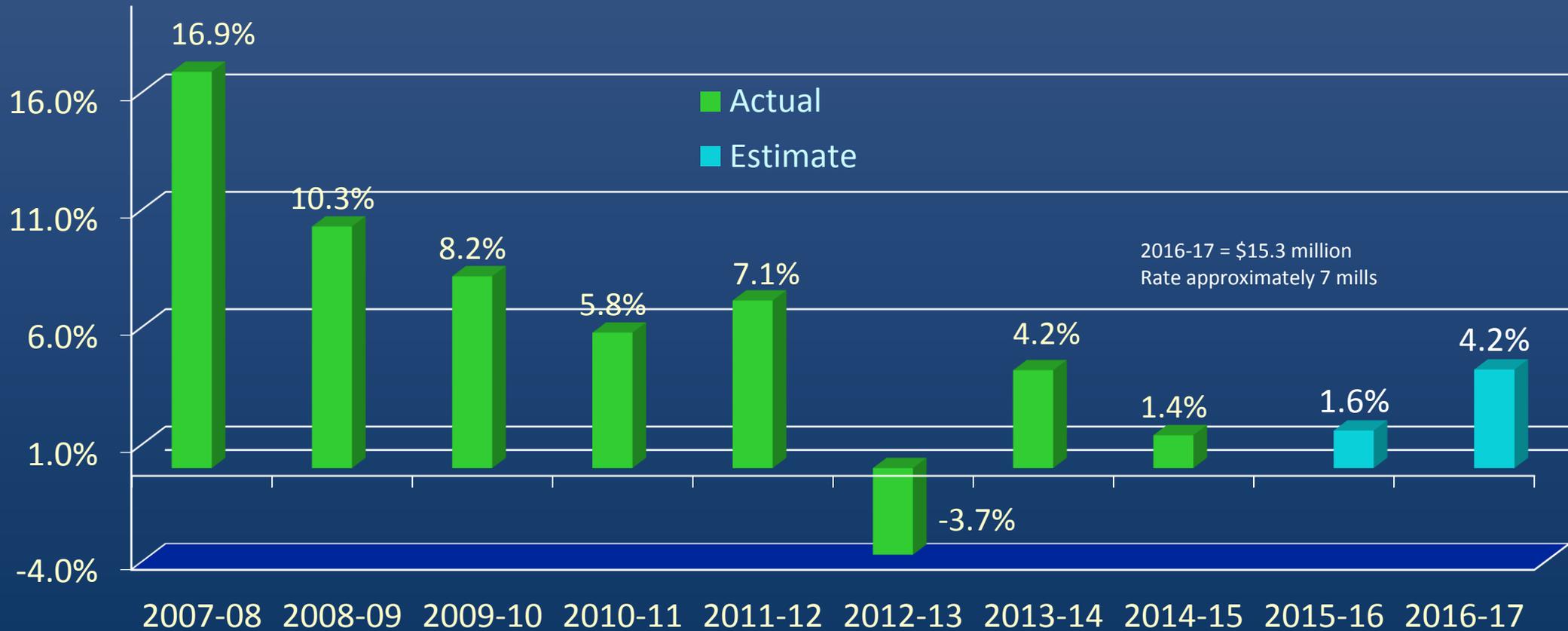
- April 25<sup>th</sup> Public Hearing following special work session
  - Proposed FY 2016-17 operational budget
  - Proposed FY 2017-18 thru 2021-22 CIP.
- May 2<sup>nd</sup> regular Council meeting to consider two separate resolutions
  - Resolution to Adopt FY 2016-17 Budget
  - Resolution to Adopt FY 2017-18 thru 2020-21 CIP.

# Questions/Comments

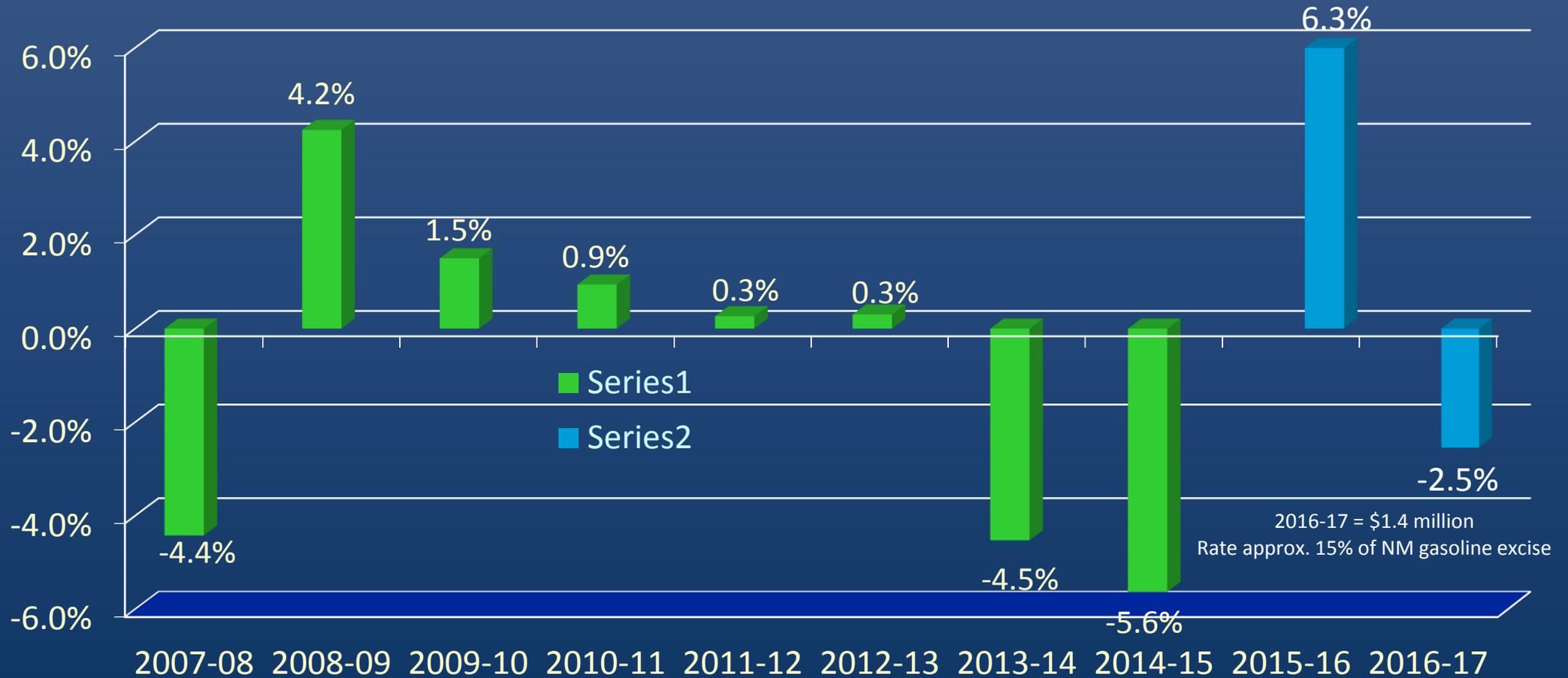
# FY2016-17 Proposed Budget Las Cruces Total Gross Receipts Tax



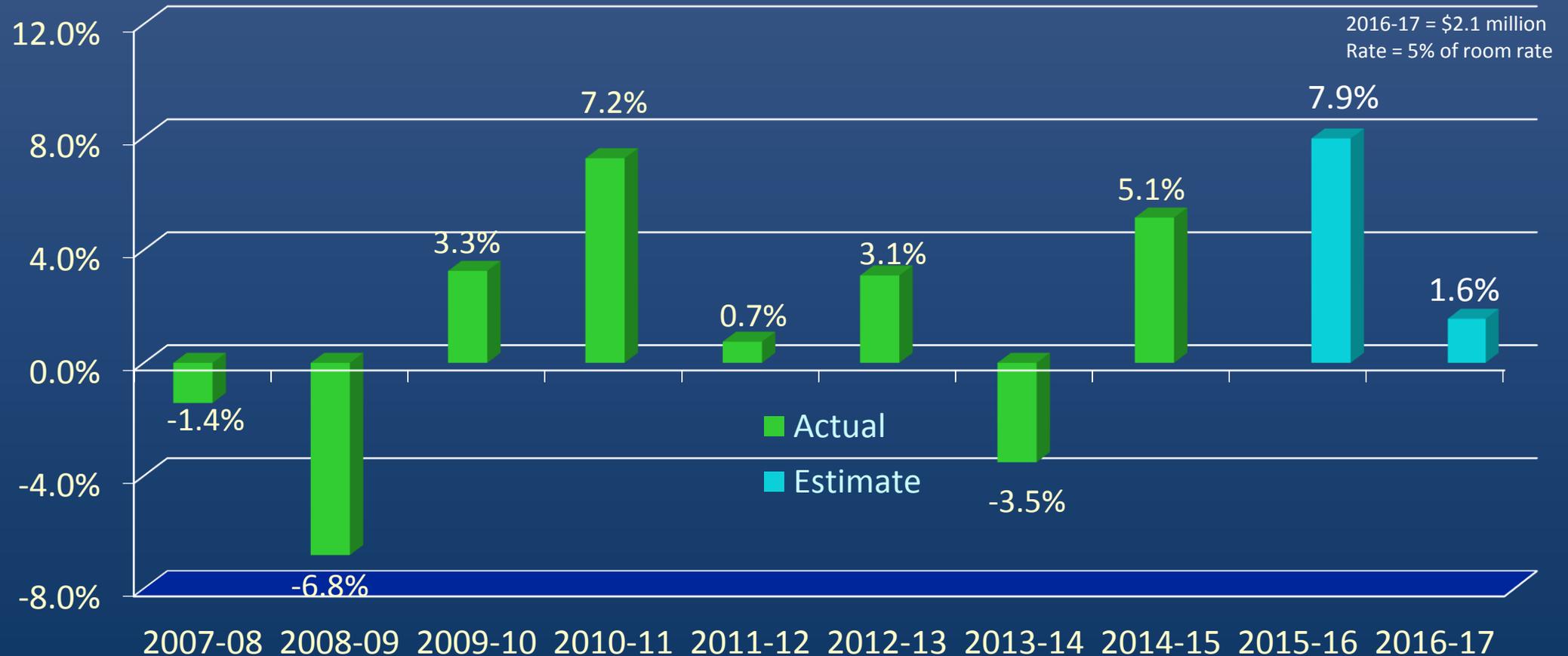
# FY2016-17 Proposed Budget Las Cruces Total Property Tax Receipts



# FY2016-17 Proposed Budget Las Cruces Total Gas Tax Receipts



# FY2016-17 Proposed Budget Las Cruces Lodgers Tax Receipts



# FY2016-17 Proposed Budget Las Cruces Convention Center Fee

