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City of Las Cruces[®]
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Council Action and Executive Summary

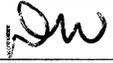
Item # 14 Ordinance/Resolution# 10-118 Council District: N/A

For Meeting of October 19, 2009

(Adoption Date)

TITLE: A RESOLUTION AMENDING THE CITY'S ADOPTED FY2010 BUDGET TO REFLECT THE CLOSING OF FUND 2030 (REGIONAL PLANNING FUND) AND ADJUSTING THE BUDGET IN ACCORDANCE WITH THIS AMENDMENT.

PURPOSE(S) OF ACTION: To amend the City's FY2010 adopted budget to reflect the closing of Fund 2030, the Regional Planning Fund, due to compliance requirements in accordance with required Governmental Accounting Standards.

Name of Drafter: David Dollahon 		Department: Community Development		Phone: 528-3060	
Department	Signature	Phone	Department	Signature	Phone
Community Development		528-3066	Budget		541-2281
			Assistant City Manager		541-2271
Legal		541-2128	City Manager		541-2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS: The Governmental Accounting Standards Board (GASB) establishes the standards for financial accounting and reporting for state and local governments. In the GASB codification of accounting principles, various government fund types are defined, including: **General Fund** is used to account for all financial resources except those required to be reported in another fund, and **Special Revenue Fund** is used to account for proceeds of specific revenue sources that are legally restricted for a specified purpose.

In 2007, Fund 2030 was established as the "Regional Planning Fund" which had a grant that was restricted for a particular purpose, thus qualifying or restricting it to a special revenue fund. The grant was from the State of New Mexico by way of New Mexico State University to undertake the Vision 2040 project. By FY08, the grant was exhausted and funding for Regional Planning was provided solely by the City's General Fund. Therefore, Fund 2030 has no restricted revenue sources in FY10 that would justify accounting for this program in a special revenue fund. In order to comply with GASB, the City's adopted budget and year-to-date transactions should be reallocated to the General Fund. The proposed Resolution would amend the City's adopted FY2010 budget to reflect the closing of Fund 2030. The year-to-date transactions will be moved once the budget adjustment is approved, as this is an administrative function within the Accounting Section of the Financial Services Division.

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount
General Fund (Fund 1000) 10184080-xxxxxx-20401	\$196,478.00	\$196,478.00
Regional Plan Fund (Fund 2030) 20184180-xxxxxx-20401	-\$196,478.00	-\$196,478.00

1. Resolution
2. Exhibit "A" – Proposed Budget Adjustment

OPTIONS / ALTERNATIVES:

1. Vote YES and approve the Resolution amending the City's FY2010 adopted budget to reflect the closing of the Regional Plan Fund (Fund 2030) and transfer the fund resources to the City's General Fund (Fund 1000).
2. Vote NO and disapprove the Resolution, thus not amending the City's FY2010 adopted budget to reflect the closing of the Regional Plan Fund (Fund 2030) and transfer the fund resources to the City's General Fund (Fund 1000). Such action would result in non-compliance with the Governmental Accounting Standards.
3. Modify the Resolution and vote YES to approve the modified Resolution. This action would be based on the Council's discretion and generally should be restricted to placement of fund expenditures and balances in any other non-special revenue fund.
4. Table or Postpone action on the requested Resolution.

RESOLUTION NO. 10-118**A RESOLUTION AMENDING THE CITY'S ADOPTED FY2010 BUDGET TO REFLECT THE CLOSING OF FUND 2030 (REGIONAL PLANNING FUND) AND ADJUSTING THE BUDGET IN ACCORDANCE WITH THIS AMENDMENT.**

The City Council is informed that:

WHEREAS, the Governmental Accounting Standards Board (GASB) establishes the standards for financial accounting and reporting for state and local governments; and

WHEREAS, the GASB codification of accounting principles, various government fund types are defined, which includes **General Fund** is used to account for all financial resources except those required to be reported in another fund, and **Special Revenue Fund** is used to account for proceeds of specific revenue sources that are legally restricted for a specified purpose; and

WHEREAS, in 2007, Fund 2030 was established as the "Regional Planning Fund" which had grant restrictions for a particular purpose, thus qualifying or restricting it to a special revenue fund and by FY08, the grant was exhausted and funding for Regional Planning was provided solely by the City's General Fund; and

WHEREAS, Fund 2030 has no restricted revenue sources in FY10 that would justify accounting for this program in a special revenue fund and in order to comply with GASB, the City's adopted budget for Fund 2030 needs to be reallocated to the General Fund and Fund 2030 be closed.

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

(I)

THAT the City of Las Cruces adopted FY2010 budget, as shown in Exhibit "A," attached hereto and made part of this Resolution, is hereby amended and approved.

(II)

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

DONE and APPROVED this _____ day of _____, 2009.

(SEAL)

APPROVED:

Mayor

ATTEST:

City Clerk

VOTE:

Mayor Miyagishima: _____
Councillor Silva: _____
Councillor Connor: _____
Councillor Archuleta: _____
Councillor Small: _____
Councillor Jones: _____
Councillor Thomas: _____

Moved by: _____

Seconded by: _____

Approved as to Form:



City Attorney

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2009/2010**

FUND				
General Fund 1000				
	FY 2008/09 Projected*	FY 2009/10 Adopted	Adjustment	FY 2009/10 Adjusted
BEGINNING BALANCE	\$ 20,409,862	14,454,454		14,454,454
REVENUES				
512011 to 015 & 911500 Gross Receipts Taxes	\$ 53,960,000	53,699,000		53,699,000
511010 Property Taxes	8,029,209	8,369,756		8,369,756
514010 to 50 Franchise Fees	2,761,175	2,830,644		2,830,644
546301 to 08 Administrative Transfers	1,866,442	2,020,234		2,020,234
533001 Police Fines	1,075,782	1,098,373		1,098,373
521002 Subdivision Fees	270,000	276,750		276,750
All Other Revenues	5,279,035	5,471,376	264,675	5,736,051
TOTAL REVENUES	\$ 73,241,643	73,766,133	264,675	74,030,808
TOTAL RESOURCES	\$ 93,651,505	88,220,587	264,675	88,485,262
EXPENDITURES				
Administration	\$ 1,843,217	2,098,396		2,098,396
Community Development	1,531,820	1,897,619	196,478	2,094,097
Facilities	8,762,163	11,750,833		11,750,833
Financial Services	3,377,571	3,609,497		3,609,497
Fire	8,690,432	8,658,260		8,658,260
Human Resources	916,325	963,900		963,900
Judicial	1,313,729	1,567,634		1,567,634
Legal	1,614,796	1,845,985		1,845,985
Legislative	764,069	703,581		703,581
Police	19,635,046	18,691,706		18,691,706
Public Services	7,863,009	6,363,590		6,363,590
Public Works	5,930,298	5,543,834		5,543,834
Reserves	1,540,632	1,799,483		1,799,483
Transfers	15,413,944	8,579,373	(100,000)	8,479,373
Total General Fund Expenditures	\$ 79,197,051	74,073,691	96,478	74,170,169
Adjustment due to change in accruals.	0	0		
ENDING BALANCE	\$ 14,454,454	14,146,896	168,197	14,315,093
Required 1/12th Reserve	6,599,754	6,172,808	8,040	6,180,847
UN-RESERVED ENDING BALANCE	\$ 7,854,700	7,974,088	160,157	8,134,246

*Projected based on 8 months actual through February 28, 2009 and 4 months projected.

EXHIBIT "A" CONTINUED

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2009/2010**

General Fund Reserve Section				
		FY 2008/09 Projected*	FY 2009/10 Adopted	FY 2009/10 Adjusted
RESERVES FOR:				
1. Salary Increases:				
610106 Reserve for Blue Collar Bargaining Unit Increases	\$	0	33,712	33,712
610106 Reserve for Police Bargaining Unit Increases		0	147,564	147,564
610106 Reserve for Fire Bargaining Unit Increases		0	102,453	102,453
610106 Reserve for Non-Represented Increases		0	0	0
2. Services				
722190 Purchased Services	\$	250,000	268,493	268,493
722194 Loan Payment - CDBG Loan for new MNH Bldg		0	80,000	80,000
722197 Enhanced Spay/Neuter		0	0	0
722248 Admin Charge - County		58,204	60,673	60,673
722248 Admin Charge - GRT		549,359	498,372	498,372
722310 City Manager Contingency		129,853	50,000	50,000
723100 Building or Land Rental		99,870	99,870	99,870
730410 Software		10,000	0	0
3. Payments to Other Government Entities				
772900 Office of Emergency Management	\$	79,346	69,346	69,346
772900 Council of Governments		14,000	14,000	14,000
4. Payments for Other Government Programs				
722190-10909 Family & Youth Adolescent Shelter	\$	0	0	0
722900 Family & Youth Americorps Program		0	0	0
722190-10911 Big Brothers Big Sisters School Program		0	0	0
722190-10912 Big Brothers Big Sisters Community Pgm		0	0	0
722190-10913 MV Comm of Hope Resource Room Pgm		0	0	0
772900 Mesilla Valley Economic Development Alliance		200,000	200,000	200,000
722190 City Contribution to Doña Ana Arts Council		40,000	0	0
705105 Low Income Utility Assistance Program		100,000	100,000	100,000
705110 Affordable Housing Impact Fee Assistance		10,000	75,000	75,000
Total Reserves	\$	1,540,632	1,799,483	1,799,483
5. Transfers to Other Funds				
951005 Fund 1005 Engineering Services	\$	2,190,660	1,765,410	1,765,410
951010 Fund 1010 Airport Operations		270,000	270,000	270,000
95XXXX Fund 1015 Permit Services		344,594	243,506	243,506
951101 Fund 1101 City Council OEM		0	0	0
951102 Fund 1102 City Hall Furnishings		0	0	0
951200 Fund 1200 Vehicle Acquisition		2,031,219	0	0
952030 Fund 2030 Regional Plan		100,000	100,000	(100,000)
952090 Fund 2090 M. P. O. Urban Transportation		125,000	0	0
952171 Fund 2171 Older Americans Act		1,195,259	0	0
952173 Fund 2173 Retired Senior Volunteer Program		75,949	0	0
952174 Fund 2174 Children, Youth, & Families		19,602	0	0

*Projected based on 8 months actual through February 28, 2009 and 4 months projected.

EXHIBIT "A" CONTINUED

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2009/2010**

General Fund Reserve Section Continued				
	FY 2008/09 Projected*	FY 2009/10 Adopted	Adjustment	FY 2009/10 Adjusted
5. Transfers to Other Funds Continued				
952405 Fund 2405 Victims Assistance	24,951	0		0
952170 Fund 2410 Keep Las Cruces Beautiful	58,604	0		0
952121 Fund 2412 Juvenile Citation Program	73,100	0		0
952330 Fund 2440 Prisoner Care	1,150,000	1,400,000		1,400,000
853118 Gas Tax 2000 Bonds Series A		0		
854002 Street Improvement Fund 400200		0		
952470 Fund 2470 COPS Interoperability Technology	58,493	0		0
911000 Fund 2700 Health Services	60,000	0		0
952495 Fund 2495 Animal Services Center	570,813	802,151		802,151
952500 Fund 2500 State Equipment Grants	0	0		0
952780 Fund 2780 Griggs/Walnut Plume Remediation	0	0		0
954001 Fund 4001 Capital Improvement Reserve	2,610,000	200,000		200,000
954012 Fund 4012 Facility State Grants	4,536	0		0
954022 Sales Tax 2005 City Hall Fund	0	0		0
954023 Fund 4023 Sales Tax 2005 Public Improvement	0	0		0
954XXX Fund 4201 Streets General Fund	48,575	0		0
954202 Fund 4202 GRT Street Maintenance	0	0		0
954212 Fund 4212 Street State Grants	47,500	0		0
954300 Fund 4300 Airport Improvement	0	0		0
954613 Fund 4613 State Equipment	0	0		0
965400 Fund 5400 Wastewater Operations	0	0		0
965920 Fund 5920 Transit	2,049,000	1,134,067		1,134,067
966150 Fund 6150 Fleet Services	0	0		0
966340 Fund 6340 Liability Claims	754,060	1,112,210		1,112,210
772900-97410 Fund 7410 MVRDA	1,326,486	1,326,486		1,326,486
772900-97420 Fund 7420 Metro Narcotics	225,543	225,543		225,543
Total Transfers Out	\$ 15,413,944	8,579,373	(100,000)	8,479,373
GRAND TOTAL RESERVE SECTION	\$ 16,954,576	10,378,856	(100,000)	10,278,856

*Projected based on 8 months actual through February 28, 2009 and 4 months projected.

EXHIBIT "A" CONTINUED

CITY OF LAS CRUCES
ADOPTED BUDGET FY 2009/2010

FUND	DIVISION		FUND TYPE	
Regional Plan Fund 2030	Comm Dev		Special Revenue	
	FY 2008/09 Prel Actual*	FY 2009/10 Adopted	Adjustment	FY 2009/10 Adjusted
RESOURCES				
Beginning Balance	\$ 265,110	121,158	143,517	264,675
REVENUES				
552003 NM Department of Finance & Administration	\$ 0	0		0
553002 Dona Ana County Grants	0	0		0
570010 Investment Income	0	3,500	(3,500)	0
570015 Net Incr(Decr) Investment Income	(435)	0		0
Total Revenues	\$ (435)	3,500	(3,500)	0
Total Resources	\$ 264,675	124,658	140,017	264,675
EXPENDITURES				
Regional Planning Project 20184180 Operating	\$ 0	196,478	(196,478)	0
Total Expenditures	\$ 0	196,478	(196,478)	0
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	\$ 0	100,000	(100,000)	0
Transfer to General Fund	0	0	(264,675)	(264,675)
Total Other Financing Sources (Uses)	\$ 0	100,000	(364,675)	(264,675)
ENDING BALANCE	\$ 264,675	28,180	(28,180)	0

*Preliminary Actual as of 10/2/09.