



County of Los Alamos

Council Meeting Staff Report

April 25, 2017

Agenda No.: 1)
Indexes (Council Goals):
Presenters: Harry Burgess; Steven Lynne
Legislative File: 9143-17

Title

FY2018 Budget Hearings.

Recommended Action

Tentative Approval

As the Council proceeds through each department, they may choose to indicate initial acceptance of each department when that presentation and discussion is complete. Such initial acceptance is subject to further changes during the budget hearings and during final budget adoption.

I move that Council tentatively approve the budget for the _____ Department as presented (or as amended with the following changes: _____)

Budget Adoption

Council could adopt the budget on April 18, 24, or 25, 2017.

I move that Council adopt the FY2018 budget in the amount of \$200,352,740 (or amended amount of \$_____) as described in Attachment A, Summary of Changes from Proposed to Adopted Budget.

I further move that Council approve the following items related to the adoption of the FY2018 budget:

- 1. Summary of Pension Fund Administrative Costs in Attachment E;**
- 2. FY2018 Long Range Financial Projection in Attachment F;**
- 3. FY2018 Equipment Replacement List in Attachment G;**
- 4. FY2018 Recurring Grants in Attachment H; and**
- 5. FY2018 Financial Policies as updated Attachment D;**

I further move that Council approve continuing appropriations in the FY2018 budget for the following items from the FY2017 budget:

- a) all valid encumbrances outstanding at June 30, 2017;**
- b) all unexpended and unencumbered previously approved project budgets at June 30, 2017;**
- c) all unexpended and unencumbered previously approved pavement preservation budgets at June 30, 2017;**
- d) the unexpended and unencumbered previously approved budget for Fire Mitigation; and**
- e) all unexpended and encumbered grant budgets at June 30, 2017 that are permitted to be carried forward by their governing grant agreements.**

County Manager's Recommendation

The County Manager recommends that Council adopt the FY2018 budget.

Body

BUDGET HEARINGS (and potential budget adoption)

The FY 2018 Budget Hearings are scheduled for Monday, April 17, 2017, Tuesday, April 18, 2017, Monday, April 24, 2017, and Tuesday, April 25, 2017, beginning at 6 p.m each evening. The proposed budget has been distributed separately, and reference copies are available online at the County's website, at the libraries and at the Customer Care Center. Additional reference copies will be available at the hearings.

Each evening will stop at 10 p.m. or earlier. Council will try to cover each department on the day scheduled. After each department presentation and discussion, Council will tentatively approve the department budget. Parking lot items should be held to a minimum and will be resolved on April 25th.

Public Hearings: Council will reserve up to the first 30 minutes of each session for public comment on any portion of the proposed budget. Once all comments have been provided, or after this time has expired, budget presentations and discussions will continue.

Budget Adoption: The Council may consider final changes and adoption of the budget on April 18, 24 or 25, 2017, depending upon timing of discussions.

While the schedule below indicates that certain portions of the budget will be presented and discussed on specific dates, these are subject to shift earlier or later based upon the actual timing of the discussions.

PRELIMINARY SCHEDULE (tentative schedule; items may shift depending on flow of review and discussions)

Monday, April 17, 2017

Public Comment

Introduction, Overview, Budget Summary and Long Term Financial Projection

Budget Presentations:

Municipal Court

County Sheriff

Community Development

Community Services

Tuesday, April 18, 2017

Public Comment

Budget Presentations:

Administrative Services

Public Works

Utilities

Monday, April 24, 2017

Public Comment

Budget Presentations:

County Assessor
County Clerk
Probate Court
County Council
Fire

Tuesday, April 25, 2017

Public Comment

Budget Presentations:

Police

County Attorney

County Manager

Non-Departmental

Council Questions and Discussion of Proposed Budget

Parking Lot - Outstanding / Unresolved Items and Budget Options

Consideration of Adoption of FY2018 Proposed Budget

Introduction, Overview, Budget Summary and Long Range Financial Projection

The County Manager will present an introduction and overview. The overview will address the high-level goals of the proposed budget. Highlights from the Budget Summary section of the proposed budget (pages 26-54) will be presented by Steven Lynne, Deputy County Manager.

General County Operating Budgets

Department Directors will provide an overview of individual departmental highlights.

Elected Officials - County Assessor, County Clerk, Probate Judge, Municipal Court, County Sheriff

These elected officials will provide an overview of their departments.

Joint Utilities Fund Budget

The Utilities Manager will present the Utilities Department Budget.

Parking Lot - Outstanding / Unresolved Items and Budget Options

Any changes made or direction received during the budget hearings will be incorporated into the proposed budget. Attachment A, Summary of changes from proposed to adopted will be updated as Council makes changes.

BUDGET ADOPTION

Budget adoption occurs after County Council has reviewed and considered the FY2018 Proposed Budget and Budget Options at the budget hearings. The attachments described below are being presented here for final consideration and adoption.

Summary of Pension Fund Administrative Costs

Although the expenses of the Pension Plan are passed on to the plan participants, the County Council, as the Plan Sponsor, has routinely established and approved an administrative budget for the Pension Fund to provide system controls over these payments. Because this is a trust fund, the administrative costs are not a formal part of the County's budget. See Attachment E.

FY2018 Long Range Financial Projection

The attached Long Range Financial Projection (Attachment F) is presented here. The County's financial policies require Council approval of the projection which indicates Council's long-range

financial policy direction.

FY2018 Equipment Replacement List

Approval of this list (Attachment G) at this point in time will eliminate the need for additional formal Council action for routine replacement of vehicles at a later date.

Recurring Grants

Each year departments are required to notify Council of their intent to apply for recurring grants. Attachment H is a list of the recurring grants and estimated amounts for FY2018. This will eliminate the need for additional formal Council action at a later date unless actual received amounts are different than originally budgeted. If that is the case, these routine adjustments will be lumped together and brought before Council during mid-year budget revisions.

Continuing Appropriations

In addition to adoption of the budget, carryover of certain current year budget items are presented at this time because of their routine nature. There are six basic categories for these appropriations, five of which are proposed for consideration at this time:

- a. Encumbrances - commitments to purchase, but for which delivery of goods or services has not yet been made and associated payments will cross fiscal years.
- b. Unexpended and unencumbered project budgets - project budgets that Council has previously, specifically approved such as CIP or other projects.
- c. Unexpended and unencumbered pavement preservation budgets that Council has previously, approved for pavement preservation.
- d. Unexpended and unencumbered previously approved budget for Fire Mitigation;
- e. Unexpended and unencumbered grant budgets for programs that extend over fiscal years.
- f. (To be considered with the closing of the FY2017 financial records in August / September as specific items are identified.) Other unexpended and unencumbered project budgets or capital purchases, evaluated individually, that satisfy the following criteria:

- The project, type of project, or item was included in the original FY2017 budget; or
- It must have been identified during the FY2018 budget development process as a capital item more appropriately spent from the FY2017 budget (for example, certain hardware replacements).

Alternatives

Council may amend the proposed budget. The State requires that the governing body adopt its budget each year with requests due by June 1. State statute does not allow for an extension to this deadline.

Fiscal and Staff Impact/Planned Item

See the FY2018 Proposed Budget and accompanying Budget Options

Attachments

A - FY2018 Summary of changes from proposed to adopted

B - FY2018 Proposed Budget - The complete FY2018 proposed budget was distributed separately. Reference copies are available on line at the County's web site, at the libraries and at the Customer Care Center. Additional reference copies will be available at the hearings.

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- C - Department and Elected Officials Presentation Slides
 - D - Budget Options for FY2018
 - E - FY2018 Pension Administrative Costs
 - F - FY2018 Long Range Financial Projection
 - G - FY2018 Equipment Replacement List
 - H - FY2018 Recurring Grants List