



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Council Meeting Staff Report

April 15, 2019

Agenda No.:**Indexes (Council Goals):**

Presenters: Harry Burgess; Steven Lynne; Karen Kendall

Legislative File: 11745-19

Title

FY2020 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: _____, which includes budget option number (s)_____.

Budget Adoption

Council could adopt the budget on April 15, 16, 22, or 23, 2019.

I move that Council adopt the FY2020 budget in the amount of \$_____ as described in Attachment B, Summary of Changes from Proposed to Adopted Budget.

I further move that Council approve the following items related to the adoption of the FY2020 budget:

1. FY2020 Long Range Financial Projection as amended during budget hearing in Attachment C;
2. FY2020 Equipment Replacement List in Attachment F;
3. FY2020 Recurring Grants in Attachment H;
4. Summary of Pension Fund Administrative Costs in Attachment G; and
5. FY2020 Schedule of Appropriations for Salary Adjustments as amended during budget hearing in Attachment I.

I further move that Council approve continuing appropriations in the FY2020 budget for the following items from the FY2019 budget:

- a) all valid encumbrances outstanding at June 30, 2019;
- b) all unexpended and unencumbered previously approved project budgets at June 30, 2019;
- c) all unexpended and unencumbered previously approved Major Facilities Maintenance budget at June 30, 2019;
- d) all unexpended and unencumbered previously approved Traffic & Streets Pavement Preservation budget at June 30, 2019;
- e) the unexpended and unencumbered previously approved budget for Fire Mitigation; and
- f) all unexpended and unencumbered grant budgets at June 30, 2019 that are permitted to be

carried forward by their governing grant agreements.

County Manager's Recommendation

The County Manager recommends that Council adopt the FY2020 budget.

Body

BUDGET HEARINGS (and potential budget adoption)

The FY2020 Budget Hearings are scheduled for Monday, April 15, 2019, Tuesday, April 16, 2019, Monday, April 22, 2019, and Tuesday, April 23, 2019, 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.

Budget presentations will be made in the order identified on the agenda. After each department presentation and discussion, Council may tentatively approve the department budget. Parking lot items should be held to a minimum and will be resolved prior to the adoption of the budget.

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.

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 and Karen Kendall, Budget & Performance Manager.

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

These elected officials will provide an overview of their departments.

General County Operating Budgets

Department Directors will provide an overview of individual departmental highlights.

Joint Utilities Fund Budget

The Utilities Manager will present the Utilities Department Budget.

CIP & Non-Departmental Budgets

The Deputy County Manager will present the Non-Departmental Budget and an overview of the CIP Funds 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 B, Summary of Changes from Proposed to Adopted will be updated as Council makes changes.

FY2020 Long Range Financial Projection

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

FY2020 Fleet Equipment Replacement List

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

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 G.

Recurring Grants

Each year departments are required to notify Council of their intent to apply for recurring grants. Attachment G is a list of the recurring grants and estimated amounts for FY2020. 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.

Schedule of Appropriations for Salary Adjustments

The Schedule of Appropriations for Salary Adjustments is a new schedule. It provides a list of estimated salary adjustment costs included in the proposed budget by each salary group. This schedule will be updated as Council makes changes to the budget. See Attachment I.

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.

- 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 budget that Council has previously approved for Major Facilities Maintenance (MFM).
- d. Unexpended and unencumbered budget that Council has previously approved for Traffic & Streets Pavement Preservation.
- e. Unexpended and unencumbered previously approved budget for Fire Mitigation;
- f. Unexpended and unencumbered grant budgets for programs that extend over fiscal years.

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 FY2020 Proposed Budget and accompanying Budget Options

Attachments

A - FY2020 Proposed Budget - The complete FY2020 proposed budget was distributed separately. Reference copies are available on line at the County's website, at the libraries and at the Customer Care Center. Additional reference copies will be available at the hearings.

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- B - Summary of Changes from Proposed to Adopted
 - C - FY2020 Long Range Financial Projection
 - D - Budget Options for FY2020
 - E - Department and Elected Officials Presentation Slides
 - F - FY2020 Fleet Equipment Replacement List
 - G - FY2020 Pension Administrative Costs
 - H - FY2020 Recurring Grants List
 - I - FY2020 Schedule of Appropriations for Salary Adjustments