



# County of Los Alamos

Los Alamos, NM 87544  
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## Minutes-DRAFT

### County Council – Special Session

*David Izraelevitz, Council Chair; Christine Chandler, Council Vice Chair;  
James Chrobocinski, Antonio Maggiore, Susan O’Leary,  
Rick Reiss, and Pete Sheehey, Councilors*

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April 16 & 17, 2018

6:00 PM

Council Chambers-1000 Central Avenue

TELEVISED

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#### Budget Hearings-April 16th and 17th

#### 1. OPENING/ROLL CALL

The Council Chair, David Izraelevitz, called the meeting to order at 6:03 p.m.

The following Councilors were in attendance:

Present: 6 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski,  
Councilor Maggiore, Councilor Reiss, and Councilor Sheehey

Remote: 1 - Councilor O’Leary

#### 2. PLEDGE OF ALLEGIANCE

Led by: All

#### 3. PUBLIC COMMENT

Mr. Greg White, 600 San Ildefonso, expressed concern regarding the budget restoration of the Office of County Sheriff. Mr. Patrick Sullivan, Executive Director Los Alamos Commerce and Development Corporation, asked Council to consider a recurring revenue stream for the Economic Development Fund.

#### 4. APPROVAL OF AGENDA

A motion was made by Councilor Reiss, seconded by Councilor Maggiore, that the agenda be approved as presented.

The motion passed by acclamation with the following vote:

Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski,  
Councilor Maggiore, Councilor O’Leary, Councilor Reiss, and Councilor Sheehey

**5. BUSINESS**

**A. County Council Minutes for April 3, 2018**

Public Comment:  
None.

**A motion was made by Councilor Maggiore, seconded by Councilor Chrobocinski, that Council approve the County Council Minutes for April 3, 2018.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

**6. PUBLIC HEARING(S)**

**A. Introduction, Overview, Budget Summary and Long Term Financial Projection**

**1) FY 2019 Budget Hearings**

Mr. Harry Burgess, County Manager, spoke.  
Mr. Steven Lynne, Deputy County Manager, spoke.  
Ms. Karen Kendall, Budget and Performance Manager, spoke.

**B. Budget Presentations**

**1. County Council**

Ms. Karen Kendall, Budget and Performance Manager, spoke.

**A motion was made by Councilor Chrobocinski, seconded by Councilor Maggiore, that Council tentatively approve the budget for the County Council as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

**2. Municipal Court**

Judge Alan Kirk, Municipal Judge, spoke.

**A motion was made by Councilor Chrobocinski, seconded by Councilor Maggiore, that Council tentatively approve a regular FTE (full time employee) and a \$574,516 budget for the Municipal Court as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

### **3. County Manager**

Mr. Harry Burgess, County Manager, spoke.

**A motion was made by Councilor Sheehey, seconded by Councilor Maggiore, that Council tentatively approve the budget for the County Manager's Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

### **4. County Assessor**

Mr. Ken Milder, County Assessor, spoke.

Mr. Joaquin Valdez, Chief Deputy Assessor, spoke.

Mr. Michael Smith, GIS Administrator, spoke.

Mr. Harry Burgess, County Manager, spoke.

Mr. Steven Lynne, Deputy County Manager, spoke.

**A motion was made by Councilor Chandler, seconded by Councilor Maggiore, that Council tentatively approve the budget for the County Assessor's Department as presented.**

**A SUBSTITUTE motion was made by Councilor Chrobocinski that Council tentatively approve the budget for the County Assessor in the amount of \$617,012.**

**The SUBSTITUTE motion failed for lack of a second.**

**The ORIGINAL motion passed with the following vote:**

**Yes: 4 - Councilor Izraelevitz, Councilor Chandler, Councilor Maggiore, and Councilor Sheehey**

**No: 3 - Councilor Chrobocinski, Councilor Reiss, and Councilor O'Leary**

### **RECESS**

**Councilor Izraelevitz called for a recess at 8:08 p.m. The meeting reconvened at 8:18 p.m.**

### **5. County Clerk**

Ms. Naomi D. Maestas, County Clerk, spoke.

**A motion was made by Councilor Reiss, seconded by Councilor Maggiore, that Council tentatively approve the budget for the County Clerk's Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

## **6. Probate Court**

Ms. Naomi D. Maestas, County Clerk, spoke.

**A motion was made by Councilor Sheehey, seconded by Councilor Chrobocinski, that Council tentatively approve the budget for the Probate Court as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

## **7. County Sheriff**

Mr. Marco Lucero, County Sheriff, spoke.

**A motion was made by Councilor Chrobocinski, seconded by Councilor Sheehey, that Council tentatively approve the budget for the County Sheriff's Department in the amount of \$85,000.**

**The motion failed with the following vote:**

**Yes: 2 - Councilor Chrobocinski and Councilor Sheehey**

**No: 5 - Councilor Izraelevitz, Councilor Chandler, Councilor O'Leary, Councilor Maggiore, and Councilor Reiss**

**A motion was made by Councilor Maggiore, seconded by Councilor Reiss, that Council tentatively approve the budget for the County Sheriff's Department as presented.**

**The motion passed with the following vote:**

**Yes: 5 - Councilor Izraelevitz, Councilor O'Leary, Councilor Chandler, Councilor Maggiore, and Councilor Reiss**

**No: 1 - Councilor Chrobocinski**

**Abstain: 1 - Councilor Sheehey**

## **8. County Attorney**

Mr. Alvin Leaphart, County Attorney, spoke.

**A motion was made by Councilor Maggiore, seconded by Councilor Reiss, that Council tentatively approve the budget for the County Attorney's Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

## **9. Administrative Services**

Mr. Steven Lynne, Deputy County Manager, spoke.

**A motion was made by Councilor Sheehey, seconded by Councilor Maggiore, that Council tentatively approve the budget for the Administrative Services Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

## **10. Community Services**

Mr. Brian Brogan, Community Services Director, spoke.

Mr. Harry Burgess, County Manager, spoke.

Mr. Steven Lynne, Deputy County Manager, spoke.

**A motion was made by Councilor Sheehey, seconded by Councilor Maggiore, that Council tentatively approve the budget for the Community Services Department as presented with the carryover as suggested by Brian Brogan to carryover \$80k to fully fund the Public Health Office for FY 2019.**

**The motion passed with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

During the discussion of this item, Councilor O'Leary asked for agenda item to discuss a budget increase.

## **11. Fire Department**

Mr. Troy Hughes, County Fire Chief, spoke.

**A motion was made by Councilor Reiss, seconded by Councilor Maggiore, that Council tentatively approve the budget for the Fire Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

## **12. Police Department**

Mr. Dino Sgambellone, Police Chief, spoke.

**A motion was made by Councilor Chrobocinski, seconded by Councilor O'Leary, that Council tentatively approve the budget for the Police Department in the amount of \$8,685,247; that is adding in the additional \$45,000 to go towards operations as the Police Chief sees fit.**

The motion passed by acclamation with the following vote:

Yes: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski,  
Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey

**7. RECESS**

The meeting recessed at 9:50 p.m., to be reconvened at 6:00 p.m. on Tuesday, April 17, 2018.

Tuesday, April 17, 2018

**1. OPENING/ROLL CALL**

The Council Chair, David Izraelevitz, called the meeting to order at 6:06 p.m.

The following Councilors were in attendance:

Present: 7 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski,  
Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey

**2. PLEDGE OF ALLEGIANCE**

No action taken.

**4. PUBLIC COMMENT** (*heard out of order*)

Ms. Helen Milenski, 1651 36<sup>th</sup> Street, commented on the budget of the Community Development Department.  
Mr. Erin Walker, 413 Pruitt Avenue, commented on the budget of the Community Development Department.  
Mr. Jose Carreno, 937 Tewa Loop, commented on the budget and the approval of Capital Improvement Projects.

**3. STATEMENT REGARDING CLOSED SESSION**

A motion was made by Councilor Sheehey, seconded by Councilor Maggiore, that Council approve the following statement for inclusion in the minutes: "The matters discussed in the closed session held on April 17, 2018 that began at 5:00 p.m. were limited only to those topics specified in the notice of the closed session, and no action was taken on any matter in that closed session."

The motion passed by acclamation with the following vote:

Yes: 6 - Councilor Izraelevitz, Councilor Chandler, Councilor Chrobocinski, Councilor Maggiore,  
Councilor Reiss, and Councilor Sheehey

Abstain: 1 - Councilor O'Leary

Councilor Izraelevitz noted that Councilor O'Leary did not attend the closed session.

**5. PUBLIC HEARING(S)**

**A. Introduction, Overview, Budget Summary and Long Term Financial Projection**

**1) FY2019 Budget Hearings**

No Action taken.

**B. Budget Presentations**

**13. Community Development Department**

Mr. Paul Andrus, Community Development Director, spoke.  
Ms. Karen Kendall, Budget and Performance Manager, spoke.  
Mr. Steven Lynne, Deputy County Manager, spoke.

**A motion was made by Councilor Reiss, seconded by Councilor Chandler, that Council tentatively approve the budget for the Community Development Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 6 - Councilor Izraelevitz, Councilor Chandler, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

**No: 1 - Councilor Chrobocinski**

Councilor Chandler left the meeting after the discussion of this item at 7:31 p.m.

**14. Public Works Department**

Mr. Philo Shelton, Public Works Director, spoke.

**A motion was made by Councilor Maggiore, seconded by Councilor Chrobocinski, that Council tentatively approve the budget for the Public Works Department as presented.**

**The motion passed by acclamation with the following vote:**

**Yes: 6 - Councilor Izraelevitz, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

**Absent: 1 - Councilor Chandler**

**RECESS**

***Councilor Izraelevitz called for a recess at 7:58 p.m. The meeting reconvened at 8:08 p.m.***

**15. Department of Public Utilities**

Mr. Tim Glasco, Utilities Manager, spoke.  
Mr. Bob Westervelt, Deputy Utilities Manager, spoke.  
Mr. Jordan Garcia, Power System Supervisor, spoke.  
Mr. Jack Richardson, Deputy Utilities Manager, spoke.  
Mr. Alvin Leaphart, County Attorney, spoke.

A motion was made by Councilor Reiss, seconded by Councilor Chrobocinski, that Council tentatively approve the budget for the Department of Utilities as presented.

The motion passed by acclamation with the following vote:

**Yes: 6 - Councilor Izraelevitz, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

**Absent: 1 - Councilor Chandler**

## **16. Non Departmental**

Mr. Steven Lynne, Deputy County Manager, spoke.

**No action taken.**

## **6. POSSIBLE BUDGET ADOPTION**

Mr. Steven Lynne, Deputy County Manager, spoke.

Mr. Harry Burgess, County Manager, spoke.

**A motion was made by Councilor O'Leary, seconded by Councilor Maggiore, that Council adopt the FY2019 budget in the amount of \$188,838,880, as described in Attachment H, Summary of Changes from Proposed to Adopted Budget;**

**Further moved that Council approve the following items related to the adoption of the FY2019 budget:**

- 1. Summary of Pension Fund Administrative Costs in Attachment F;**
- 2. FY2019 Long Range Financial Projection in Attachment B;**
- 3. FY2019 Equipment Replacement List in Attachment E; and**
- 4. FY2019 Recurring Grants in Attachment G;**

**Further moved that Council approve a 0.5 regular FTE Court Clerk for Municipal Court;**

**Further moved that Council approve continuing appropriations in the FY2019 budget for the following items from the FY2018 budget:**

- a) all valid encumbrances outstanding at June 30, 2018;**
- b) all unexpended and unencumbered previously approved project budgets at June 30, 2018;**
- c) all unexpended and unencumbered previously approved Major Facilities Maintenance budget at June 30, 2018;**
- d) the unexpended and unencumbered previously approved budget for Fire Mitigation;**
- e) all unexpended and encumbered grant budgets at June 30, 2018 that are permitted to be carried forward by their governing grant agreements; and**
- f) \$80,000 within Community Services for the Public Health Office.**

The motion passed with the following vote:

**Yes: 6 - Councilor Izraelevitz, Councilor Chrobocinski, Councilor Maggiore, Councilor O'Leary, Councilor Reiss, and Councilor Sheehey**

**Absent: 1 - Councilor Chandler**



**7. PUBLIC COMMENT**

None.

**8. ADJOURNMENT**

The meeting adjourned at 9:29 p.m.

INCORPORATED COUNTY OF LOS ALAMOS

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David Izraelevitz, Council Chair

Attest:

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Naomi D. Maestas, County Clerk

Meeting Transcribed by: Victoria L. Martinez, Deputy Clerk

**Los Alamos County**  
**FY2019 Summary of Changes from Proposed to Adopted Budget**

Fund Type	Fund	Department	FY2019 Proposed Expenditure Budget	Changes	FY2019 Adopted Expenditure Budget
<b>GOVERNMENTAL</b>					
General	General Fund	County Council	\$ 419,546		419,546
General	General Fund	Municipal Court	522,517	24,624	547,141
General	General Fund	County Manager	3,540,784	-	3,540,784
General	General Fund	County Assessor	407,201		407,201
General	General Fund	County Attorney	703,539		703,539
General	General Fund	County Clerk	568,528		568,528
General	General Fund	Probate Court	5,906		5,906
General	General Fund	County Sheriff	15,510	-	15,510
General	General Fund	Administrative Services	7,469,690	-	7,469,690
General	General Fund	Community Services	10,582,995	-	10,582,995
General	General Fund	Fire	5,207,149	-	5,207,149
General	General Fund	Police	8,601,047	45,000	8,646,047
General	General Fund	Community Development	1,878,307	-	1,878,307
General	General Fund	Public Works	11,697,841	-	11,697,841
<b>General Fund Subtotal</b>			<b>51,620,560</b>	<b>69,624</b>	<b>51,690,184</b>

<b>GOVERNMENTAL</b>					
Special Revenue	State Shared Revenues	Public Works	-		-
Special Revenue	Lodger's Tax	County Manager	227,662		227,662
Special Revenue	State Grants	Fire, Police, Community Services	699,200	-	699,200
Special Revenue	Health Care Assistance	Community Services	2,345,621	-	2,345,621
Special Revenue	Economic Development	County Manager	3,275,750		3,275,750
Special Revenue	Other Special Revenue	Municipal Court, Community Services, Clerk, Assessor	302,573	-	302,573
Special Revenue	Emergency Declarations	Non Departmental	-		-
<b>Special Revenue Funds Subtotal</b>			<b>6,850,806</b>	<b>-</b>	<b>6,850,806</b>

<b>GOVERNMENTAL</b>					
Debt Service	Debt Service	Non Departmental	6,265,559	-	6,265,559

**Los Alamos County**  
**FY2019 Summary of Changes from Proposed to Adopted Budget**

<u>Fund Type</u>	Fund	Department	FY2019 Proposed Expenditure Budget	Changes	FY2019 Adopted Expenditure Budget
<b>GOVERNMENTAL</b>					
Capital Projects	Capital Improvement Projects	Public Works, Community Development	8,652,000	-	8,652,000
Capital Projects	Capital Projects Permanent	Non Departmental	-	-	-
<b>PROPRIETARY</b>					
Enterprise	Joint Utilities System	Utilities	64,691,600	-	64,691,600
Other Enterprise	Environmental Services	Public Works	4,275,028	-	4,275,028
Other Enterprise	Transit	Public Works	4,865,667	-	4,865,667
Other Enterprise	Fire (Cooperative Agreement)	Fire	25,364,926	-	25,364,926
Other Enterprise	Airport	Public Works	1,062,406	-	1,062,406
<b>Other Enterprise Funds Subtotal</b>			<b>35,568,027</b>	<b>-</b>	<b>35,568,027</b>
<b>PROPRIETARY</b>					
Internal Service	Equipment	Public Works	4,671,006	-	4,671,006
Internal Service	Risk Management	County Manager	10,449,698	-	10,449,698
<b>Internal Services Funds Subtotal</b>			<b>15,120,704</b>	<b>-</b>	<b>15,120,704</b>
<b>County-Wide Total Expenditures</b>			<b>\$ 188,769,256</b>	<b>69,624</b>	<b>\$ 188,838,880</b>

**PENSION FUND BUDGET SUMMARY**

	FY2016 Actuals	FY2017 Actuals	FY 2018 Adopted Budget	FY2018 Projected Actuals	FY 2019 Proposed Budget	FY 2020 Projected Budget	Variance FY 2018 vs FY 2017
<b>Over (under funding carryover)</b>	\$ 119,308	97,816	76,816	80,153	59,153	44,153	(12%)
<b>Revenues:</b>							
Participant Fees and Interest	38,581	30,945	45,000	45,000	40,000	40,000	N/A
<b>Expenditures:</b>							
Administrative (trustee) Fees	47,645	37,654	55,000	55,000	44,000	44,000	0%
Legal Fees	6,571	5,097	5,000	5,000	5,000	5,000	0%
Audit Fees	5,857	5,857	6,000	6,000	6,000	6,000	0%
<b>Expenditures</b>	60,073	48,608	66,000	66,000	55,000	55,000	0%
<b>Over (under) funding of pension costs</b>	\$ 97,816	80,153	55,816	59,153	44,153	29,153	(15%)

*The **Pension Fund** accounts for participant fees paid by employees and the costs for administrative, legal and audit fees of the pension. Budgets are generally not presented for Pension Trust Funds under current accounting practice. The FY2019 proposed budget for administrative costs are being presented here for Council approval.*

*It will not be a formal part of the final budget that is adopted.*

# LONG RANGE FINANCIAL PROJECTION

This Long Range Financial Projection (LRFP) is prepared in accordance with Financial Policies Section IX, Long Range Financial Projection. The purpose is to provide a longer-term context for the biennial budget, to clarify and illustrate Council's long-range financial policy direction, and to integrate the estimated long-term operating impacts from capital projects into the operating budget projections.

The focus of the LRFP is on the general governmental operations of the County. The Joint Utilities and other proprietary funds are excluded from this analysis.

## **Baseline Scenario**

The key assumptions built into the baseline LRFP are the following:

### Revenue Assumptions:

1. Charges for services, franchise taxes and interfund/interdepartmental charges are estimated using a simple forecast based upon past history. The primary assumptions for each of these lines was that the specific mix of revenues would remain stable over time and that there were no significant plans or other revenue interrelationships that would require a more refined projection model. The projection does include \$50,000 of new charges for services, beginning in FY2020 associated with the anticipated opening of the Kiddie Pool. Corresponding new operating expenses are also included (see note below).
2. Grants – The detail for FY2018 was reviewed and those items that were one time in nature or declining were reduced in future years. The base estimate for expected recurring revenues in the General fund is \$926,049 in FY2019. In subsequent years this amount is inflated annually at a rate of 3%.
3. Land Sales – The County has future plans that would involve sale of County land parcels. Land sales revenue totaling approximately \$5.3 million is included in the CIP Fund over FYs 2019 – 2020. These parcels include 20th St., A-13&12, and A-8. Any land sales will be subject to future development plans and subject to Council approval.
4. GRT revenue – The two primary sources of input for GRT revenue projections are the federal budget projections and input from LANL regarding projected spending. While the first input drives the other, it is the spending that actually generates GRT.

As previously noted, the M&O contract at LANL is currently under procurement. The projection below assumes that the new contract is for-profit. Should that assumption be incorrect and a non-profit be awarded the contract, the projection would be approximately 50% lower.

The GRT revenues are estimated to change as follows (in \$millions):

(in \$millions)												
Actual	Actual	Projected										
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
45	41	45	45	47	47	47	48	48	49	50	51	52
%Change	-8.0%	8.4%	1.5%	3.0%	0.2%	0.7%	1.7%	0.7%	1.7%	1.7%	1.7%	1.7%

# LONG RANGE FINANCIAL PROJECTION

There has been a significant amount of volatility in GRT and therefore the County is taking a conservative approach to budgeting this revenue source into the future. GRT revenues are projected to increase by 1.5% over projected revenues for 2018.

5. The average annual valuation increases are estimated to be 3%.
6. If not specifically addressed, revenues are projected to follow either historical trends or historical averages.

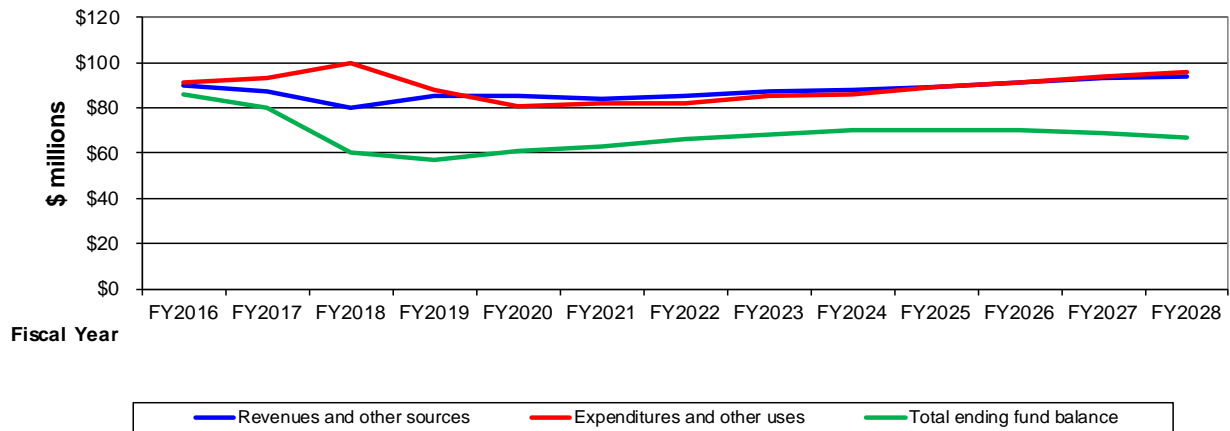
## Operating Expenditure Assumptions:

1. In FY2021 and beyond, General Fund Expenditures are estimated to inflate annually at an average of 3%.
2. Expenditures in other special revenue funds inflate at varying rate of 1% to 3% annually.
3. In FY2020 and beyond, \$425,000 annually is estimated for Economic Development operational expenses to be paid from the General Fund as the Economic Development fund will be out of fund balance and has no identified revenue stream. An additional \$50,000 is also programmed into the Lodgers' Tax Fund in FY2020 for similar programs.
4. In FY2020, \$370,000 million in new operating expenses has been added to the General Fund for CIP project operating costs. This is offset by a planned decrease in debt service expense for the GRT revenue bonds in the General Fund of \$1.7 million and by the new charges for services noted earlier.

# LONG RANGE FINANCIAL PROJECTION

The following table and graph illustrate the projected outcomes.

Governmental Activities Summary (in \$ millions)													
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Total beginning fund balance	\$ 87	86	80	60	57	61	63	66	68	70	70	70	69
Revenues and other sources	90	87	80	85	85	84	85	87	88	89	91	93	94
Expenditures and other uses	(91)	(93)	(100)	(88)	(81)	(82)	(82)	(85)	(86)	(89)	(91)	(94)	(96)
Total ending fund balance	86	80	60	57	61	63	66	68	70	70	70	69	67



It should be noted that the projected fund balance growth is primarily due to projected growth in the CIP and CIP Permanent Funds.

## Financial Risks and Mitigation Strategies

The most significant risk inherent in this LRFP is that projected GRT tax revenue from LANL decreases substantially (either the tax status of the contractor changes and/or the nature and size of LANL operations changes, and/or State tax law changes unfavorably).

The Council has endorsed a regional strategy to pursue State legislative changes that could help alleviate the risk associated with the tax status of the LANL contractor changing in future years. In addition, a basic tenet of the County's ongoing budget development processes is to find efficiencies where possible, realign personnel with changing operations, and eliminate vacant positions when possible, thereby reducing recurring operating costs.

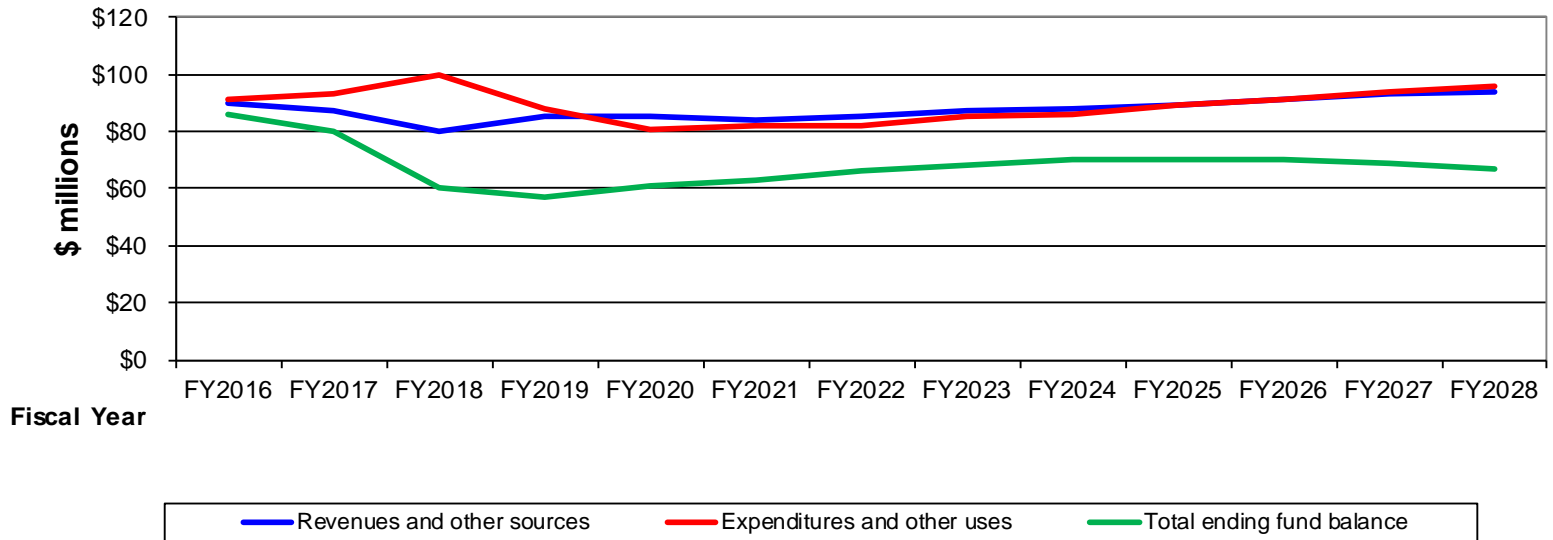
## SUMMARY

The purpose of the LRFP is to illustrate the potential long-term impacts of operating and capital plans from a comprehensive perspective. The Capital Improvement Program, implemented as a whole and based upon the stated assumptions, is projected to generate positive economic benefit and to improve the quality of life for the community, although there are risks that will need to be managed carefully. It also projects that some additional capacity for other projects will be available over the long-term.

## LONG RANGE FINANCIAL PROJECTION

### Governmental Activities Summary (in \$ millions)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Total beginning fund balance	\$ 87	86	80	60	57	61	63	66	68	70	70	70	69
Revenues and other sources	90	87	80	85	85	84	85	87	88	89	91	93	94
Expenditures and other uses	(91)	(93)	(100)	(88)	(81)	(82)	(82)	(85)	(86)	(89)	(91)	(94)	(96)
Total ending fund balance	86	80	60	57	61	63	66	68	70	70	70	69	67





**GENERAL FUND LONG RANGE PROJECTION BUDGET SUMMARY**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
	Proposed	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>Beginning fund balance:</b>										
Nonspendable	1,551,437	1,601,437	1,655,891	1,670,982	1,686,224	1,701,619	1,717,168	1,732,871	1,748,732	1,764,751
Restricted for Cash Requirements	4,445,285	4,301,713	4,453,453	4,900,652	5,037,768	5,178,785	5,324,201	5,473,933	5,628,230	5,787,175
Other Restricted/Assigned	1,773,670	773,670	1,075,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Revenue Stabilization	0	0	0	0	0	0	0	0	0	0
Unassigned	14,274,646	15,577,093	16,876,128	17,343,678	17,701,911	17,085,090	15,952,966	13,689,372	11,183,305	7,393,432
<b>Total beginning fund balance</b>	<b>22,045,038</b>	<b>22,253,913</b>	<b>24,060,471</b>	<b>24,915,312</b>	<b>25,425,903</b>	<b>24,965,494</b>	<b>23,994,335</b>	<b>21,896,176</b>	<b>19,560,267</b>	<b>15,945,358</b>
<b>Revenues:</b>										
Gross Receipts Taxes	40,988,000	42,215,000	42,301,000	42,611,000	43,328,000	43,632,000	44,377,000	45,129,000	45,900,000	46,687,000
Property Taxes	7,142,776	7,357,000	7,578,000	7,805,000	8,039,000	8,280,000	8,528,000	8,784,000	9,048,000	9,319,000
Interdepartmental charges	6,994,640	7,205,000	7,421,000	7,644,000	7,873,000	8,109,000	8,352,000	8,603,000	8,861,000	9,127,000
User Charges	2,260,970	2,377,000	2,448,000	2,521,000	2,597,000	2,675,000	2,755,000	2,838,000	2,923,000	3,011,000
Investment income	1,471,576	1,303,887	1,684,000	1,744,000	1,780,000	1,748,000	1,680,000	1,533,000	1,369,000	1,116,000
Grants	926,049	937,049	965,000	994,000	1,024,000	1,055,000	1,087,000	1,120,000	1,154,000	1,189,000
Other	1,361,314	1,368,554	1,410,000	1,452,000	1,496,000	1,541,000	1,587,000	1,635,000	1,684,000	1,735,000
<b>Revenues:</b>	<b>61,145,325</b>	<b>62,763,490</b>	<b>63,807,000</b>	<b>64,771,000</b>	<b>66,137,000</b>	<b>67,040,000</b>	<b>68,366,000</b>	<b>69,642,000</b>	<b>70,939,000</b>	<b>72,184,000</b>
<b>Transfers from other funds</b>	<b>2,555,860</b>	<b>2,631,868</b>	<b>2,691,000</b>	<b>2,723,000</b>	<b>2,772,000</b>	<b>2,804,000</b>	<b>2,855,000</b>	<b>2,906,000</b>	<b>2,959,000</b>	<b>3,012,000</b>
<b>Total sources of funds</b>	<b>85,746,223</b>	<b>87,649,271</b>	<b>90,558,471</b>	<b>92,409,312</b>	<b>94,334,903</b>	<b>94,809,494</b>	<b>95,215,335</b>	<b>94,444,176</b>	<b>93,458,267</b>	<b>91,141,358</b>
<b>Expenditures:</b>										
	2019	2020	2021	2022	2022	2022	2022	2022	2022	2022
County Council	419,546	419,546	432,000	445,000	458,000	472,000	486,000	501,000	516,000	531,000
Municipal Court	522,517	536,976	553,000	570,000	587,000	605,000	623,000	642,000	661,000	681,000
County Manager	3,540,784	4,466,258	4,600,000	4,738,000	4,880,000	5,026,000	5,177,000	5,332,000	5,492,000	5,657,000
County Assessor	407,201	409,481	422,000	435,000	448,000	461,000	475,000	489,000	504,000	519,000
County Attorney	703,539	705,414	727,000	749,000	771,000	794,000	818,000	843,000	868,000	894,000
County Clerk	568,528	571,376	589,000	607,000	625,000	644,000	663,000	683,000	703,000	724,000
Probate Court	5,906	5,906	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
County Sheriff	15,510	15,510	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Community Development	1,878,307	1,887,989	1,945,000	2,003,000	2,063,000	2,125,000	2,189,000	2,255,000	2,323,000	2,393,000
Administrative Services	7,469,690	7,527,491	7,753,000	7,986,000	8,226,000	8,473,000	8,727,000	8,989,000	9,259,000	9,537,000
Community Services	10,582,995	11,130,324	11,464,000	11,808,000	12,162,000	12,527,000	12,903,000	13,290,000	13,689,000	14,100,000
Fire	5,207,149	5,207,149	5,363,000	5,524,000	5,690,000	5,861,000	6,037,000	6,218,000	6,405,000	6,597,000
Police	8,601,047	8,642,167	8,901,000	9,168,000	9,443,000	9,726,000	10,018,000	10,319,000	10,629,000	10,948,000
Public Works	11,697,841	11,915,843	12,273,000	12,641,000	13,020,000	13,411,000	13,813,000	14,227,000	14,654,000	15,094,000
<b>Expenditures</b>	<b>51,620,560</b>	<b>53,441,430</b>	<b>55,044,000</b>	<b>56,696,000</b>	<b>58,395,000</b>	<b>60,147,000</b>	<b>61,951,000</b>	<b>63,810,000</b>	<b>65,725,000</b>	<b>67,697,000</b>
<b>Transfers to other funds</b>	<b>11,871,750</b>	<b>10,147,370</b>	<b>10,599,159</b>	<b>10,287,409</b>	<b>10,974,409</b>	<b>10,668,159</b>	<b>11,368,159</b>	<b>11,073,909</b>	<b>11,787,909</b>	<b>11,503,628</b>
<b>Ending fund balance:</b>										
Nonspendable	1,601,437	1,655,891	1,670,982	1,686,224	1,701,619	1,717,168	1,732,871	1,748,732	1,764,751	1,780,931
Restricted for Cash Requirements	4,301,713	4,453,453	4,900,652	5,037,768	5,178,785	5,324,201	5,473,933	5,628,230	5,787,175	5,950,851
Other Restricted/Assigned	773,670	1,075,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Unassigned	15,577,093	16,876,128	17,343,678	17,701,911	17,085,090	15,952,966	13,689,372	11,183,305	7,393,432	3,208,948
<b>Total ending fund balance</b>	<b>22,253,913</b>	<b>24,060,471</b>	<b>24,915,312</b>	<b>25,425,903</b>	<b>24,965,494</b>	<b>23,994,335</b>	<b>21,896,176</b>	<b>19,560,267</b>	<b>15,945,358</b>	<b>11,940,730</b>
<b>Total uses of funds</b>	<b>85,746,223</b>	<b>87,649,271</b>	<b>90,558,471</b>	<b>92,409,312</b>	<b>94,334,903</b>	<b>94,809,494</b>	<b>95,215,335</b>	<b>94,444,176</b>	<b>93,458,267</b>	<b>91,141,358</b>
<b>Operating Surplus / (Shortfall)</b>	<b>208,875</b>	<b>1,806,558</b>	<b>854,841</b>	<b>510,591</b>	<b>(460,409)</b>	<b>(971,159)</b>	<b>(2,098,159)</b>	<b>(2,335,909)</b>	<b>(3,614,909)</b>	<b>(4,004,628)</b>
Unassigned as a % of Revenue	25.48%	26.89%	27.18%	27.33%	25.83%	23.80%	20.02%	16.06%	10.42%	4.45%
Unassigned Target (20% of Rev)	12,229,065	12,552,698	12,761,400	12,954,200	13,227,400	13,408,000	13,673,200	13,928,400	14,187,800	14,436,800
\$ over (under) target	3,348,028	4,323,430	4,582,278	4,747,711	3,857,690	2,544,966	16,172	(2,745,095)	(6,794,368)	(11,227,852)

## FY 2019 Equipment Replacement

### General Fund Divisions

Unit#	Division	Year of Unit	DESCRIPTION	Estimated Replacement cost
1122	Police Department	2009	Ford F150	\$53,000
1151	Police Department	2012	Ford F150	\$53,000
1154	Police Department	2012	Ford F150	\$53,000
1058	Parks Maintenance	2007	Ford F250 4WD Reg Extended Cab	\$33,000
3097	Parks Maintenance	2008	JD 370 Mower Rear Mount Flail	\$15,000
3139	Parks Maintenance	2010	Hustler Super Z 28HP Mower	\$15,000
1059	Parks Maintenance	2007	Ford F250 4WD Extended Cab Utility	\$34,000
1124	PW Traffic and Streets	2009	Ford F350 SD Utility Bed	\$40,000
1097	PW Traffic and Streets	2009	Chevy 2500	\$30,000
3034	PW Traffic and Streets	2005	Freightliner Eagle Sweeper	\$280,000
1101	Facilities	2009	Ford F350 1 Ton Utility Bed	\$40,000
1119	PW Custodial	2009	Chevy 1500 4WD	\$25,500
1118	PW Custodial	2009	Chevy 1500 4WD	\$25,500
1075	Community Development	2007	Ford Escape	\$21,000
1025	Community Development	2004	Ford Escape SUV 4WD	\$21,000
997	Fleet Motor Pool	2000	Dodge Durango	\$23,000
1116	Golf Course	2009	Ford Ranger PU Economy 2WD	\$25,000
<b>Equipment Fund Subtotal</b>				<b>\$787,000</b>

### Enterprise Funds

Unit#	Division	Year of Unit	DESCRIPTION	Estimated Replacement Cost		
3148	PW Environmental	2011	Case Skidster 440	\$50,000		
1016	PW Environmental	2004	Freightliner Roll Off	\$170,000		
3018	PW Environmental	2004	Peterson Grapppler Body	\$65,000		
1146	PW Environmental	2012	Refuse Side Loader	\$275,000		
1114	PW Environmental	2009	Chevy 1500 4WD	\$25,000		
Unit#	Division	Year of Unit	DESCRIPTION	Full Cost	Utilities Fund (contribution for upgrade)	Estimated Replacement Cost
1078	Utilities WW	2005	Dump Truck 10 yd	\$ 178,000	\$ 57,000	\$121,000
1109	Utilities GWS	2009	Chevy 2500 4WD Utility Be	\$ 36,000		\$36,000
1158	Utilities WP	2012	Ford Expedition	\$ 30,000		\$30,000
<b>Equipment Fund Subtotal</b>						<b>\$772,000</b>

### Transit Fund

Because these buses are grant funded, the grant funded portion resides in the Transit Budget. The replacement cost of these buses is split between the Transit Fund and the Equipment Fund.						
Unit#	Division	Year of Unit	Description	Full Cost	Transit Fund (including grant amount)	Estimated Replacement Cost
4111	PW Transit	2011	Glavel E450 Super Duty	\$370,000	\$347,020	\$22,980
4101	PW Transit	2010	Chevy 4500	\$370,000	\$317,189	\$52,811
4104	PW Transit	2010	Chevy 4500	\$370,000	\$317,189	\$52,811
<b>Equipment Fund Subtotal</b>						<b>\$128,602</b>

### Equipment Fund Grand Total

<b>Equipment Fund Grand Total</b>				<b>\$1,687,602</b>
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**Schedule of Recurring Grants  
Estimates for FY2019**

Dept/Div	Funding Source	Grant Description	Amount
<b>Fire</b>			
	NMPRC	Fire Protection Fund	\$ 563,000
	NMDOH	Emergency Medical Services Fund	10,500
<b>Community Services</b>			
	NMCYFD	Juvenile Justice Advisory Board	196,000
	NMDFA	Local DWI Distribution	75,000
<b>Police</b>			
	NMDHSEM	State Homeland Security Grant Program	200,000
	NMDFA	Law Enforcement Protection Fund	39,200
	NMDHSEM	Emergency Management Planning Grant	18,049
<b>Transit</b>			
	NMDOT	Transit 5311 - Operations	1,662,288
	NMDOT	Transit 5311 - Capital	888,000
	USDOI	Bandelier Service	175,252
<b>Public Works</b>			
	NMDOT	School Bus Route Program	87,000
	NMDOT	County Arterial Program	28,000
	NMDOT	Cooperative Program	64,000
<b>Airport</b>			
	USFAA		225,000
	NMDOT		271,500
<b>Total</b>			<b>\$ 4,502,789</b>

*Approval of this schedule of recurring routine grants authorizes the department to apply for the grant. If the actual award is different from the amount included in the budget, a budget revision will be presented to Council for consideration during the fiscal year.*