



Alamogordo City Commission **NOTICE OF MEETING**

Budget Hearing Workshops Agenda

Tuesday, May 5, 2020 at 6:30 p.m.
Wednesday, May 6, 2020 at 6:30 p.m.
Thursday, May 7, 2020 at 6:30 p.m.

The above Agenda schedule is a tentative schedule.
The Workshops will continue through this schedule as time permits and may or may not go through the full dates as indicated.

The Budget Hearing Workshops will be **VIRTUAL MEETINGS** with City Commission and City staff participating through video. The link is:
<https://www.youtube.com/channel/UCTTgU3xsQBqlyRaME7TaYrQ/live>

- Richard Boss Mayor
- Nadia Sikes Mayor Pro-Tem, District 2
- Jason Baldwin District 1
- Susan Payne District 3
- Josh Rardin District 4
- Sharon McDonald District 5
- Dusty Wright District 6

- Brian Cesar City Manager
- Petria Bengoechea City Attorney
- Rachel Hughs City Clerk

MISSION STATEMENT as Adopted by the City Commission on March 24, 1995.
The City of Alamogordo is a Municipal Corporation that exists solely for the purpose of providing the best possible services to our customers, the citizens of Alamogordo. We are committed to providing these services with honesty, integrity, compassion, fairness, and a commitment to excellence.

We are committed to the long-term financial stability and responsible growth of the City and all decisions will be driven by our commitment to provide the best services possible in a financially sound and responsible manner given the economic realities facing the City.

CALL TO ORDER & ROLL CALL
Announce the presence of a Quorum.

APPROVAL OF AGENDA

PRESENTATIONS

1. Finance will present the preliminary FY20-21 City of Alamogordo Budget. (*Evelyn Huff, Finance Director*)

ADJOURNMENT

AGENDA REPORT

CITY OF ALAMOGORDO

CITY COMMISSION

Meeting Date: 5/5/2020

Report Date: 4/29/2020

Report No: 1.

Submitted By: Evelyn Huff

Subject: Finance will present the preliminary FY20-21 City of Alamogordo Budget. *(Evelyn Huff, Finance Director)*

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation:

Background: The Finance Department has compiled the FY 20-21 preliminary budget for consideration by the Commission.

FY2021 Budget Public Hearings

Presenters:

Brian Cesar, City Manager

Stephanie Hernandez, Assistant City Manager

Katie Josselyn, Human Resources Director

Evelyn Huff, Finance Director

Agenda

- City Manager Introduction
- Budget Adoption Timeline
- Budget Overview – All Funds Combined
- Budget Overview – Per Fund Type
- Gross Receipts Tax Overview
- Personnel Budget
- Reserve Policy

Budget Adoption Timeline

- Budget Public Hearings with the City Commission – May 5, May 6 – 7 (if needed)
- Adopt COA Preliminary Budget at a Regular City Commission meeting on May 12 or May 26, 2020
- Preliminary Budget is due to NM Department of Finance & Administration (DFA) no later than June 1, 2020
- After the year end close of FY20 – Revise the FY21 Preliminary Budget as necessary to update to actual beginning fund balances and carry over capital
- Approve the FY21 Final Budget at a Regular City Commission meeting on July 28, 2020
- Final Budget is due to DFA no later than July 31, 2020

Budget Overview

All Funds Combined

ALL FUNDS COMBINED	FY20 PROJECTIONS	FY21 PROPOSED	\$ Diff	% Diff
Beginning Fund Balance	59,492,852	36,903,868	(22,588,984)	-38%
Revenues	70,557,949	48,490,745	(22,067,204)	-31%
Transfers In	22,334,694	15,115,030	(7,219,664)	-32%
Transfers Out	22,334,694	15,115,030	(7,219,664)	-32%
Expenditures	93,133,780	51,602,450	(41,531,330)	-45%
NET REVENUE:	-22,575,831	-3,111,705	19,464,126	-86%
Ending Fund Balance	36,917,021	33,792,163	(3,124,858)	-8%
RESERVES	6,001,773	4,928,092	(1,073,681)	-18%
Adjusted Estimated Ending Fund Balance	30,915,248	28,864,071	(2,051,177)	-7%

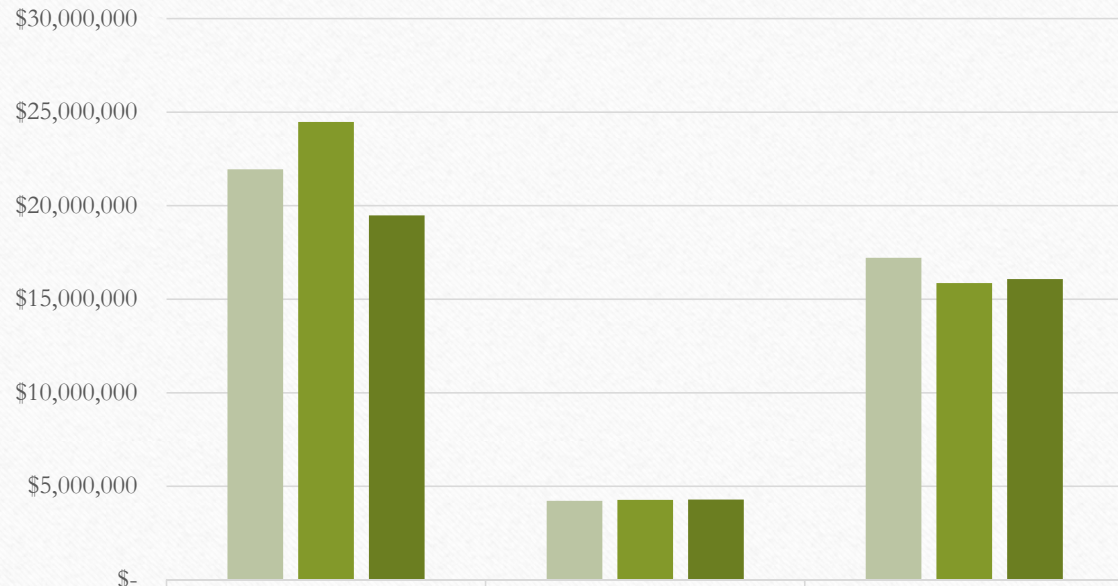
Revenue Assumptions

- **Gross Receipts Tax** – Three year average with a 25% decrease starting in May of FY20 due to COVID-19. The Hold Harmless deduction is currently at 30% with an increase to 37% in FY21. Includes 1/8 unrestricted tax beginning July 1
- **Property Tax** – DFA Formula with a 95% collection rate
- **Franchise Fees** – No growth projected
- **Charges for Services** – Projected by departments with decreases for COVID-19 closures
- **Investment Income** – Based on current earning rates
- **Grants** – Will carry over based on agreements

Revenues

All Funds Combined	FY20 Projected	FY21 Proposed	\$ Diff	% Diff
TAXES	20,257,299	17,203,113	(\$3,054,186)	-15%
FEES & PERMITS	1,109,745	1,104,880	(\$4,865)	0%
STATE SHARED TAXES	9,620,581	7,475,629	(\$2,144,952)	-22%
USER FEES	15,860,793	16,077,499	\$216,706	1%
FINES	486,028	560,228	\$74,200	15%
MISC REVENUE	5,078,521	1,117,267	(\$3,961,254)	-78%
BOND/LOAN PROCEEDS	0	0	\$0	0%
GRANTS	17,169,857	3,977,108	(\$13,192,749)	-77%
INVESTMENT INTEREST	975,125	975,021	(\$104)	0%
TOTAL REVENUES:	70,557,949	48,490,745	(22,067,204)	-31%

Major Revenues - All Funds



	GROSS RECEIPTS TAXES	PROPERTY TAXES	USER FEES
FY19 ACTUALS	\$21,946,547	\$4,221,610	\$17,212,759
FY20 PROJECTIONS	\$24,476,973	\$4,278,643	\$15,860,793
FY21 PRELIMINARY BUDGET	\$19,477,635	\$4,292,958	\$16,077,499

■ FY19 ACTUALS
 ■ FY20 PROJECTIONS
 ■ FY21 PRELIMINARY BUDGET

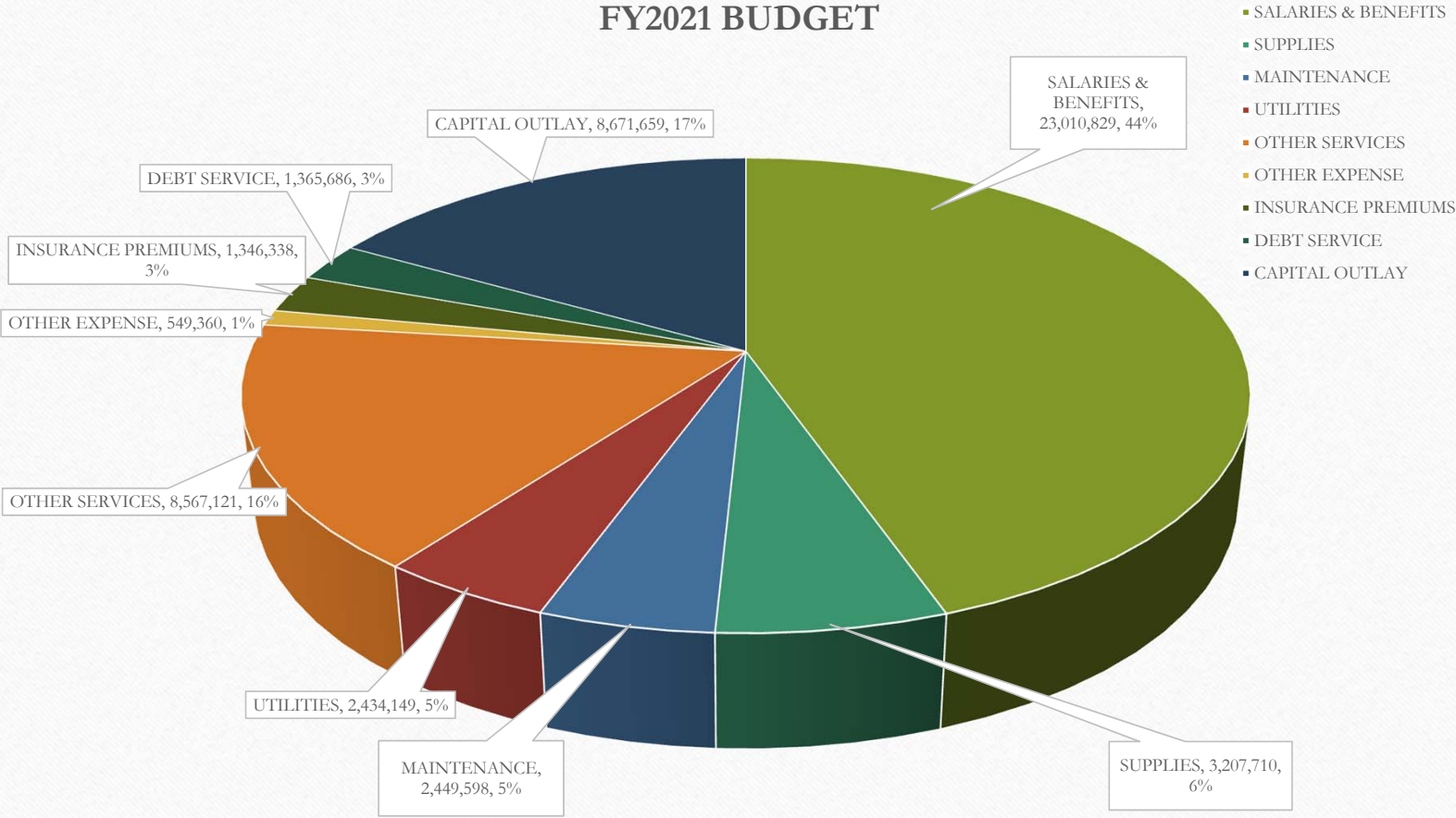
Expenditures

- City Manager Instructions to the Departments:
 - Current FY2020 – Flat budget, no increases without a corresponding decrease
 - Projected FY2021 – Flat budget, no increases without a corresponding decrease
 - Several additional cuts and transfers were made to balance funds after decreases due to COVID-19
 - No new positions or new capital was approved

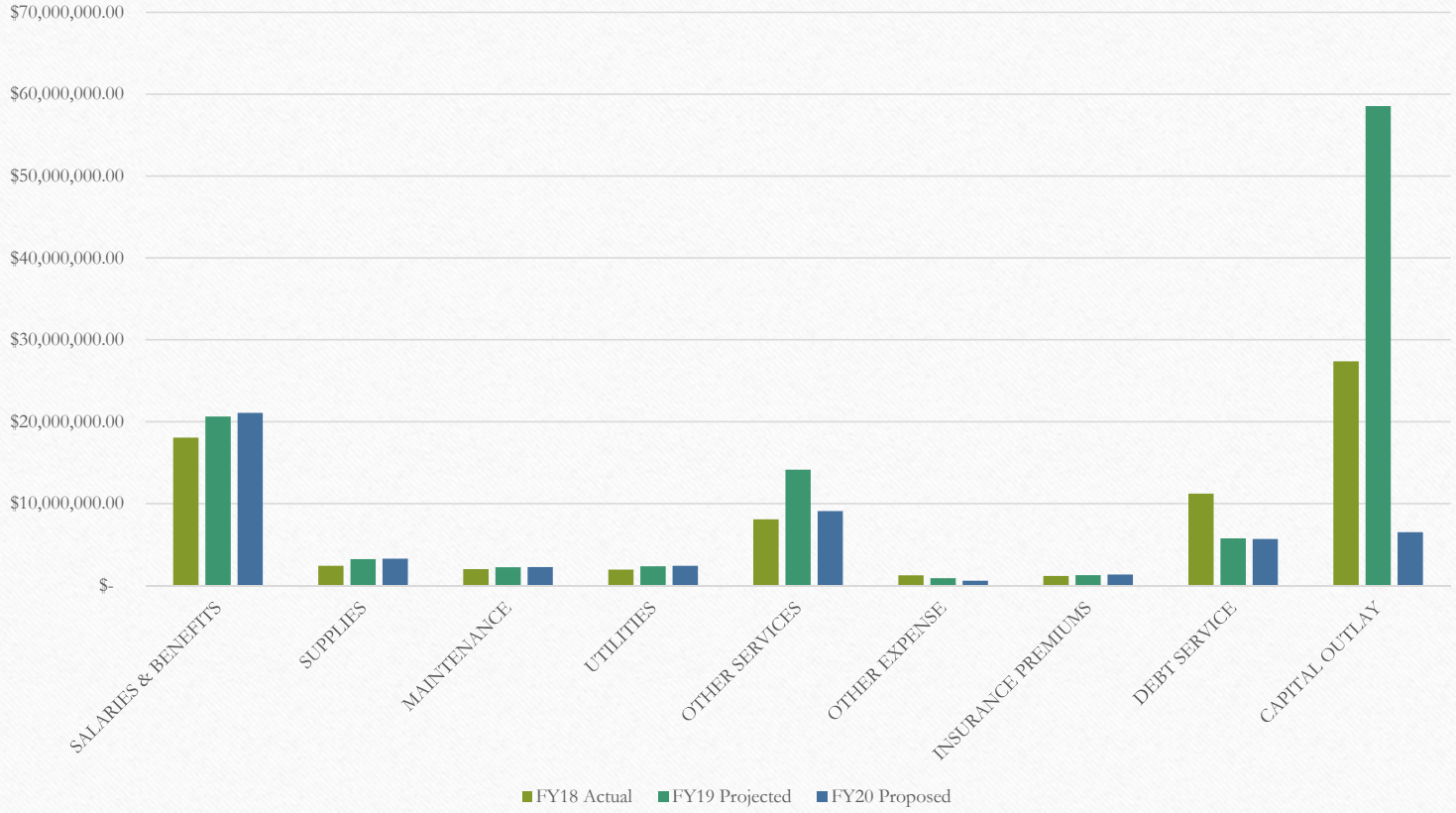
Expenditures

All Funds Combined	FY20 Projected	FY21 Proposed	\$ Diff	% Diff
SALARIES & BENEFITS	20,113,501	23,010,829	\$2,897,328	14%
SUPPLIES	3,211,679	3,207,710	(\$3,969)	0%
MAINTENANCE	2,499,636	2,449,598	(\$50,038)	-2%
UTILITIES	2,408,766	2,434,149	\$25,383	1%
OTHER SERVICES	10,174,847	8,567,121	(\$1,607,726)	-16%
OTHER EXPENSE	1,098,776	549,360	(\$549,416)	-50%
INSURANCE PREMIUMS	1,445,963	1,346,338	(\$99,625)	-7%
DEBT SERVICE	1,566,100	1,365,686	(\$200,414)	-13%
CAPITAL OUTLAY	50,614,512	8,671,659	(\$41,942,853)	-83%
TOTAL EXPENDITURES:	93,133,780	51,602,450	-41,531,330	-45%

FY2021 BUDGET



Expenditures by Category



Budget Overview

Per Fund Type

General Fund

- Fund 11
 - Departments
 - Legislative 11-1101
 - City Manager 11-1301
 - Legal 11-1501
 - City Clerk 11-2001
 - Finance/Accounting 11-2102
 - Accounts Receivable 11-2302
 - Non-Departmental 11-2400
 - Bench Warrants 11-2804

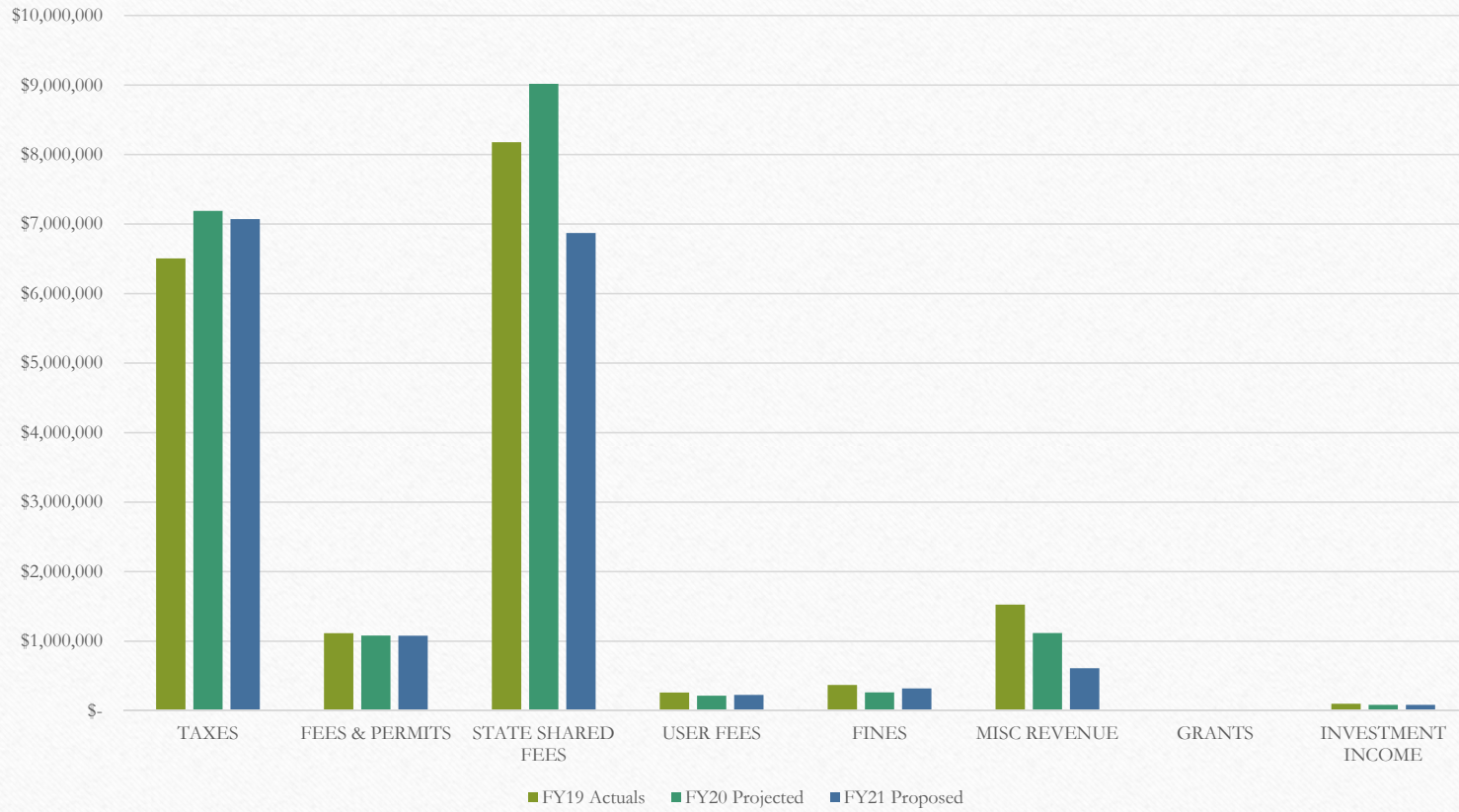
General Fund, Continued

- Bench Warrants 11-2804
- Code Enforcement 11-3104
- Planning & Zoning 11-3705
- Animal Control 11-3804
- Dispatch 11-4004
- Police Department 11-4104
- Fire Department 11-4204
- APS Resource Officers 11-4704

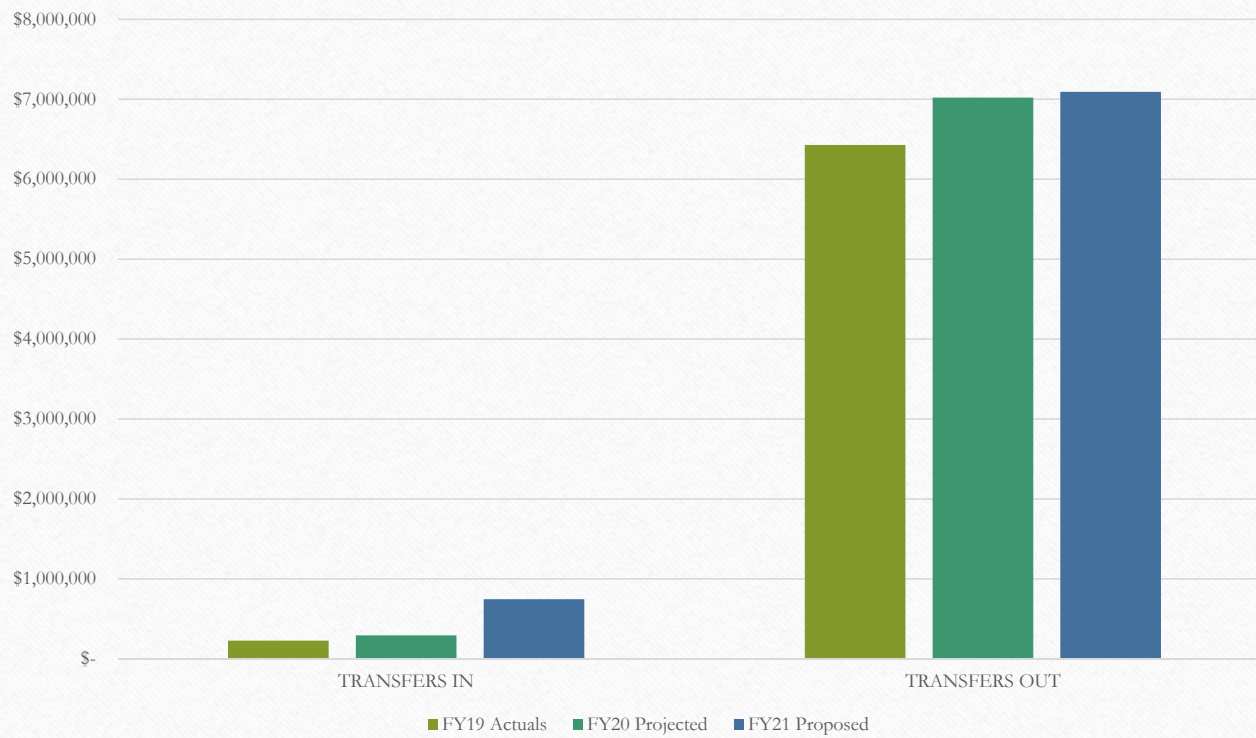
FY 2019-2020		UNAUDITED	ESTIMATED	TRANSFERS	TRANSFERS	NET	BUDGETED	ESTIMATED	LOCAL RESERVE	ADJUSTED
FUND NO.	FUND DESCRIPTION	BEGINNING CASH BALANCE	REVENUES	IN	OUT	CASH TRANSFERS	EXPENDITURES	ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
11	GENERAL OPERATING FUND	6,853,189	18,971,383	293,708	7,019,880	(6,726,172)	13,072,534	6,025,866	2,665,883	3,359,983

FY 2020-2021		UNAUDITED	ESTIMATED	TRANSFERS	TRANSFERS	NET	BUDGETED	ESTIMATED	LOCAL RESERVE	ADJUSTED
FUND NO.	FUND DESCRIPTION	BEGINNING CASH BALANCE	REVENUES	IN	OUT	CASH TRANSFERS	EXPENDITURES	ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
11	GENERAL OPERATING FUND	6,025,866	16,261,975	746,733	7,093,352	(6,346,619)	13,723,532	2,217,690	1,606,528	611,162

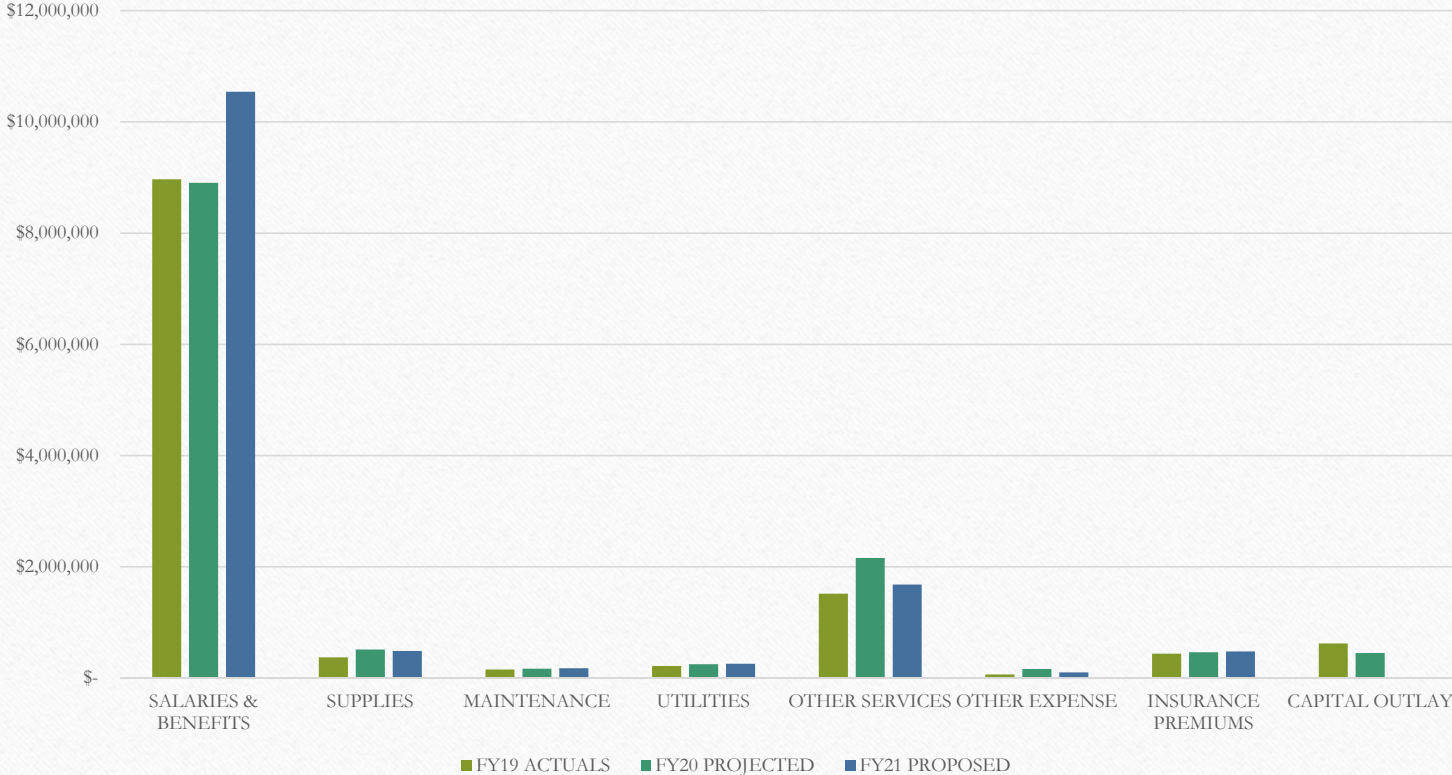
General Fund - Revenues by Category



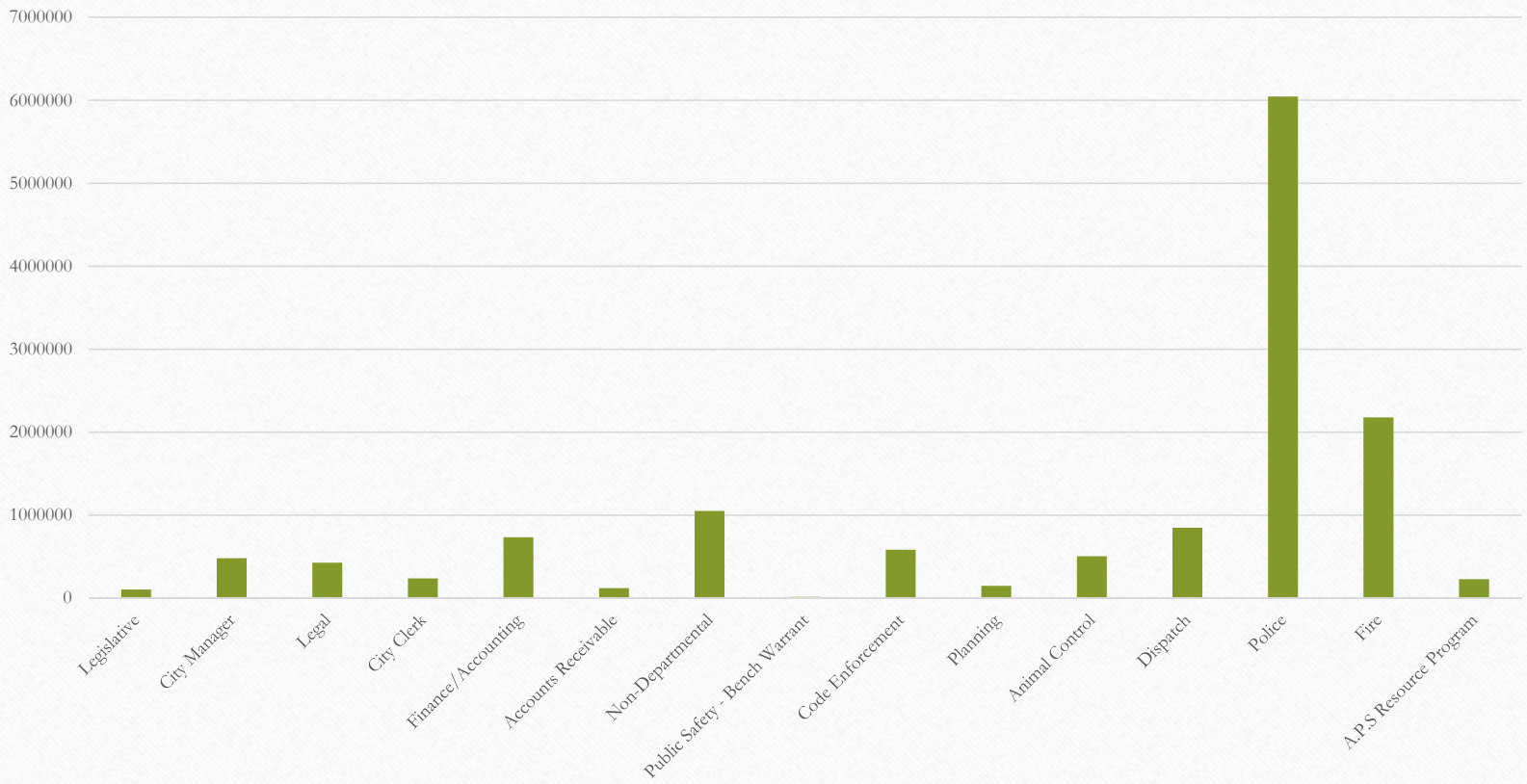
General Fund - Transfers In/Out



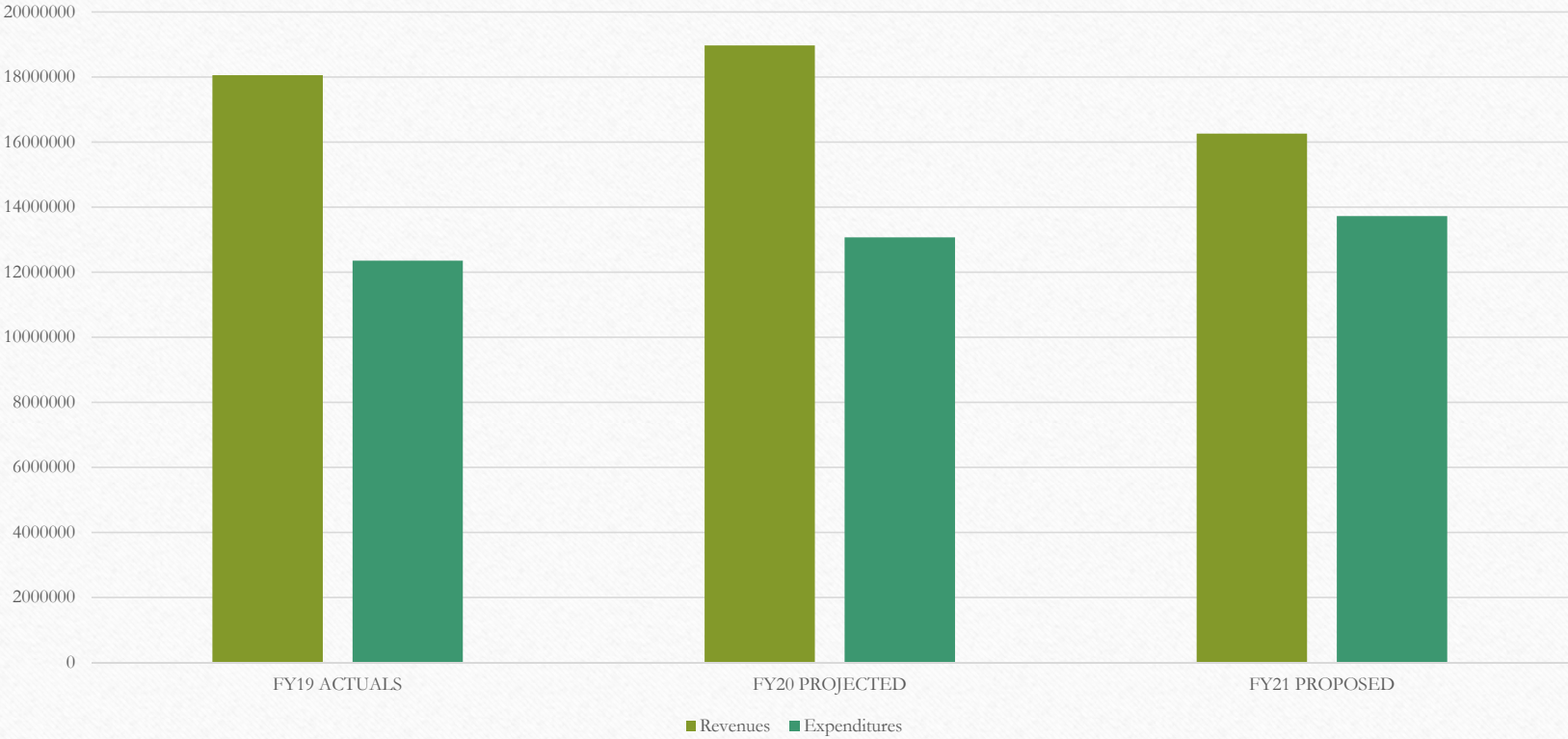
General Fund Expenditures by Category



General Fund - Expense by Department

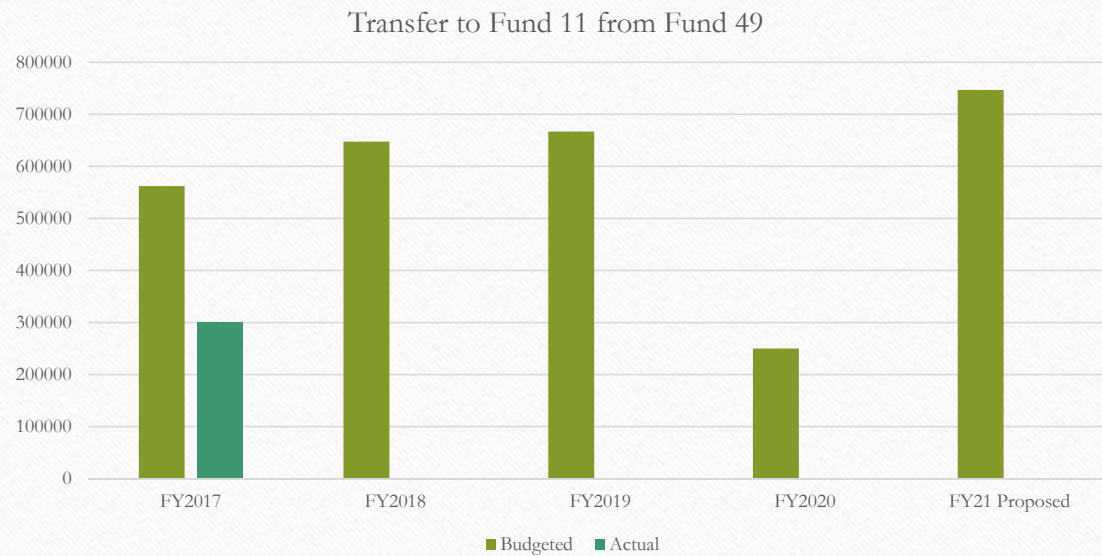


General Fund - Revenues vs Expenditures



Rededication of Funds

Per ordinance, the commission can choose to rededicate GRT funds from Fund 49 to Fund 11 for operating purposes



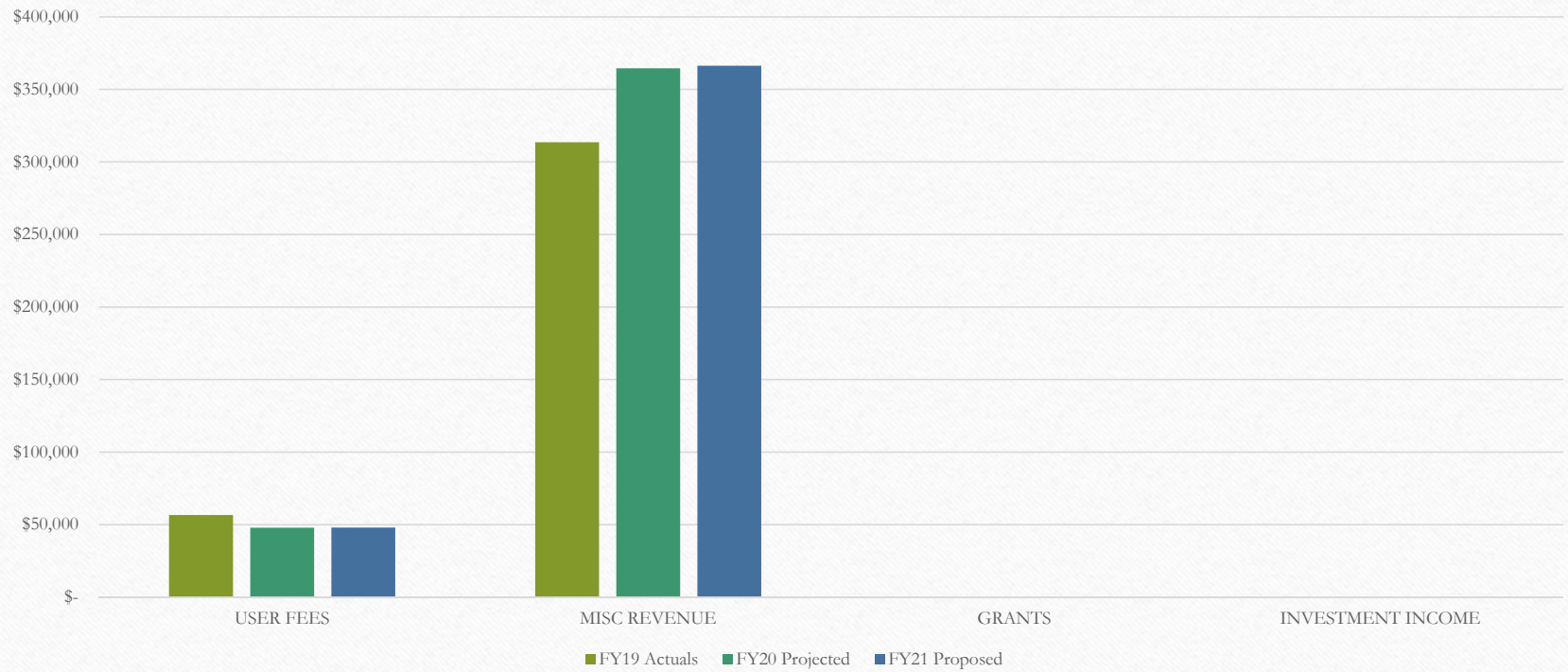
Internal Services

- Fund 12
 - Departments
 - Procurement 12-1602
 - Human Resources 12-1701
 - Non-Departmental 12-2400
 - Facility Maintenance 12-3303
 - MIS 12-3402
 - Fleet Maintenance 12-3503

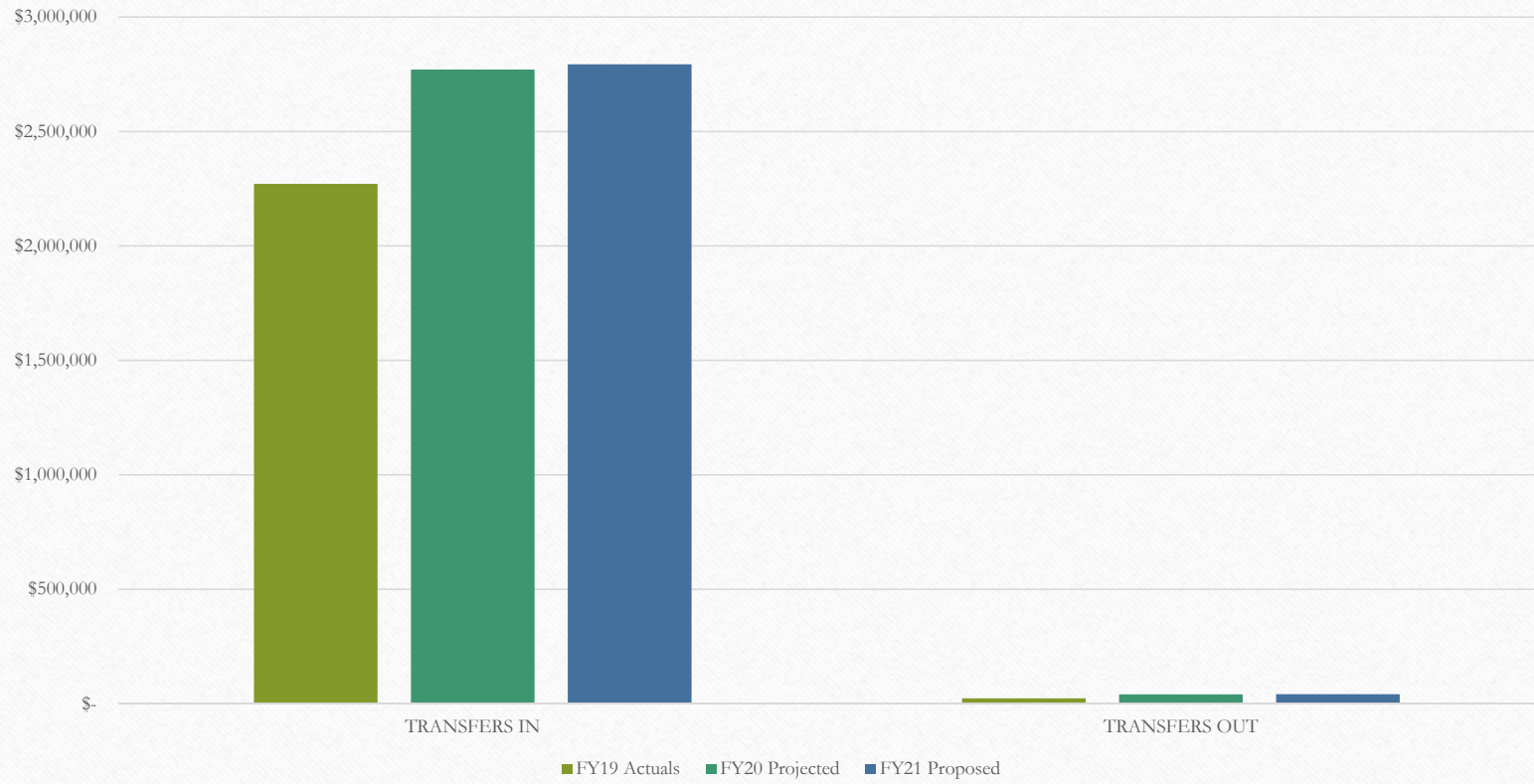
FY 2019-2020		UNAUDITED	ESTIMATED	TRANSFERS	TRANSFERS	NET	BUDGETED	ESTIMATED	LOCAL RESERVE	ADJUSTED
FUND NO.	FUND DESCRIPTION	BEGINNING CASH BALANCE	REVENUES	IN	OUT	CASH TRANSFERS	EXPENDITURES	ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
12	INTERNAL SERVICE FUND	82,565	412,447	2,770,207	40,826	2,729,381	3,211,241	13,152		13,152

FY 2020-2021		UNAUDITED	ESTIMATED	TRANSFERS	TRANSFERS	NET	BUDGETED	ESTIMATED	LOCAL RESERVE	ADJUSTED
FUND NO.	FUND DESCRIPTION	BEGINNING CASH BALANCE	REVENUES	IN	OUT	CASH TRANSFERS	EXPENDITURES	ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
12	INTERNAL SERVICE FUND	0	414,310	2,793,751	41,528	2,752,223	3,156,402	10,131		10,131

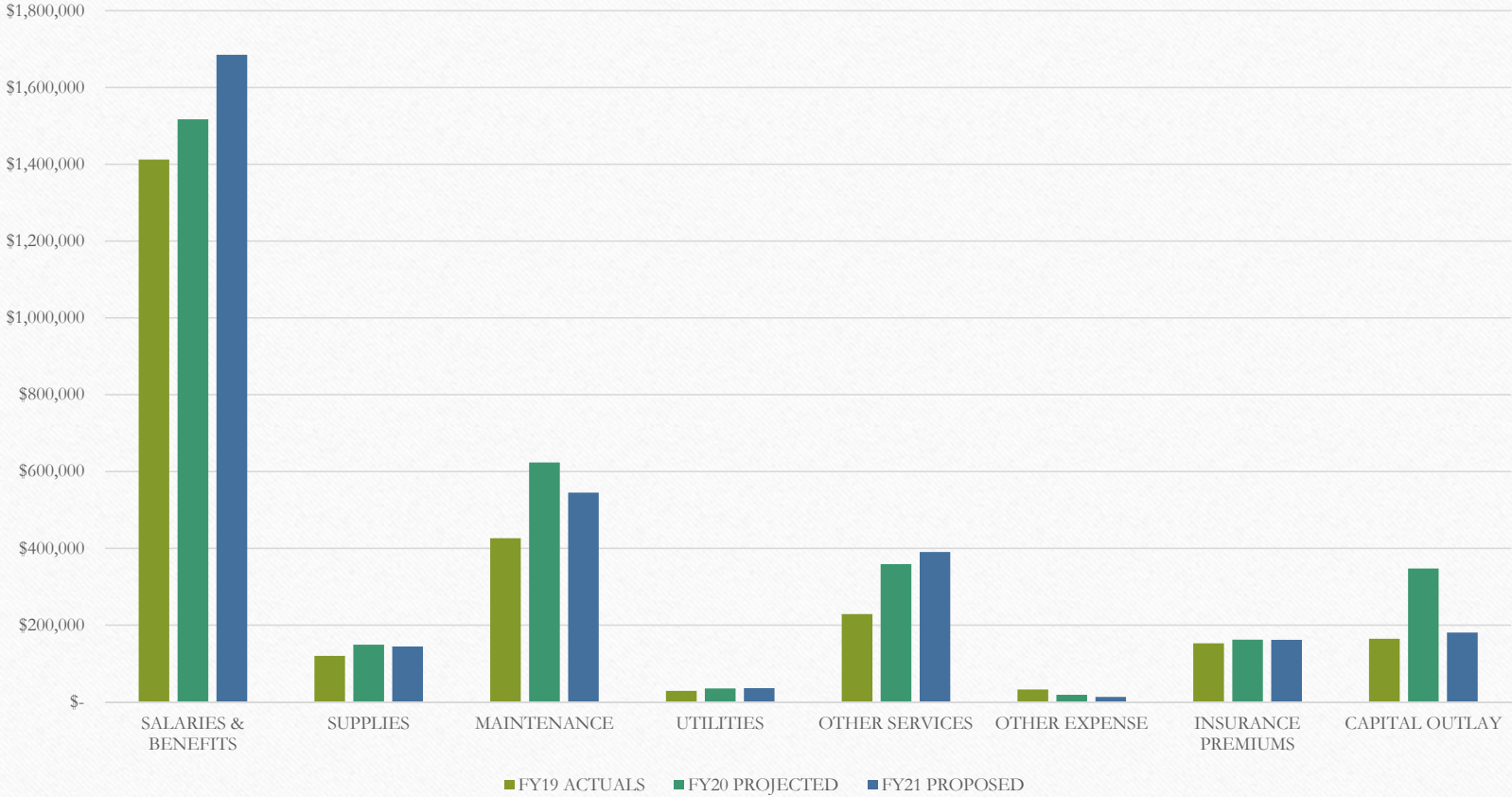
Internal Services - Revenues by Category



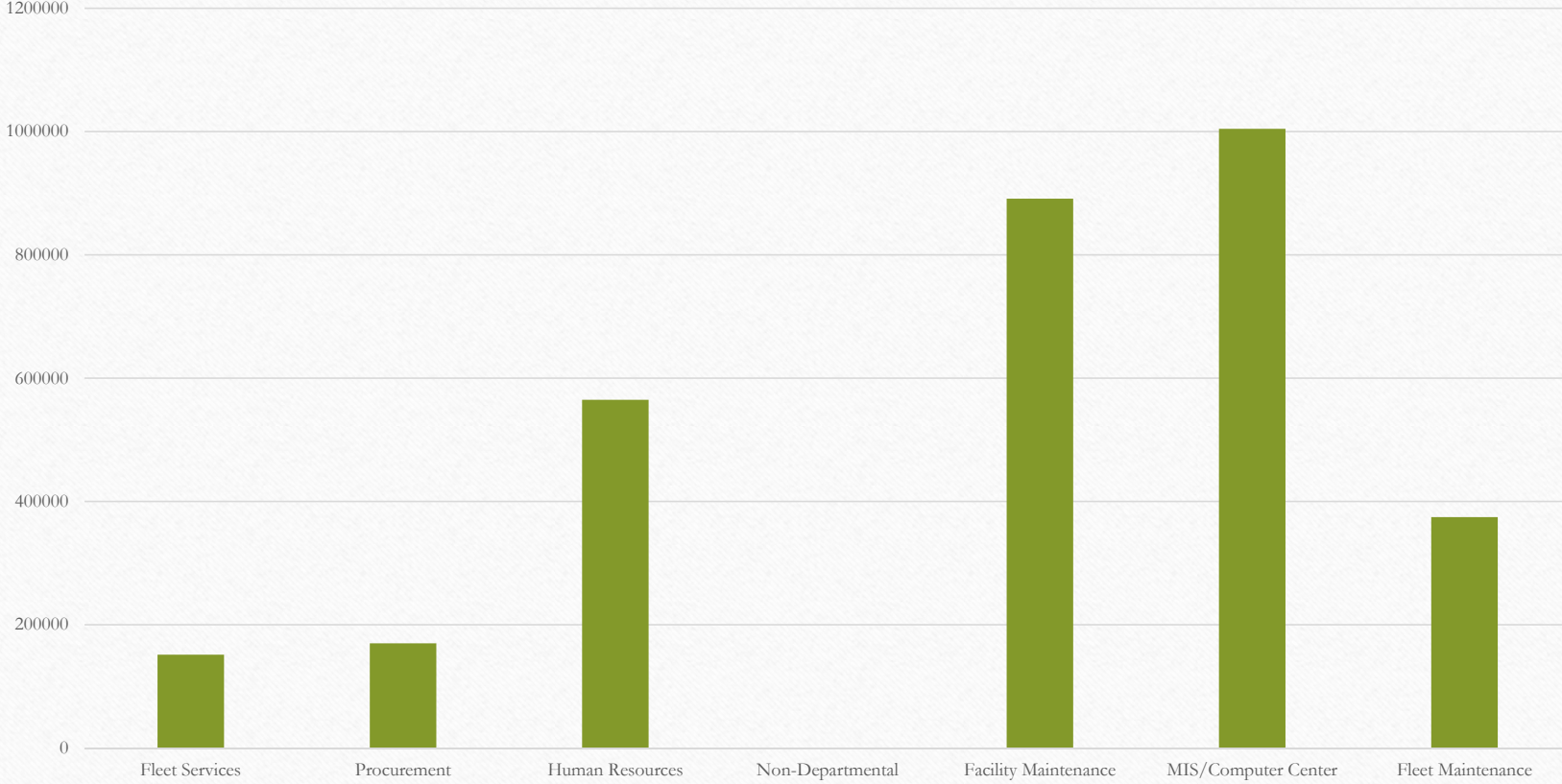
Internal Services - Transfers In/Out



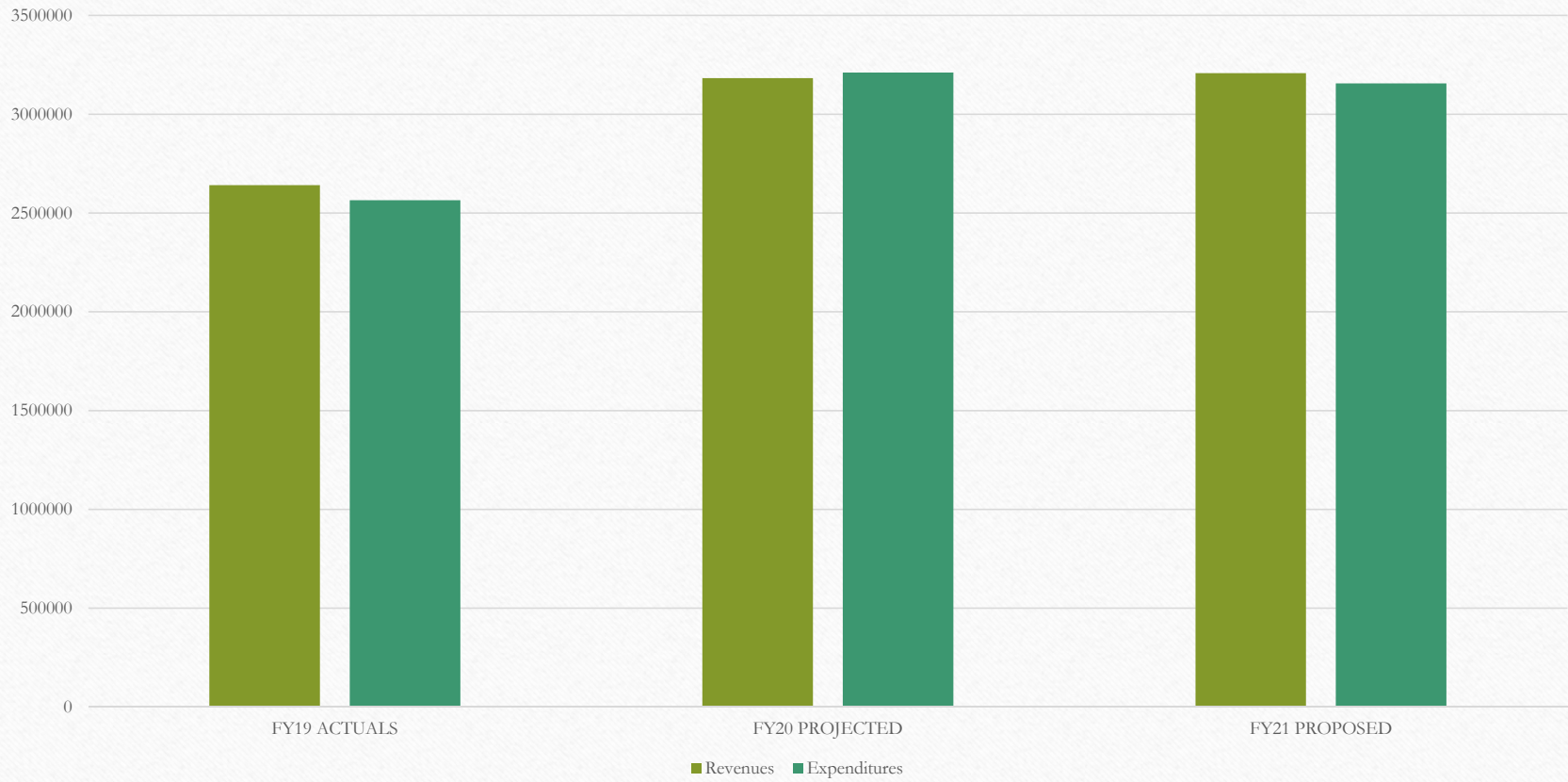
Internal Services - Expenditure by Category



Internal Services - Expense by Department



Internal Services - Revenues vs. Expenditures



Special Revenue

- Fund 15 – Corrections
- Fund 16 – Lodger's Tax – Promotions
- Fund 19 – Court Automation
- Fund 20 – Lodger's Tax – City Portion
- Fund 21 – DARE Donations
- Fund 22 – Designated Gift
- Fund 27 – Municipal Court

Special Revenue, Continued

- Fund 28 – Police Contingency
- Fund 31 – Cemetery Perpetual Care
- Fund 32 – Community Services
- Fund 33 – Fire Protection
- Fund 35 – HIDTA Grant
- Fund 36 – Law Enforcement Protection
- Fund 37 – State Highway

Special Revenue, Continued

- Fund 38 – Traffic Safety
- Fund 42 – 1984 Gross Receipts Tax
- Fund 44 – Transportation
- Fund 63 – Engineering
- Fund 69 – 1994 Gross Receipts Tax
- Fund 71 – Senior Center
- Fund 74 – Senior Center Gift Fund

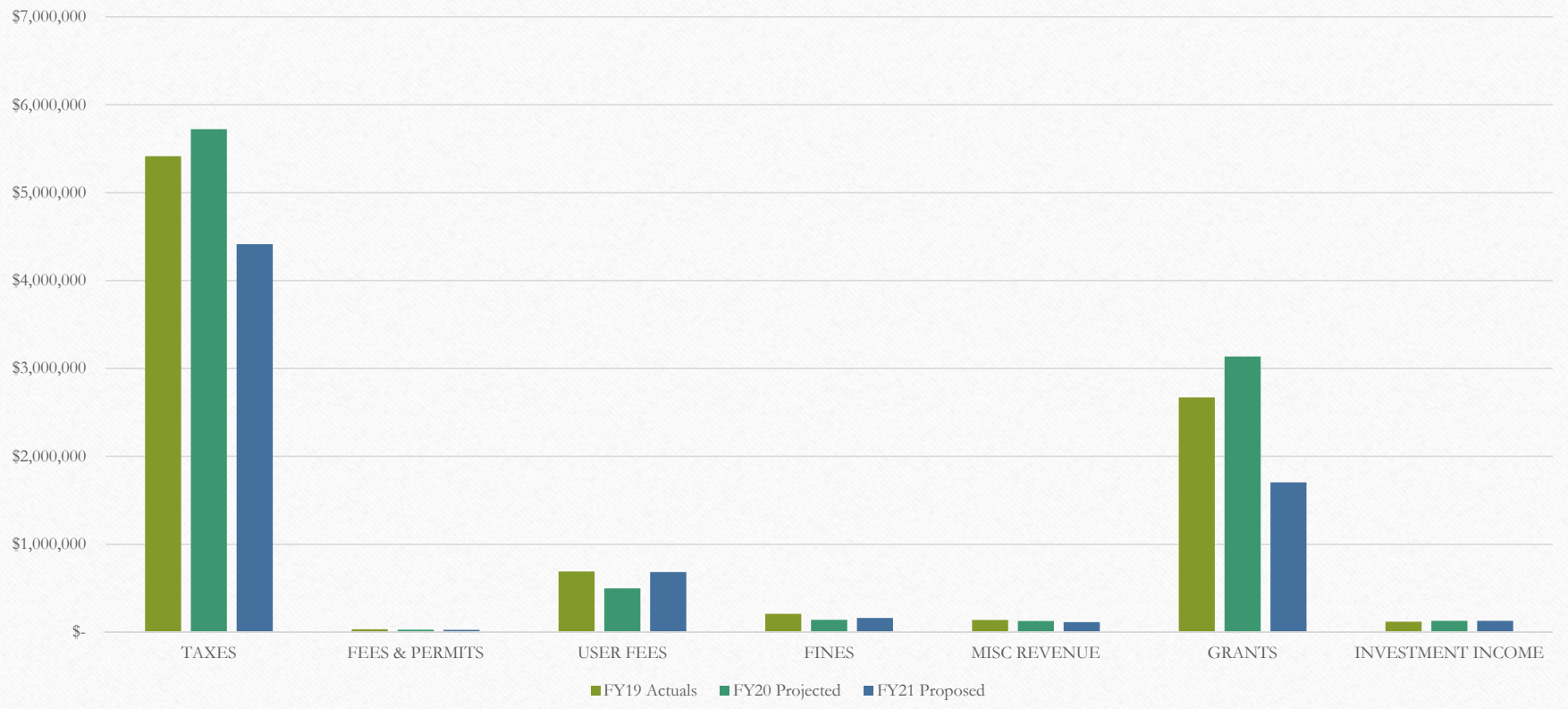
Special Revenue, Continued

- Fund 75 – Retired & Senior Volunteer Program
- Fund 89 – Environmental Gross Receipts Tax
- Fund 96 – Self Insurance
- Fund 107 – Liabilities/Deductibles

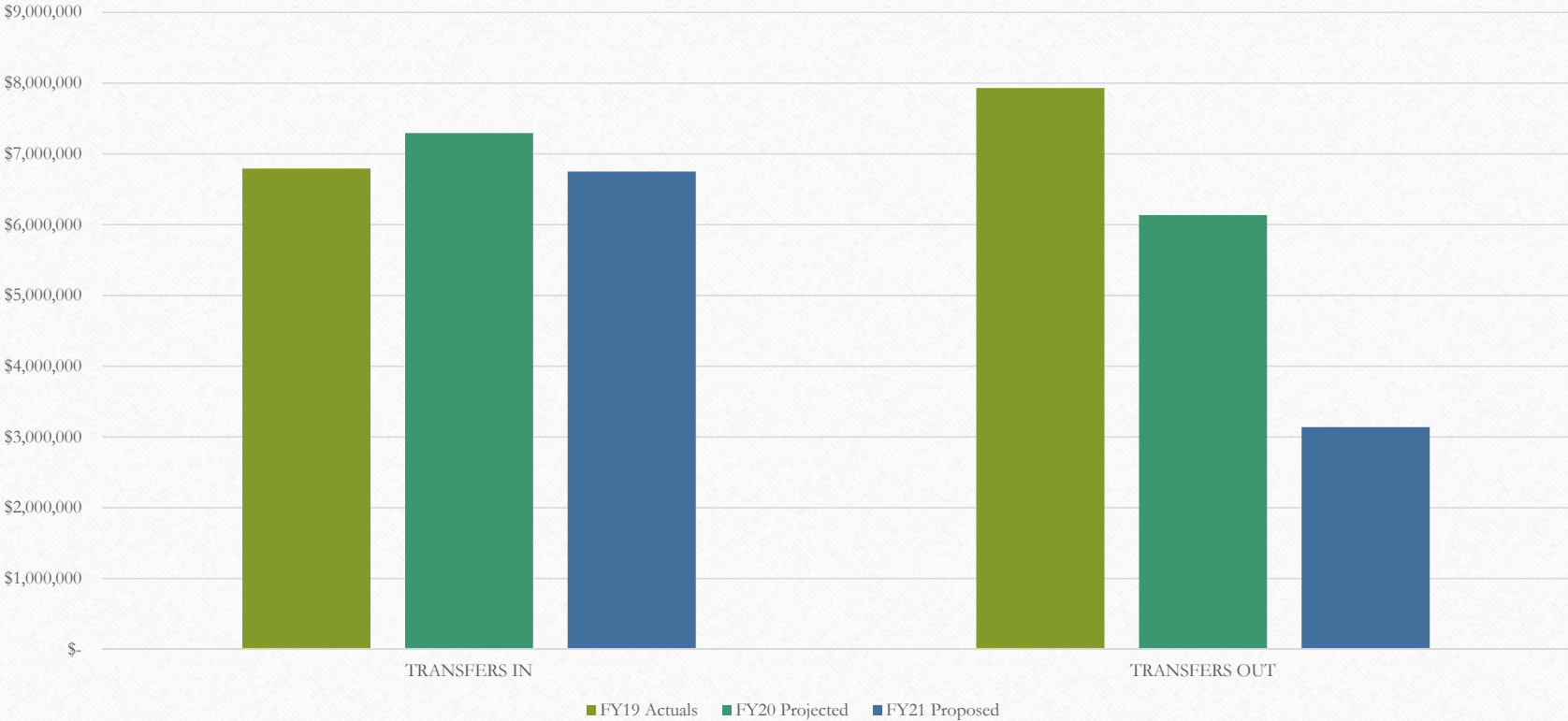
FUND NO.	FY 2019-2020	UNAUDITED	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED	LOCAL RESERVE	ADJUSTED
	FUND DESCRIPTION	BEGINNING CASH BALANCE						ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
15	CORRECTIONS-JAIL	10,663	81,827	39,000	259	38,741	121,000	10,231		10,231
16	LODGER'S TAX-PROMOTIONAL FUND	181,723	209,795	6,695	1,749	4,946	268,128	128,336		128,336
19	COURT AUTOMATION FUND	5,867	52,566	17,220	19,734	(2,514)	55,919	0		0
20	LODGER'S TAX-CITY	98,458	358,596		57,702	(57,702)	399,350	2		2
21	D. A. R. E. DONATIONS FUND	23,639	6,224			0	12,258	17,605		17,605
27	MUNICIPAL COURT OPERATIONS	8,775	11,000	431,141	14,058	417,083	436,527	331		331
28	POLICE CONTINGENCY	62,595	4,184			0	10,000	56,779		56,779
31	CEMETERY-PERPETUAL CARE	770,756	25,843			0		796,599		796,599
32	COMMUNITY SERVICES	124,369	390,449	4,010,000	623,914	3,386,086	3,893,467	7,437		7,437
33	FIRE PROTECTION	400,617	747,739			0	937,237	211,119	23,204	187,915
35	HIDTA GRANT FUND	(0)	28,239			0	28,239	(0)		(0)
36	LAW ENFORCEMENT FUND	(0)	63,000			0	63,000	(0)		(0)
37	STATE HIGHWAY FUND	127,401	36,289			0	26,823	136,867		136,867
38	TRAFFIC SAFETY FUND	69,142	23,684			0	44,146	48,680		48,680
42	1984 GROSS RECEIPTS TAX	245,032	1,870,673		1,546,149	(1,546,149)	24,244	545,312	262,110	283,202
44	TRANSPORTATION FUND	0	2,402,912	1,370,159	153,157	1,217,002	3,042,304	577,610		577,610
63	COMMUNITY DEVELOPMENT	33,500		444,242	42,663	401,579	432,756	2,323		2,323
69	1994 GROSS RECEIPTS	2,219,834	1,867,194		2,598,874	(2,598,874)	24,244	1,463,910	553,279	910,631
71	ALAMO SENIOR CENTER	21,630	781,499	588,400	2,379	586,021	1,382,349	6,801		6,801
74	ALAMO SENIOR CENTER GIFT	141,812	21,642			0	81,474	81,980		81,980
75	RETIRED & SENIOR VOL. PROGRAM	100	232,414	57,000	17,068	39,932	272,166	280		280
89	ESGRT .0625%	2,537,187	487,564		1,048,475	(1,048,475)	306,535	1,669,681		1,669,681
96	SELF-INSURED FUND	494,406	68,939		8,000	(8,000)	50,239	505,106		505,106
107	SELF INSURED/LIABILITY	682,061	11,694	330,000		330,000	422,169	601,586		601,586
TOTALS FY2020		8,259,569	9,783,966	7,293,857	6,134,181	1,159,676	12,334,634	6,868,577	838,593	6,029,983

FUND NO.	FY 2020-2021	UNAUDITED BEGINNING CASH BALANCE	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED ENDING CASH BALANCE	LOCAL RESERVE REQUIREMENTS UNAVAILABLE FOR BUDGETING	ADJUSTED ENDING CASH BALANCE
	FUND DESCRIPTION									
15	CORRECTIONS-JAIL	10,231	81,827	69,300	273	69,027	161,000	85		85
16	LODGER'S TAX-PROMOTIONAL FUND	128,336	129,454	2,839	1,159	1,680	182,333	77,137		77,137
19	COURT AUTOMATION FUND	0	68,566		9,000	(9,000)	59,521	45		45
20	LODGER'S TAX-CITY	2	254,327	58,000	61,971	(3,971)	250,137	221		221
21	D.A.R.E. DONATIONS FUND	17,605	4,120			0	8,188	13,537		13,537
27	MUNICIPAL COURT OPERATIONS	331	13,000	448,500	15,534	432,906	444,419	1,818		1,818
28	POLICE CONTINGENCY	56,779	2,714			0	10,000	49,493		49,493
31	CEMETERY-PERPETUAL CARE	796,599	25,843			0		822,442		822,442
32	COMMUNITY SERVICES	7,437	589,140	4,170,500	616,285	3,554,215	4,149,702	1,090		1,090
33	FIRE PROTECTION	211,119	659,726			0	577,501	293,344		293,344
35	HIDTA GRANT FUND	(0)	28,239			0	28,239	(0)		(0)
36	LAW ENFORCEMENT FUND	(0)	55,800			0	55,800	(0)		(0)
37	STATE HIGHWAY FUND	136,867	23,091			0	13,625	146,333		146,333
38	TRAFFIC SAFETY FUND	48,680	23,684			0	15,000	57,364		57,364
42	1984 GROSS RECEIPTS TAX	545,312	1,432,928		1,103,091	(1,103,091)	17,765	857,384	262,110	595,274
44	TRANSPORTATION FUND	577,610	957,770	600,000	162,308	437,692	1,896,899	76,173		76,173
63	COMMUNITY DEVELOPMENT	2,323		439,087	39,283	399,804	398,291	3,836		3,836
69	1994 GROSS RECEIPTS	1,463,910	1,429,449		1,109,206	(1,109,206)	17,765	1,766,388	553,279	1,213,109
71	ALAMO SENIOR CENTER	6,801	758,877	592,000	1,081	590,919	1,355,900	697		697
74	ALAMO SENIOR CENTER GIFT	81,980	9,142			0	7,827	83,295		83,295
75	RETIRED & SENIOR VOL. PROGRAM	280	232,414	68,500	18,496	50,004	281,658	1,040		1,040
89	ESGRT .0625%	1,669,681	378,127		210	(210)	249,645	1,797,953		1,797,953
96	SELF-INSURED FUND	505,106	66,439			0	45,000	526,545		526,545
107	SELF INSURED/LIABILITY	601,586	11,694	300,000		300,000	300,000	613,280		613,280
TOTALS FY2021		6,868,576	7,236,371	6,748,726	3,137,957	3,610,769	10,526,215	7,189,501	815,389	6,374,112

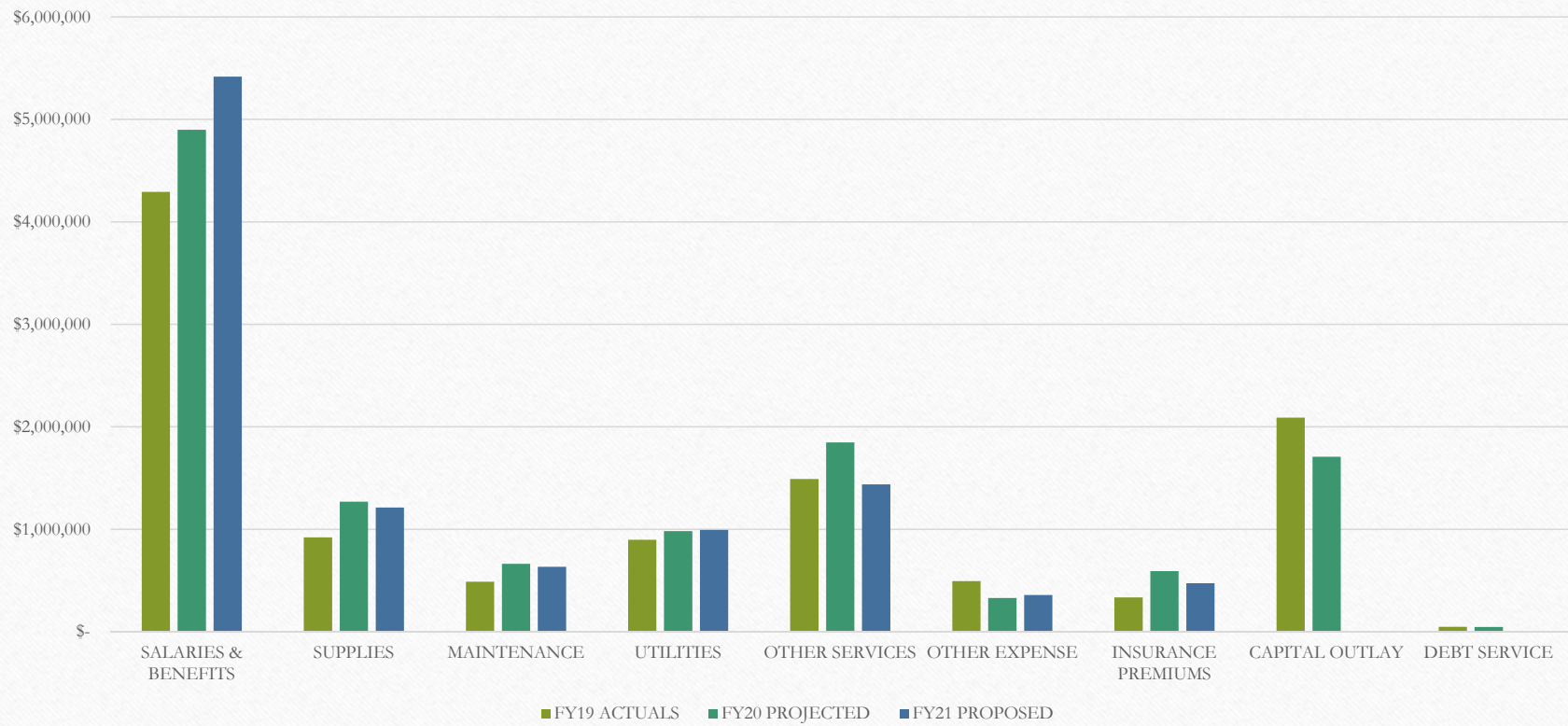
Special Revenue - Revenues by Category



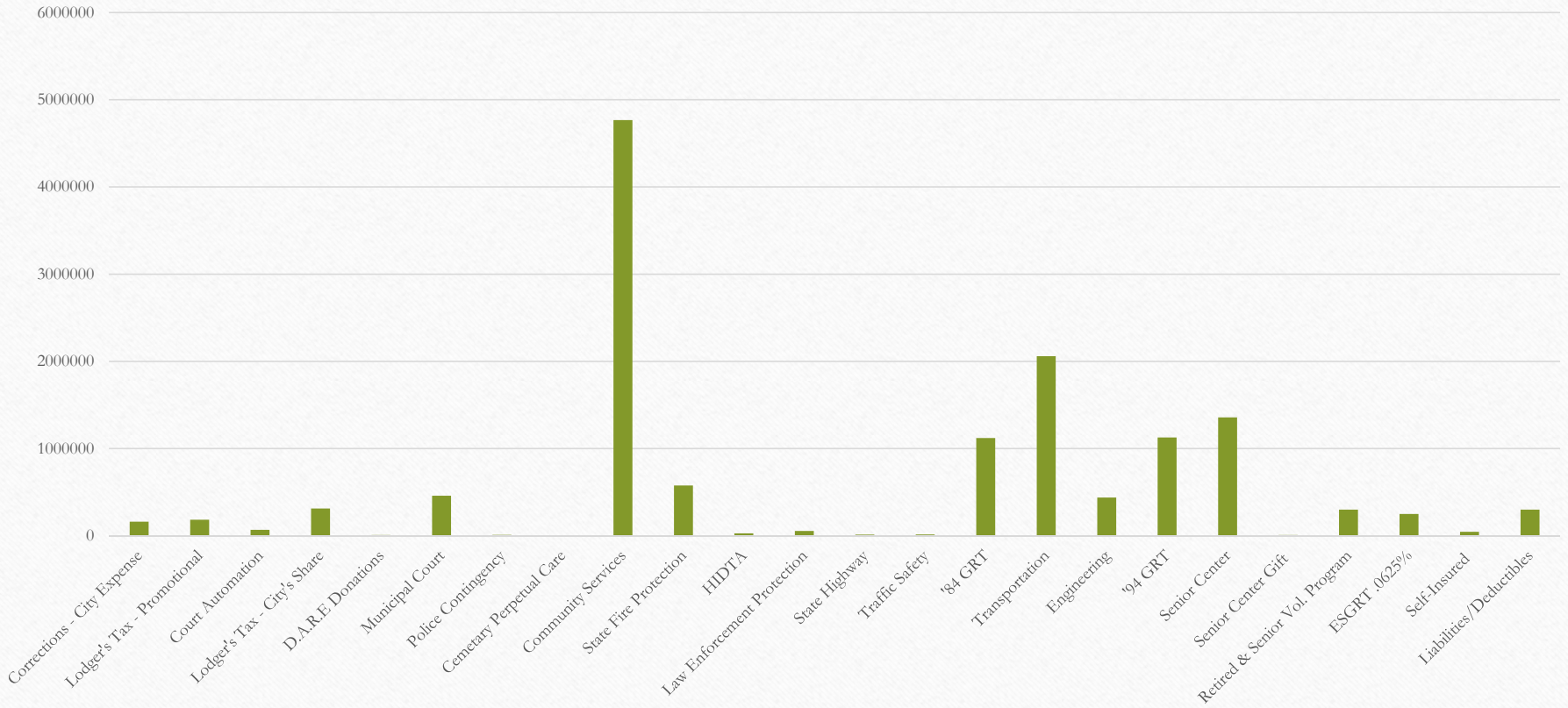
Special Revenue - Transfers In/Out



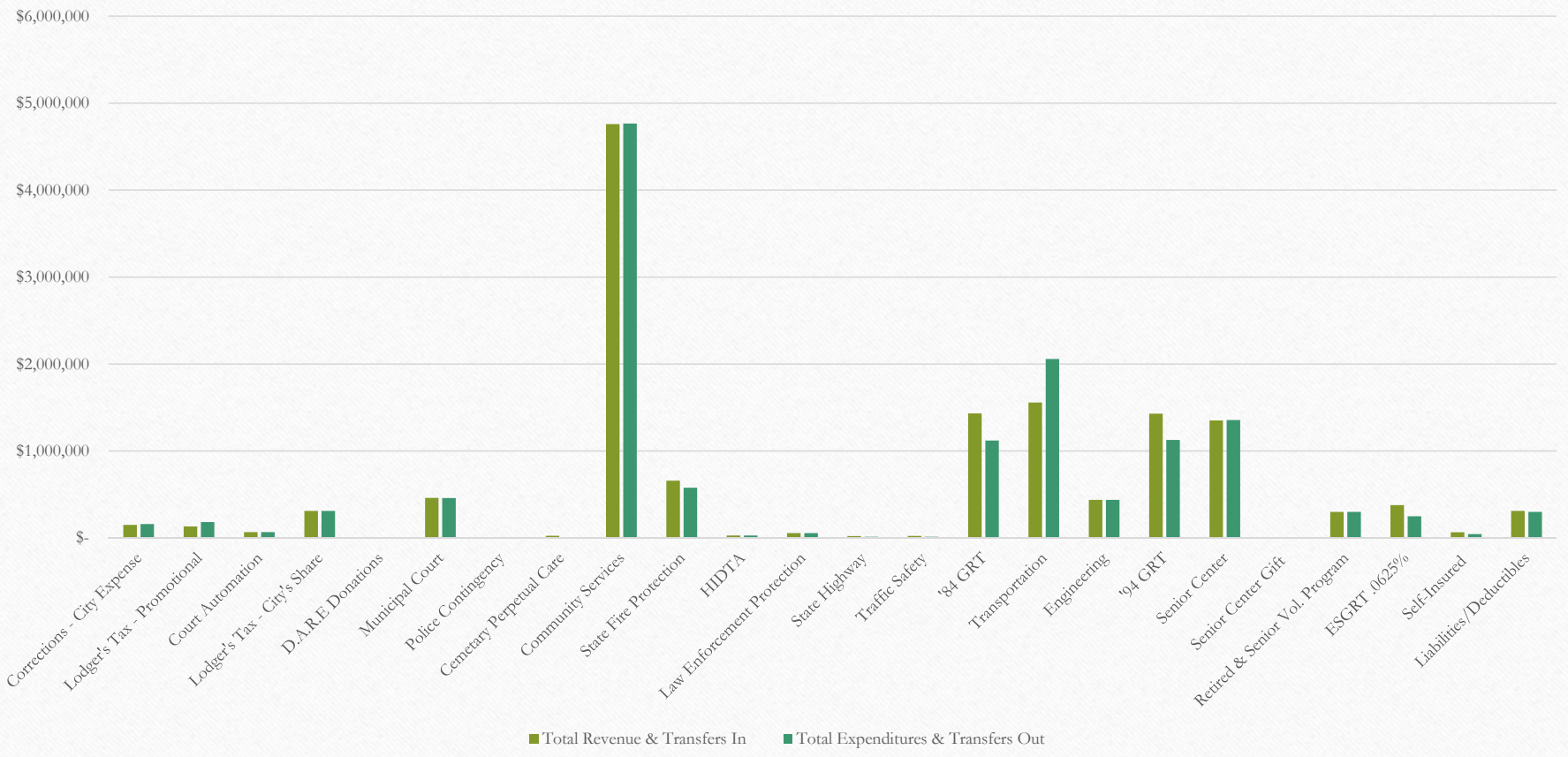
Special Revenue - Expenditures by Category



Special Revenue - Expense by Department



Special Revenue - Revenues vs. Expenditures



Capital

- Fund 24 – Grant Capital Improvement
- Fund 40 – Airport Improvement Projects
- Fund 48 – NM CDBG
- Fund 50 – Property Acquisition
- Fund 54 – Reverse Osmosis Project
- Fund 56 – Flood Control Project – Corp of Engineers
- Fund 61 – Municipal Infrastructure Gross Receipts Tax

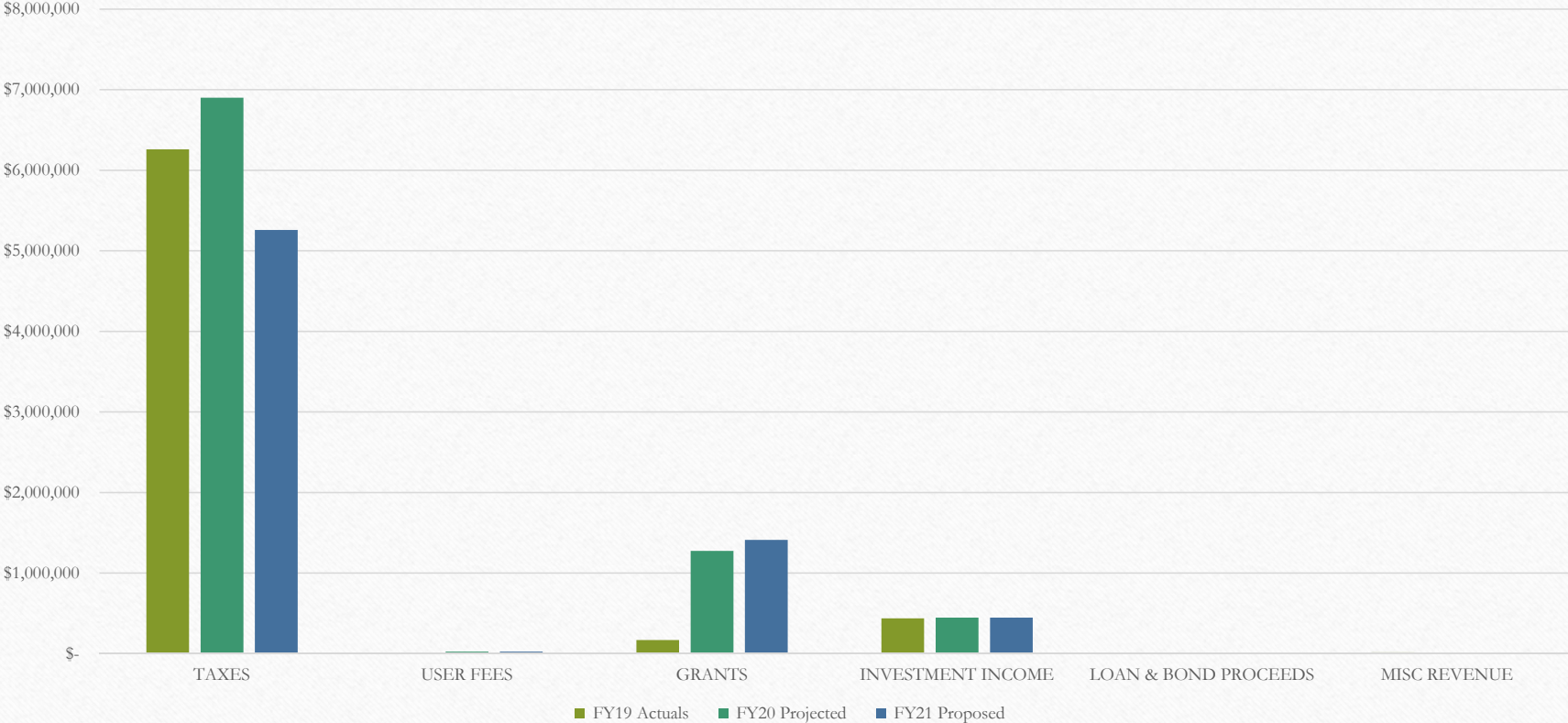
Capital, Continued

- Fund 105 – Economic Development Gross Receipts Tax
- Fund 109 – Street Capital Gross Receipts Tax
- Fund 113 – GO Bond – Sewer
- Fund 114 – Sidewalk Revolving Loan
- Fund 116 – Regional Water Supply Transmission Line
- Fund 117 – Revenue Bond
- Fund 119 – Quality of Life Gross Receipts Tax Revenue Bond
- Fund 121 – GO Bond – Family Fun Center
- Fund 122 – GO Bond - Streets

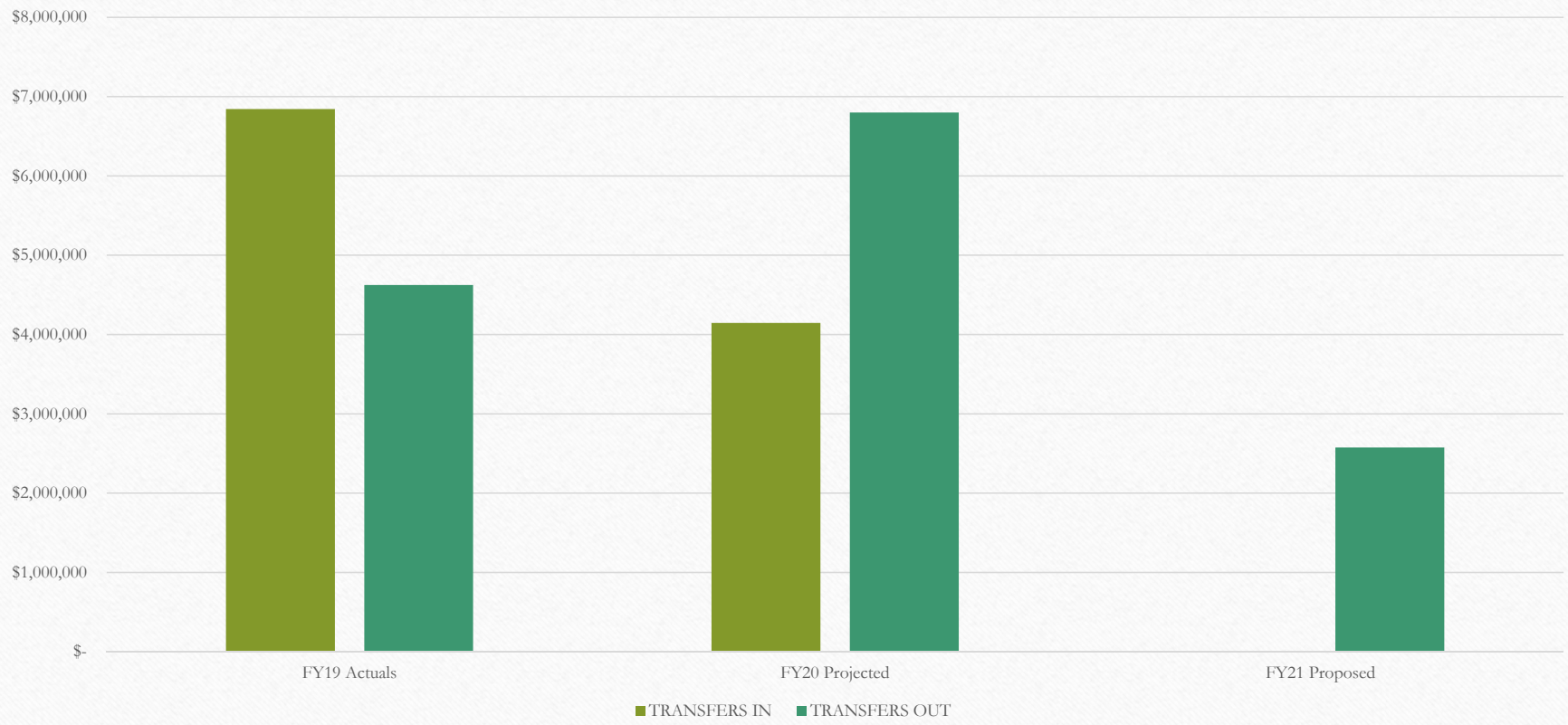
FUND NO.	FY 2019-2020	UNAUDITED BEGINNING	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED ENDING	LOCAL RESERVE REQUIREMENTS	ADJUSTED ENDING
	FUND DESCRIPTION	CASH BALANCE						CASH BALANCE	UNAVAILABLE FOR BUDGETING	CASH BALANCE
24	GRANT CAPITAL IMPROVEMENT	0	1,275,501			0	1,162,148	113,353		113,353
48	NEW MEXICO C.D.B.G.	0				0		0		0
49	1986 GROSS RECEIPTS TAX	4,373,647	1,931,212		2,777,234	(2,777,234)	1,031,511	2,496,114	269,728	2,226,386
50	PROPERTY ACQUISITION	84,410				0		84,410		84,410
54	REVERSE OSMOSIS PROJECT RSV	21,967		174,046		174,046	174,046	21,967		21,967
56	99 GRT FLOOD CONTROL BOND PROJ	1,650,690	30,981	3,971,608	176	3,971,432	3,916,221	1,736,882		1,736,882
61	MUNICIPAL INFRASTRUCTURE .0625%	818,034	467,742		820,164	(820,164)	6,061	459,551		459,551
105	ECONOMIC DEVELOPMENT	3,184,151	1,036,662			0	849,341	3,371,472		3,371,472
109	2004 GRT CAPITAL OUTLAY	11,931,219	3,873,463		3,201,438	(3,201,438)	8,049,041	4,554,203	534,720	4,019,483
114	SIDEWALKS REVOLVING LOANS	138,887	2,095			0	32,360	108,622		108,622
119	2012 GRT REF/IMP REVBD	1,202,310	24,232			0	903,817	322,725		322,725
121	2015 GO BONDS-FUN CENTER	87,476	1,441			0		88,917		88,917
122	2015 GO BONDS-STREETS	169,501	3,003			0		172,504		172,504
TOTALS FY2020		23,662,294	8,646,332	4,145,654	6,799,012	(2,653,358)	16,124,546	13,530,722	804,448	12,726,273

FUND NO.	FY 2020-2021	UNAUDITED BEGINNING	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED ENDING	LOCAL RESERVE REQUIREMENTS	ADJUSTED ENDING
	FUND DESCRIPTION	CASH BALANCE						CASH BALANCE	UNAVAILABLE FOR BUDGETING	CASH BALANCE
24	GRANT CAPITAL IMPROVEMENT	113,353	1,411,418			0	1,411,418	113,353		113,353
48	NEW MEXICO C.D.B.G.	0				0		0		0
49	1986 GROSS RECEIPTS TAX	2,496,114	1,493,467		1,287,436	(1,287,436)	77,765	2,624,380	269,728	2,354,652
50	PROPERTY ACQUISITION	84,410				0		84,410		84,410
54	REVERSE OSMOSIS PROJECT RSV	21,967				0		21,967		21,967
56	99 GRT FLOOD CONTROL BOND PROJ	1,736,882	30,981			0		1,767,863		1,767,863
61	MUNICIPAL INFRASTRUCTURE .0625%	459,551	358,305		170,482	(170,482)	4,442	642,932		642,932
105	ECONOMIC DEVELOPMENT	3,371,472	817,789			0	93,371	4,095,890		4,095,890
109	2004 GRT CAPITAL OUTLAY	4,554,203	2,997,973		1,117,060	(1,117,060)	1,835,530	4,599,586	534,720	4,064,866
114	SIDEWALKS REVOLVING LOANS	108,622	2,095			0	32,360	78,357		78,357
119	2012 GRT REF/IMP REVBD	322,725	24,232			0		346,957		346,957
121	2015 GO BONDS-FUN CENTER	88,917	1,441			0		90,358		90,358
122	2015 GO BONDS-STREETS	172,504	3,003			0		175,507		175,507
TOTALS FY2021		13,530,721	7,140,704	0	2,574,978	(2,574,978)	3,454,886	14,641,561	804,448	13,837,113

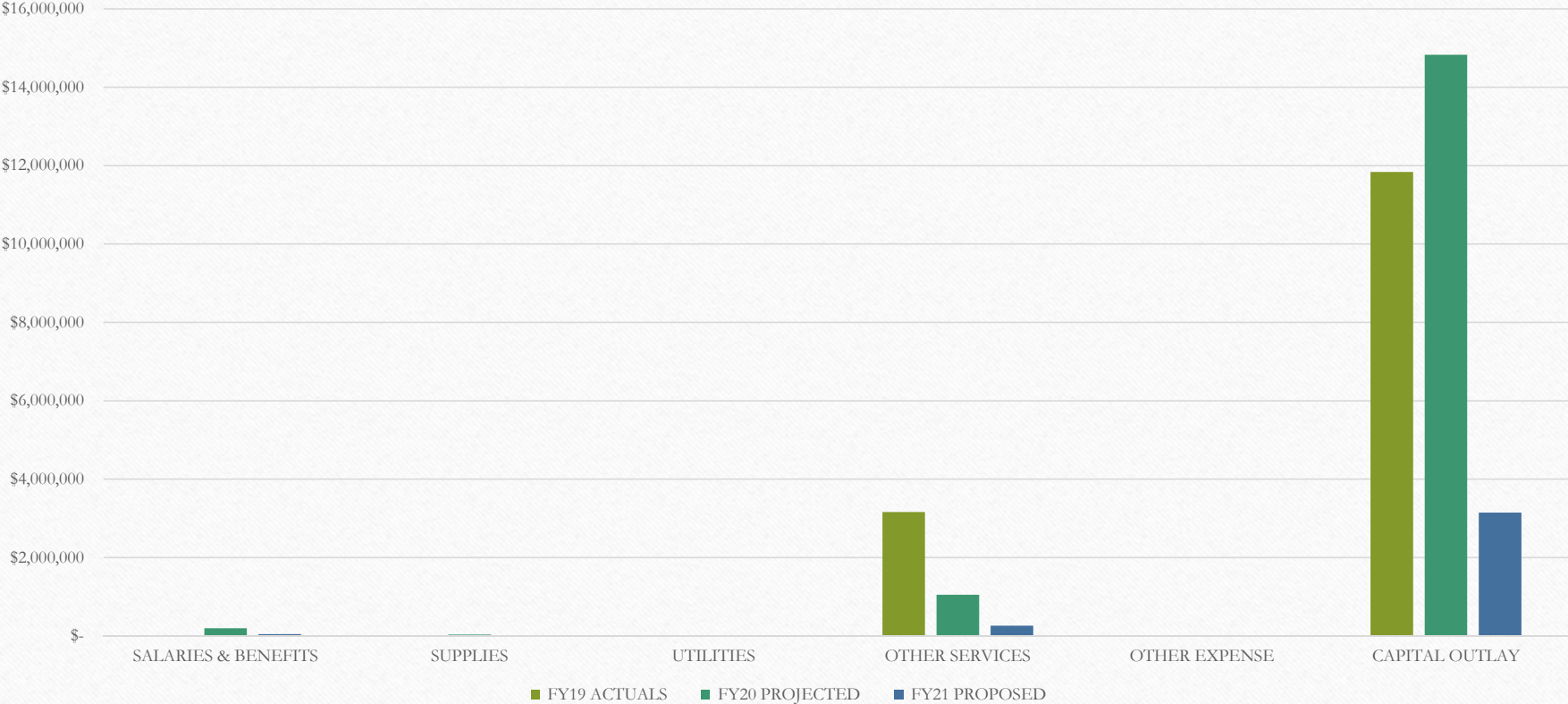
Capital - Revenue by Category



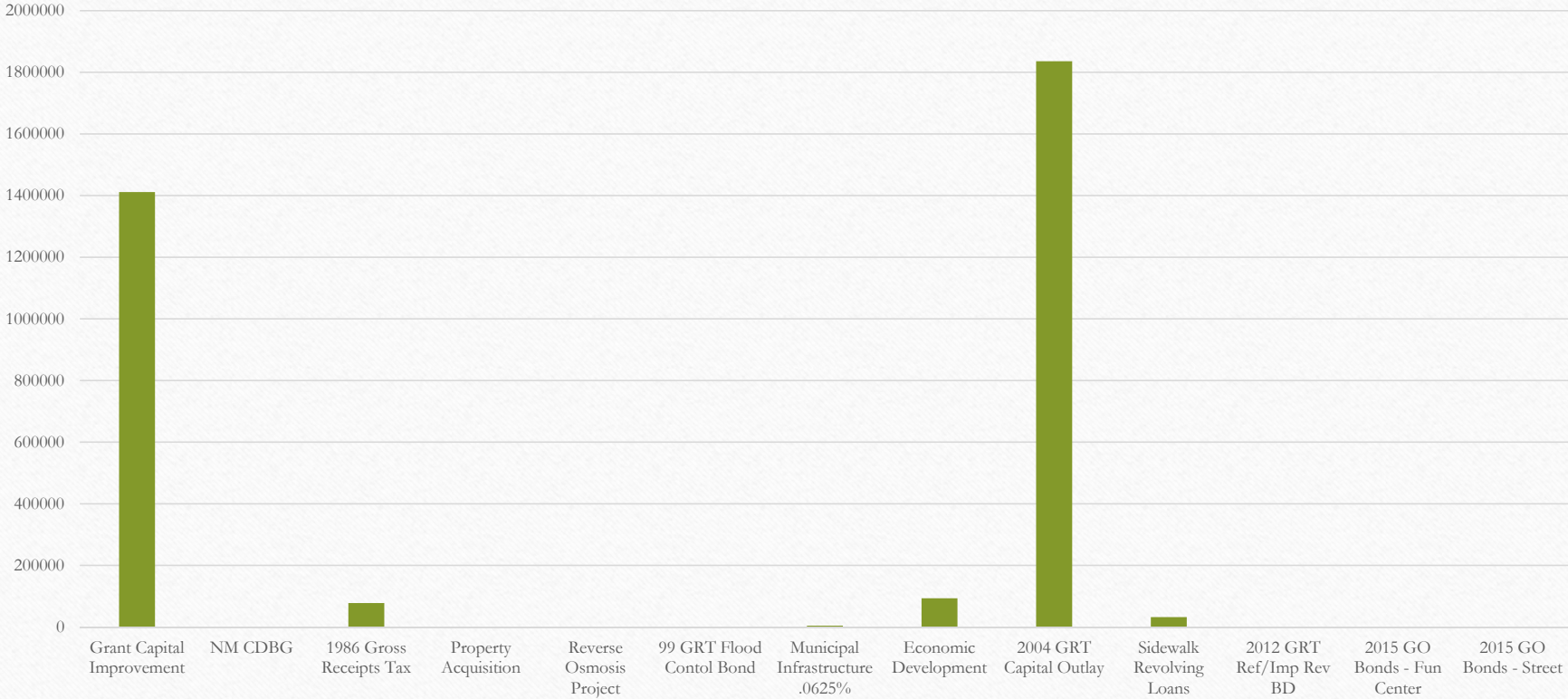
Capital - Transfers In/Out



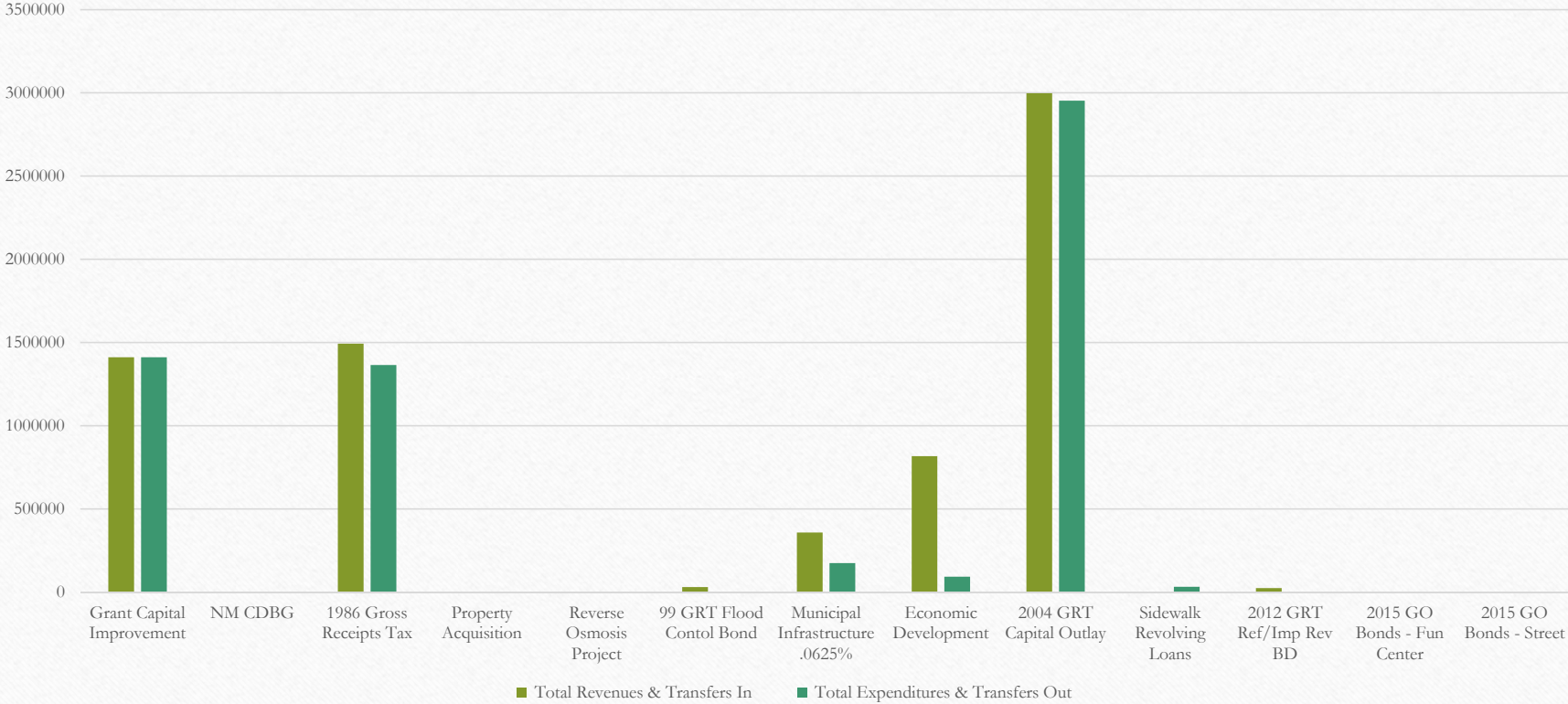
Capital - Expenditures by Category



Capital - Expense by Department



Capital - Revenue vs. Expenditures



Debt Service

- Fund 53 – General Obligation Principle & Interest
 - 2009 GO Bond
 - 2011 GO Fire Bond
 - 2014 A GO Bond – Fun Center
 - 2014 B GO Bond – Streets
 - 2017 GO Bond

Debt Service, Continued

- Fund 59 – Gross Receipts Tax Principle & Interest
 - Loan 13 – Flood Control
 - Loan 15 – Various Street Projects
 - Loan 16 – GRT Refunding & Improvement
 - Loan 19 – Refunding, Flood Control & Natatorium
 - Loan 20 – Streets
 - Loan 21 – Flood Control

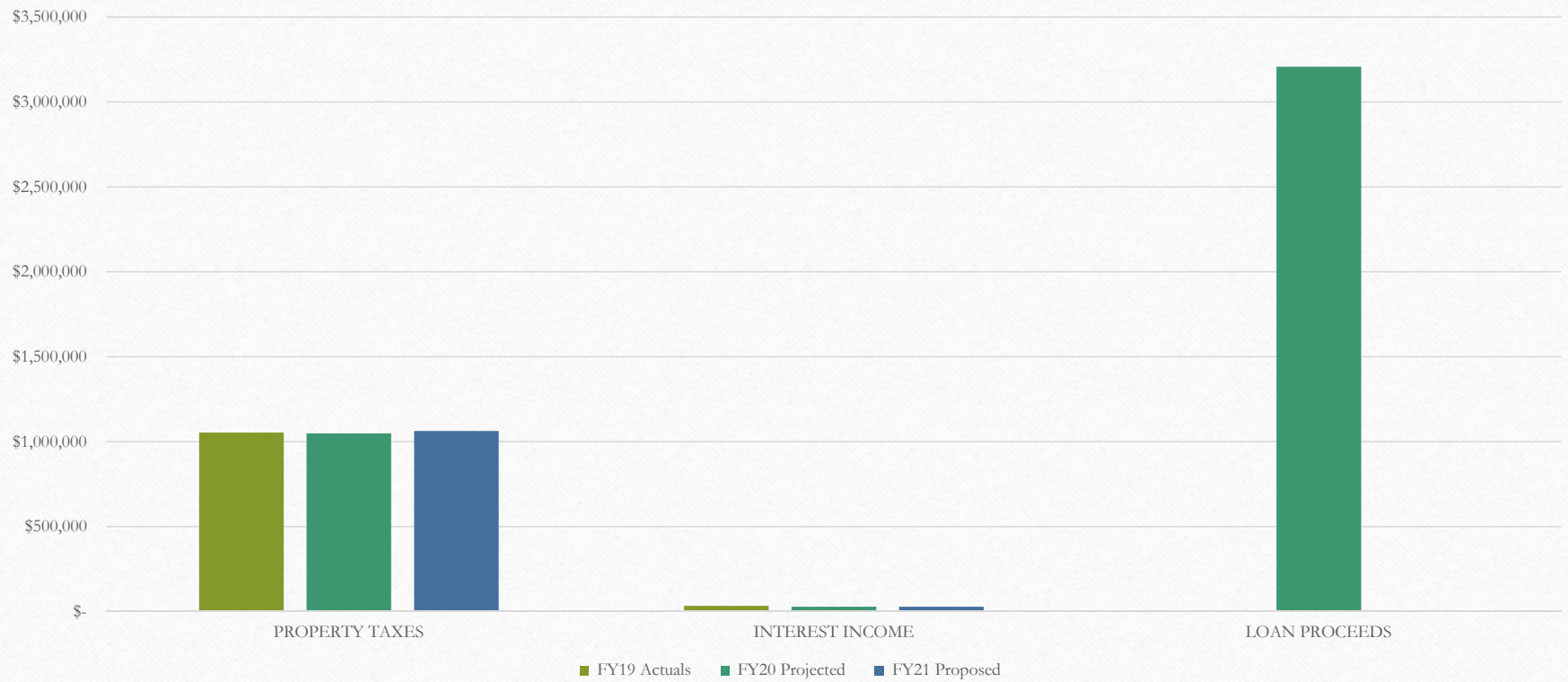
Debt Service, Continued

- Fund 82 – Water/Sewer Principle & Interest
 - Loan 3 – Drinking Water
 - Loan 4 – West Side
 - Loan 10 – Water/Wastewater
 - Loan 11 – WTB
 - Loan 14 – Refunded Bond & Water/Wastewater Treatment Plant Improvement
 - Loan 17 – Drinking Water
 - Loan 18 – Desalination Facility
 - Loan 22 – JWS Refunding

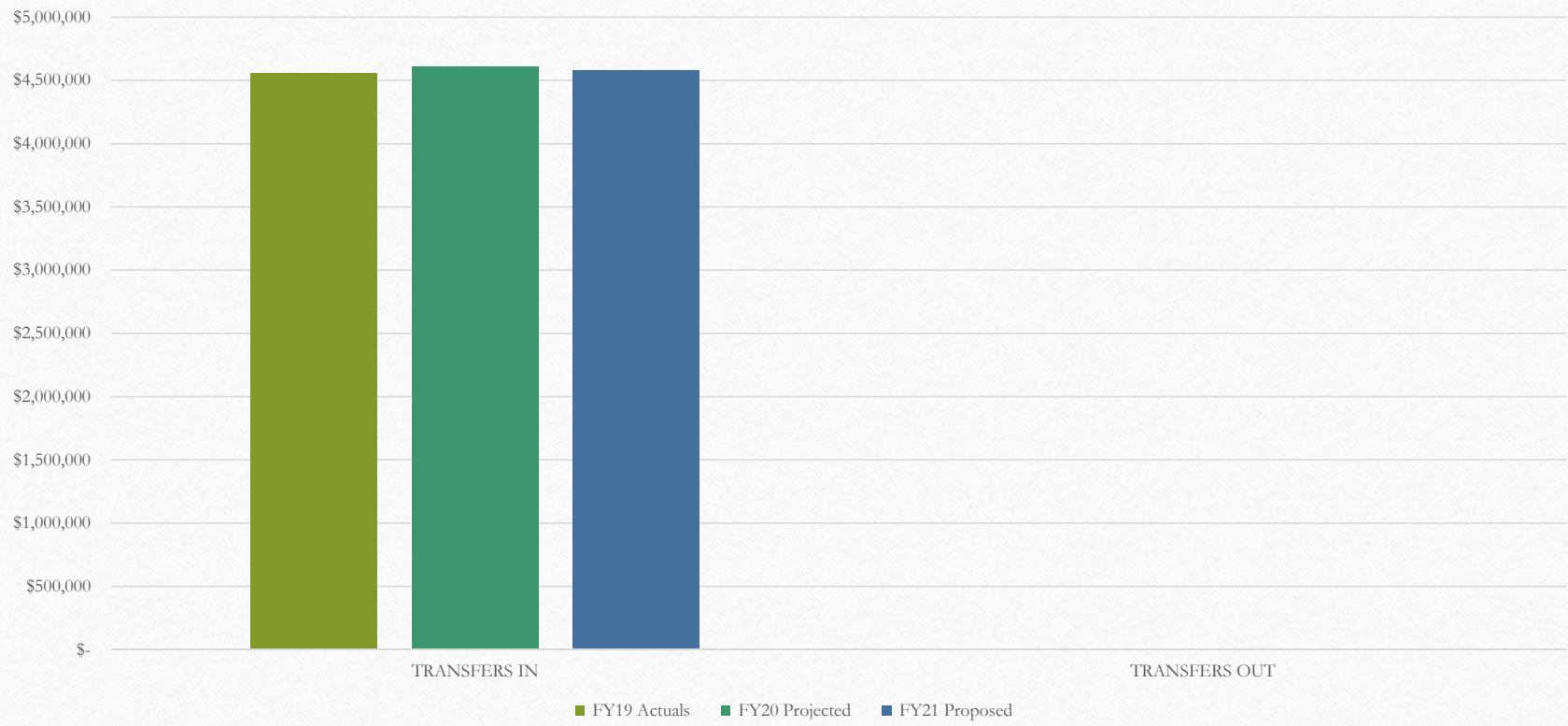
FY 2019-2020		UNAUDITED						ESTIMATED	LOCAL RESERVE	ADJUSTED
FUND NO.	FUND DESCRIPTION	BEGINNING CASH BALANCE	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
53	GENERAL OBLIGATION	872,135	1,049,847			0	1,021,018	900,964	510,509	390,455
59	REVENUE BOND P & I FUND	149,984	7,250	2,678,368		2,678,368	2,678,368	157,234		157,234
82	98 JT WATER/SEWER BOND P&I	1,253,517	3,226,821	1,933,872		1,933,872	5,132,296	1,281,914		1,281,914
TOTALS FY2020		2,275,637	4,283,918	4,612,240	0	4,612,240	8,831,682	2,340,113	510,509	1,829,603

FY 2020-2021		UNAUDITED						ESTIMATED	LOCAL RESERVE	ADJUSTED
FUND NO.	FUND DESCRIPTION	BEGINNING CASH BALANCE	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ENDING CASH BALANCE	REQUIREMENTS UNAVAILABLE FOR BUDGETING	ENDING CASH BALANCE
53	GENERAL OBLIGATION	900,964	1,064,162			0	1,080,492	884,634	510,509	374,125
59	REVENUE BOND P & I FUND	157,234	7,250	2,679,704		2,679,704	2,679,704	164,484		164,484
82	98 JT WATER/SEWER BOND P&I	1,281,914	19,609	1,899,703		1,899,703	1,899,703	1,301,523		1,301,523
TOTALS FY2021		2,340,112	1,091,021	4,579,407	0	4,579,407	5,659,899	2,350,641	510,509	1,840,132

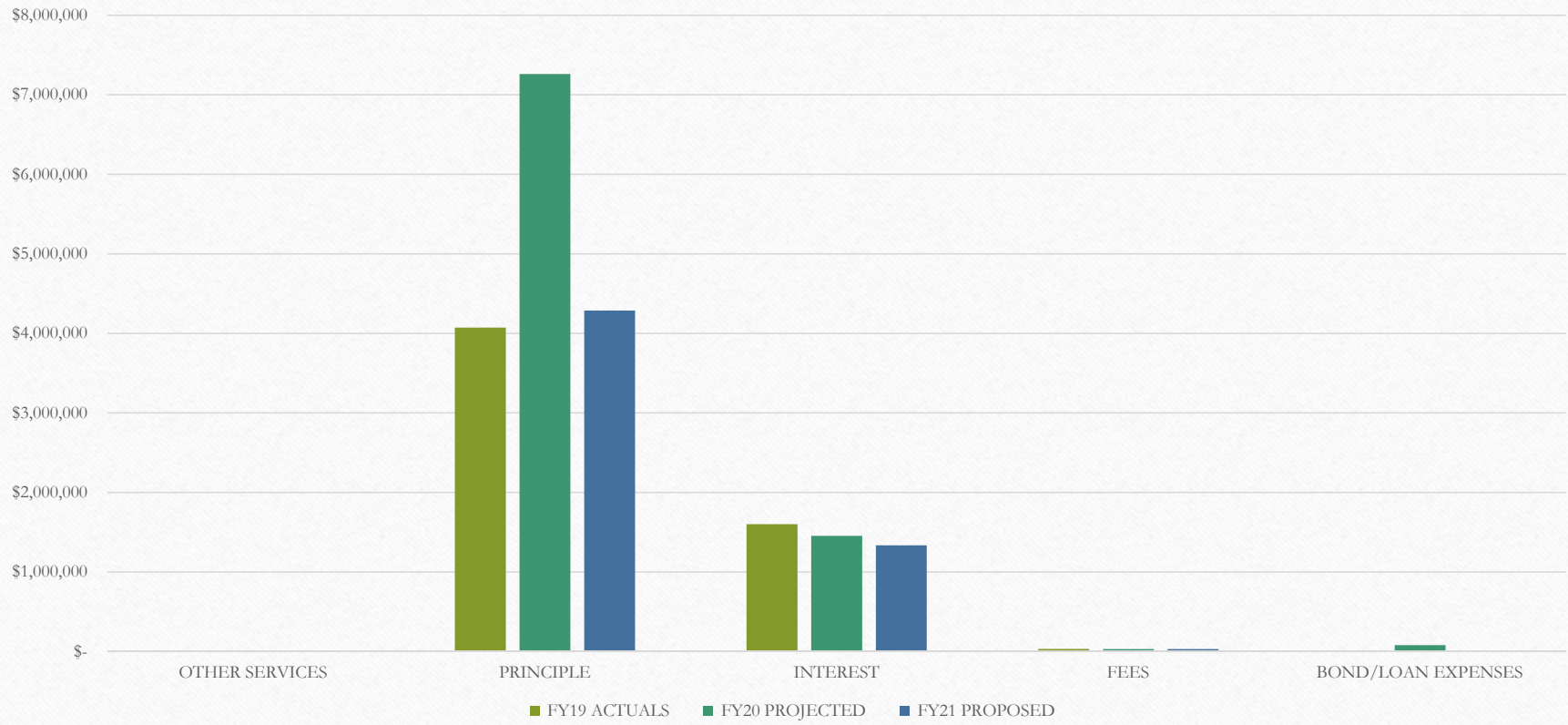
Debt Service - Revenue by Category



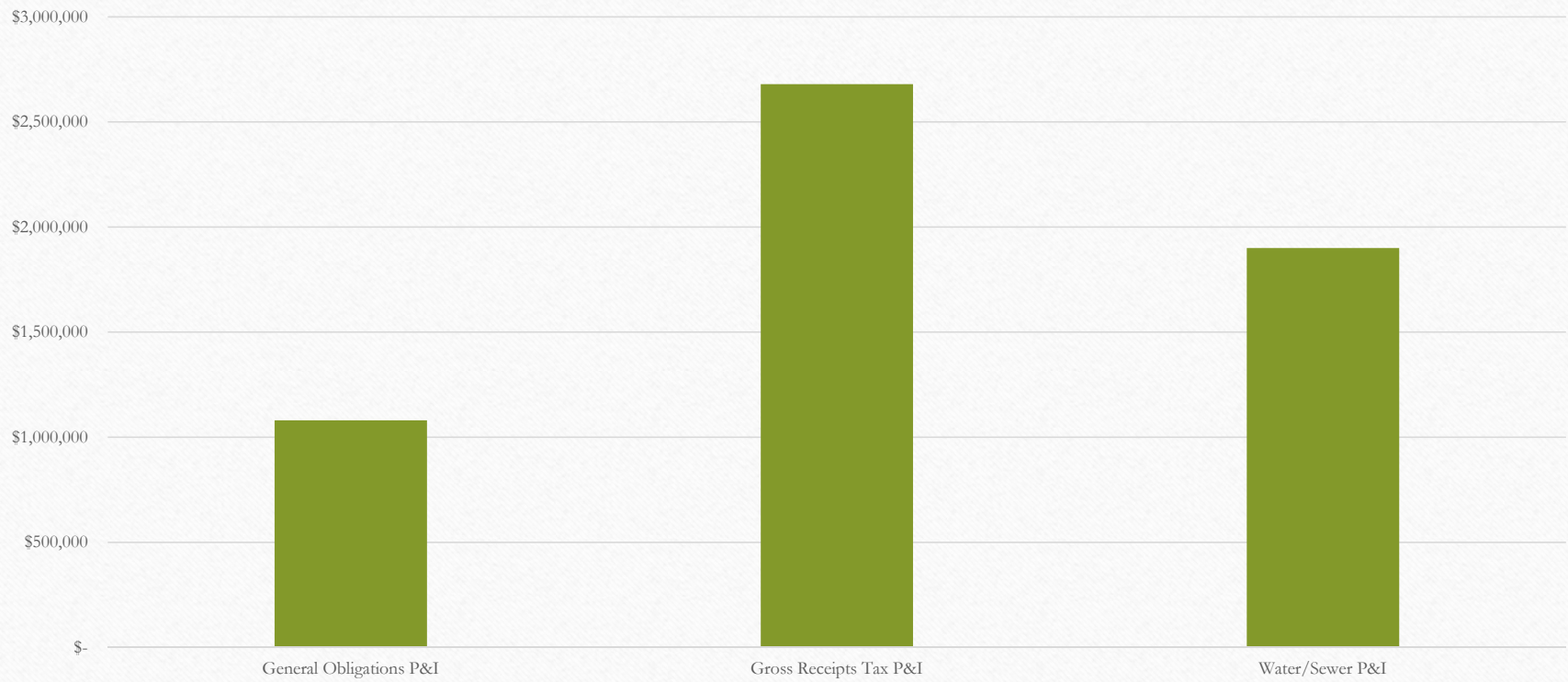
Debt Service - Transfers In/Out



Debt Service - Expenditures by Category



Debt Service - Expense by Department



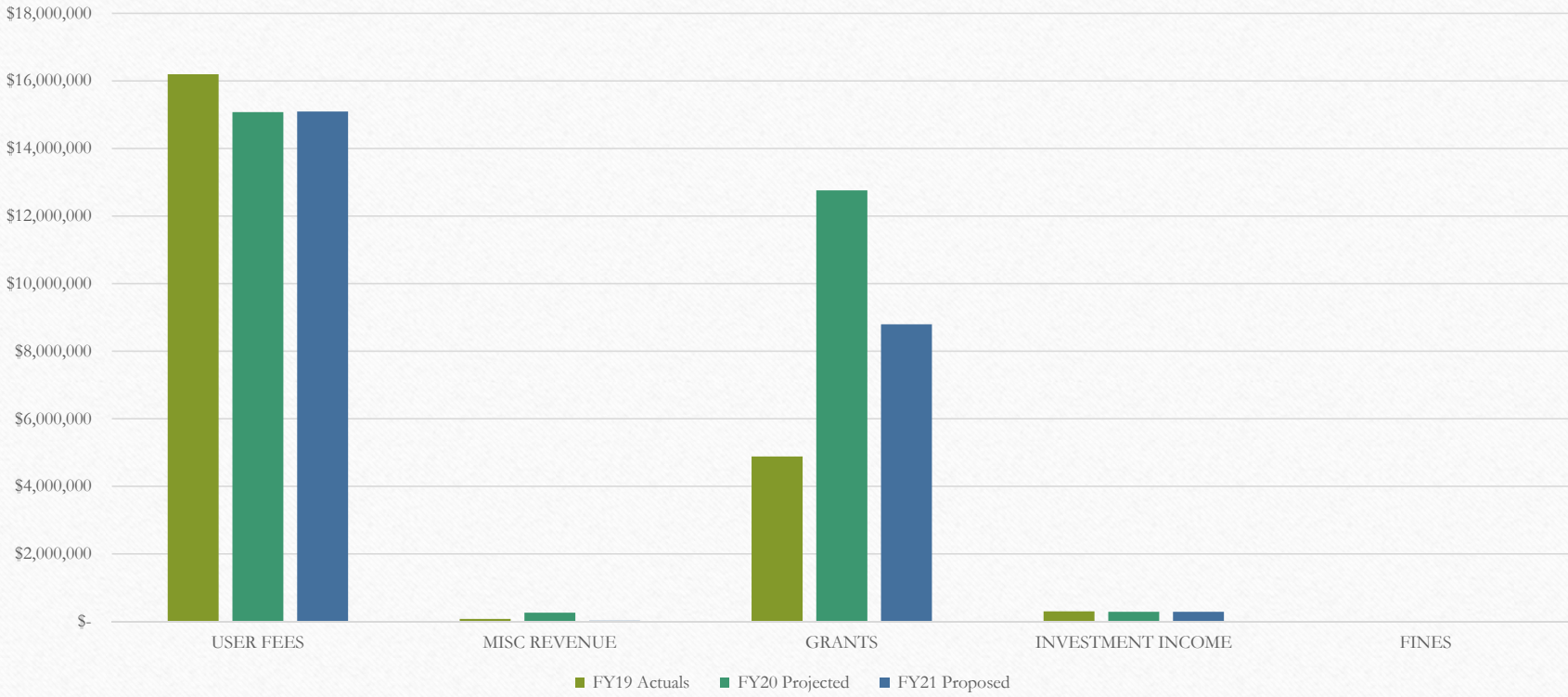
Enterprise

- Fund 81 – Water/Sewer Operating
- Fund 86 – Solid Waste Collection
- Fund 88 – Bonito Lake Campground
- Fund 90 – Desert Lakes Golf Course
- Fund 91 – White Sands Regional Airport
- Fund 94 – Green Tree Regional Landfill
- Fund 901 – Housing Authority – Low Rent Public Housing
- Fund 903 – Housing Authority – Homeownership
- Fund 904 – Housing Authority – Capital Fund

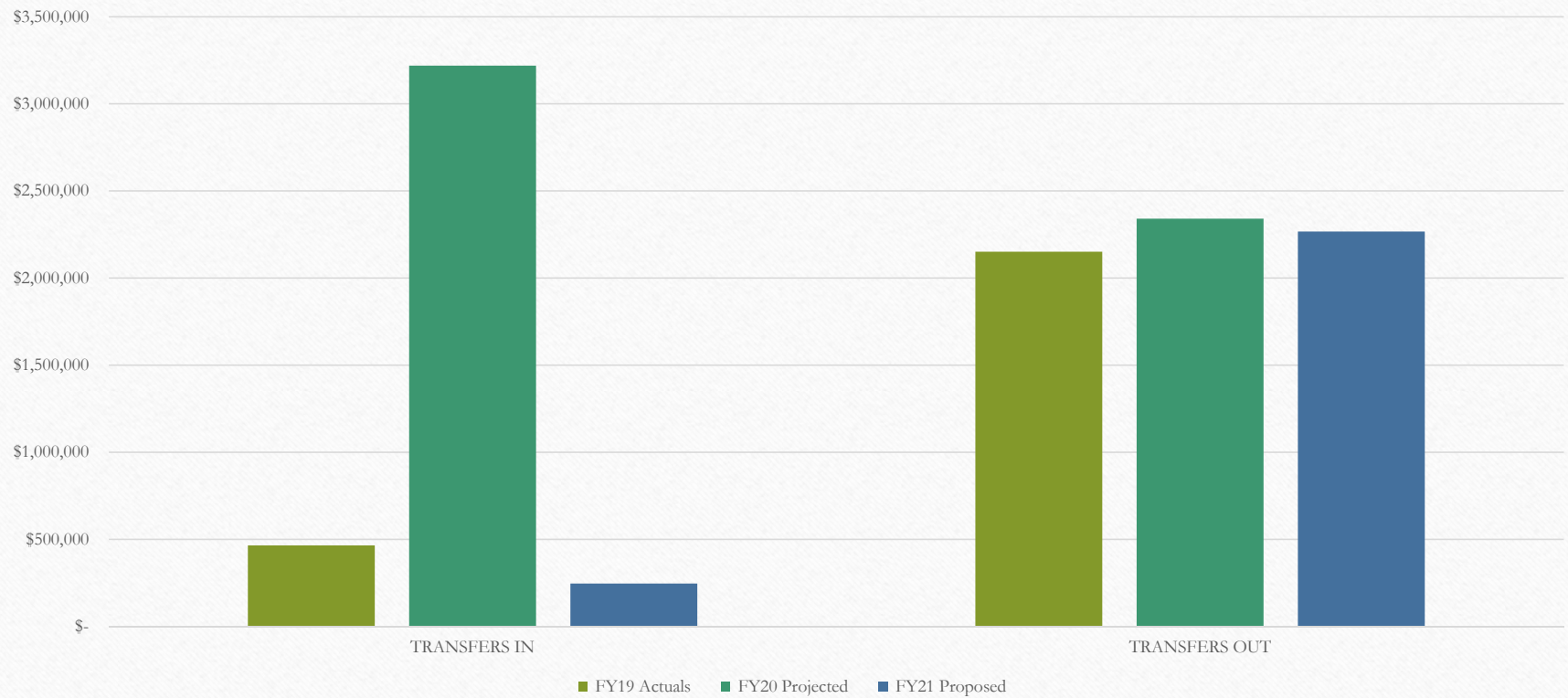
FUND NO.	FY 2019-2020		UNAUDITED	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED	LOCAL RESERVE	ADJUSTED
	FUND DESCRIPTION	BEGINNING	ENDING						REQUIREMENTS	ENDING	
		CASH BALANCE							CASH BALANCE		UNAVAILABLE FOR BUDGETING
81	WATER/SEWER OPERATING	10,264,053	20,633,112	2,744,578	2,071,120	673,458	29,340,002	2,230,621	946,315	1,284,306	
86	SOLID WASTE COLLECTION SYS.	458,723	2,291,579		136,255	(136,255)	2,147,788	466,259	158,023	308,236	
88	BONITO CAMPGROUND	385,257	5,518			0		390,775		390,775	
90	GOLF COURSE	11,600	1,270,625	274,450	82,406	192,044	1,474,244	25		25	
91	AIRPORT	12,569	337,366	200,000	47,933	152,067	389,328	112,674		112,674	
94	OTERO GREENTREE REG LANDFILL	4,698,915	1,629,124		2,972	(2,972)	3,700,061	2,625,006		2,625,006	
901	HOUSING LOW RENT OPERATING	897,099	823,291		109	(109)	1,012,397	707,884	78,002	629,882	
903	HOUSING HOMEOWNERSHIP OPER	746,039	1,705			0	27,740	720,004		720,004	
904	HOUSING CAPITAL FUND PROJECTS	0	1,392,083			0	1,392,083	0		0	
TOTALS FY2020		17,474,257	28,384,403	3,219,028	2,340,795	878,233	39,483,643	7,253,250	1,182,340	6,070,909	

FUND NO.	FY 2020-2021		UNAUDITED	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED	LOCAL RESERVE	ADJUSTED
	FUND DESCRIPTION	BEGINNING	ENDING						REQUIREMENTS	ENDING	
		CASH BALANCE							CASH BALANCE		UNAVAILABLE FOR BUDGETING
81	WATER/SEWER OPERATING	2,230,621	9,907,853	98,413	1,998,892	(1,900,479)	8,155,418	2,082,577	946,315	1,136,262	
86	SOLID WASTE COLLECTION SYS.	466,259	2,098,552		132,962	(132,962)	2,002,246	429,603	158,023	271,580	
88	BONITO CAMPGROUND	390,775	5,518			0		396,293		396,293	
90	GOLF COURSE	25	1,597,648	148,000	81,190	66,810	1,662,682	1,801		1,801	
91	AIRPORT	112,674	435,788		45,966	(45,966)	494,836	7,660		7,660	
94	OTERO GREENTREE REG LANDFILL	2,625,006	1,401,009		8,155	(8,155)	1,618,975	2,398,885		2,398,885	
901	HOUSING LOW RENT OPERATING	707,884	822,791		50	(50)	1,042,569	488,056	86,881	401,175	
903	HOUSING HOMEOWNERSHIP OPER	720,004	1,705			0	29,290	692,419		692,419	
904	HOUSING CAPITAL FUND PROJECTS	0	0			0	0	0		0	
TOTALS FY2021		7,253,249	16,270,864	246,413	2,267,215	(2,020,802)	15,006,016	6,497,295	1,191,219	5,306,076	

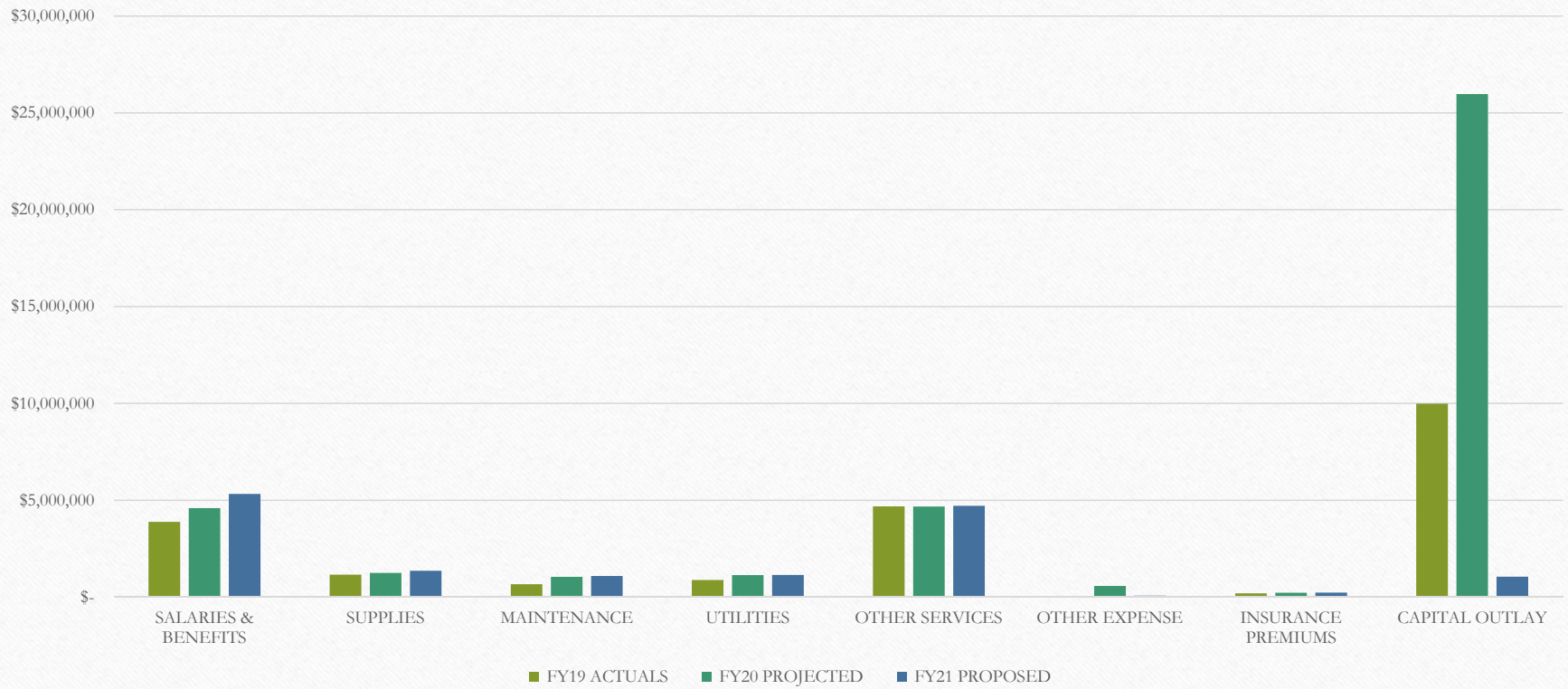
Enterprise - Revenues by Category



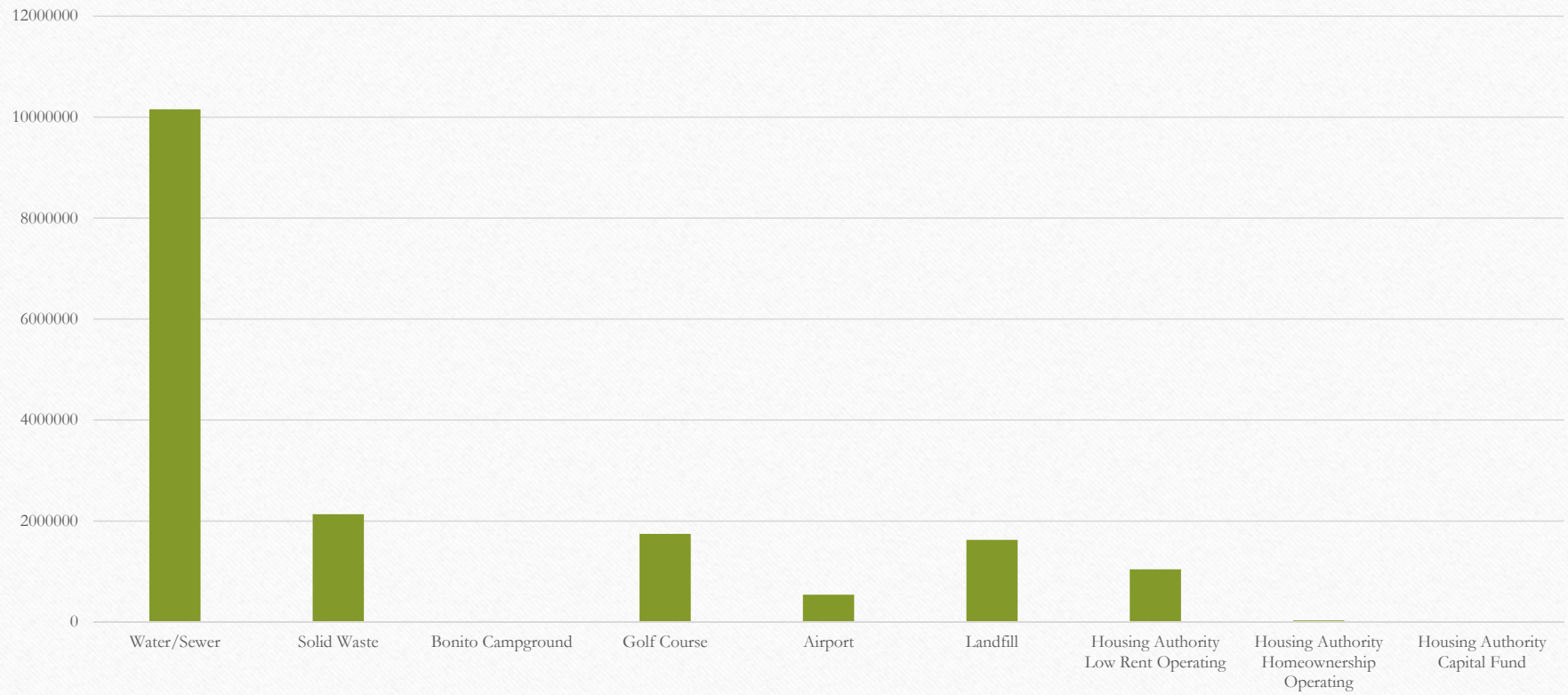
Enterprise - Transfers In/Out



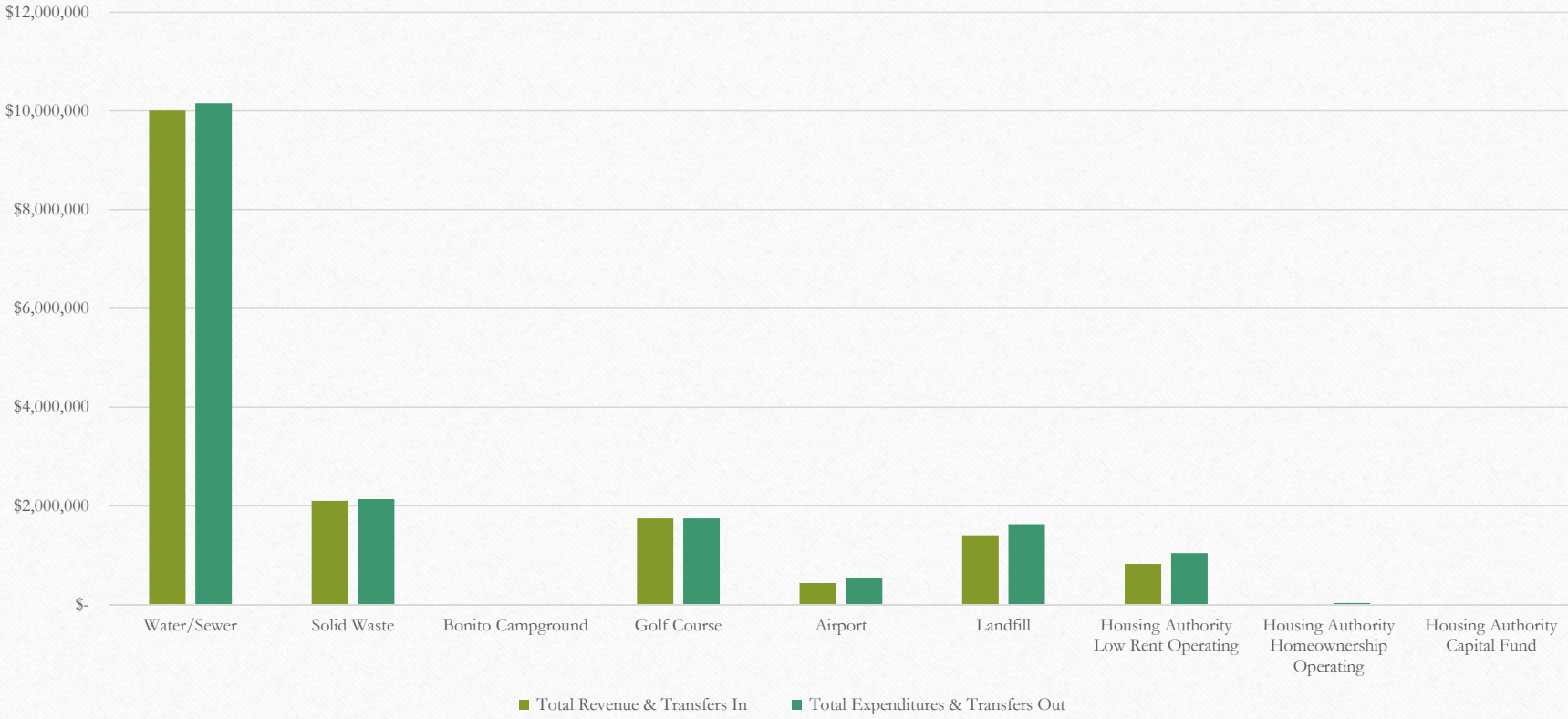
Enterprise - Expenditures by Category



Enterprise - Expenditures by Category



Enterprise - Revenues vs Expenditures



Trust & Agency

- Fund 17 – Police Court Bonds
- Fund 39 – State Judicial
- Fund 98 – Payroll Clearing
- Fund 104 – Utility Deposits
- Fund 115 – Corp Escrow Reserve Account

FUND NO.	FY 2019-2020	UNAUDITED BEGINNING CASH BALANCE	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED ENDING CASH BALANCE	LOCAL RESERVE REQUIREMENTS UNAVAILABLE FOR BUDGETING	ADJUSTED ENDING CASH BALANCE
	FUND DESCRIPTION									
17	POLICE COURT BOND	10,438				0		10,438		10,438
39	STATE JUDICIAL	3,416	75,500			0	75,500	3,416		3,416
98	PAYROLL CLEARING	210,809				0		210,809		210,809
104	UTILITY DEPOSITS	660,682				0		660,682		660,682
115	CORP ESCROW ACCOUNT RESERVE	0				0		0		0
TOTALS FY2020		885,346	75,500	0	0	0	75,500	885,346	0	885,345

FUND NO.	FY 2020-2021	UNAUDITED BEGINNING CASH BALANCE	ESTIMATED REVENUES	TRANSFERS IN	TRANSFERS OUT	NET CASH TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED ENDING CASH BALANCE	LOCAL RESERVE REQUIREMENTS UNAVAILABLE FOR BUDGETING	ADJUSTED ENDING CASH BALANCE
	FUND DESCRIPTION									
17	POLICE COURT BOND	10,438				0		10,438		10,438
39	STATE JUDICIAL	3,416	75,500			0	75,500	3,416		3,416
98	PAYROLL CLEARING	210,809				0		210,809		210,809
104	UTILITY DEPOSITS	660,682				0		660,682		660,682
115	CORP ESCROW ACCOUNT RESERVE	0				0		0		0
TOTALS FY2021		885,345	75,500	0	0	0	75,500	885,345	0	885,345

Gross Receipts Tax Overview

Gross Receipts Tax

- The Gross Receipts Tax budget for FY2020 was based on a three average with no planned growth
- This was a conservative estimate intended to limit our chances of over budgeting our GRT revenue.
- There were two occurrences that were not included in the budget – the addition of web based tax and a large GRT correction
- Due to changes in state law, the Hold Harmless GRT was not implemented

	FY20 Budgeted	FY20 Actual	Difference
July	\$ 2,022,557	\$ 1,800,302	\$ (222,255)
August	\$ 1,892,111	\$ 2,216,016	\$ 323,905
September	\$ 1,804,200	\$ 3,568,789	\$ 1,764,589
October	\$ 1,847,857	\$ 1,899,951	\$ 52,094
November	\$ 1,802,725	\$ 2,629,350	\$ 826,626
December	\$ 1,688,077	\$ 1,929,015	\$ 240,938
January	\$ 1,755,815	\$ 1,952,005	\$ 196,190
February	\$ 1,996,373	\$ 2,068,263	\$ 71,890
March	\$ 1,680,638	\$ 1,888,107	\$ 207,469
April	\$ 1,651,454	\$ 1,958,406	\$ 306,952
May	\$ 1,508,533	\$ -	
June	\$ 1,337,281	\$ -	
Total	\$ 20,987,620	\$ 21,910,204	\$ 3,768,399

Gross Receipts Tax

- Due to COVID-19, we decreased the FY20 budget for both May and June by 25%.
- For FY2021, we used the three average and projected a 25% decrease through December 2020. We used a 12.5% decrease through March 2021
- The new 1/8% GRT increment that was based in March is included in the FY2020 projections

	FY20 Revised Budgeted	FY21 Budgeted	Difference
July	\$ 1,800,302	\$ 1,513,908	\$ (286,393)
August	\$ 2,216,016	\$ 1,551,624	\$ (664,392)
September	\$ 3,568,789	\$ 1,403,147	\$ (2,165,642)
October	\$ 1,899,951	\$ 1,478,952	\$ (420,999)
November	\$ 2,629,350	\$ 1,438,193	\$ (1,191,157)
December	\$ 1,929,015	\$ 1,418,338	\$ (510,677)
January	\$ 1,952,005	\$ 1,664,129	\$ (287,877)
February	\$ 2,068,263	\$ 1,796,425	\$ (271,838)
March	\$ 1,888,107	\$ 1,853,736	\$ (34,371)
April	\$ 1,679,360	\$ 1,773,045	\$ 93,685
May	\$ 1,508,533	\$ 1,884,609	\$ 376,075
June	\$ 1,337,281	\$ 1,701,529	\$ 364,248
Total	\$ 24,476,973	\$ 19,477,635	\$ (4,999,338)

FY2021 – Personnel Budget

Katie Josselyn

Human Resources Director

FY21 City Staffing Service Levels and Statistical Staffing Information

FY21 STAFFING – ALL FUNDS

- Regular Full-Time 371
- Regular Part-Time 28
- Seasonal 23
- Total Actual Positions 422
- Full-Time Equivalents 391

STATISTICS

- Average tenure of current staff is 8 years of service
- Average number of pay period employees in 2019 was 362
- Voluntary turnover rate for calendar year 2019 was 19.6 %

FY21 – Personnel Budget Factors

- NM Minimum wage increase 1/01/2021 from \$9.00 to \$10.50/hour – Propose \$0.50/hour 7/01/2020 and \$0.50/hour 1/01/2021 for all City staff – Impact \$815,000
- 3% Increase - Health, Dental, Vision insurance premiums – Impact \$64,000
- Workers Comp modification rate increase from 1.38 to 1.53 – Impact \$91,000
- Negotiations open with AFSCME and APSOA Unions – both contracts expire 06/30/2020
- House Bill 364 made numerous changes to Public Employees Bargaining Act, primarily to those positions eligible for participation in the union
- Senate Bill 72 – PERA; changes to City and Employee contribution rates starting in FY23
- NOTE – Impact estimates assume all positions filled the entire year

FY21 – Employee Impact – 3% Insurance Increase

A. Employee Premiums - Health and Dental Package - Annual salary more than \$28,000
Employee pays 40% of health and dental premiums for all election levels

	CURRENT ANNUAL	CURRENT BIMONTHLY	+ 5% INCREASE	BM IMPACT	MONTHLY IMPACT	ANNUAL IMPACT
Employee Only	\$2,734.08	\$113.92	\$117.34	\$3.42	\$6.84	\$82.02
EE + Child/Children	\$4,999.20	\$208.30	\$214.55	\$6.25	\$12.50	\$149.98
Employee + Spouse	\$6,112.80	\$254.70	\$262.34	\$7.64	\$15.28	\$183.38
Family	\$8,073.36	\$336.39	\$346.48	\$10.09	\$20.18	\$242.20

B. Employee Premiums - Health and Dental Package - Annual salary \$28,000 or less
Employee pays 25% of employee only premiums, and 47% of dependent premiums

	CURRENT ANNUAL	CURRENT BIMONTHLY	+ 5% INCREASE	BM IMPACT	MONTHLY IMPACT	ANNUAL IMPACT
Employee Only	\$1,766.88	\$73.62	\$75.83	\$2.21	\$4.42	\$53.01
EE + Child/Children	\$4,393.20	\$183.05	\$188.54	\$5.49	\$10.98	\$131.80
Employee + Spouse	\$5,709.84	\$237.91	\$245.05	\$7.14	\$14.27	\$171.30
Family	\$7,986.24	\$332.76	\$342.74	\$9.98	\$19.97	\$239.59

NM Minimum Wage – Senate Bill 437

Recommendations Proposed for FY20-23

Budget

Requirements and
Recommendations:

Compliance Date	Minimum Wage	Cost Estimate	Fiscal Year	
1/1/2020	\$9.00	\$814,112	FY2020	Increase EE's to \$9/hour 1/1/20-compliance/salary compression. Plus \$0.50/hr 7/1/19. All other EE's-\$0.50/hour increase 7/1/19 and another \$0.50 effective 1/1/20. Last ATB increase 2016. Insurance increase of 5% effective 07/01/19.
1/1/2021	\$10.50	\$815,000	FY2021	Increase of \$1.00/hour to all employees. Increase of \$0.50/hour effective 07/01/20 and another \$0.50/hour effective 01/01/21.
1/1/2022	\$11.50	\$815,000	FY2022	Increase of \$1.00/hour to all employees. Increase of \$0.50/hour effective 07/01/21, and another \$0.50 effective 01/01/22.
1/1/2023	\$12.00	\$265,000	FY2023	Increase of \$0.50/hour to all employees. Increase of \$0.50/hour effective 01/01/23.

*Adjustment to pay grades and employee pay required for compliance and minimizing salary compression.

*Pay adjustments may be applied in increments provided compliance is met by deadline.

Reserve Policy Discussion

Current Reserve Policy

- We are currently required per Resolution 2014-29 to keep the following reserves
 - 1/12th Operating Reserve (Expenditure Budget less Capital) Required by DFA
 - 1/12th Additional Operating Reserve for the General Fund
 - 2/12^{ths} Operating Reserve in the General Fund for all funds subsidized by the GF
 - 2/12^{ths} Operating Reserve in the Enterprise Funds unless subsidized by the GF
 - All GRT Income Funds shall reserve 50% of annual debt service
- Per DFA, we are required to maintain a 1/12th Operating Reserve

Requested Reserve Policy

- We are requesting the following changes to the reserve
 - 1/12th Operating Reserve (Expenditure Budget less Capital) Required by DFA
 - 1/12^{ths} Operating Reserve in the General Fund for all funds subsidized by the GF
 - 1/12^{ths} Operating Reserve in the Enterprise Funds unless subsidized by the GF
 - All GRT Income Funds shall reserve 50% of annual debt service
- This would remove the additional 1/12th Operating Reserve for the General Fund and 1/12th of the subsidy reserve

Outside Agencies

Outside Agencies

All outside agencies were budgeted at current contract levels with no increases

- Zia Therapy Center – Z-Trans (Fund 44 \$147,382)
- Alamogordo Chamber of Commerce (Promotional – Fund 16 \$26,000, Operational – Fund 11 \$25,000)
- Mainstreet Alamogordo (Fund 11 \$40,000)
- Otero County Economic Development Council (OCEDC) (Fund 105, 10% of Economic Development GRT, estimated at \$84,488)
- Fourth of July Fireworks (Fund 11 \$30,000)

Questions?
