



Agenda Item Number: 2008-9-8C

## BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

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**Meeting Date:** September 9, 2008

**Department:** Finance/County Manager    **Staff Contact:** Thaddeus Lucero, County Manager  
Daniel Mayfield, Deputy County Manager for Finance  
Teresa Byrd, Budget Director

**TITLE:** Property Tax Mill Rates for Fiscal Year 2009 and Final Budget Adjustments for Fiscal Year 2009

**ACTION:** Motion to approve the following action required by the State of New Mexico Department of Finance and Administration Local Government Division:

1. Administrative Resolution **AR** \_\_\_\_\_ **-2008** order to deliver Certificate of Tax Rates as calculated by the Department of Finance and Administration, Local Government Division, to the Bernalillo County Assessor as required by NMSA 7-38-34 and to certify that the County's imposed operational mill levy is 10.75 mills adjusted for yield control by the State of New Mexico Department of Finance and Administration, Local Government Division.
2. Financial Resolution **FR** \_\_\_\_\_ **-2008** approving the fiscal year 2009 final Budget adjustments incorporating carryovers, capital project life to date balances from fiscal year end 2008, final cash transfers, revenue and appropriation adjustments, fund closeouts, State Fire Fund award adjustment and realignment of fund structure due to new system conversion. Total final adjusted FY2009 budget is \$590,379,211, an increase of \$204,778,324 in carryover and final year-end adjustments over the original budget as approved on May 29, 2008.

### SUMMARY:

The Department of Finance and Administration (DFA) computed the 2008 mill rates (Attachment 1) for all fifteen agencies receiving property taxes based upon the Property Tax Value Certification submitted by the Bernalillo County Assessor. The yield control formula was applied to operating mill rates for Bernalillo County, Central New Mexico Community College, School Districts, Municipalities, AMAFCA, MRGCD, UNMH and on Sandoval County for debt outstanding prior to annexation. Debt service mill rates were established to make the debt service payments submitted by the agencies.

New Mexico Counties are authorized to impose eleven dollars eighty five cents (\$11.85) for each one thousand dollars (\$1,000) of net taxable value of both residential and nonresidential property for general purpose use. The Bernalillo County imposed 2008 tax rate is ten dollars seventy five cents (\$10.75) for each one thousand dollars (\$1,000) of next taxable value of both residential and non residential property allocated to the County.

The County's 2008 property tax rate, adjusted for yield control by DFA, is as follows:

<b>Mill Levy</b>	<b>Tax Year 2007 Total</b>	<b>Tax Year 2008 Total</b>
Residential	7.187 mills	7.249 mills
Non-Residential	11.804 mills	11.715 mills

Approval of this order will authorize delivery of the Certificate of Tax Rates to the County Assessor as required by NMSA 7-38-34.

**Final Budget Resolution for the Fiscal Year 2009 Budget.** The County Commission approved the County's budget for fiscal year 2008 on May 29, 2008. The State of New Mexico Department of Finance and Administration, Local Government Division reviewed and approved the County's fiscal year 2009 budget totaling \$385,600,887. The total final net appropriation adjustments in the amount of \$204,778,324 listed below, are based on June 30, 2008 final year end cash balances, carryover requirements and additional grant appropriations. DFA requires the Commission to submit final fiscal year 2008 cash balances, budget adjustments and financial reports as of June 30<sup>th</sup> to DFA/Local Government Division. Realignment of funds into the Capital Construction Fund will occur throughout the fiscal year in order to report on the County's assets under construction. A final clean-up agenda will be presented to the Board of County Commissioners and the State of New Mexico Department of Finance Administration before fiscal year-end. Budget adjustments include the following:

### **General Fund**

General Fund net budget adjustments totaling \$53,434,043 for prior year encumbered and unencumbered carryovers and commitments from the fiscal year end 2008, transfer of capital carryovers to the Capital Construction Fund and fund balance appropriations of \$4,200,000 for employee compensation reserved in the 2007 CAFR, \$1,400,000 for the purchase of heavy equipment and projected property management revenue of \$2,100,000 and expenditures totaling \$2,100,000 for the 2008A Series GRT building purchase:

- a. Prior year commitments are primarily due to Risk Management insurance charge-backs, Clerk election expenses, City of Albuquerque contracts, ERP requirements, Legal Department expenses, Parks & Recreation tennis court and park renovations, Public Works ortho-photography funding, fleet car gas and oil, public safety facility renovations and utility expenses, fleet, SB88 priorities, election expense carryover balances and movement of non grant related appropriations from the Grant Fund to the General Fund;
- b. Establishment of projected lease income revenue of \$2,100,000 and expenditures totaling \$2,100,000 for the 2008A Series GRT building plan.
- c. Adjusting the FTE count in the General Fund for a Housing Administrative Officer I. No additional funding is required.

### **Special Revenue**

Estimates of ending appropriated balances were provided to the Commission on May 29, 2008. Based on June 30, 2008 actual balances, net life-to-date balances in the Special Revenue Funds totaling \$69,392,480 are carried forward in FY2009;

## **Grant Fund**

- a. Public Works Grant Fund (BC03/12901) Life-to-Date carry-forward projects totaling \$8,469,440;
- b. Grant Fund (BC07/12901) Life-to-Date carryovers totaling \$40,004,830;
- c. Public Works Road Grants (BC12/12901) carryovers totaling \$2,386,996;
- d. Sheriff's Local Law Enforcement Block Grant (BC33/12901) carryovers totaling \$77,062;
- e. 1999 GRT Jail/Waste Water Bond (BC63/12901) carry-forward Life-to-Date balances totaling \$1,131,168;
- f. Department of Substance Abuse (BC90/12901) carryovers totaling \$239,387;
- g. Public Health Facilities Grant (BC34/13001) carry-forward Life-to-Date balances totaling \$2,000,000;

## **Other Special Revenue Funds**

- h. Recreation Fund (BC04/12001) carryover totaling \$3,124;
- i. ESGRT Fund (BC06/12002) carryover totaling \$354,055 and cash transfer for Water/Wastewater debt service fund payment and Solid Waste Fund.
- j. Final State of NM increase in funding for the Fire District Funds (BC11/12101) totaling \$85,767 and \$142,034 in prior year carryovers;
- k. EMS increase in funding for the Fire Department (BC22/12102) totaling \$4,000 and \$54,920 in prior year carryovers;
- l. ERDA Fund (BC24/12103) carryovers totaling \$305,342;
- m. Community Service Fund (BC29/12201) social service carryovers totaling \$126,893;
- n. Farm & Range Fund (BC30/12202) available balance appropriation \$852;
- o. Library Bond Fund (BC32/12206) carry-forward Life-to-Date balances totaling \$580,688;
- p. Clerk's Recording & Filing Fund (BC48/12204) carryovers totaling \$263,273;
- q. Reappraisal Valuation Fund (BC49/12004) carryovers totaling \$141,410;
- r. Sheriff's Local Law Enforcement Fund (BC52/12151) carryovers totaling \$24,222 and decrease of grant award totaling \$500;
- s. Indigent Fund (BC61/12203) carryovers totaling \$92,295;
- t. Regional Correction Center Fund (BC64/12104) carryovers for prior year invoices totaling \$2,211,149;
- u. IRB PILT Fund (BC92/12005) carryovers totaling \$1,025,721;
- v. Indigent Health Care Fund (BC93/12003) carryovers totaling \$9,667,852;

## **Internal Service Fund**

- a. Risk Management Fund prior year law enforcement deductible and insurance fleet replacement carryover balances totaling \$1,247,195.

## **Enterprise Fund**

- a. Enterprise Fund (BC08/22001) prior year carryovers and commitments totaling \$1,247,195;
- b. Solid Waste Fund (BC10/21001) prior year carryovers totaling \$14,042 and cash transfer from ESGRT to assist with waste management costs.
- c. Adjusting the FTE count in the General Fund for a Housing Administrative Officer I. No additional funding is required.

## **Capital Project Funds/Capital Construction Fund**

Estimates of ending available appropriated balances were approved by the Commission on May 29, 2008. Final net adjustments in the Capital Project Funds totaling \$80,468,475 are now presented based on June 30<sup>th</sup> actual carry-forward Life-to-Date and available cash balances. Realignment of funds into the Capital Construction Fund will occur throughout the fiscal year in order to report on the County's assets under construction.

- a. Creation of Capital Construction fund realignment \$8,840,236;
- b. Road Construction Funds (BC12/13001) carry-forward Life-to-Date balances totaling \$11,817,411;
- c. Storm Drain Fund (BC21/13001) carry-forward Life-to-Date balances totaling \$7,927,422;
- d. Public Health Facilities Bond Fund (BC34/13001) carry-forward Life-to-Date balances totaling \$189,377;
- e. Juvenile Justice Bond Fund (BC35/13001) carry-forward Life-to-Date balances totaling \$39,503;
- f. Facilities Improvement Bond Fund (BC36/13001) carry-forward Life-to-Date balances totaling \$1,570,131;
- g. Parks Bond Fund (BC37/13001) carry-forward Life-to-Date balances totaling \$2,506,570;
- h. Public Safety Bond Fund (BC42/13001) carry-forward Life-to-Date balances totaling \$5,749,729;
- i. 1997 GRT Revenue Bond (BC54/13001) carry-forward Life-to-Date 1% for the Arts balance totaling \$41,579;
- j. 2004 GRT Revenue Bond (BC60/13001) carry-forward Life-to-Date balances totaling \$453,463;
- k. Public Works Project Funds (BC13/13001) carry-forward Life-to-Date balances totaling \$381,378 and State loan payment pass through of \$1,595,000;
- l. 1999 Jail Waste Water Project Funds (BC63/13001) carry-forward Life-to-Date balances totaling \$31,846,411;
- m. Public Works Projects (BC13/13001) carry-forward Life-to-Date balances and State loan requirements totaling \$1,976,378.
- n. Impact Fee Fund (BC28/13050) carry-forward Life-to-Date balances totaling \$2,978,004;
- o. Open Space Fund (BC57/13051) carry-forward Life-to-Date balances totaling \$4,532,261;

## **Debt Service Fund**

- a. Establishment of the Taxable 2008A Series GRT bond debt service fund (13308) for the debt service payment totaling \$722,089.

## **Other**

Final cash balances and cash transfer adjustments to debt service, bond and agency funds are based on June 30<sup>th</sup> actual balances and fund realignments due to the newly established accounting structure. Closeout of completed bond funds will occur as needed. The Court Services Agency funding budget presentation totaling \$500,000 will be eliminated, Fiduciary funds do not include resources belonging to Bernalillo County; therefore, the Court Services Agency Fund will not be part of the County's budgeting process. The County does, however, have custodial responsibility for these funds and reports them in its Comprehensive Annual Financial Report.

**ATTACHMENTS:**

1. Certificate of Tax Rates - 2008
2. **AR -2008** 2008 Order to Deliver Certificate of Tax Rates
3. AMAFCA Letter of Tax Rates to DFA
4. **FR -2008** FY2009 Final Budget Resolution

**FISCAL IMPACT**

See the attached Certificate of Tax Rates as calculated by the Department of Finance and Administration, Local Government Division. The final budget adjustments for FY2009 submitted to the Board for approval represents a balanced budget, meeting Bernalillo County's constitutional responsibilities and other budget requirements.

**STAFF ANALYSIS SUMMARY****COUNTY MANAGER**

Recommend approval. (See Attached)

**LEGAL**

Approved as to form and legal sufficiency. JSL 9/5/08

**FINANCE**

**Budget** The final budget adjustments presented to the Board for approval maintains a fund balance that complies with DFA reserve requirements. Projected revenues and cash balances are sufficient for budgeted expenditures. Teresa Byrd, Budget Director 9/5/08