

FY 2020 - 2021 General Fund Budget Discussion

GENERAL FUND Budget

Due to changes in state reporting and budgeting requirements the General Fund Budget now has four departments, rather than three. Under the prior system we had: Admin, Library and Public Works. The new General Fund Budget has: Accounting/Budgeting/Finance, General Administrative, Library and Operations & Maintenance. The Library is included as separate section in this discussion due the restricted fund sources.

The preliminary budget includes information for each department, a total for the current year (fy 2019-2020) budget. Revenues – for state budget purposes revenues are not department sensitive.

Accounting, General Administrative, Operations and Maintenance

1) Revenues

a) Property Tax –

i) 41500 - Current Year Taxes – I anticipate that the tax rate for FY 2020 will remain the same at \$.23/100 of full assessed value. Collections are budgeted at 58,500, slightly more than the collections for FY 2020. Historically the tax collection rate has been approx. 78-79%. In FY 2020 we have collected \$57,049 -- approximately 81% of the \$70,711 invoiced. With one month remaining in the fiscal year, it is likely that an additional \$1,500 will be collected.

ii) 41510 & 41520 - Prior Year Taxes and Penalty/Interest – budgeted \$6,000 for Prior Year Taxes and \$1,000 for penalties and interest. \$9,794 collected FY 2020. Based on recent contacts, there is a substantial potential that additional past due taxes, interest and penalties can be collected in FY 2021.

b) 41100 - Franchise Tax – \$4,700 based on FY 2020.

c) 41150 – Printing and Copying – Reduced to \$200 for FY 2021.

d) 44990 - Charges for other Services – \$250 green waste pick-up.

e) 46040 - Investment Income – Reduced from \$8880 to \$2600 based on extremely low interest rates. The most recent CD renewals only brought interest rates of .02% vs the 1.5-2.5% interest rates available in the last year.

f) 47398 - Other State Distributions --

i) Leasehold Community Assistance Act (LCAA) -- \$150,000. A special session of the Legislature is scheduled to begin June 18. Consequently, this number is subject to change.

2) Expenditures -- The new reporting system significantly alters the way some expenses were reported prior to FY 2018..

a) 51040 - Salaries –

i) Accounting – Treasurer. Current Treasurer through July 2020. New Treasurer – 48 pay periods, 30 hours per week at \$20/hour. Accrued vacation of 161.5 hours to be paid to the current Treasurer is shown as a separate line item – 51070 Salaries – Terminal Leave \$3,954.

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- Work hours for current Treasurer, up to 32 per week. Work hours for new Treasurer, 30 hours per week.
- ii) General Administrative – Town Administrator (25 hours/week),
 - iii) Library – Library Director (30 hours/week),
 - iv) Operations & Maintenance – Maintenance Coordinator. 40 hours of overtime (approx. 2%) has been budgeted for Operations & Maintenance.
- b) 52000 – Employee Benefits –Health premiums increased by approximately 6.5%. The \$650 line item is an administrative fee paid to the City of Albuquerque.
- c) 52100 – Workers’ Comp Insurance –After a doubling of rates in FY 2019, FY 2020 rates dropped by approximately 11-22% depending on the class. FY 2021 rates show an overall increase of approx. 7.6%.
- d) 53010 – Travel – Elected Officials - \$300 (\$25/mo) for reimbursement to Assembly members travel and meals purchased in their official capacity.
- e) 54010 - Repairs and Maintenance Building – \$3,000 reserve for repairs.
- f) 55010 – Contract – Audit fees – FY 2020 total fees \$6,456.96 \$1,000 paid by VFD. FY 2021 Budget is increasing overall budget for audit fees to \$8,000, \$7,000 from General Fund and \$1,000 from VFD. We anticipate requiring a full audit for 2019-2020 financial statements.
- g) 55030 – Contract – Professional Services – Included \$1,000 in budget for computer consulting, down from \$2,000 included in last year’s budget.
- h) 55999 – Contract – Other Services –
- i) Accounting – 109/mo + 16.25 per payroll for processing, PR tax return. W-2 preparation adds an additional \$100. 5-7% built-in for cost increases.
 - ii) Operations & Maintenance – contract labor for office janitorial service.
 - iii) Online back-up was budgeted for in FY2020, however QuickBooks subscription includes this feature, which is now being used on the Treasurer’s computer. FY 2021 budget also contemplates a license for Office 365 for Town Admin, Treasurer, and Library Director (see account 56010). This will allow file sharing by office administrative staff and cloud file back-up.
- i) 56010 – Software – (Library – see below) GA and Accounting - QuickBooks annual license fee, plus two annual licenses for Office 365.
- j) 56020 – General Office Supplies. Budgeted Library supplies include only those supplies specific to library operations such as printer and toner cartridges, storage boxes, etc. They do not include paper, tape, staples, pens, file-folders, paperclips, etc. This line item also includes fees to Pacific Office Automation for copies.
- k) 56040 – Supplies – Furn/Fixt/Equip Non-capitalized equip purchases and 56999 –
- i) Library expenditures – see below.

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- ii) Operations and Maintenance budgeted expenditures – contemplating purchase of an additional trailer and removal of Waste Management roll-off. We have been notified that Waste Management will begin billing monthly for the roll-off, even if it is not full. For FY 2020 we have had 4 loads removed at a cost of \$1360. A change to monthly charges would increase our cost to at least \$4200 per year. Purchase of a trailer would allow dumping at the Sandoval Co dump. We are reviewing the dump fees.
- l) 56040, 56050, 56120, 56121 – Based on FY 2020 actual expenditures.
- m) 57070 – Insurance – annual increase of approx. 5% (est – quote not yet ready)
- n) 57130 – Rent Equip/Machinery – fax, copier, printer
- o) 57160 – Telecommunications and 57030 Communications – dropping library phone line, as well as cell phone stipends (\$40/mo) for Accounting and Library, and Operations and Maintenance. Increasing 57030 (Communications) – Library for additional internet bandwidth, and increasing supply budget 56999 for Op & Maintenance.
- p) 57999 – Other Operating Costs -
 - i) Operations and Maintenance 5 trash Roll-offs. See, (k) above.
- q) 58070 – Library/Museum Acquisition – General Administrative \$853 NM State Library required per capita contribution ($569 * 1.50$) for Book and Digital Purchases for the Library. Cochiti Lake is our Legal Services Area, pop in last census 569. A per capita contribution, among other things, makes us a member of the State Library and as such eligible for state and county funding.

Library

1) Revenues

- a) 47398 -- Library State Grant-In-Aid -- \$7,500 given to libraries in good standing that are part of the State Library system. Good standing requirements: town makes a per capita contribution of the residents in our “legal services area”, library files annual report with the state library, town files required reports with state
- b) 46301 -- New Mexico GO bond – Our share of the 2018 General Obligation issued to benefit libraries in the state. 2-YR Bond, our share \$6,456. The Bond must be spent by June 30, 2022. This is a reimbursement bond. The bond is now operating on a system similar to capital outlay. A Notice of Obligation (NOO) must be filed prior to any expenditure under the bond. Once the funds have been expended, a Reimbursement Request is filed. Planned spending FY 2021 \$2,500 - \$750 Overdrive license, \$750 e-books and audio books, \$200 for book and media purchases, \$800 for 1-year Catalogue license. Proposed spending worksheet attached.
- c) 46302 -- Sandoval Co GO bond – Our share \$71,900, of which \$62,194 has been expended on asbestos abatement, electrical work, ceiling restoration, and new lighting. The remaining balance is \$9,706 which must be expended no later than January 23, 2022. The preliminary budget for FY 2021 includes expending \$8,700 of the \$9,706 -- \$8,500 for handicap door opener,

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and \$200 for book and media purchases. The balance to be spent not later than February 23, 2002. Proposed spending worksheet attached.

- d) 44150 - Printing and copying, 45050 – Library Fees, 46010 – Contributions and donations, 46092 – Book Sales – In the past we have budgeted for these revenue sources at the beginning of the fiscal year, with varying levels of success. For FY 2021, we will not attempt to predict these line items. With the exception of 44150 – printing and copying, revenues realized from fee, contributions, and book sales will be available to the library for programming, additional supply and media purchases. A Budget Adjustment will be submitted to the Assembly including the additional revenue and the related spending. **HOWEVER, NO MONIES MAY BE EXPENDED WITHOUT THE APPROVAL OF THE TOWN ADMINISTRATOR, utilizing a Purchase Order system now under development.** Any monies from printing and copying will be used to offset the cost of toner (not covered with restricted funds) and paper.

2) Expenditures

- a) 51040 - Salaries – Library – Library Director, no change. State library grant-in-aid used to offset cost of Library Director's salary and benefits. Current projection for State Grant-in-Aid - \$7,500.
- b) 52000 – Employee Benefits – Health premiums increase for FY 2021 increased by 6.5%. Dental, Vision and Basic Life/ADD insurance – no change. The town pays for 60% of premiums, the employee pays 40%.
- c) 52100 – Workers' Comp Insurance – Based on quote received.
- d) 54010 - Repairs and Maintenance Building -- \$8,500 of the remaining County GO Bonds for handicap accessible doors.
- e) 56010 – Software -- \$100 for Office 365. \$750 for Overdrive software, \$800 for cataloguing software. Paid from NM 2018 GO Bond funds.
- f) 56020 – General Office Supplies -- Budgeted Library supplies include only those supplies specific to library operations such as cataloguing materials, printer and toner cartridges, etc. They do not include paper, tape, staples, pens, file-folders, paperclips, etc.
- g) 57150 – Subscriptions & Dues – NM Library Assn - \$45, Aplus webhosting – email - \$155, Aplus webhosting \$19, and domain name registration - \$67.
- h) 57160 – Telecommunications and 57030 Communications – Initial testing for VOIP on Viasat were disappointing. However, computer updating may have interfered, so we requested another test code. The budget includes \$85/month for the library line and \$93/month (one-half of the cost) for Viasat satellite internet.
- i) Long distance to be cancelled, saving approx. \$300/year. Long distance calls may be made on the Town Hall line.
- i) Rent and Utilities are 50% of Town Hall expenses.

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- j) 58070 – Library/Museum Acquisition – Per Capita contribution made by the town through the General Administration budget -- \$853 (569 * \$1.50) NM State Library required for Book and Digital Purchases for the Library. Cochiti Lake is our Legal Services Area, pop in last census 569. A per capita contribution, among other things, makes us a member of the State Library and as such eligible for state and county funding.

- k) **No charges have been made to the Library for miscellaneous office supply costs, copier lease, audit costs or property and casualty insurance. Funds for programming (children and adult) and additional book/media purchases will be available as additional revenue is received from contribution or book sales.**