

EC-20-185

CITY OF ALBUQUERQUE

Albuquerque, New Mexico

Office of the Mayor



Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

September 16, 2020

TO: Pat Davis, President, City Council

FROM: Timothy M. Keller, Mayor 

SUBJECT: Report on Uses of 3/8 Hold Harmless Tax

(EXECUTIVE SUMMARY OF BILL/CONTRACT/RFP)

This memo is to report on the uses of the 3/8th cent GRT Hold Harmless Tax for fiscal year 2020. The tax took effect July 1, 2018 and is was to generate \$49.6 million by the close of Fiscal Year 2019. After taking into account the 1/12th state required reserve, this left \$45.5 million available for appropriation. The enabling legislation mandates at least 60% of this new tax be spent on improving public safety in the City.

For the preliminary close of the fiscal year 2020, the City recorded \$52.7 million in hold harmless gross receipts tax. Of that amount, \$4 million was held in reserve leaving \$48.7 million available for expenditures. As of June 30, 2020, the total expenditures related to the tax was \$49.5 million with \$43 million, or 87%, categorized as "Public Safety".

(TITLE/SUBJECT OF LITIGATION*** *Same as subject line on last page*)

Approved:

Approved as to Legal Form:

DS
an

SN:

Sarita Nair
Chief Administrative Officer

10/2/20

Date

DocuSigned by:
Esteban A. Aguilar, Jr. 9/17/2020 | 7:30 PM MDT

7961D99D046F4DB...
Esteban A. Aguilar, Jr. Date
City Attorney

Recommended:

DocuSigned by:
Renee Martinez 9/17/2020 | 5:15 PM PDT

03FCD26AD26748C...
Renee Martinez Date
Director

Cover Analysis

- 1. What is it?**
Report on uses of 3/8 hold harmless tax
- 2. What will this piece of legislation do?**
It is not legislation
- 3. Why is this project needed?**
It is not a project
- 4. How much will it cost and what is the funding source?**
There is no cost, it reporting only
- 5. Is there a revenue source associated with this contract? If so, what level of income is projected?**
It is not a contract
- 6. What will happen if the project is not approved?**
Not a project
- 7. Is this service already provided by another entity?**
No service only reporting

City of Albuquerque, NM
 Report on Gross Receipts Tax Hold Harmless - 411608
 For the Year Ended June 30, 2020 (Preliminary)

		Estimated Annual Revenue/Expenditure	Budgeted Avg/mo	Base Line Expenditures* or Adjusted Base	Baseline Expenditures Average/Mo	Month												Adjustments to actual	Preliminary Total FY20
Revenues						July	August	September	October	November	December	January	Feburary	March	April	May	June		
New Tax	Gross Receipts Tax Hold Harmess - 411608 Received	57,900,000	4,825,000			0	-	(4,810,186.28)	(4,850,695.81)	(4,747,419.07)	(4,797,808.57)	(4,527,870.23)	(5,377,148.94)	(4,603,302.81)	-	(4,645,265.90)	(9,584,889.05)	(47,944,587)	

Hold Harmless Report on forecasted vs actual expenditures
Preliminary June 30, 2020

Item No	Dept	Public Safety	Program	Purpose of the GRT	Justification Amount	Total by Item No	Method of Reporting	Adjustment	Actual Spending
1 APD	PS	PD - Investigative Services (18%), PD - Neighborhood Policing (78%), PD - Professional Accountability (4%)		APD: Police Officer Recruitment and funding for 40 new officers	1,900,000		Increase in wages & fringes above the base in FY18	(1,584,552)	7,451,475
1 APD	PS			Police Officer Recruitment and retention for 60 existing officers to replace lost funding	5,400,000				
1 APD	PS			Police Officer Recruitment and retention for salary increases and other	1,736,027	9,036,027			
1 APD	PS			40 additional officers	3,704,174		Tracking increase in wages & fringes above the base in FY18	3,228,387	13,877,935
1 APD	PS			APD Longevity incr fy20	3,985,318				
1 APD	PS			Additional PSA 2020	1,238,220				
1 APD	PS			Additional officers -13 for fy20	1,721,836	10,649,548			
2 APD	PS	PD - Transfer		Dept ID 519100 Vehicle Replaement - transfer to F305 Act 7555150	6,000,000	6,000,000	Actual transfers to F730 compared to actual expenditures in the project	(1,549,650)	4,450,350
3 APD	PS	PD-DOJ Policy and Training		Dept ID 5116101 CASA Appropriation	1,774,769		Increase in wages & fringes above the base FY18	273,021	2,604,104
3 APD	PS	PD-DOJ Policy and Training		Dept ID 5116101 Internal Affairs & CIRT 4 Positions	234,246				
3 APD	PS	PD-DOJ Policy and Training		Dept ID 5116101 CASA 5 additional positions	322,068	2,331,083			
4 APD	PS	PD-Criminalistics		Dept ID 5129000 DNA Sexual Assault Kit Backlog	1,500,000		Increase in wages & fringes above the base FY18	(1,629,139)	253,551
4 APD	PS	PD-Criminalistics		Dept ID 5129000 DNA Analyst	107,893				
4 APD	PS	PD-Criminalistics		Dept ID 5129000 3 Latent Examiners	274,797	1,882,690			
5 APD	PS	PD-Criminalistics		Dept ID 5129000 22 PSA II positions	1,242,904		Increase above the base in FY18	(300,204)	2,922,763
5 APD	PS	PD-Criminalistics		Dept ID 5129000 3 PSA II Supervisor Positons	185,743				
5 APD	PS	PD-Property Crimes		Dept ID 5128000 3 Bait Car Equipment Technicians	177,034				
5 APD	PS	PD Admin Support		Dept ID 5113000 Account 522000 Equipment	116,739				
5 APD	PS	PD Admin Support		Dept ID 5121000 Account 521400 Telephone	8,158				
5 APD	PS	PD Admin Support		Dept ID 5121000 Account 594031 Vehicle Maintenance	50,000				
5 APD	PS	PD Admin Support		Dept ID 5121000 Account 594041 Fuel	50,000	1,830,578			
5 APD	PS	PD Admin Support		Dept ID 5121000	1,392,389	1,392,389			
6 APD	PS	PD Professional Accountability		Dept 5119100 - 911 Certified \$1 increase	221,112		Increase in wages & fringes above the base in FY18	(468,741)	410,259
6 APD	PS	PD Professional Accountability		Dept ID 5119100 Telecommunications 4 positions	242,174				
6 APD	PS	PD Professional Accountability		Dept ID 5119100 Telecommunications 2 Shift Manager positions	139,995				
6 APD	PS	PD Prisoner Transport		Dept ID 511000 PTU 4 positions	275,719	879,000			
7 APD	PS	PD Neighborhood Policing		Dept ID 5139100 IT Licensing & Mtn Contracts	630,000		Increase in accounts identified above the base in FY18	(349,114)	693,550
7 APD	PS	PD Neighborhood Policing		Dept ID 5139100 DTI 3 year plan projects - reduced by 205336 for 1 time fundng in FY19	412,664	1,042,664			
8 CPOA	PS	CP-Civillian Police OS Agency		Salary Forecast Adjustments	136,900		Increase in accounts identified above the base in FY18	301,671	468,671
8 CPOA	PS	CP-Civillian Police OS Agency		Telephone Expense	1,282				
8 CPOA	PS	CP-Civillian Police OS Agency		Travel & Training	28,818	167,000			
9&10 FIRE	PS	FD - All programs Oper Budget		Emergency Response Program 2700004 Community EMS Image Trend/2719000/527500	13,000				
9&10 FIRE	PS	FD - All programs Oper Budget		Training 27000006 CPR Cards 2725000/522000	64,840				
9&10 FIRE	PS	FD - All programs Oper Budget		Telephone Expense 5215*	129,038				

**Hold Harmless Report on forecasted vs actual expenditures
Preliminary June 30, 2020**

Item No	Dept	Public Safety	Program	Purpose of the GRT	Justification Amount	Total by Item No	Method of Reporting	Adjustment	Actual Spending
9&10 FIRE		PS	FD - All programs Oper Budget	Increase in Internal Service Charges-Risk, Radio,Telephone 27* 594*	425,986		Increase in wages & fringes and accounts identified above the base in FY18	(1,627,464)	5,231,536
9&10 FIRE		PS	FD - All programs Wages & Fringes	Emergency Response 2700004/ Logistics 2700007 EMS - EMS BLS Rescue Implementation-19 positions	2,132,010				
9&10									
9&10 FIRE		PS	FD - All programs Wages & Fringes	2.5% wage adjustments all departments	1,320,000				
9&10 FIRE		PS	FD - All programs Wages & Fringes	Salary Forecast Adjustments	2,774,126	6,859,000			
9&10 FIRE		PS	FD - All programs Mostly wages & Fringes	11 FTE for ADAPT(4), RISK REDUCTION 1, Fleet Building & Staffing Proposal (5), OEM (1)	1,414,152	1,414,152	Increase in home divisions identified above the base in FY18	(63,487)	1,350,665
11 DFCS		PS	Overall moving from GF to 3/8 tax	Funding for Behavioral Health & Homeless programs - previously slated for reduction	2,000,000	2,000,000	Increase in housing vouchers above the base FY18	(138,501)	1,861,499
12 DFCS		PS	Elem Mid0Sch Initiatives 2918400	Youth Crime Reduction & Prevention Programs	194,600		Increase in the programs identified above the base in FY18		
12 DFCS		PS	Albuquerque Street Connect - 2921421	Youth Crime Reduction & Prevention Programs	885,000				
12 PRD		PS	PRK PRG 4500008-4520000	Youth Crime Reduction & Prevention Programs	460,000				
12 CSD		PS	CSD Prg 2300001 2310000		30,000				
12 CSD		PS	CSD Prg 2300002 2318000		140,000				
12 CSD		PS	CSD Prg 2300003 2323000		5,000				
12 CSD		PS	CSD Prg 2300010 2316000		25,000				
12 CSD		PS	CSD Prg 2300010 2310010		135,000				
12 DSA		PS	SA: One AB		80,000	1,954,600		(487,561)	1,467,039
13 PLN			PLN Prg 4900002 4919000	Code Enforcement Specialists Positions	-				
13 PLN			PLN Prg 4900002 4919000	Increased boardup costs	-				
13 PLN			PLN Prg 4900002 4919000	Safe city strike force board ups and demos	-				
13 PLN			PLN Prg 4900002 4919000	rounding	-				
13 PLN			PLN Prg 4900002 4919001	vacant & abandoned bldgsw-land bank implem	-	-			
13 PLN			PLN Prg 4900002 4919001		-	-			
DMD,AP 14 D,AWD			DMD,APD,AWD	Non-APD/AFD Public Safety Personnel Salary Increases	937,217	937,217	Salary increases for personnel identified in J series	(200,000)	737,217
15 HR			F735 HR Insurance keeping the same amount for FY19	Medical Insurance Increase	4,532,500	4,532,500	Insurance increase over base FY18	1,178,400	5,710,900
LOST GF 16 Rev			Calculated amount from Economist	Replace lost hold harmless revenue	200,469	200,469	Amount remaining in revenue collected after the above expenditures		
					53,108,917	53,108,917		(3,416,934)	49,491,514

Public Safety actual expenditures \$ 43,043,397
Public Safety % of total 86.97%

Total hold harmless revenue **(52,739,045)**
Reserve (4,057,000)
Available revenue for programs identified above (48,682,045)

**Hold Harmless Report Officer Position Actual FY19 vs. FY20
Preliminary June 30, 2020**

Fund - 110 Police	Program	<i>FY19 Actual FTE's Total 6/30/19</i>	<i>FY20 Actual FTE's Total 6/30/20</i>	<i>Increase (Decrease)</i>	
	PD - Administrative Support	5100004	70	62	(8)
	PD - Investigative Services	5100003	327	335	8
	PD - Neighborhood Policing	5100002	740	752	12
	PD - Off Duty Police OT Program	5100010	-	0	-
	PD - Prisoner Transport Program	5100007	29	30	1
	PD - Professional Accountability	5100005	250	260	10
	Total		<i>1,416</i>	<i>1439</i>	<i>23</i>