Budget Workshop – Special Meeting Agenda
8/13/2020

Notice is hereby given of a special meeting of the City of San Angelo City Council scheduled for August 13, 2020 at 8:30 a.m.

The meeting will be held virtually (due to COVID-19) or in-person (if the Governor's Office rescinds the Executive Order allowing for virtual meetings). To determine the meeting location, please visit the City Council's website at: https://www.cosatx.us/government/city-council

The Meeting Agenda and the Agenda Packet are posted online at https://www.cosatx.us/government/city-council/agenda-minutes-and-agenda-packets.

A recording of the meeting will be available to the public in accordance with the Open Meetings Act upon written request.

Members of the public who wish to submit **Public Comment** on agenda items must send their written comments via email to Julia.Antilley@cosatx.us by noon August 12, 2020.
The subject must be in the following format: "Public Comment, [item number] – August 13, 2020."
All emails must include your name and address or SMD.
Please note all Public Comment emails relevant to posted agenda items received by the deadline will be published as part of the agenda packet prior to the meeting and are therefore public record.
Call 325-657-4405 for staff assistance.

PUBLIC NOTICE FOR VIRTUAL MEETING: In accordance with an order of the Office of the Governor issued March 16, 2020, a Special Meeting of the City Council of the City of San Angelo scheduled for August 13, 2020 at 8:30 a.m., located at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas will not be open to the public. There will be no public access to the regular meeting location. A public, free-of-charge audio/video broadcast of the meeting will be available on the City's YouTube channel at youtube.com/CityofSanAngelo.

PUBLIC NOTICE FOR IN PERSON MEETING: Notice is hereby given of a Special Meeting of the City Council of the City of San Angelo to be held August 13, 2020 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the outlined agenda items.

1. **Call to Order/Roll Call to Establish Quorum**
2. **Public Comment**

At this time, Council Members may ask staff members questions regarding Public Comments submitted via email.

3. **Workshop Agenda**

a. Update and discussion related to Property and Casualty Insurance (Presentation made by Risk Manager Charles Hagen)

b. Update and discussion related to Health Insurance (Presentation made by Human Resources Director Bryan Kendrick and Julie Rickman of Holmes Murphy)

c. Discussion of matters regarding the fiscal year 2020-2021 budget preparation including but not limited to:
1. General Fund revenue and expenditures; and
2. Other items needing Council direction (Presentation made by Finance Director Tina Dierschke)

4. Follow Up and Administrative Issues

a. Announcements and consideration of Future Agenda Items

5. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the City of San Angelo's website and on the bulletin board at City Hall in the City of San Angelo, Texas, on the 7th day of August 2020, at 3:52 p.m.

Julia Antilley, City Clerk

All agenda items are subject to action. The City Council reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of San Angelo will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the City Clerk's Office at 325-657-4405.

Citizen requests to display materials on the city's monitors must submit the request 96 hours prior to the meeting by email to Julia.Antilley@cosatx.us. Time limits for discussion are as stated above and materials cannot exceed 10-pages. Citizens bringing materials for distribution to City Council members during the meeting must bring a minimum of 12 copies.

City Council regular meetings are broadcast on SATV Channel 17-Government Access at 10:30 a.m. and 7:00 p.m. every day, beginning the evening of the meeting until the evening of the next meeting.

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Tina Dierschke, Finance Director, Human Resources/Risk Management, 325-657-4268

Meeting Date: August 13, 2020

Item type: Regular Item

Caption:

Update and discussion related to Property and Casualty Insurance (Presentation made by Risk Manager Charles Hagen)

Summary/History:

This presentation will focus on the departments with the largest numbers of claims over the last four fiscal years.

Financial Impact:

Other Information/Recommendation:

Attachments:

1. PP City Council BW 08-13-20 Risk Prop Cas — PP City Council BW 08-13-20 Risk Prop Cas.pdf

Presentation:

Bryan Kendrick

Approvals/Reviews:

Tina Dierschke	Created/Initiated
Bryan Kendrick	Approved
Tina Dierschke	Approved
Julia Antilley	Final Approval

City Council

August 13, 2020

Total Claims Reported in FY17 (10-1-2016 to 9-30-2017)

Top Divisions	# of claims	% of overall number of claims	Cost Incurred	% of cost incurred
Police Department	65	44.83%	$53,566	15.62%
Water Distribution	14	9.66%	$258,841	75.47%
Street & Bridge	10	6.90%	$649	0.19%
Stormwater	9	6.21%	$1,268	0.37%
Fire Department	7	4.83%	$4,304	1.25%
Total Accross All Departments:	**145**		**$342,991**	

Total Claims Reported in FY18 (10-1-2017 to 9-30-2018)

Top Divisions	# of claims	% of overall number of claims	Cost Incurred	% of cost incurred
Police Department	61	50.00%	$53,689	76.97%
Parks	9	7.38%	$4,258	6.11%
Water Distribution	9	7.38%	$98	0.14%
Stormwater	8	6.56%	$979	1.40%
Total Accross All Departments:	**122**		**$69,755**	

Total Claims Reported in FY19 (10-1-2018 to 9-30-2019)

Top Divisions	# of claims	% of overall number of claims	Cost Incurred	% of cost incurred
Police	42	35.90%	$34,775	25.96%
Street & Bridge	14	11.97%	$37,266	27.81%
Parks	12	10.26%	$15,220	11.36%
Water Distribution	12	10.26%	$9,803	7.32%
Stormwater	11	9.40%	$16,664	12.44%
Total Accross All Departments:	**117**		**$133,980**	

Total Claims Reported in FY20 (10-1-2019 to 7-15-2020)

Top Divisions	# of claims	% of overall number of claims	Cost Incurred	% of cost incurred
Police	31	46.97%	$50,051	16.70%
Street & Bridge	6	9.09%	$5,250	1.75%
Parks	4	6.06%	$1,809	0.60%
Stormwater	4	6.06%	$1,750	0.58%
Lake Ops	3	4.55%	$1,500	0.50%
Utility Maintenance	3	4.55%	$1,500	0.50%
Total Accross All Departments:	**66**		**$299,664**	

Top 5 Grand Total From 10-1-2016 to 7/15/2020

Top Divisions	# of claims	% of overall number of claims	Cost Incurred	% of cost incurred
Police	199	44.22%	$ 192,082	35.18%
Street & Bridge	30	6.67%	$ 43,166	7.91%
Parks	25	5.56%	$ 21,288	3.90%
Stormwater	32	7.11%	$ 20,661	3.78%
Water Distribution	35	7.78%	$ 268,743	49.23%
Total Accross All Departments:	**450**		**$545,943**	

City Council

August 13, 2020

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Tina Dierschke, Finance Director, Human Resources/Risk Management, 325-657-4268

Meeting Date: August 13, 2020

Item type: Regular Item

Caption:

Update and discussion related to Health Insurance (Presentation made by Human Resources Director Bryan Kendrick and Julie Rickman of Holmes Murphy)

Summary/History:

This item will discuss options to fund the expected increase in claims for fiscal year 2021.

Financial Impact:

Other Information/Recommendation:

Attachments:

1. PP City Council BW 08-13-20 Health Insurance PP City Council BW 08-13-20 Health Insurance.pdf

Presentation:

Bryan Kendrick

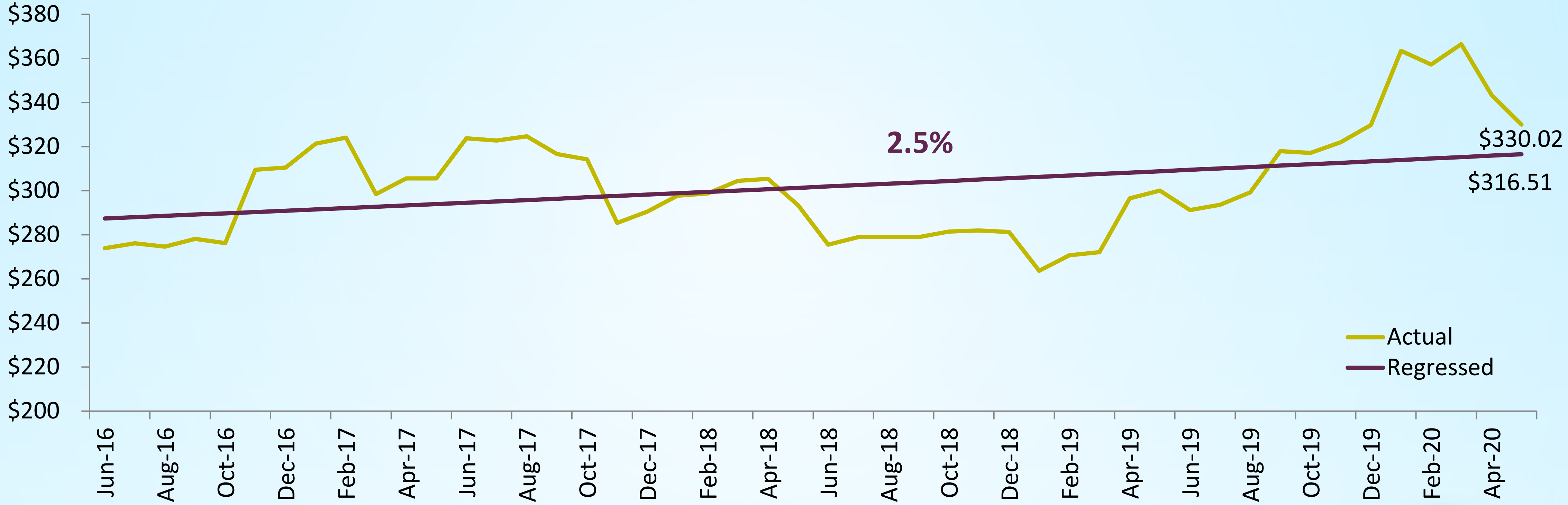
Approvals/Reviews:

Tina Dierschke	Created/Initiated
Bryan Kendrick	Approved
Tina Dierschke	Approved
Julia Antilley	Final Approval

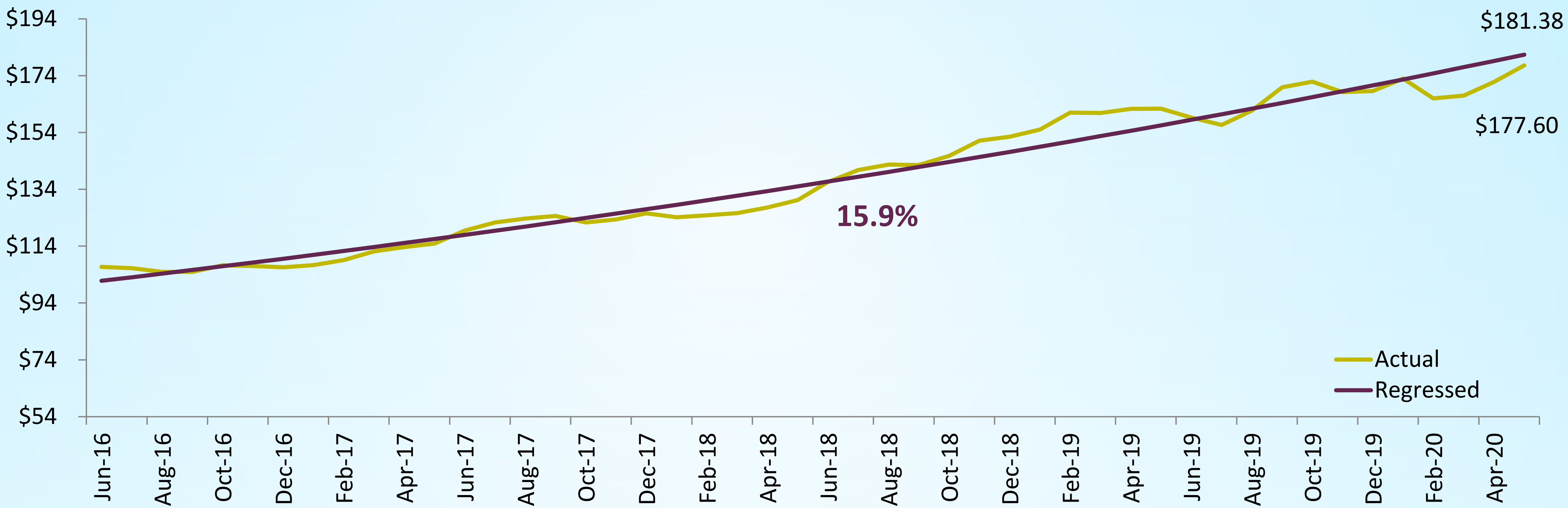
City Council

August 13, 2020

LOOKBACK MEDICAL



LOOKBACK RX



$194
$174
$154
$134
$114
$94
$74
$54
$181.38
$177.60
15.9%
Jun-16
Aug-16
Oct-16
Dec-16
Feb-17
Apr-17
Jun-17
Aug-17
Oct-17
Dec-17
Feb-18
Apr-18
Jun-18
Aug-18
Oct-18
Dec-18
Feb-19
Apr-19
Jun-19
Aug-19
Oct-19
Dec-19
Feb-20
Apr-20
Actual
Regressed

COVID UPDATE

- COVID expenses for members paid at 100%
- Impact to claims spend
  - COVID Lag for Elective Surgeries
  - Teledoc utilization increase
  - Behavioral shift – ER utilization decreases

ASSUMPTIONS

- Medical Trend 6.8%
- RX Trend 7.1%
- Include COVID 19 Lag
- No plan design changes

Funding Options

PEPM Cost			
Revenue	**Option 1 Emp/City Shared**	**Option 2 City Only**	**Option 3 Emp Only**
ER Contrib	$508.26	$514.32	$486.84
EE Contribution	$143.82	$137.76	$165.24
Total Premium	$652.08	$652.08	$652.08
% Increase in ER Funding	4.40%	5.64%	0.00%
% Increase in EE Funding	4.40%	0.00%	19.95%
Employer Contribution	$6,349,000	$6,402,000	$6,146,000
Employee Contribution	$1,796,000	$1,743,000	$1,999,000
Total Income	$8,145,000	$8,145,000	$8,145,000
Cost			
Expected Claims	$8,145,000	$8,145,000	$8,145,000
Surplus	$0	$0	$0

OPTION 1 EMPLOYEE/CITY SHARED

	Current Rates			
	E	**S**	**C**	**F**
High	$223.48	$843.30	$617.92	$1,068.70
Medium	$140.02	$677.20	$481.88	$872.54
Low	$20.44	$418.36	$277.74	$578.26
	2021 Proposed Rates			
	E	**S**	**C**	**F**
High	$233.24	$880.14	$644.92	$1,115.39
Medium	$146.14	$706.79	$502.93	$910.66
Low	$21.33	$436.64	$289.87	$603.52
	Increase Per Pay Period (24)			
	E	**S**	**C**	**F**
High	$4.88	$18.42	$13.50	$23.34
Medium	$3.06	$14.79	$10.53	$19.06
Low	$0.45	$9.14	$6.07	$12.63

OPTION 2 CITY ONLY

	Current Rates			
	E	S	C	F
High	$223.48	$843.30	$617.92	$1,068.70
Medium	$140.02	$677.20	$481.88	$872.54
Low	$20.44	$418.36	$277.74	$578.26
	2021 Proposed Rates			
	E	S	C	F
High	$223.48	$843.30	$617.92	$1,068.70
Medium	$140.02	$677.20	$481.88	$872.54
Low	$20.44	$418.36	$277.74	$578.26
	Increase Per Pay Period (24)			
	E	S	C	F
High	$0	$0	$0	$0
Medium	$0	$0	$0	$0
Low	$0	$0	$0	$0

OPTION 3 EMPLOYEE ONLY

	Current Rates			
	E	**S**	**C**	**F**
High	$223.48	$843.30	$617.92	$1,068.70
Medium	$140.02	$677.20	$481.88	$872.54
Low	$20.44	$418.36	$277.74	$578.26
	2021 Proposed Rates			
	E	**S**	**C**	**F**
High	$268.16	$1,011.89	$741.45	$1,282.35
Medium	$168.01	$812.58	$578.21	$1,046.97
Low	$24.53	$502.00	$333.26	$693.86
	Increase Per Pay Period (24)			
	E	**S**	**C**	**F**
High	$11.17	$42.16	$30.89	$53.43
Medium	$7.00	$33.86	$24.09	$43.62
Low	$1.02	$20.92	$13.89	$28.91

CURRENT PLAN ENROLLMENT

Low			
EE	SP	CH	FM
707	51	122	86

Medium			
EE	SP	CH	FM
50	9	6	3

High			
EE	SP	CH	FM
18	4	1	0

City Council

July 28, 2020

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Kimberly Holle, Budget Manager, Budget, 325-657-4211

Meeting Date: August 13, 2020

Item type: Regular Item

Caption:

Discussion of matters regarding the fiscal year 2020-2021 budget preparation including but not limited to:
1. General Fund revenue and expenditures; and
2. Other items needing Council direction (Presentation made by Finance Director Tina Dierschke)

Summary/History:

Through the Council communications, staff has reported on progress towards preparing the 2020-21 budget. The first two budget workshops we reviewed enterprise funds. This workshop will be focusing on the General Fund.

1. General Fund revenue and expenditures:

Attached is the side-by-side comparison of the 2020-21 proposed budget with the fiscal year 2019-20 original and revised budgets, 2019-20 year-to-date actuals, and 2018-19 actuals. The primary revenue sources and expenditure categories are summarized for the fund below. Any major changes or issues are also identified.

The primary revenue sources for the General Fund are the property and sales taxes. For fiscal year 2021, certified property tax values are projected to increase by 3.9%. This will yield an additional $1,263,343 in property tax revenue for the General Fund at a 98% collection rate. The property tax rate for the City of San Angelo are not proposed to change in the upcoming year are as presented below.

Tax Rate	Proposed FY21	Adopted FY20
Property Tax Rate	0.7760/ $100	0.7760/ $100
No New Revenue Tax Rate	0.7554/ $100	0.7641/ $100
Voter Approval Tax Rate	0.7874/ $100	0.8176/ $100

The “no-new-revenue tax rate”, previously referred to as the “effective tax rate”, compares the relationship between taxes from the prior and current years. This is the tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. The “voter-approval tax rate”, was previously known as the “rollback rate” is the calculated maximum rate that the law allows without voter approval.

Sales tax for FY21 is projected at $17,918,141 which is a 10% decline from FY19 actual receipts. If projected out for August and September of this fiscal year using a 10% decline from last year’s actuals, the City would end the year with $19,763,380 in sales tax revenue for the General Fund. This number will be updated once we receive actual receipts for August sales tax. The decrease in franchise tax is largely due to the electrical and telephone collections.

At the workshop, City Council will have the opportunity to review changes to the budget, as well as consider the following items:

- Police Body Cameras
- Police COPS Grant
- Peak Hours Ambulance
- Health Insurance

2. Other items needing Council direction.

Financial Impact:

None at this time.

Other Information/Recommendation:

Presentation is being finalized and will be updated at the meeting.

Attachments:

1.	Memo	2020 08-13 FY19 Budget GF Workshop Report to Council.pdf
2.	2020 08-13 Budget Workshop - General Fund Presentation	2020 08-13 FY19 Budget GF Workshop Report to Council.pdf

Presentation:

Tina Dierschke

Approvals/Reviews:

Kimberly Holle	Created/Initiated
Tina Dierschke	Approved
Julia Antilley	Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

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- Peak Hours Ambulance
- Health Insurance

2. Other items needing Council direction.

General Fund
Schedule of Revenues and Expenditures

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of June	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
101 REVENUES:						
Taxes						
Property Tax	34,330,239	35,557,578	35,557,578	34,782,014	36,820,921	1,263,343
Sales Tax	19,909,046	18,640,527	18,640,527	15,032,021	17,918,141	(722,386)
Alcohol Beverage Taxes	399,016	389,247	389,247	315,547	399,016	9,769
Bingo Taxes	44,149	36,960	36,960	37,450	25,333	(11,627)
Franchise Tax	6,853,958	7,234,690	7,234,690	5,052,472	7,173,938	(60,752)
Total Taxes	61,536,408	61,859,002	61,859,002	55,219,504	62,337,349	478,347
Public Safety						
Police [1]	676,278	571,975	571,975	682,796	318,520	(253,455)
Municipal Court	2,981,316	2,832,188	2,832,188	1,967,035	2,650,719	(181,469)
Fire	3,759,111	3,989,205	3,989,205	2,384,409	3,989,205	-
Fire Prevention	77,488	145,000	145,000	61,836	145,000	-
Total Public Safety	7,494,193	7,538,368	7,538,368	5,096,076	7,103,444	(434,924)
Public Works						
Engineering	2,790	7,575	7,575	6,250	7,575	-
Traffic Control	230,411	166,000	166,000	114,667	166,000	-
Street & Bridge	17,098	45,500	45,500	24,774	40,500	(5,000)
Total Public Works	250,299	219,075	219,075	145,691	214,075	(5,000)
Public Services						
Parks	30,430	34,500	34,500	14,859	33,750	(750)
Recreation	324,878	344,970	344,970	171,550	344,970	-
Swimming	143,691	183,500	183,500	7,411	183,500	-
Nature Center	42,230	46,115	46,115	14,863	46,115	-
Total Public Services	541,229	609,085	609,085	208,683	608,335	(750)

General Fund
Schedule of Revenues and Expenditures

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of June	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
Planning & Development Services						
Development Services	6,700	7,500	7,500	3,525	7,500	-
Planning	75,381	51,038	51,038	47,659	57,000	5,962
Permits & Inspections	689,508	750,140	750,140	717,898	735,500	(14,640)
Total Planning & Development Services	771,589	808,678	808,678	769,082	800,000	(8,678)
Neighborhood & Family Services						
Code Compliance	288,148	309,734	309,734	193,328	309,734	-
Animal Services	59,297	60,200	60,200	40,601	48,200	(12,000)
Total Neighborhood & Family Services	347,445	369,934	369,934	233,929	357,934	(12,000)
Other Departmental Charges						
Health Services[(1)]	-	113,900	113,900	101,763	113,900	-
Legal & Real Estate	141,111	154,125	154,125	118,637	177,310	23,185
Crossing Guards	133,269	131,469	131,469	97,683	132,401	932
Other Departmental charges	78,041	73,588	73,588	83,407	103,652	30,064
Other Departmental Charges	352,421	473,082	473,082	401,490	527,263	54,181
Other Revenue Sources						
Interest	937,799	716,891	716,891	421,774	255,048	(461,843)
Miscellaneous	61,861	64,623	64,623	59,269	55,484	(9,139)
Transfers In [(1)]	4,225,228	4,028,487	4,168,595	3,161,971	4,395,461	366,974
Other Revenue Sources	5,224,888	4,810,001	4,950,109	3,643,014	4,705,993	(104,008)
Total General Fund Revenues	**$ 76,518,472**	**$ 76,687,225**	**$ 76,827,333**	**$ 65,717,469**	**$ 76,654,393**	**$ (32,832)**

[(1)] The support from the Water Fund for Lake Patrol was moved into the Transfers In line in FY21.

General Fund
Schedule of Revenues and Expenditures

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of June	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
101 EXPENDITURES:						
Public Safety						
Police	19,739,676	19,471,525	19,875,227	14,892,434	19,412,573	(58,952)
Traffic Safety	363,411	247,878	247,878	231,173	247,878	-
Municipal Court	2,445,439	2,506,435	3,716,397	1,676,650	2,460,357	(46,078)
Public Safety Communications	1,506,400	1,586,167	1,619,457	1,249,167	1,651,989	65,822
Fire	17,490,002	17,870,810	18,676,463	13,978,371	17,993,165	122,355
Fire Prevention	594,365	762,498	745,236	477,006	742,861	(19,637)
Total Public Safety	42,139,293	42,445,313	44,880,658	32,504,801	42,508,823	63,510
Public Works						
Engineering	1,172,922	1,303,689	1,236,384	828,437	1,297,851	(5,838)
Operations Admin	358,125	357,465	357,465	270,342	356,367	(1,098)
Traffic/Signal Control	1,150,930	1,029,607	1,341,381	927,751	1,011,118	(18,489)
Street and Bridge	5,867,412	6,291,336	9,814,137	2,823,985	6,290,109	(1,227)
Street Lighting	979,088	1,118,829	1,118,829	664,758	1,118,829	-
Total Public Works	9,528,477	10,100,926	13,868,196	5,515,273	10,074,274	(26,652)
Public Services						
Parks	3,162,437	3,456,403	3,468,578	2,471,273	3,437,048	(19,355)
Water Lily Garden	104,905	107,528	107,528	107,528	110,217	2,689
Recreation[(2)]	859,331	847,538	981,552	586,968	846,011	(1,527)
Swimming Pool	162,494	182,798	244,784	55,679	183,500	702
Nature Center[(2)]	14,320	117,864	122,064	74,529	117,288	(576)
Total Public Services	4,303,487	4,712,131	4,924,506	3,295,977	4,694,064	(18,067)

General Fund
Schedule of Revenues and Expenditures

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of June	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
Planning & Development Services						
Administration	457,880	575,966	574,070	457,558	558,363	(17,603)
Planning	274,628	311,602	314,960	233,481	304,891	(6,711)
GIS	307,241	343,892	352,892	255,774	343,003	(889)
Permits & Inspections	892,183	909,518	930,963	682,711	916,050	6,532
Total Planning & Development Services	1,931,932	2,140,978	2,172,885	1,629,524	2,122,307	(18,671)
Neighborhood & Family Services						
Code Compliance	493,682	541,275	541,235	409,155	539,889	(1,386)
Animal Services	913,210	983,646	1,120,065	802,892	989,585	5,939
Social Services(1)	902	293,745	293,745	123,037	293,574	(171)
Total Neighborhood & Family Services	1,407,794	1,818,666	1,955,045	1,335,084	1,823,048	4,382
Health Services						
Nursing(1)	331	146,576	146,576	82,768	145,389	(1,187)
Environmental Health(1)	102	83,306	177,369	81,389	79,570	(3,736)
Administration	174,709	182,821	196,821	146,278	182,187	(634)
MHMR Contribution	55,500	55,500	55,500	41,625	55,500	-
Total Health Services	230,642	468,203	576,266	352,060	462,646	(5,557)

General Fund
Schedule of Revenues and Expenditures

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of June	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
General Government						
City Council	148,164	187,588	187,588	106,043	162,635	(24,953)
City Manager	725,157	797,583	795,082	585,923	804,236	6,653
Internal Auditor	77,786	79,625	79,625	57,859	79,332	(293)
Public Information	323,600	431,337	797,018	191,734	430,931	(406)
City Clerk	198,618	275,141	294,652	166,323	264,029	(11,112)
Construction Management	109,491	113,488	113,488	85,324	110,728	(2,760)
Development Corporation	453,084	394,597	394,597	296,838	392,975	(1,622)
Total General Government	2,035,900	2,279,359	2,662,050	1,490,044	2,244,866	(34,493)
Administrative Services						
City Attorney/Legal	690,649	704,609	704,609	528,103	703,193	(1,416)
Real Estate	178,908	196,523	196,523	136,400	201,759	5,236
Finance	1,752,792	1,788,332	1,810,875	1,496,655	1,808,031	19,699
Billing & Collections	739,804	756,756	752,383	597,553	760,379	3,623
Information Technology	644,792	709,241	708,717	538,618	706,570	(2,671)
Purchasing	188,667	197,420	206,927	151,854	233,872	36,452
Human Resources	2,821,846	2,569,992	2,628,766	2,230,486	2,575,663	5,671
Crossing Guards	135,457	131,469	146,749	111,223	132,401	932
Facilities Maintenance	692,192	694,531	1,223,417	854,606	693,617	(914)
Non-Departmental[(3)]	351,546	1,306,192	1,075,647	385,201	1,058,238	(247,954)
Lobbyist	32,040	-	-	-	25,000	25,000
Legal Notices	10,685	-	-	-	33,894	33,894
Total Administrative Services	8,239,378	9,055,065	9,454,613	7,030,699	8,932,617	(122,448)

General Fund
Schedule of Revenues and Expenditures

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of June	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
Transfers Out						
Grants	564,970	334,644	332,657	249,493	577,028	242,384
Capital	2,188,463	1,809,402	2,712,651	2,034,488	1,809,402	-
Debt Service	200,000	200,000	200,000	150,000	200,000	-
Other Funds	1,515,618	1,322,538	1,322,538	991,904	1,312,653	(9,885)
Total Transfers Out	4,469,051	3,666,584	4,567,846	3,425,885	3,899,083	232,499
Total General Fund Expenditures	**$ 74,285,954**	**$ 76,687,225**	**$ 85,062,065**	**$ 56,579,347**	**$ 76,761,728**	**$ 74,503**
Increase/(Decrease) in Fund Balance	2,232,518	-	(8,234,732)	9,138,122	(107,335)	(107,335)
Beginning Fund Balance	23,628,668	25,861,186	25,861,186	25,861,186	25,861,186	-
Ending Fund Balance	**$ 25,861,186**	**$ 25,861,186**	**$ 17,626,454**	**$ 34,999,308**	**$ 25,753,851**	**$ (107,335)**

(1) Social Services, Nursing, and Environmental Health were moved from Intergovernmental to General Fund in FY20.
(2) Nature Center is a new division created in FY20, those expenses were previously included in the recreation division.
(3) Non-departmental includes Concho Valley Transit District, and Civil Service Leave Payoffs.

City Council

August 13, 2020

Budget preparation

- General Fund
  - Revenues
  - Expenditures
  - Considerations

- Cost Savings Initiatives

Property Tax

- 0.7760 / $100 valuation
- FY21 valuation certified at $5,391,640,758
  - 3.90% increase from prior year
- FY21 new property added $58,065,142
- Budgeted at a 98% collection rate

Sales Tax

- Down ___% in August compared with the same month in prior year
- Year-to-date collections over FY19: ____%
- Over budget for revenue by $____ year-to-date

* Will be updated after August numbers on 8/12

Sales Tax Projection	
Fiscal Year 2019 Actuals	$19,909,046
Fiscal Year 2020 Projected ending	$19,763,380*
Fiscal Year 2021 Proposed budget	$17,918,414

* Will be updated after August numbers on 8/12

General Fund	2019-20	2020-21	Inc/(Dec)
Property Tax	35,557,578	36,820,921	1,263,343
Sales Tax	18,640,527	17,918,141	(722,386)
Alcohol & Bingo Tax	426,207	424,349	(1,858)
Franchise Tax	7,234,690	7,173,938	(60,752)
Charges for services	10,018,222	9,611,051	(407,171)
Other	4,810,001	4,705,993	(104,008)
Total revenue	**76,687,225**	**76,654,393**	**(32,832)**
Personnel	54,265,984	54,015,781	(250,203)
O & M	17,882,529	18,002,907	120,378
Capital	872,128	843,957	(28,171)
Transfers out	3,666,584	3,899,083	232,499
Total expenditure	**76,687,225**	**76,761,728**	**74,503**
Rev over/(under) expenditure	**-**	**(107,335)**	

Previously approved by City Council

- Police Department Requests
  - FY18: $319,815 - 5 additional officers
  - FY19:
    - $329,685 - 5 additional officers
    - $477,817 - Loyalty pay & steps (~3.86% raise)
  - FY20: additional $232,147 (~1.9% raise) a total of $709,964 - loyalty pay & steps

Previously approved by City Council

- FY18: 8 additional firefighters $432,168
- SAFER Grant local match
  - FY19: a total of $121,448 (partial year)
  - FY20: a total of $148,134

Considerations

- Police Body Cameras
- Police COPS Grant
- Peak Hours Ambulance
- Health Insurance

Considerations

- Police Body Cameras
  - Add 45 more body cameras to AXON contract for a total of 190 body cameras and licenses.
  - Redaction Software upgrade with memory function frame-to-frame has been added. Currently SAPD has manual version of redaction software.

Considerations

- Police Body Cameras

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Total	**24,500**	**70,067**	**70,067**	**70,068**	**70,068**	**304,770**

Considerations

- Police COPS Grant
  - Period of award is 36 months beginning 7/1/2020, ending 6/30/2023.
  - Award is contingent on hiring 5 new officers over and above the current budget for 175 sworn officers.
  - Application was submitted for 5 officers at entry level pay as per application guidelines.

Considerations

- Police COPS Grant

	Year 1	Year 2	Year 3	Year 4	Total
COPS Grant	226,939	240,467	92,654	-	560,060
Other Grants	54,300	-	-	-	54,300
Total Grant Revenue	**281,239**	**282,467**	**92,654**	**-**	**614,360**
Personnel	328,358	350,410	362,226	364,264	1,405,258
Supplies & Vehicles	67,000	-	-	-	67,000
Total Expenditure	**395,358**	**350,410**	**362,225**	**364,264**	**1,472,258**
Unfunded Portion	**(114,119)**	**(109,943)**	**(269,572)**	**(364,264)**	**(857,898)**

Considerations

- Continuation of peak hours ambulance
  - Unit hour utilization is currently:
    - .2531 with peak
    - .2689 without peak
  - Departmental goal: 0.16-0.24
  - Cost would be $263,900 using overtime
  - Recommended funding with Charity Care Reimbursement

Considerations

- Health Insurance
  - 4.4% increase to employee / 4.4% increase to COSA
    - $154,454
  - 0% increase to employee / 5.6% increase to COSA
    - $198,037

Council Direction

- Budget ordinance and property tax levy ordinance to be
  - introduced September 1st
  - adopted on September 15th

Option 1 – Sales Tax (10% decrease)	(107,335)
Police COPS Grant (Yr 1 local match)	114,119
Health Insurance - 100% COSA	198,037
Revenue over/(under) budget	**(419,491)**

* Peak Hours Ambulance funded with Charity Care Reimbursement

Option 2 – Sales Tax (10% decrease)	**(107,335)**
Carryover of FY20 Marginal Sales Tax	**419,491**
Police COPS Grant (Yr 1 local match)	114,119
Health Insurance - 100% COSA	198,037
Revenue over/(under) budget	-

* Peak Hours Ambulance funded with Charity Care Reimbursement

Council Direction

- Budget ordinance and property tax levy ordinance to be
  - introduced September 1st
  - adopted on September 15th

City Council

August 13, 2020

Current Cost Savings Initiatives

- Adjusted Hiring Practices
- Travel Restrictions
- Utility Management

Potential Cost Savings Measures

- External Opportunities:
  - Additional conservation programs
- Internal Opportunities:
  - Review of active utility meters
  - Revised operating structure
    - Ex: Flexible work arrangements

City Council

August 13, 2020