City Council Agenda
8/12/2021

Notice is hereby given of a special meeting of the City Council of the City of San Angelo to be held August 12, 2021 at 10:00 AM at City Hall – East Mezzanine, 72 W. College Avenue, San Angelo, Texas, for the purpose of considering the following agenda items.

1. Call to Order

2. Public Comment

Issues or concerns not on the Regular Agenda may be raised by the public at this time. Citizens should speak from the podium, address all comments to the dais, begin by stating their name and address or Single Member District number, and limit their remarks to less than three minutes.

3. Workshop Itinerary

a. Discussion of matters regarding the fiscal year 2021-2022 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

5. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at City Hall in the City of San Angelo, Texas, on the 9th day of August 2021, at 9:52 AM.

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:	Kimberly Holle, Budget Manager, Budget, 325-657-4211
Meeting Date:	August 12, 2021
Item type:	Regular Item

Caption:

Discussion of matters regarding the fiscal year 2021-2022 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 communications with City Council, staff continues to report on progress towards preparing the 2021-22 budget. During 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 2021-22 proposed budget with the fiscal year 2020-21 original and revised budgets, 2020-21 year-to-date actuals, and 2019-20 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 2022, certified property tax values are projected to increase by 2.3%. This will yield an additional $868,000 in property tax revenue for the General Fund at a 98% collection rate. The property tax rate for the City of San Angelo is not proposed to change in the upcoming year as presented below.

Tax Rate	Proposed FY22	Adopted FY21
Property Tax Rate	0.7760/ $100	0.7760/ $100
No New Revenue Tax Rate	0.7648/ $100	0.7641/ $100
Voter Approval Tax Rate	0.8095/ $100	0.8179/ $100

The no-new-revenue 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 is the calculated maximum rate that the law allows without voter approval.

The sales tax budget for FY22 is proposed at the level of FY20 actual receipts at $20,112,161 which is a 6.1% decrease from projected FY21 receipts. In the first ten months of the current fiscal year, we experienced an average growth of 6.81% from the same period in the prior year. Therefore, we projected conservatively for August and September using a 5% increase. This would generate $21,417,688 in sales tax revenue for the General Fund. These projections will be updated once we receive actual receipts for August sales tax. The decrease in franchise tax is largely due to the gas, television 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:

• Peak Hours Ambulance
• Health Insurance

2. Other items needing Council direction.

Financial Impact:

Needing Council direction.

Other Information/Recommendation:

None.

Attachments:

1. General Fund - Financial Summaries 2022 General Fund - Financial Summaries 2022.pdf

Presentation:

Tina Dierschke

Approvals/Reviews:

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

General Fund
Schedule of Revenues and Expenditures

Description	FY20 Actual	FY21 Original Budget	FY21 Revised Budget	FY21 Year-to-date as of June	FY22 Proposed Budget	Increase (Decrease) from FY21 Original
<u>101 REVENUES:</u>						
Taxes						
Property Tax	35,949,191	36,820,921	36,820,921	36,006,571	37,688,921	868,000
Sales Tax	20,112,161	18,339,709	18,763,132	15,929,050	20,112,161	1,772,452
Alcohol Beverage Taxes	360,233	389,247	389,247	288,543	423,048	33,801
Bingo Taxes	50,373	36,960	36,960	19,154	38,112	1,152
Franchise Tax	7,568,671	7,173,938	6,923,938	4,462,156	6,624,779	(549,159)
Total Taxes	64,040,629	62,760,775	62,934,198	56,705,474	64,887,021	2,126,246
Public Safety						
Police[(1)] [(2)]	760,827	318,520	268,020	194,352	268,708	(49,812)
Municipal Court[(2)]	2,527,473	2,650,719	2,390,700	1,638,449	2,462,825	(187,894)
Fire	4,202,208	3,989,205	4,645,464	3,573,318	4,414,205	425,000
Fire Prevention	77,753	145,000	144,000	50,194	144,000	(1,000)
Total Public Safety	7,568,261	7,103,444	7,448,184	5,456,313	7,289,738	186,294
Public Works						
Engineering	6,285	7,575	7,575	1,750	7,575	-
Traffic Control	214,651	166,000	166,000	33,799	166,000	-
Street & Bridge	33,508	40,500	40,500	(7,370)	20,500	(20,000)
Total Public Works	254,444	214,075	214,075	28,179	194,075	(20,000)
Public Services						
Parks	21,631	33,750	33,750	27,158	33,750	-
Recreation	251,505	344,970	344,970	127,718	357,970	13,000
Swimming Pool	32,214	183,500	183,500	53,044	183,500	-
Nature Center	18,720	46,115	46,115	14,840	46,115	-
Total Public Services	324,070	608,335	608,335	222,760	621,335	13,000

General Fund
Schedule of Revenues and Expenditures

Description	FY20 Actual	FY21 Original Budget	FY21 Revised Budget	FY21 Year-to-date as of June	FY22 Proposed Budget	Increase (Decrease) from FY21 Original
Planning & Development Services						
Development Services	6,225	7,500	7,500	4,050	3,000	(4,500)
Planning	78,200	57,000	57,000	64,815	71,100	14,100
Permits & Inspections	1,110,212	735,500	803,888	706,644	889,000	153,500
Total Planning & Development Services	1,194,637	800,000	868,388	775,509	963,100	163,100
Neighborhood & Family Services						
Code Compliance	274,117	309,734	309,734	151,550	309,734	-
Animal Services	53,806	48,200	53,415	31,908	48,200	-
Total Neighborhood & Family Services	327,923	357,934	363,149	183,458	357,934	-
Other Departmental Charges						
Health Services	103,216	113,900	113,900	96,872	113,900	-
Legal & Real Estate	246,389	177,310	177,310	217,720	184,537	7,227
Crossing Guards(2)	132,263	132,401	132,401	95,205	-	(132,401)
Other Departmental charges	96,008	103,652	103,652	88,158	115,652	12,000
Other Departmental Charges	577,876	527,263	527,263	497,955	414,089	(113,174)
Other Revenue Sources						
Interest	552,289	255,048	255,048	74,961	91,650	(163,398)
Miscellaneous	283,412	55,484	55,484	111,372	55,424	(60)
Transfers In(1)	4,168,595	4,396,450	4,436,450	3,257,534	4,515,501	119,051
Other Revenue Sources	5,004,296	4,706,982	4,746,982	3,443,867	4,662,575	(44,407)
Total General Fund Revenues	**$ 79,292,136**	**$ 77,078,808**	**$ 77,710,574**	**$ 67,313,515**	**$ 79,389,867**	**$ 2,311,059**

General Fund
Schedule of Revenues and Expenditures

Description	FY20 Actual	FY21 Original Budget	FY21 Revised Budget	FY21 Year-to-date as of June	FY22 Proposed Budget	Increase (Decrease) from FY21 Original
101 EXPENDITURES:						
Public Safety						
Police	19,774,034	19,468,533	19,559,749	14,809,199	19,655,704	187,171
Traffic Safety	320,380	247,878	247,878	227,742	254,337	6,459
Municipal Court	2,159,087	2,466,834	2,329,995	1,453,674	2,172,834	(294,000)
Public Safety Communications	1,622,412	1,658,169	1,659,401	1,374,854	1,765,275	107,106
Fire (3)	18,503,332	18,036,672	18,853,587	14,057,011	18,821,836	785,164
Fire Prevention	635,208	744,839	718,191	470,298	755,106	10,267
Total Public Safety	43,014,453	42,622,925	43,368,801	32,392,778	43,425,092	802,167
Public Works						
Engineering	1,124,226	1,301,559	1,397,594	887,200	1,319,480	17,921
Operations Admin	366,101	357,108	348,876	228,506	231,771	(125,337)
Traffic/Signal Control	1,247,111	1,013,837	1,063,385	655,367	1,025,827	11,990
Street and Bridge	6,274,190	6,299,256	9,448,031	6,587,640	6,277,020	(22,236)
Street Lighting	924,783	1,118,829	1,118,829	563,534	1,118,829	-
Total Public Works	9,936,411	10,090,589	13,376,715	8,922,247	9,972,927	(117,662)
Public Services						
Parks	3,219,735	3,449,439	3,307,181	2,245,845	3,444,807	(4,632)
Water Lily Garden	107,528	110,217	110,217	110,215	112,972	2,755
Recreation	746,491	847,407	861,489	474,857	909,554	62,147
Swimming Pool	127,189	183,500	181,308	58,028	183,500	-
Nature Center	98,066	117,535	120,976	74,256	121,485	3,950
Total Public Services	4,299,009	4,708,098	4,581,171	2,963,201	4,772,318	64,220

General Fund
Schedule of Revenues and Expenditures

Description	FY20 Actual	FY21 Original Budget	FY21 Revised Budget	FY21 Year-to-date as of June	FY22 Proposed Budget	Increase (Decrease) from FY21 Original
Planning & Development Services						
Administration	564,854	559,599	664,110	466,668	525,454	(34,145)
Planning	304,345	305,880	313,589	216,712	308,405	2,525
GIS	330,871	343,992	343,992	250,178	344,117	125
Permits & Inspections	900,237	919,264	930,256	671,774	940,656	21,392
Total Planning & Development Services	2,100,307	2,128,735	2,251,947	1,605,332	2,118,632	(10,103)
Neighborhood & Family Services						
Code Compliance	543,157	541,459	542,758	385,789	545,728	4,269
Animal Services	1,037,571	992,799	1,119,073	805,098	1,017,352	24,553
Social Services	195,822	293,757	429,951	263,174	294,363	606
Total Neighborhood & Family Services	1,776,550	1,828,015	2,091,782	1,454,061	1,857,443	29,428
Health Services						
Nursing	99,277	145,760	116,846	46,680	145,769	9
Environmental Health	92,982	76,333	132,292	90,450	76,835	502
Administration	152,123	182,434	153,857	92,096	182,267	(167)
MHMR Contribution	55,500	55,500	55,500	41,625	55,500	-
Total Health Services	399,882	460,027	458,495	270,851	460,371	344

General Fund
Schedule of Revenues and Expenditures

Description	FY20 Actual	FY21 Original Budget	FY21 Revised Budget	FY21 Year-to-date as of June	FY22 Proposed Budget	Increase (Decrease) from FY21 Original
General Government						
City Council	115,516	162,635	170,119	107,516	163,635	1,000
City Manager	778,794	805,225	798,007	575,751	803,678	(1,547)
Internal Auditor	77,021	79,579	79,579	57,561	79,538	(41)
Communications	237,686	431,426	181,426	130,270	181,009	(250,417)
City Clerk	187,863	264,523	350,056	217,600	284,290	19,767
Construction Management	112,654	110,975	110,975	81,483	117,430	6,455
Development Corporation	395,651	393,964	405,229	316,890	411,237	17,273
Total General Government	1,905,185	2,248,327	2,095,391	1,487,071	2,040,817	(207,510)
Administrative Services						
City Attorney/Legal	702,700	704,429	704,429	579,039	745,147	40,718
Real Estate	183,520	202,254	206,804	140,870	167,693	(34,561)
Finance	1,768,167	1,811,021	1,783,841	1,482,136	1,894,320	83,299
Billing & Collections	735,762	762,604	830,330	676,182	753,709	(8,895)
Information Technology	657,605	707,722	673,981	534,042	774,133	66,411
Purchasing	204,502	234,613	234,613	131,893	230,151	(4,462)
Human Resources	2,800,603	2,576,881	2,607,979	1,869,437	2,698,067	121,186
Crossing Guards(2)	126,373	132,401	153,570	99,960	-	(132,401)
Facilities Maintenance	1,057,611	694,760	816,907	497,697	728,407	33,647
Non-Departmental(4)	385,257	1,091,062	1,420,604	301,121	1,046,712	(44,350)
Lobbyist	3,500	25,000	25,000	-	25,000	-
Legal Notices	13,763	33,894	33,894	15,879	33,894	-
Total Administrative Services	8,639,363	8,976,641	9,491,952	6,328,256	9,097,233	120,592

General Fund
Schedule of Revenues and Expenditures

Description	FY20 Actual	FY21 Original Budget	FY21 Revised Budget	FY21 Year-to-date as of June	FY22 Proposed Budget	Increase (Decrease) from FY21 Original
Transfers Out						
Grants[3]	332,657	686,531	686,531	514,898	412,183	(274,348)
Capital	2,812,651	1,809,402	3,035,455	2,276,591	1,751,373	(58,029)
Debt Service	200,000	200,000	200,000	150,000	200,000	-
Other Funds	1,322,538	1,319,518	1,364,518	1,023,389	1,368,978	49,460
Total Transfers Out	4,667,846	4,015,451	5,286,504	3,964,878	3,732,534	(282,917)
Total General Fund Expenditures	**$ 76,739,006**	**$ 77,078,808**	**$ 83,002,758**	**$ 59,388,675**	**$ 77,477,367**	**$ 398,559**
Increase/(Decrease) in Fund Balance	2,553,130	-	(5,292,184)	7,924,840	1,912,500	1,912,500
Beginning Fund Balance	23,852,411	26,405,541	26,405,541	26,405,541	26,405,541	-
Ending Fund Balance	**$ 26,405,541**	**$ 26,405,541**	**$ 21,113,357**	**$ 34,330,381**	**$ 28,318,041**	**$ 1,912,500**

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

[2] Revenues and expenditures restricted by State/Federal Statues were moved to a new fund as recommended by best practices in FY22.

[3] The transfer to Grants decreased in FY22 due to the SAFER grant ending mid-year and those employees moving to the General Fund in the Fire Department division.

[4] Non-departmental includes Concho Valley Transit District, and Civil Service Leave Payoffs.