



City Council Agenda 08/08/2017

Notice is hereby given of a special meeting of the City Council of City of San Angelo to be held on August 8, 2017 at 8:30 AM at City Hall – East Mezzanine, 72 West College Avenue, San Angelo, Texas, for the purpose of considering the following agenda items

1. Call to Order

2. Workshop Agenda

- a. Discussion and consideration of matters regarding the fiscal year 2017-2018 budget preparation including but not limited to:

1. Major funds revenue and expenditures, and
2. Other items needing Council direction

3. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of San Angelo, Texas, on the 2nd day of August 2017, at 4:00 p.m.

Bryan Kendrick, City Clerk

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. 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.

City Council meetings are broadcast on Channel 17-Government Access at 10:30 A.M. and 7:00 P.M. every day for two weeks beginning on the Thursday after each meeting.

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Morgan Chegwiddden, Assistant Director of Neighborhood Services, Budget, 325-657-4224

Meeting Date: August 8, 2017

Item type: Regular Item

Caption:

Discussion and consideration of matters regarding the fiscal year 2017-2018 budget preparation including but not limited to:

1. Major funds revenue and expenditures, and
2. Other items needing Council direction

Summary/History:

Through the council communications via Friday packet memos, staff has reported on progress towards preparing the 2017-18 budget. We are now moving forward with public meetings and discussions of the budget.

1. Major funds revenue and expenditures, and
2. Other items needing Council direction

The following are operating funds in excess of \$1 million in expense. Both revenue and expense are reported by type. Major funds of interest include the Airport Fund, Solid Waste Fund, Water Fund, Civic Events Fund, Fort Concho Fund, Hotel Occupancy Tax Fund, and Development Corporation Funds. General Fund will be discussed in more detail at the August 22nd budget workshop.

In the attached charts, each of the funds are compared side-by-side with the fiscal year 2016-17 original budget for reference. The primary revenue sources and expenditure categories are summarized for each fund. Any major changes or issues are also identified.

See attached memo for more information.

Financial Impact:

None at this time.

Other Information/Recommendation:

None at this time.

Attachments:

- | | | |
|----|--------------|----------------------------------------|
| 1. | Cover Memo | 170808 Budget cvr 8-8-17 COMPLETE.pdf |
| 2. | Presentation | 170808 Budget ppt 8-8-17 COMPLETE.pptx |

Presentation:

Tina Dierschke

Approvals/Reviews:

Morgan Chegwidden
Tina Dierschke
Becky Dunn
Bryan Kendrick

Created/Initiated
Approved
Approved
Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Budget Staff, Finance, 653-6291

Meeting Date: August 8, 2017

Item type: Workshop

Caption:

Discussion and consideration of matters regarding the fiscal year 2017-2018 budget preparation including but not limited to:

1. Other major funds revenue and expenditures (excluding General Fund); and
2. Other items needing Council direction.

Summary/History:

Through the council communications via Friday packet memos, staff has reported on progress towards preparing the 2017-18 budget. We are now moving forward with public meetings and discussions of the budget.

1. Major funds revenue and expenditures, and
2. Other items needing Council direction

The following are operating funds in excess of \$1 million in expense. Both revenue and expense are reported by type. Major funds of interest include the Airport Fund, Solid Waste Fund, Water Fund, Civic Events Fund, Fort Concho Fund, Hotel Occupancy Tax Fund, and Development Corporation Funds. General Fund will be discussed in more detail at the August 22nd budget workshop.

In the below charts, each of the funds are compared side-by-side with the fiscal year 2016-17 original budget for reference. The primary revenue sources and expenditure categories are summarized for each fund. Any major changes or issues are also identified.

Airport Fund

The primary revenue source for the Airport Fund continues to be lease income which increased by about \$40,000. Concessions revenue also increased by about \$20,000. Marginal revenue was captured to redouble maintenance schedules.

Airport Fund	2016-17	2017-18	Inc / (Dec)
Revenue			
Leases, Concessions	1,085,993	1,146,582	60,589
Other	304,768	327,510	22,742
Total	1,390,761	1,474,092	83,331
Expenditure			
Personnel	745,080	774,628	29,548
O & M	645,681	699,464	53,783
Capital	-	-	-
Total	1,390,761	1,474,092	83,331
Revenue Over/(Under) Expenditure	-	-	-

Solid Waste Fund

The primary revenue source for the Solid Waste Fund is user fees which were structured to fund the eventual permitting of a new landfill site on the 320 acres already owned and dedicated for this purpose. These costs are expected to be approximately \$5.5 million and are funded through budgeting revenue over expense to meet this goal within eight years.

Solid Waste Fund	2016-17	2017-18	Inc / (Dec)
Revenue			
User fees	949,417	968,106	18,689
Other	620,891	642,708	21,817
Total	1,570,308	1,610,814	40,506
Expenditure			
Personnel	212,164	213,725	1,561
O & M	634,870	638,620	3,750
Capital	207,500	458,469	250,969
Total	1,054,534	1,310,814	256,280
Revenue Over/(Under) Expenditure	515,774	300,000	(215,774)

Water Fund

The primary revenue source for the Water Fund is water sales which are proposed at \$23.7 million. This budget is proposed in accordance with the rate study projections for both revenue and expense. A planned \$861,000 in revenue over expenditure is proposed to contribute to the fund balance in order to rebuild appropriate reserves as we recover financially from the recent drought. Expenses increased by \$3 million due to additional debt service for the Ford Ranch project.

Water Fund	2016-17	2017-18	Inc / (Dec)
Revenue			
Sales	22,113,017	23,708,262	1,595,245
Other	3,459,432	3,600,594	141,162
Total	25,572,449	27,308,856	1,736,407
Expenditure			
Personnel	5,781,282	5,908,405	127,123
O & M	14,640,593	17,883,473	3,242,880
Capital	2,430,210	2,655,777	225,567
Total	22,852,085	26,447,655	3,595,570
Revenue Over/(Under) Expenditure	2,720,364	861,201	(1,859,163)

Civic Events Fund

In order to provide a higher level of transparency, we've accounted for hotel occupancy receipts in two funds for the new fiscal year. The Civic Events Fund (below) will now report only their allocation of tax revenue as well as the division's venue income.

Civic Events Fund	2016-17	2017-18	Inc / (Dec)
Revenue			
Hotel Occupancy Tax (HOT)	1,857,500	891,600	(965,900)
Other	616,948	579,178	(37,770)
Total	2,474,448	1,470,778	(1,003,670)
Expenditure			
Personnel	753,060	762,764	9,704
O & M	1,705,732	708,014	(997,718)
Capital	15,656	0	(15,656)
Total	2,474,448	1,470,778	(1,003,670)
Revenue Over/(Under) Expenditure	-	-	-

Fort Concho Fund

Fort Concho operations are funded one-third through tax dollars, one-third through state office building support and one-third through program income. Revenue and expenditures are proposed largely unchanged from the prior year.

Fort Concho Fund	2016-17	2017-18	Inc / (Dec)
Revenue			
Rent	607,750	628,250	20,500
Other	411,232	420,241	9,009
Total	1,018,982	1,048,491	29,509
Expenditure			
Personnel	720,999	723,909	2,910
O & M	295,710	321,582	25,872
Capital	2,273	3,000	727
Total	1,018,982	1,048,491	29,509
Revenue Over/(Under) Expenditure	-	-	-

Hotel Occupancy Tax Fund

In order to provide a higher level of transparency, we've accounted for hotel occupancy receipts in two funds for the new fiscal year. All of the hotel occupancy tax funds are now reported in a designated fund and subsequently allocated in accordance with Council's directive and state law, such as Civic Events, Texas Bank Sports Complex, Fort Concho, Convention & Visitors Bureau, etc.

HOT Fund 605	2016-17	2017-18	Inc / (Dec)
Revenue			
Hotel Occupancy Tax (HOT)	0	1,857,500	1,857,500
Other	0	27,394	27,394
Total	0	1,884,894	1,884,894
Expenditure			
Personnel	0	1,405,375	1,405,375
O & M	0	991,600	991,600
Total	0	2,036,975	2,036,975
Revenue Over/(Under) Expenditure	-	(152,081)	(152,081)

Development Corporation Funds

The Development Corporation is primarily funded through the type B sales tax, 72% of which is earmarked for ballot projects and 28% of which is allocated for economic development initiatives. Staff proposed sales tax at a large decrease which subsequently decreased both the ballot and economic development expenses in order to balance.

Development Corporation Funds	2016-17	2017-18	Inc / (Dec)
Revenue			
Type B Sales Tax	9,000,000	7,850,000	(1,150,000)
Other	371,713	366,250	(5,463)
Total	9,371,713	8,216,250	(1,155,463)
Expenditure			
Ballot	6,480,000	5,656,000	(824,000)
Economic Development	2,891,713	2,560,250	(331,463)
Total	9,371,713	8,216,250	(1,155,463)
Revenue Over/(Under) Expenditure	-	-	-

Financial Impact:

None at this time.

Other Information/Recommendation:

None at this time.

Attachments:

None

Presentation:

Yes

Approvals/Reviews:

Tina Dierschke, Finance Director



City Council

August 8, 2017



2017-18 Budget Process & Calendar

April

- Training
- Revenue estimates

May

- Expense estimates

June

- City manager review
- Council memos

July

- Council memos



2017-18 Budget Process & Calendar

August

- Workshops
- Public hearings

September

- Public hearings
- Adopt ordinances



Major funds revenue & expenditures

- State Office Building*
- Airport
- Solid Waste
- Stormwater*
- Water
- Wastewater*
- Civic Events
- Fort Concho
- Hotel Occupancy
- Development Corporation



Airport Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Leases, Concessions

1,085,993

1,146,582

60,589

Other

304,768

327,510

22,742

Total

1,390,761

1,474,092

83,331

Expenditure

Personnel

745,080

774,628

29,548

O & M

645,681

699,464

53,783

Capital

-

-

-

Total

1,390,761

1,474,092

83,331

Revenue Over/(Under) Expenditure

-

-

-



Solid Waste Fund

2016-17

2017-18

Inc/(Dec)

Revenue

User fees

949,417

968,106

18,689

Other

620,891

642,708

21,817

Total

1,570,308

1,610,814

40,506

Expenditure

Personnel

212,164

213,725

1,561

O & M

634,870

638,620

3,750

Capital

207,500

458,469

250,969

Total

1,054,534

1,310,814

256,280

Revenue Over/(Under) Expenditure

515,774

300,000

(215,774)



Water Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Sales

22,113,017

23,708,262

1,595,245

Other

3,459,432

3,600,594

141,162

Total

25,572,449

27,308,856

1,736,407

Expenditure

Personnel

5,781,282

5,908,405

127,123

O & M

14,640,593

17,883,473

3,242,880

Capital

2,430,210

2,655,777

225,567

Total

22,852,085

26,447,655

3,595,570

Revenue Over/(Under) Expenditure

2,720,364

861,201

(1,859,163)



Civic Events Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Hotel Occupancy Tax (HOT)

1,857,500

891,600

(965,900)

Other

616,948

579,178

(37,770)

Total

2,474,448

1,470,778

(1,003,670)

Expenditure

Personnel

753,060

762,764

9,704

O & M

1,705,732

708,014

(997,718)

Capital

15,656

0

(15,656)

Total

2,474,448

1,470,778

(1,003,670)

Revenue Over/(Under) Expenditure

-

-

-



Fort Concho Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Rent

607,750

628,250

20,500

Other

411,232

420,241

9,009

Total

1,018,982

1,048,491

29,509

Expenditure

Personnel

720,999

723,909

2,910

O & M

295,710

321,582

25,872

Capital

2,273

3,000

727

Total

1,018,982

1,048,491

29,509

Revenue Over/(Under) Expenditure

-

-

-



HOT Fund 605

2016-17

2017-18

Inc/(Dec)

Revenue

Hotel Occupancy Tax (HOT)

0

1,857,500

1,857,500

Other

0

27,394

27,394

Total

\$0

\$1,884,894

\$1,884,894

Expenditure

External Partners

0

1,045,375

1,045,375

Transfers out to other funds

0

991,600

991,600

Total

\$0

\$2,036,975

\$2,036,975

Revenue Over/(Under) Expenditure

0

(152,081)

(152,081)



Development Corporation

2016-17

2017-18

Inc/(Dec)

Revenue

Type B Sales Tax

9,000,000

7,850,000

(1,150,000)

Other

371,713

366,250

(5,463)

Total

9,371,713

8,216,250

(1,155,463)

Expenditure

Ballot

6,480,000

5,656,000

(824,000)

Economic Development

2,891,713

2,560,250

(331,463)

Total

9,371,713

8,216,250

(1,155,463)

Revenue Over/(Under) Expenditure

-

-

-





City Council

August 8, 2017



State Office Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Rent

1,230,000

1,240,000

10,000

Other

50,053

53,998

3,945

Total

1,280,053

1,293,998

13,945

Expenditure

Personnel

119,997

121,208

1,211

O & M

595,700

951,217

355,517

Debt Service

514,356

171,573

(342,783)

Capital

50,000

50,000

-

Total

1,280,053

1,293,998

13,945

Revenue Over/(Under) Expenditure

-

-

-



Stormwater Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Fees

2,620,000

2,786,000

166,000

Other

117,635

237,154

119,519

Total

2,737,635

3,023,154

285,519

Expenditure

Personnel

1,286,143

1,249,984

(36,159)

O & M

831,985

1,015,714

183,729

Capital

619,507

757,456

137,949

Total

2,737,635

3,023,154

285,519

Revenue Over/(Under) Expenditure

-

-

-



Wastewater Fund

2016-17

2017-18

Inc/(Dec)

Revenue

Charges

12,151,544

13,013,231

861,687

Other

302,677

379,202

76,525

Total

12,454,221

13,392,433

938,212

Expenditure

Personnel

2,022,867

2,060,856

37,989

O & M

7,902,397

8,125,658

223,261

Capital

1,331,109

1,452,334

121,225

Total

11,256,373

11,638,848

382,475

Revenue Over/(Under) Expenditure

1,197,848

1,753,585

555,737

