



City Council Agenda 7/14/2020

Notice is hereby given of a special meeting of the City of San Angelo City Council scheduled for July 14, 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 July 13, 2020.

The subject must be in the following format: "Public Comment, [item number] – July 14, 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 July 14, 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.

If the meeting is held in person, anyone who wishes to speak remotely during **Public Comment** may follow the processes outlined above or may attend physically in Council Chambers.

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 July 14, 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. Special Instructions

All members of the council and staff should begin speaking by stating their full name and their SMD position or role within the City.

3. Public Comment

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

4. Workshop Agenda

- a. Discussion of matters regarding the fiscal year 2020-2021 budget preparation, including, but not limited to:
 - 1. Public Works Operating Funds revenue and expenditures
 - 2. Other items needing Council direction


5. Follow Up and Administrative Issues

- a. Discussion and consideration of future Budget Workshop dates

6. 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 10th day of July 2020, at 9:15 a.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: Kimberly Holle, Budget Manager, Budget, 325-657-4211

Meeting Date: July 14, 2020

Item type: Regular Item

Caption:

Discussion of matters regarding the fiscal year 2020-2021 budget preparation, including, but not limited to:

1. Public Works Operating Funds revenue and expenditures
2. Other items needing Council direction

Summary/History:

Through the Council communications via Friday packet memos, staff has reported on progress towards preparing the 2020-21 budget. We are now moving forward with public meetings and discussions of the budget.

1. Water Fund revenue and expenditures
2. Water Reclamation Fund revenue and expenditures
3. Solid Waste Fund revenue and expenditures
4. Stormwater Fund revenue and expenditures
5. Other items needing Council direction

The other major enterprise funds will be covered on the second budget workshop and General Fund will be discussed at the final budget workshop.

Financial Impact:

None at this time.

Other Information/Recommendation:

Attachments:

1. Memo 2020 07-14 Budget Workshop - Public Works Funds.pdf
2. Presentation Presentation.pdf

Presentation:

Tina Dierschke

Approvals/Reviews:

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

MEMO TO CITY COUNCIL



To: Mayor and City Council Members
CC: Daniel Valenzuela, Michael Dane, Rick Weise, Tina Dierschke, and Ryan Gaddy
From: Kimberly Holle, Budget Manager
Date: July 9, 2020
Re: Budget Workshop – Public Works Funds

As staff continues preparing the fiscal year 2020-21 budget, it is now time to review the Public Works Funds. The other major enterprise funds will be covered on the second budget workshop and General Fund will be discussed at the final budget workshop. The funds that will be covered at the first budget workshop are the Water Fund, Water Reclamation Fund, Solid Waste Fund, and Stormwater Fund.

Attached are the proposed budgets for each of these funds compared with the fiscal year 2018-19 actuals, 2019-20 original budget, revised budget, and year-to-date actuals as of May. The primary revenue sources and expenditure categories are summarized for each fund below. Any major changes or issues are also identified.

Water Fund Financial Summary

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of May	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
<u>260 REVENUES:</u>						
Water Sales	26,607,160	28,164,918	28,164,918	18,885,067	28,164,918	-
Lake Use Revenues	341,162	342,463	342,463	163,650	419,528	77,065
Billing and Collection	1,503,766	1,443,906	1,443,906	914,287	1,443,906	-
Taps and Connections	286,494	315,200	315,200	185,965	315,200	-
Transfers In	2,033,417	1,942,050	1,942,050	1,328,467	1,618,797	(323,253)
Interest	209,707	474,633	474,633	270,907	244,677	(229,956)
Other	1,305,876	534,412	534,412	405,654	280,713	(253,699)
Total Revenues	\$ 32,287,582	\$ 33,217,582	\$ 33,217,582	\$ 22,153,997	\$ 32,487,739	\$ (729,843)
<u>260 EXPENSES:</u>						
Personnel	5,959,608	6,770,312	6,826,504	3,951,215	6,581,158	(189,154)
Operations & Maintenance	6,848,537	9,065,846	9,284,102	5,869,428	9,134,796	68,950
Transfers Out	10,680,045	11,546,931	11,546,931	7,703,377	12,430,962	884,031
Capital	1,055,529	5,834,493	7,372,752	3,582,158	4,340,823	(1,493,670)
Total Expenses	\$ 24,543,719	\$ 33,217,582	\$ 35,030,289	\$ 21,106,178	\$ 32,487,739	\$ (729,843)
Revenues Over/ (Under) Expenditures	7,743,863	-	(1,812,707)	1,047,819	-	-
Beginning Fund Balance	10,988,784	18,732,647	18,732,647	18,732,647	18,732,647	-
Ending Fund Balance	\$ 18,732,647	\$ 18,732,647	\$ 16,919,940	\$ 19,780,466	\$ 18,732,647	\$ -

The primary revenue source for the Water Fund is water sales. There is a decrease in transfers in revenue due to the loss of interest income from the Lake Nasworthy Trust Fund. The other revenue line is decreasing due to the Ford Ranch lease being terminated mid-2020. The budget would be amended if a new lease is entered into. Personnel costs decreased due to staff turnover and a change in workers compensation rates. The increase in transfers out expenses is largely due to additional debt service that was issued for capital projects. There was a decrease in the capital budget to offset the loss of revenue.

Water Reclamation Fund

Financial Summary

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of May	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
<u>270 REVENUES:</u>						
Water Reclamation Charges	14,606,514	15,086,996	15,086,996	9,880,097	15,086,996	-
Farm Use Revenues	192,171	193,945	193,945	284,594	242,126	48,181
Taps and Connections	19,476	20,250	20,250	18,578	20,250	-
Paving Cuts	52,550	45,000	45,000	50,200	50,000	5,000
Interest	355,558	392,316	392,316	223,923	207,002	(185,314)
Other	164,446	25,000	25,000	258,211	20,000	(5,000)
Total Revenues	\$ 15,390,715	\$ 15,763,507	\$ 15,763,507	\$ 10,715,603	\$ 15,626,374	\$ (137,133)
<u>270 EXPENSES:</u>						
Personnel	2,255,060	2,278,182	2,299,388	1,546,141	2,271,183	(6,999)
Operations & Maintenance	2,532,736	2,913,794	3,068,216	1,919,556	2,879,191	(34,603)
Transfers Out	5,452,205	5,979,325	5,979,325	3,977,322	6,077,601	98,276
Capital	2,192,923	4,592,206	6,390,514	3,205,090	4,398,399	(193,807)
Total Expenses	\$ 12,432,924	\$ 15,763,507	\$ 17,737,443	\$ 10,648,109	\$ 15,626,374	\$ (137,133)
Revenues Over/ (Under) Expenditures	2,957,791	-	(1,973,936)	67,494	-	-
Beginning Fund Balance	13,122,953	16,080,744	16,080,744	16,080,744	16,080,744	-
Ending Fund Balance	\$ 16,080,744	\$ 16,080,744	\$ 14,106,808	\$ 16,148,238	\$ 16,080,744	\$ -

The primary revenue source for the Water Reclamation Fund is user fees. This budget is proposed with revenue equal to expenditures, in order to fund capital needs and projected debt service payments. There are very few changes in the budget, with the exception of the increase to fund the additional debt service in transfers out and decrease to capital expenditures to offset the loss in revenue from interest income.

Solid Waste Fund Financial Summary

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of May	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
<u>230 REVENUES:</u>						
Landfill Fees	1,049,395	1,064,920	1,064,920	815,975	1,092,903	27,983
Leases	639,298	609,708	609,708	407,763	613,238	3,530
Interest	140,363	177,601	177,601	101,370	56,185	(121,416)
Other	293,874	279,350	279,350	203,741	287,700	8,350
Total Revenues	\$ 2,122,930	\$ 2,131,579	\$ 2,131,579	\$ 1,528,849	\$ 2,050,026	\$ (81,553)
<u>230 EXPENSES:</u>						
Personnel	196,403	189,169	189,169	127,788	188,512	(657)
Operations & Maintenance	551,857	1,038,670	1,002,553	397,329	1,047,520	8,850
Transfers Out	538,602	533,350	648,350	409,074	606,700	73,350
Capital	98,989	370,390	762,318	352,869	207,294	(163,096)
Total Expenditures	\$ 1,385,851	\$ 2,131,579	\$ 2,602,390	\$ 1,287,060	\$ 2,050,026	\$ (81,553)
Revenues Over/ (Under) Expenditures	737,079	-	(470,811)	241,789	-	-
Beginning Fund Balance	3,627,241	4,364,320	4,364,320	4,364,320	4,364,320	-
Ending Fund Balance *	\$ 4,364,320	\$ 4,364,320	\$ 3,893,509	\$ 4,606,109	\$ 4,364,320	\$ -

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. There are very few changes in the budget, with the exception of the increase to fund the transfers out to Keep San Angelo Beautiful and the decrease to capital expenditures to offset the loss in revenue from interest income.

Stormwater Fund Financial Summary

Description	FY19 Actual	FY20 Original Budget	FY20 Revised Budget	FY20 Year-to-date as of May	FY21 Proposed Budget	Increase (Decrease) from FY20 Original
240 REVENUES:						
Stormwater Fee	2,792,591	2,786,000	2,786,000	1,908,064	2,786,000	-
Transfers In	95,000	95,000	95,000	63,333	95,000	-
Interest	88,848	74,056	74,056	42,269	27,529	(46,527)
Other	46,801	60,000	60,000	8,239	85,000	25,000
Total Revenues	\$ 3,023,240	\$ 3,015,056	\$ 3,015,056	\$ 2,021,905	\$ 2,993,529	\$ (21,527)
240 EXPENSES:						
Personnel	1,319,221	1,235,395	1,235,395	762,403	1,236,302	907
Operations & Maintenance	518,717	666,039	992,098	593,165	673,270	7,231
Transfers Out	345,392	385,394	385,394	257,523	400,854	15,460
Capital	695,445	728,228	2,721,675	907,940	683,103	(45,125)
Total Expenses	\$ 2,878,775	\$ 3,015,056	\$ 5,334,562	\$ 2,521,031	\$ 2,993,529	\$ (21,527)
Revenues Over/ (Under) Expenditures	144,465	-	(2,319,506)	(499,126)	-	-
Beginning Fund Balance	3,959,695	4,104,160	4,104,160	4,104,160	4,104,160	-
Ending Fund Balance	\$ 4,104,160	\$ 4,104,160	\$ 1,784,654	\$ 3,605,034	\$ 4,104,160	\$ -

The primary revenue source for the Stormwater Fund is user fees. There was a slight reduction in expenditures to offset the decrease projected in interest income.



City Council

July 14, 2020



Major funds revenue & expenditures

- Water
- Water Reclamation
- Solid Waste
- Stormwater



Water Fund	2019-20	2020-21	Inc/(Dec)
Revenue			
Sales	28,164,918	28,164,918	-
Other	5,052,664	4,322,821	(729,843)
Total	33,217,582	32,487,739	(729,843)
Expenditure			
Personnel	6,770,312	6,581,158	(189,154)
O & M	20,612,777	21,565,758	952,981
Capital	5,834,493	4,340,823	(1,493,670)
Total	33,217,582	32,487,739	(729,843)
Revenue Over/(Under) Expenditure	-	-	



Water Reclamation Fund	2019-20	2020-21	Inc/(Dec)
Revenue			
Charges	15,086,996	15,086,996	-
Other	676,511	539,378	(137,133)
Total	15,763,507	15,626,374	(137,133)
Expenditure			
Personnel	2,278,182	2,271,183	(6,999)
O & M	8,893,119	8,956,792	63,673
Capital	4,592,206	4,398,399	(193,807)
Total	15,763,507	15,626,374	(137,133)
Revenue Over/(Under) Expenditure	-	-	



Solid Waste Fund	2019-20	2020-21	Inc/(Dec)
Revenue			
User fees	1,064,920	1,092,903	27,983
Other	1,066,659	957,123	(109,536)
Total	2,131,579	2,050,026	(81,553)
Expenditure			
Personnel	189,169	188,512	(657)
O & M	1,572,020	1,654,220	82,200
Capital	370,390	207,294	(163,096)
Total	2,131,579	2,050,026	(81,553)
Revenue Over/(Under) Expenditure	-	-	



Stormwater Fund	2019-20	2020-21	Inc/(Dec)
Revenue			
Fees	2,786,000	2,786,000	-
Other	229,056	207,529	(21,527)
Total	3,015,056	2,993,529	(21,527)
Expenditure			
Personnel	1,235,395	1,236,302	907
O & M	1,051,433	1,074,124	22,691
Capital	728,228	683,103	(45,125)
Total	3,015,056	2,993,529	(21,527)
Revenue Over/(Under) Expenditure	-	-	





City Council

July 14, 2020

