

**SPECIAL CALLED MEETING
BUDGET WORK SESSION
July 27, 2022 at 9:00 a.m.**

**CITY COUNCIL OF THE CITY OF ABILENE, TEXAS
COUNCIL CHAMBERS, CITY HALL**

The City Council of the City of Abilene, Texas met in a Special Called Meeting on July 27, 2022, at 9:00 a.m. in the Council Chambers, 555 Walnut St. Mayor Anthony Williams was present and presiding, along with Mayor Pro-tem Weldon Hurt, Deputy Mayor Pro-tem Donna Albus, and Councilmembers Shane Price, Lynn Beard, Kyle McAlister and Travis Craver. Also present were City Manager Robert Hanna, City Attorney Stanley Smith, and City Secretary Shawna Atkinson.

Councilmember Shane Price delivered the invocation, and led the Pledge of Allegiance to the Flags of the United States of America and the State of Texas.

Mayor Williams outlined the agenda for the morning.

BUDGET WORKSHOP

2. Staff Presentation on Revised FY 2021-2022 and Proposed FY 2022-2023 Budgets
Complete Budget Review

City Manager Hanna provided the overview of the proposed schedule for budget work sessions

- Budget Workshop July 27
 - First Reading 2021-2022 Revised Budget
 - First Reading 2022-2023 Budget
 - First Reading Tax Rate
 - First Reading Fee Schedule

- Public Hearing and Adoption of: August 11 – Regular Council Meeting
 - 2021-2022 Revised Budget
 - Tax Rate
 - 2022-2023 Budget
 - Fee Schedule

The Revised FY 2021-2022 and Proposed FY 2022-2023 Budgets information was as follows:

• Budget Changes Since the July 1, 2022 Filed Date
 All Funds

	FY 2022 Revised	FY 2023 Proposed
Total Revenues as filed 7/1/2022	\$296,848,359	\$313,380,435
Adjustments:		
Property Tax Certified Values		17,080
Increase in Self Insurance Transfer In for penny on the tax rate		4,250
Remove use of ARPA funding for CDL pay	(350,640)	
Reduce Fleet Fund Fuel Charge revenue	(77,682)	(354,234)
Adjusted Revenues	\$296,420,037	\$313,047,531
Total Expenditures as filed 7/1/2022	\$303,146,025	\$317,453,763
Adjustments:		
Replace one-time CDL Bonus with increase in pay rate	(263,573)	348,204
Increase in Self Insurance Transfer Out for penny on the tax rate		4,250
Increase in Convention Center Transfer Out for penny on the tax rate		4,250
Reduce fuel charges allocated to funds	(87,067)	(354,234)
Reduce Fleet Fund fuel charge expenditures	(77,682)	(354,234)
Move and adjust Water Utilities Fund portion of Tyler Munis	454,671	(412,783)
	\$303,172,374	\$316,689,216
Fund Balance - Beginning	\$86,175,140	\$79,422,803
Fund Balance - Ending	\$86,148,791	\$80,187,350

General Fund
 Summary of Revenues & Expenditures
 FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Current Revenue	\$123,921,555	\$106,703,681	\$115,856,067	\$118,432,578
Operating Transfers In	3,893,993	4,101,264	3,971,240	4,041,250
Total Current Revenue & Transfers In	\$127,815,548	\$110,804,945	\$119,827,307	\$122,473,828
EXPENDITURES				
Personnel Services	\$77,279,074	\$82,471,012	\$81,628,024	\$86,714,564
Supplies	2,824,582	3,202,198	3,373,213	3,425,272
Maintenance	1,416,512	1,920,653	2,074,859	2,009,873
Other Services & Charges	14,970,740	15,648,013	16,965,064	17,876,824
Capital Expenditures	9,623	-	13,920	23,992
Operating Transfers	30,766,851	7,528,996	15,772,227	12,423,303
Total Expenditures	\$127,267,382	\$110,770,872	\$119,827,307	\$122,473,828
Net Revenues Over (Under) Expenditures	\$548,166	\$34,073	-	-
Beginning Fund Balance	\$30,346,162	\$26,536,120	\$30,894,328	\$30,894,328
Ending Fund Balance	\$30,894,328	\$26,570,193	\$30,894,328	\$30,894,328

**General Fund
 FY 2022 Revised Key Revenue Changes from FY 2022
 Approved Budget**

Property tax	Additional TIRZ property tax	(\$150,000)
Sales tax	Increase in receipts	4,936,980
	Increase in gas, decrease in telecommunication, cable franchise tax	123,380
Franchise/Access Fees		
Intergovernmental revenue	ARPA grant	4,355,979
Charges for services	Recoverable overtime no longer charged	(360,882)
Miscellaneous revenues	Increase in investment earnings	156,888
All other		<u>(39,983)</u>
Total Increase/(Decrease)		<u>\$9,022,362</u>

**General Fund
 FY 2022 Revised Key Expenditure Changes from
 FY 2022 Approved Budget**

Personnel	Decreased full-time salaries	(\$1,972,060)
	Increased overtime	581,318
	Increased termination pay	1,177,350
	Decreased recoverable overtime	(311,201)
Supplies		171,015
Maintenance		154,206
Other Services/charges	Increased fleet fuel	585,542
	Increased utilities	369,930
	Increased technology charges	104,500
Capital Expenditures	Zoo storage container	13,920
Operating transfers out	End of year funds transferred to Minor Improvement Fund	3,221,677
	ARPA funds transferred to Minor Improvement Fund	4,391,979
	Increased funds transferred for 380 Agreements	265,321
All other		<u>302,938</u>
Total Increase/(Decrease)		<u>\$9,056,435</u>

General Fund
FY 2023 Key Revenue Changes from FY 2022 Revised Budget

Taxes and franchise fees	Property tax assessed value increase	\$4,785,270
	Sales tax	947,510
	Payment in lieu of taxes - Hendrick Health Systems/Lancium	360,607
Intergovernmental revenue	Reduction in ARPA funds	(4,391,979)
Charges for services	Reduction in recoverable overtime	(216,253)
Miscellaneous revenues	Increase in investment earnings	161,010
	Increase in indirect cost and other recoveries	794,744
All other		<u>205,612</u>
Total Increase/(Decrease)		<u>\$2,646,521</u>

General Fund
FY 2023 Key Expenditure Changes from FY 2022 Revised Budget

Personnel Services	Police & Fire Meet & Confer	\$1,966,559
	Non-civil service 6% market adjustment	2,077,530
	Full staffing funding	2,804,325
	Reduction in termination pay & overtime	(1,717,154)
Supplies		52,059
Maintenance		(64,986)
Other Services and Charges	Fleet fuel, maintenance & replacement	432,554
	Increase in interfund charges	448,092
Operating Transfers	Fund Police Apparatus Fund	1,100,000
	Increase Transit Fund subsidy	529,019
	Increase in Street Maintenance Fund transfer	3,927,765
	Reduction in ARPA transfer	(4,391,979)
	2021 End of Year Funds	(3,221,677)
	Reduction in Minor Improvement transfer	(1,300,552)
All Other		<u>4,966</u>
	Total Increase/(Decrease)	<u>\$ 2,646,521</u>

**Schedule of Tax Rate
 Per \$100 Assessed Valuation
 FY 2014-FY 2023**

<u>Fiscal Year</u>	<u>General Operating</u>	<u>General Debt Service</u>	<u>Total Tax Rate</u>
2014	.5095	.1765	.6860
2015	.5215	.1645	.6860
2016	.5306	.1834	.7140
2017	.5448	.2017	.7465
2018	.5648	.2103	.7751
2019	.5648	.2074	.7722
2020	.6069	.1808	.7877
2021	.6019	.1858	.7877
2022	.6019	.1832	.7851
2023	.5988	.1633	.7621

**Water & Sewer Operating Fund
 Summary of Revenues & Expenditures
 FY 2022-2023 Budget**

	<u>Actual 2020-2021</u>	<u>Approved 2021-2022</u>	<u>Revised 2021-2022</u>	<u>Proposed 2022-2023</u>
REVENUE				
Charges for Service	\$59,246,676	\$61,678,637	\$61,702,637	\$67,533,221
Federal/State Assistance	11,531	-	-	-
Interest, Misc & Transfers	1,729,543	314,644	400,714	374,790
Total Revenue	\$60,987,750	\$61,993,281	\$62,103,351	\$67,908,011
EXPENDITURES				
Personnel Services	\$10,259,099	\$11,355,882	\$11,044,998	\$11,941,379
Supplies	3,293,027	4,251,890	5,536,580	5,929,260
Maintenance	3,123,502	3,262,522	3,944,109	4,142,297
Other Services & Charges	19,512,509	22,011,912	22,036,073	22,830,398
Capital Expenditures	1,146,108	2,085,690	1,993,717	1,707,180
Debt Service	17,379,750	15,737,940	15,737,940	17,451,840
Operating Transfers	47,800	7,691,008	8,360,646	9,195,768
Total Expenditures	\$54,761,795	\$66,396,844	\$68,654,063	\$73,198,122
Net Revenues Over (Under) Expenditures	\$6,225,955	\$(4,403,563)	\$(6,550,712)	\$(5,290,111)
Beginning Fund Balance	22,479,166	27,116,443	28,705,121	22,154,409
Ending Fund Balance	\$28,705,121	\$22,712,880	\$22,154,409	\$16,864,298

**Water & Sewer Operating Fund
 FY 2022 Revised Revenue Changes from Original FY 2022 Budget**

Charges for Services	\$ 24,000
Interest Earnings & Misc.	<u>86,070</u>
Total Increase/(Decrease)	<u>\$ 110,070</u>

Water & Sewer Operating Fund
 FY 2022 Revised Expenditure Changes from Original FY 2022 Budget

Personnel Services	\$ (310,884)
Chemical Supplies	1,267,000
Maintenance	681,587
Transfers Out	669,638
All Other	<u>(50,122)</u>
Total Increase/(Decrease)	<u>\$ 2,257,219</u>

Water & Sewer Operating Fund
 FY 2023 Revenue Changes from FY 2022 Revised Budget

Charges for Service	\$ 5,830,584
Miscellaneous Revenue	65,530
Transfers in	<u>(91,454)</u>
Total Increase/(Decrease)	<u>\$ 5,804,660</u>
% Change	9%

Water & Sewer Operating Fund
 FY 2023 Expenditure Changes from FY 2022 Revised Budget

Personnel Services	\$ 896,381
Chemical Supplies	391,246
Maintenance	198,188
Wholesale Water Costs	250,043
Intrafund charges	511,142
Capital Outlay	(286,537)
Debt Service Transfers	1,713,900
Capital Project Transfers	835,122
All Other	<u>34,574</u>
Total Increase/(Decrease)	<u>\$4,544,059</u>
% Change	7%

City of Abilene Water Utilities - 2023 CIP 5 YR. PLAN			
PROJECT YEAR	PROJECT #	PROJECT DESCRIPTION	COST (\$ MILLION)
2023	80700121	Hamby WWTP Phase II MBR Expansion	\$6.00
	80500423	East Highway 80 14" CI Replacement	\$2.30
	80500323	Abandon High Level Pump Station	\$0.22 \$8.52
2024	80300221	Lake Abilene Dam Improvements	\$3.78
	80500124	24" Water Line Maple PS to BG EST	\$3.78
	80400123	Northeast WTP Rehabilitation & HSPS	\$30.70 \$38.26
2025	80500125	1.5 MG EST for 1 st PP	\$4.54
	80500225	18" Water Supply Pipeline – Loop 322	\$5.19 \$9.73
2026	80500126	1 st /2 nd PP Boundary Modifications	\$1.73
	80500223	1.5 MG 277 EST for West of 2 nd PP	\$4.43 \$6.16
2027	80500127	Maple Street PS Expansion	\$4.10
	80500227	Prison EST Rehab	\$0.64
	80500327	Buck Creek Pump Station	\$8.15 \$12.90

Airport Operating Fund Summary of Revenues & Expenditures FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Charges for Service	-	\$1,330,469	\$1,329,869	\$1,330,469
Federal/State Assistance	-	1,050,000	1,025,000	960,000
Miscellaneous	-	633,138	840,418	646,820
Total Revenue	-	\$3,013,607	\$3,195,287	\$2,937,289
EXPENDITURES				
Personnel Services	-	\$1,648,124	\$1,633,327	\$1,755,178
Supplies	-	60,330	55,330	73,830
Maintenance	-	164,676	160,676	384,476
Other Services & Charges	-	650,843	673,853	806,227
Debt Service	-	471,160	-	-
Total Expenditures	-	\$2,995,133	\$2,523,186	\$3,019,711
Net Revenues Over (Under) Expenditures	-	\$18,474	\$672,101	\$(82,422)
Beginning Fund Balance	-	-	-	672,101
Ending Fund Balance	-	\$18,474	\$672,101	\$589,679

**Solid Waste Services Fund
 Summary of Revenues & Expenditures
 FY 2022-2023 Budget**

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Charges for Service	\$16,605,800	\$17,382,076	\$17,869,275	\$18,061,150
Federal Grants & Programs	12,672	-	-	-
Miscellaneous	19,833	39,950	53,070	31,030
Total Revenue	\$16,638,305	\$17,422,026	\$17,922,345	\$18,092,180
EXPENDITURES				
Personnel Services	\$4,076,399	\$4,178,887	\$4,390,376	\$4,627,859
Supplies	50,242	65,920	68,920	74,920
Maintenance	59,190	105,000	116,500	126,500
Other Services & Charges	8,794,464	9,740,399	10,381,228	10,203,254
Capital Expenditures	228,184	350,000	350,000	450,000
Operating Transfers	2,712,570	3,209,210	3,209,210	2,527,850
Total Expenditures	\$15,921,049	\$17,649,416	\$18,516,234	\$18,010,383
Net Revenues Over (Under) Expenditures	\$717,256	\$(227,390)	\$(593,889)	\$81,797
Beginning Fund Balance	2,951,319	2,948,423	3,668,575	3,074,686
Ending Fund Balance	\$3,668,575	\$2,721,033	\$3,074,686	\$3,156,483

**Stormwater Services Fund
 Summary of Revenues & Expenditures
 FY 2022-2023 Budget**

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Charges for Service	\$2,904,994	\$2,970,975	\$2,970,975	\$3,119,524
Other	33,964	47,485	54,765	46,300
Total Revenue	\$2,938,958	\$3,018,460	\$3,025,740	\$3,165,824
EXPENDITURES				
Personnel Services	\$1,291,724	\$1,439,126	\$1,326,048	\$1,534,824
Supplies	22,946	40,390	40,390	40,390
Maintenance	166,129	256,050	234,526	344,050
Other Services & Charges	1,035,261	1,551,688	1,645,286	1,811,727
Operating Transfers	-	-	21,524	-
Total Expenditures	\$2,516,060	\$3,287,254	\$3,267,774	\$3,730,991
Net Revenues Over (Under) Expenditures	\$422,898	\$(268,794)	\$(242,034)	\$(565,167)
Beginning Fund Balance	1,218,740	1,195,269	1,641,638	1,399,604
Ending Fund Balance	\$1,641,638	\$926,475	\$1,399,604	\$834,437

Self Insurance Fund Summary of Revenues & Expenditures FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
City Health Contributions	\$7,748,237	\$7,752,846	\$7,739,340	\$7,808,798
Employee Health Contributions	3,068,835	3,343,130	3,000,000	3,450,000
Retiree Health Contributions	132,585	118,500	173,460	173,460
Interfund Charges	2,722,039	3,139,770	2,959,150	3,720,800
Recoveries	646,803	540,230	826,530	540,230
Miscellaneous	2,475	3,470	21,570	38,260
Operating Transfers In	1,322,888	630,272	630,272	703,220
Total Revenue	\$15,643,862	\$15,528,218	\$15,350,322	\$16,434,768
EXPENDITURES				
Health & Drug Claims	\$8,565,015	\$9,123,700	\$9,533,362	\$9,600,000
Administrative Charges	790,903	855,890	705,000	771,730
Liability/Property Premiums/Charges/Claims	3,408,675	3,317,040	3,317,040	3,600,630
Other Expenditures	678,363	665,894	814,858	776,686
Total Expenditures	\$13,442,956	\$13,962,524	\$14,370,260	\$14,749,046
Net Revenues Over (Under) Expenditures	\$2,200,906	\$1,565,694	\$980,062	\$1,685,722
Beginning Fund Balance	2,678,732	4,485,395	4,879,638	5,859,700
Ending Fund Balance	\$4,879,638	\$6,051,089	\$5,859,700	\$7,545,422

Health Insurance Plan Changes

	2022 Current Plan	2023 Proposed Changes	% Increase 2022-2023	2023 Proposed Changes
Employee Premiums-monthly cost	Base Plan	Base Plan		Buy Up Plan
Employee only	\$138	\$145	5%	\$175
Employee+children	\$303	\$318	5%	\$373
Employee + spouse	\$524	\$550	5%	\$638
Employee+family	\$607	\$637	5%	\$738
City Contributions-monthly cost	\$508 per employee	\$508 per employee	-	\$508 per employee
Medical Copay	\$50/\$75	\$50/\$75	-	\$35/\$60
Prescription Copay	\$15/\$50/\$70/ \$150	\$15/\$50/\$70/ \$150	-	\$15/\$50/\$70/ 150
Deductible	\$3,000/\$6,000 \$7,500/\$15,000	\$3,000/\$6,000 \$7,500/\$15,000	-	\$1,500/\$3,000 \$5,500/\$11,000

Street Maintenance Fund Summary of Revenues & Expenditures FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Street Maintenance Fee	\$5,379,549	\$5,371,900	\$5,394,470	\$7,485,315
Contribution from DCOA	3,709,128	2,000,000	2,000,000	1,759,772
Miscellaneous Revenue	1,076	820	6,500	10,830
Transfers in	1,040,900	1,040,900	1,040,900	4,968,665
Total Revenue	\$10,130,653	\$8,413,620	\$8,441,870	\$14,224,582
EXPENDITURES				
Maintenance	\$421,400	\$1,040,900	\$986,770	\$1,040,900
Other Services & Charges	490	-	-	-
Transfers to Capital Outlay Fund	8,193,629	8,320,260	8,374,390	12,503,500
Total Expenditures	\$8,615,519	\$9,361,160	\$9,361,160	\$13,544,400
Net Revenues Over (Under) Expenditures	\$1,515,134	\$(947,540)	\$(919,290)	\$680,182
Beginning Fund Balance	2,283,968	3,435,648	3,799,102	2,879,812
Ending Fund Balance	\$3,799,102	\$2,488,108	\$2,879,812	\$3,559,994

Street Maintenance Fund Recommended Rate Changes

SOURCE	03/2022	CURRENT RATE		PROPOSED RATE	
	BASE	RATE	AMOUNT	RATE	AMOUNT
Budget Total - Street Maintenance Fee			\$ 5,371,900		
C1 - 523 @ \$25	531	\$ 25.00	\$ 159,300	\$ 45.00	\$ 286,740
C2 - 558 @ \$35	559	\$ 35.00	\$ 234,780	\$ 55.00	\$ 368,940
C3 - 623 @ \$45	629	\$ 45.00	\$ 339,660	\$ 65.00	\$ 490,620
C4 - 794 @ \$55	792	\$ 55.00	\$ 522,720	\$ 75.00	\$ 712,800
C5 - 496 @ \$65	498	\$ 65.00	\$ 388,440	\$ 85.00	\$ 507,960
C6 - 97 @ \$75	97	\$ 75.00	\$ 87,300	\$ 95.00	\$ 110,580
MF - 904 @ \$6.00	11,163	\$ 6.00	\$ 803,736	\$ 8.00	\$ 1,071,648
R1 - 36709 @ \$6.50	36,860	\$ 6.75	\$ 2,985,660	\$ 8.75	\$ 3,870,300
LMI - 502 @ \$1.75	507	\$ 1.75	\$ 10,647	\$ 1.75	\$ 10,647
Total Street Maintenance Fee	51,636		\$ 5,532,243		\$ 7,430,235

Street Maintenance Fund Anticipated Category of Expenses over Five Year Period

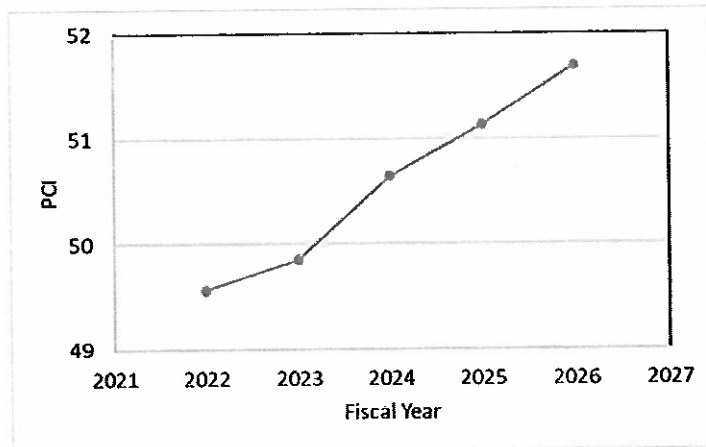
Table 1. Annual Budget Distribution for Scenario 6

Year	ACP/JCP Crack Sealing	ACP Slurry Seal & Microsurfacing	ACP Mill and Thin Overlay & Partial Depth Rehabilitation	ACP/JCP Full Depth Reconstruction /Reclamation	JCP Partial Depth Patching	Street Maintenance Fund Used for Planned Projects	Total
2022	\$100,000	\$450,000	3,750,000	2,500,000	\$174,000	\$7,026,000	\$14,000,000
2023	\$100,000	\$680,000	\$4,570,000	\$4,150,000	\$290,000	\$4,210,000	\$14,000,000
2024	\$100,000	\$1,000,000	\$6,500,000	\$6,000,000	\$400,000	-	\$14,000,000
2025	\$100,000	\$1,000,000	\$6,550,000	\$6,000,000	\$350,000	-	\$14,000,000
2026	\$100,000	\$580,000	\$6,945,000	\$6,000,000	\$375,000	-	\$14,000,000

Street Maintenance Fund Anticipated PCI Index at End of Five Year Period

Table 2. Improved PCI of Scenario 6

Year	Scenario 6
2022	50
2023	50
2024	51
2025	51
2026	52



Fire Apparatus Fund Summary of Revenues & Expenditures FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Transfers in General Fund	\$1,100,000	\$1,100,000	\$1,227,200	\$1,100,000
Contributions	-	-	-	-
Interest	1,228	500	3,300	9,667
Total Revenue	\$1,101,228	\$1,100,500	\$1,230,500	\$1,109,667
EXPENDITURES				
Fire Apparatus	\$1,335,717	\$84,610	\$1,742,900	\$703,451
Total Expenditures	\$1,335,717	\$84,610	\$1,742,900	\$703,451
Net Revenues Over (Under) Expenditures	\$(234,489)	\$1,015,890	\$(512,400)	\$406,216
Beginning Fund Balance	1,814,607	1,400,373	1,580,118	1,067,718
Ending Fund Balance	\$1,580,118	\$2,416,263	\$1,067,718	\$1,473,934

Police Apparatus Fund Summary of Revenues & Expenditures FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Transfers in General Fund	-	-	-	\$1,100,000
Transfers in Minor Improvement Fund	-	\$1,100,000	\$1,505,614	-
Transfers in Other Funds	-	311,000	-	-
Interest	-	-	-	13,559
Total Revenue	-	\$1,411,000	\$1,505,614	\$1,113,559
EXPENDITURES				
Police Apparatus	-	\$780,950	\$827,682	\$935,812
Total Expenditures	-	\$780,950	\$827,682	\$935,812
Net Revenues Over (Under) Expenditures	-	\$630,050	\$677,932	\$177,747
Beginning Fund Balance	-	-	-	677,932
Ending Fund Balance	-	\$630,050	\$677,932	\$855,679

Minor Improvement Fund Summary of Revenues & Expenditures FY 2022-2023 Budget

	Actual 2020-2021	Approved 2021-2022	Revised 2021-2022	Proposed 2022-2023
REVENUE				
Transfers from General Fund	\$23,076,910	\$621,231	\$8,365,931	-
Transfers from Other Funds	311,566	-	7,190,531	\$205,000
Interest	3,320	1,800	5,729	-
Total Revenue	\$23,391,796	\$623,031	\$15,562,191	\$205,000
EXPENDITURES				
	\$13,057,301	\$4,692,926	\$24,396,437	\$3,188,071
Net Revenues Over (Under) Expenditures	\$10,334,495	\$(4,069,895)	\$(8,834,246)	\$(2,983,071)
Beginning Fund Balance	5,494,406	15,021,870	15,828,901	6,994,655
Ending Fund Balance	\$15,828,901	\$10,951,975	\$6,994,655	\$4,011,584

American Rescue Plan Act Grant (ARPA)

	FY 2021	FY 2022	Total
Funds Received	<u>\$10,727,981</u>	<u>\$10,727,981</u>	<u>\$21,455,962</u>
Grant Appropriation			
Revenue loss*	\$10,727,981	\$4,391,979	\$15,119,960
Response to Public Health & Economic Impacts of Covid 19 **		6,336,002	6,336,002
Total Appropriation	<u>\$10,727,981</u>	<u>\$10,727,981</u>	<u>\$21,455,962</u>

*Funds Utilized for:

Downtown Hotel	\$5,000,000
Minor Improvement Fund Projects	10,119,960

** Planned Use:

Nelson Park Flat Fields	5,000,000
Park Walking Trails	985,000
Undesignated	<u>351,002</u>
	<u>\$21,455,962</u>

All Other Funds
Other items to be aware of...

- The fleet replacement fund will purchase vehicle replacements as follows: \$514,000 for General Fund, \$134,000 for Water & Sewer Fund, and \$2,411,000 for the Solid Waste Services Fund. This totals \$3,059,000. All purchases exceeding \$50,000 will require Council approval, and all will meet Council's adopted vehicle replacement policy.
- Bond election projects are not included in the budgets with the exception of fire apparatus for a new Fire Station #9, which is included in the Minor Improvement Fund budget for FY 2023.

DISCUSSION

Council and staff discussed the reorganization of the Police Department, and the youth division budget being reorganized under the special victims unit, instead of its own division. Body armor was not included in the budget, as they are keeping the equipment already in use. The cameras for interrogation rooms are in the works, we are just waiting on equipment, but the previous authorization will hold for when we actually procure them.

Councilmember Price would like to see Lee Park changed to Valentine Park on page 69 of the Budget, since the Park was recently renamed.

Councilmember Price also questioned if the façade improvement grant was still in use. Mr. Hanna explained that the TIRZ board reallocated that money, and it will come before Council in August to approve expenditures. It's still being used and there are 2-3 applicants waiting for the funds to be reallocated.

Councilmember Price questioned if the contract for the Convention Center management with ASM is approved at tomorrow's meeting, will the budget need to be revised. Mr. Hanna stated that the second reading of the budget will reflect that, if the contract is approved.

Councilmembers Price and Beard stated their concern since working on the building codes. They are concerned that there is a potential that some low-to-moderate income property owners will not be able to afford to fix their properties up to code with the implementation of the new building code. They would like to see some program implementation to help those in that situation. Mr. Hanna agreed that ARPA funds for grants for low-to-moderate income property owners could be utilized, as well as MIP funds. Also in regards to the Street Maintenance Fee, there are lots of people who would qualify for the LMI rate, that just have not come in to apply for it. He encouraged those who would qualify to come in and apply.

Councilmember McAlister encouraged everyone to let them know now what they would like to see, as waiting for August will be too late.

Councilmember Craver questioned if there were programs or non-profits we could work with to expand our resources. Mr. Hanna stated that we've done a great job already of partnering with non-profits like Habitat for Humanity and the United Way, and we will continue to look for new ways to do so.

Councilmember Price questioned the sales tax amount and if the numbers come from the Comptroller. Mr. Hanna clarified that they do and we have safeguards in place in the budget and have underestimated retail sales growth as a protection.

Councilmember Price questioned if we were fulfilling our requirements for the Street Maintenance Fee as far as annual reviews. Mr. Hanna clarified that the Street Maintenance Advisory Board has met and recommends the fee continuing, and it will take effect October 1st, unless Council chooses otherwise.

ORDINANCES

3. Consider on First Reading - Ordinance Approving Revised 2021-2022 Budget

Mayor Williams opened the public hearing. The following addressed Council:

- David Swart – spoke about the Street Maintenance Fee and the DCOA not putting money into the street maintenance fund any longer. Mr. Swart says that the fee is hurting small businesses.
- Shawnte Fleming – questioned if there would be assistance given to those homeowners who own property in the flood zone, since federal funding cannot be given to them.

With no other speakers coming forward, the public hearing was closed.

Mr. Hanna addressed citizens concerns. He stated we are still in discussion with the DCOA on their input into street maintenance, and since the funds for this would potentially come out of general fund monies, they could potentially be used for those in the flood zone, as it wouldn't have the same restrictions as federal money would.

Councilmember McAlister moved to approve the item as presented. Councilmember Price seconded the motion; motion carried.

AYES (7): Mayor Williams, Mayor Pro-tem Hurt, Deputy Mayor Pro-tem Albus, and Councilmembers Price, Beard, McAlister and Craver

NAYS (0): None

Councilmember Beard had conflicts and abstained from voting on accounts 5025 - Child Advocacy Center, 5070 - Victim Advocacy, and 6060 – Aviation and Airport Operating Fund. A Conflict of Interest Affidavit was filled out before the meeting and filed with the City Secretary's office.

4. Consider on First Reading - Proposed 2022-2023 Budget

Mayor Williams opened the public hearing. With no speakers coming forward, the public hearing was closed.

Councilmember Price moved to approve the item as presented. Councilmember Beard seconded the motion; motion carried.

AYES (7): Mayor Williams, Mayor Pro-tem Hurt, Deputy Mayor Pro-tem Albus, and Councilmembers Price, Beard, McAlister and Craver

NAYS (0): None

Councilmember Beard had conflicts and abstained from voting on accounts 5025 - Child Advocacy Center, 5070 - Victim Advocacy, 6060 – Aviation and Airport Operating Fund, and anything regarding raises for non-civil service employees. A Conflict of Interest Affidavit was filled out before the meeting and filed with the City Secretary's office.

5. Consider on First Reading - Ordinance Setting Tax Levy

Mayor Williams opened the public hearing. The following addressed Council:

- David Swart – spoke about retirees from the City not getting a cost of living raise like current employees do.

With no other speakers coming forward, the public hearing was closed.

Councilmember McAlister moved to approve the item as presented, setting the tax rate at \$0.7621.
Councilmember Craver seconded the motion. Motion carried.

AYES (7): Mayor Williams, Mayor Pro-tem Hurt, Deputy Mayor Pro-tem Albus, and Councilmembers Price, Beard, McAlister and Craver
NAYS (0): None

6. Consider on First Reading - Ordinance adopting fees and charges for FY 2022-2023

Mayor Williams opened the public hearing. The following addressed Council:

- Ryan Goodwin – questioned the fees for the Convention Center and how they seem to be “nickel and diming” people who host events there. Questioned if there could be some kind of combo pass for the Zoo and Adventure Cove and what the process is for appealing a zoning request to avoid being out the \$250 fee.

With no other speakers coming forward, the public hearing was closed.

Mr. Hanna addressed Mr. Goodwin’s concerns and stated that the fees are consistent with similar convention centers, that they had not considered a combo passed but he is not opposed to the idea, it just has to be run through the Zoological Society, and that there are opportunities for an applicant to ask an item to be tabled to wait for a full slate of Council members, if they choose.

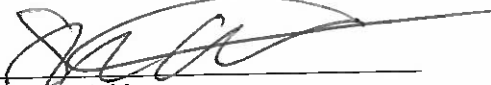
Councilmember Price moved to approve the fee schedule as presented in the updated budget book.
Councilmember Beard seconded the motion; motion carried

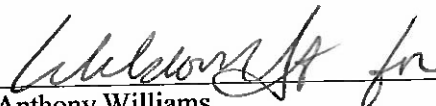
AYES (7): Mayor Williams, Mayor Pro-tem Hurt, Deputy Mayor Pro-tem Albus, and Councilmembers Price, Beard, McAlister and Craver
NAYS (0): None

ADJOURNMENT

Because the budget workshop was completed and scheduled ordinances adopted at first reading, the public was informed that the budget ordinances will not be considered during the regular City Council meeting on Thursday, July 28th for the budget.

The meeting adjourned at 10:09 a.m.


Shawna Atkinson
City Secretary


Anthony Williams
Mayor

Minutes approved on: August 11, 2022