



# FY2020 Budget Workshop

## August 1, 2019

City of San Marcos | Finance



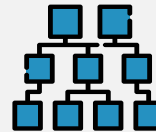
# Budget Workshop



**General Fund**



**Other Major Funds**



**Enterprise Funds**



**CIP Update**



**Questions & Discussion**

# General Fund



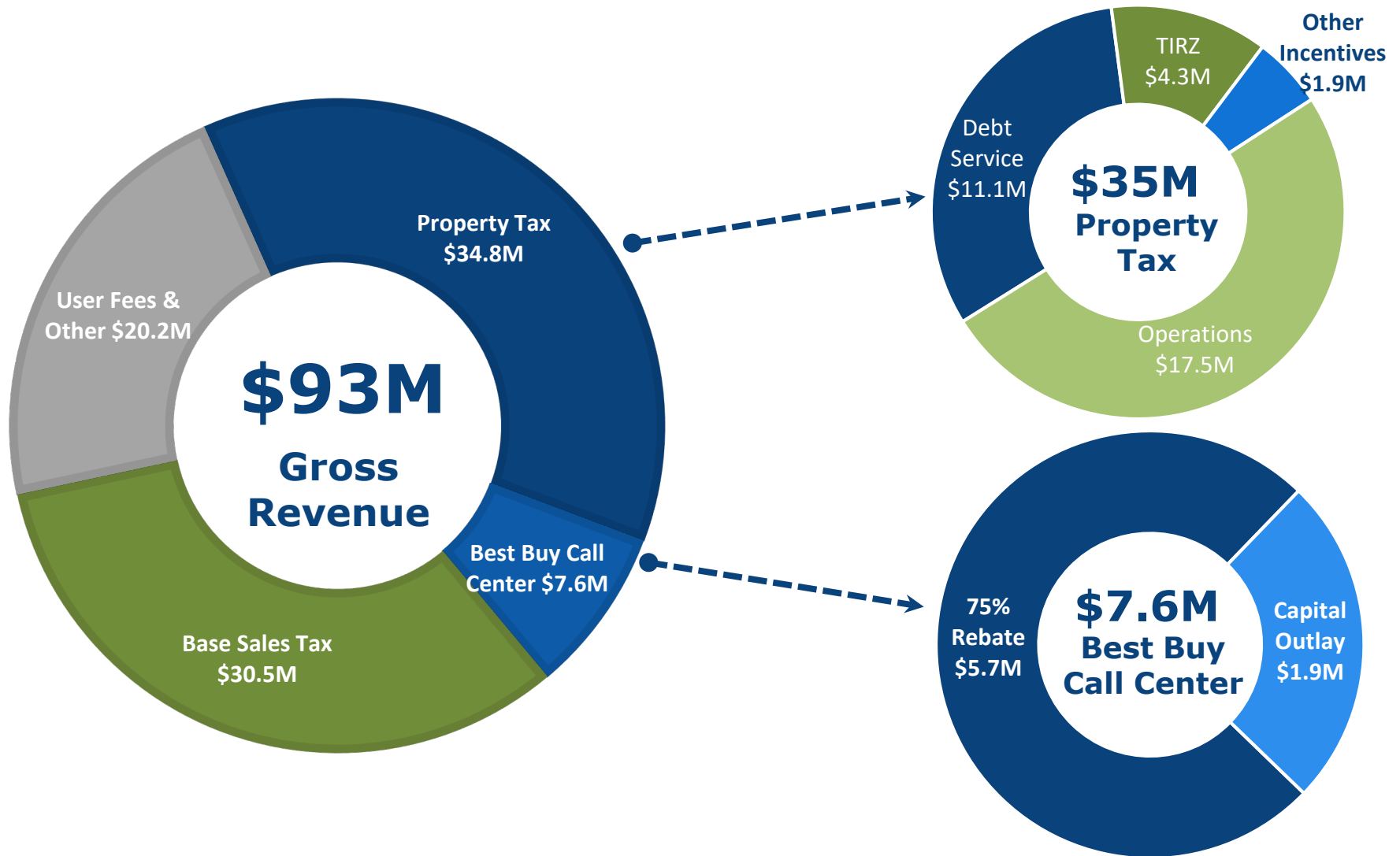


Certified tax rolls  
resulted in \$250K net  
revenue over prior  
forecast



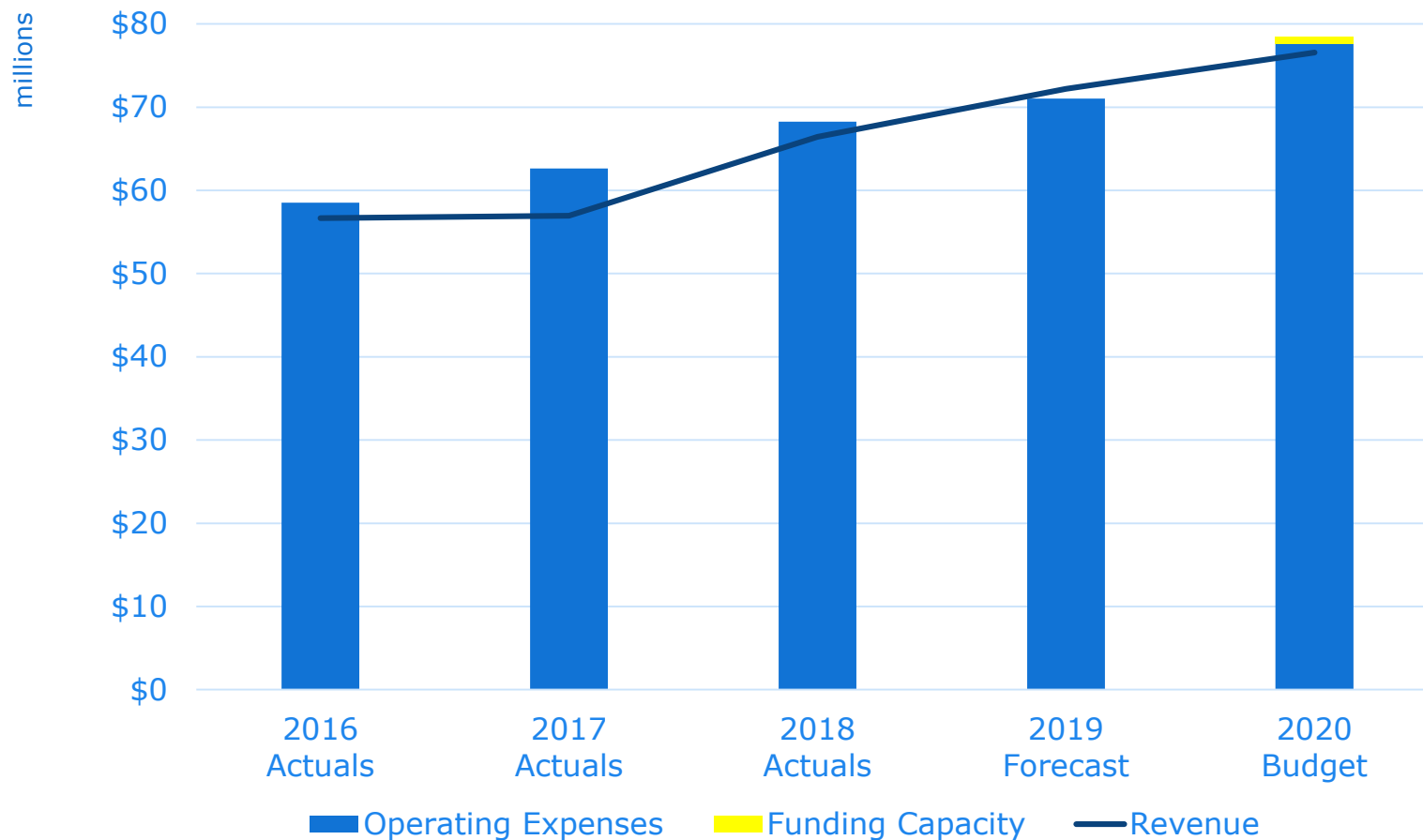
Revenue from plant  
sales and other  
activities \$40K  
moved to General  
Fund to align with  
expenditures

# General Fund Revenue Sources



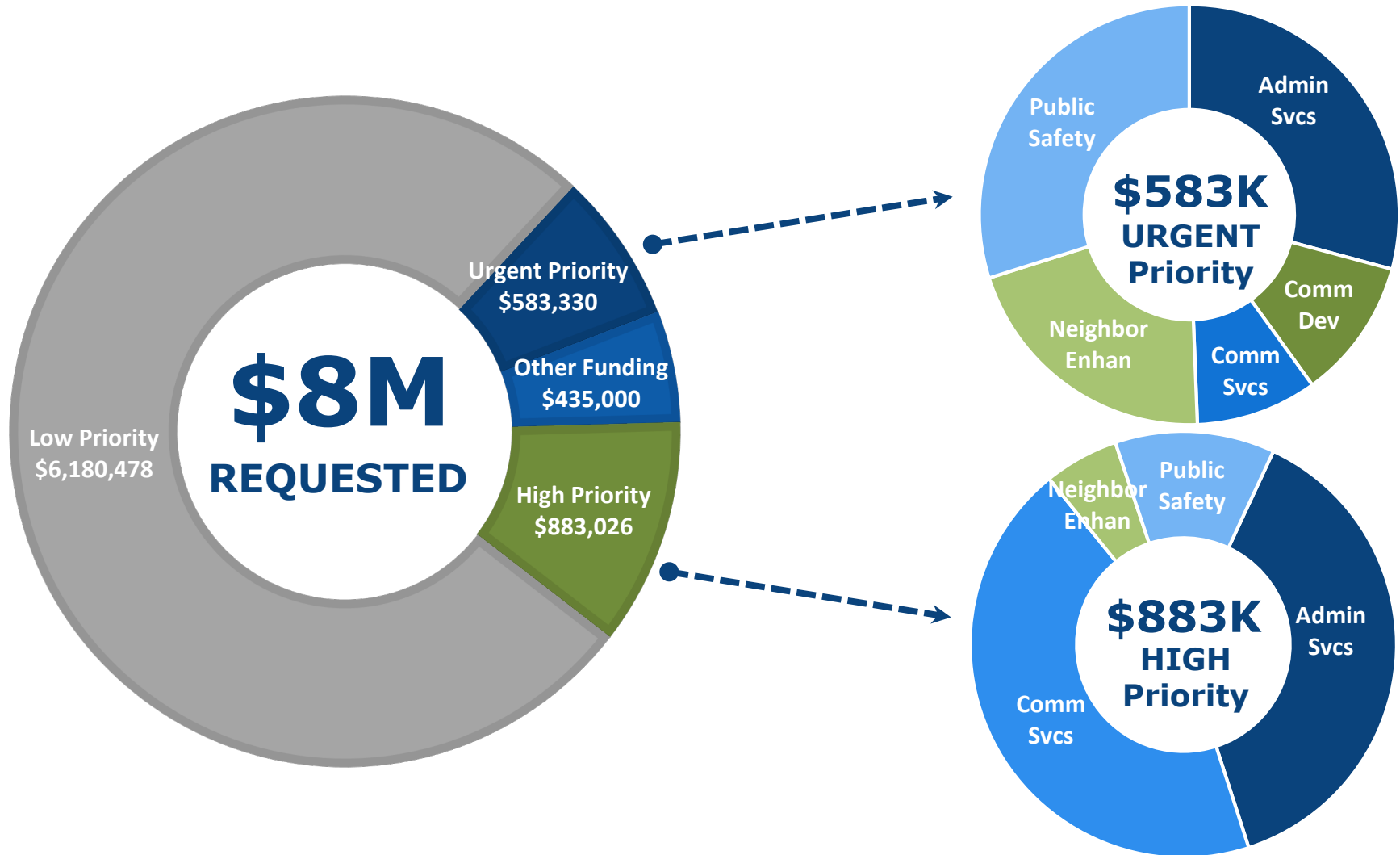
From gross revenue approximately 79% is utilized to fund recurring operations, with 21% allocated to debt service, economic development incentives & capital outlay

# General Fund Capacity



**Revised projections indicate \$850,000 available capacity in the General Fund to fund core services and other additional expenditures.**

# General Fund Capacity



Revised capacity funds 10.6% of identified needs within core services and operations.

# Proposed Expenditures - Revised

	Department	Description
	Youth Services Specialist	Expanded role to Full-time
	Habitat Conservation Specialist	Promote to Coordinator
	Discovery Center Attendant	Expand role to Full-time
	Fire	Paramedic Program – 1 FTE
	Finance	Procurement Specialist
	Parks & Rec	Natural Area Maintenance Crew & Supplies
	Facilities & Grounds	Construction Tech (mid year hire)
	<b>Total Proposed Funding:</b>	<b>\$257,500</b>



# Proposed Capital Outlay

	Department	Description	Amount
	Various	Fleet Lease Vehicles	770,000
	Various	Financed Equipment Payments	370,700
	Various	Fleet Replacement Leases	100,000
	Police	PD Pursuit Vehicles	550,000
	General	HCWC Transitional Housing	150,000
	Engineering	Vehicle	3,630
	Fleet Services	Equipment – Tire Changer	14,000
	Outdoor Pool	Pool filters (\$105,000 needed)	15,000
	Emergency Management	Radio station transmitter (\$22,500 needed)	7,500
	Fire	2 <sup>nd</sup> set of personal protective gear (\$32,400 needed)	\$10,800
	Animal Shelter	Equipment & Facility Maintenance (cost share w/ partners)	\$51,500
		<b>Total Proposed Funding:</b>	<b>\$2,043,130</b>

# Proposed Funding - Revised

Council  
Direction

	Funding Summary	Expense
	<b>Prior Proposed Funding</b>	<b>\$583,330</b>
	Personnel	\$318,120
	Operating	\$265,210
	<b>Additional Proposed Funding</b>	
	Personnel	\$257,500
	<b>Grand Total Proposed Expenditures:</b>	<b>\$840,830</b>

# Additional Considerations - Revised

**Council  
Direction**

Proposed Community Enhancement - \$430,000



FY19 Funding - Unsafe Structures  
\$200,000



Downtown Arch \$50,000



Special Projects \$110,000



Operating Expenditures \$270,000



# HSAB Recommendation \$500K



## Council Direction

Agency	Recommended
Hays County Food Bank	\$52,000
San Marcos Housing Authority	27,000
San Marcos Youth Service Bureau	17,500
Southside Community Center	78,000
Hays Caldwell Women's Center	63,000
SMCISD Age Parenting Program	15,000
Combined Community Action	15,000
Scheib	41,000
Any Baby Can	14,500
Nosotros La Gente	9,000
Greater San Marcos Youth Council	57,000
Society of St. Vincent de Paul	18,000
Casa of Central Texas Inc.	17,500
Community Action	16,000
Cenikor Foundation	27,500
Hays County Child Protective Boards	15,000
Salvation Army	10,000
Hands of Hope	3,000
San Marcos Texas Community Radio Assoc	2,000
Central Texas Dispute Resolution Center	2,000

Council  
Direction

## Economic/Business Development Manager - \$150,000



GSMP Liaison



Recruit new business



Address local business needs

## Economic Develop Program Funds - \$50,000



Program funds, professional development,  
and other needs

Council  
Direction

Accrued Funding Prior Years - \$800,000



Downtown Vitality \$200,000



Multi Modal Transportation \$200,000



Workforce Housing \$225,000



Workforce Development \$75,000



One-time Economic/Business Development  
Incentives \$100,000

## Council Direction

### Demolition of Historic Buildings



Propose a fee schedule for Historical Buildings



Lower fee for structurally unsound  
Higher fee for structurally sound



Work with Council Sustainability Committee to develop options



Propose recommendation to Council after Budget Adoption



Council  
Direction

## HCWC Transitional Housing Funding



Funding request \$400,000



FY19 proposed budget amendment  
\$150,000



FY20 Capital Outlay reallocation \$150,000



FY21 Funding subject to appropriations  
\$100,000





# **Other Major Funds**



# Hotel/Motel Funds - Revised

Council  
Direction

## FY20 Funding Adjustments



Tanger \$50,000



Conference Center Repairs \$10,000



Main Street/Downtown Special Events  
\$30,000



Arts Commission Funding: \$64,500

# Enterprise Funds





# **Water / Wastewater Fund FY20**

## Rate Recommendation



Rate Study completed



CUAB reviewed Rate Study and prepared a recommendation for City Council



Rate adjustment will follow long term plan of 5% Water & 3% Wastewater



All proposed expenses were included in modeling to evaluate effect on rates

## Debt Service and Potential Rate Adjustments from FY20 Rate Modeling

### Council Direction

	FY20	FY21	FY22	FY23	FY24
Revenue	\$45.7M	\$48.3M	\$51.0M	\$54.0M	\$56.9M
Expenses	43.5M	44.9M	47.9M	52.3M	55.5M
Ending Fund Balance	10.8M	11.1M	11.9M	13.0M	13.8M
Weather Stabilization Reserve	3.3M	3.5M	3.7M	3.9M	4.2M
Debt Coverage	1.19	1.24	1.20	1.10	1.08
Potential Rate Adjustment	5% W 3% WW	5% W 3% WW	5% W 3% WW	5% W 3% WW	5% W 2% WW

## Debt Service and Potential Rate Adjustments from FY19 Rate Model

	FY20	FY21	FY22	FY23	FY24
Debt Coverage	1.16	1.36	1.19	1.23	1.18
Potential Rate Adjustment	5% W 2% WW	5% W 3% WW	5% W 3% WW	5% W 3% WW	3% W 2% WW

## Proposed Personnel Expenditures (no change)

Description	
Equipment Op 2 (reclass) – 3 FTE	
Crew Leader	
Equipment Op 1 – 3 FTE	
Water Quality Tech	
<b>Total Personnel Expenses:</b>	<b>\$369,050</b>

## Proposed Operating Expenditures

Description	Annual Cost
Contracted Services	\$6,800
Technology ( <b>rounded</b> )	\$47,500
Arborist Supplies	\$25,000
<b>Total Operating Expense:</b>	<b>\$79,300</b>



## Proposed Capital Expenditures

Description	Annual Cost
<b>W/WW Systems SCADA</b>	\$250,000
<b>CCTV Reel &amp; Controller</b>	\$40,000
Tokay BFP upgrade	\$25,000
MAPS trench box	\$25,000
Road Trench Plates	\$10,000
Sonetics wireless headsets	\$18,000
<b>Rover I Laser Profiler</b>	\$42,000
<b>Track Steer Skid Loader</b>	\$85,000
<b>SL-Rat</b>	\$30,000
<b>Total Capital Expense:</b>	<b>\$525,000</b>

**Council  
Direction**

## Proposed Additional Expenditures

Funding Summary	Annual Cost
Personnel	\$369,050
Operating	\$79,300
Capital	\$525,000
<b>Total Waster/Wastewater Funding:</b>	<b>\$973,350</b>

# **Electric Fund FY20**



## Rate Recommendation



Rate Study completed



CUAB reviewed Rate Study and prepared a recommendation for City Council



No rate adjustment is recommended



All proposed expenses were included in modeling to evaluate effect on rates

## Lineworker Career Progression Plan



Employee retention & competitive salaries



Create career progression for lineworkers  
Sr. Linework & Apprentice levels I – IV



Increase headcount by 3 FTE at \$440K



Generates capacity for pole & line construction  
half the current contracted cost

## Proposed Personnel Expenditures

Description	
Senior Engineering Tech - reclass	
<b>Senior Administrative Assistant - reclass</b>	
<b>Lineworker Career Progression Plan</b>	
<b>GIS Technician</b>	
<b>Total Personnel Expenses</b>	<b>\$522,000</b>

## Proposed Operating Expenditures

Description	Annual Cost
Technology	\$63,000
<b>Contracted Services</b>	\$605,000
<b>Vehicle Lease &amp; Maintenance</b>	\$35,300
Professional Development	\$50,700
Arborist supplies	\$25,000
<b>Total Operating Expense:</b>	<b>\$778,400</b>

## Proposed Capital Expenditures (no change)

Description	Annual Cost
Manual Meter Reading System replacement	\$10,000
Bucket Truck for Meter techs	\$145,000
Locator	\$6,500
Crew truck	\$86,000
Cargo Trailer	\$10,000
<b>Total Capital Expenses:</b>	<b>\$257,500</b>



**Council  
Direction**

## Proposed Additional Expenditures

Funding Summary		Annual Cost
Personnel		\$522,000
Operating		\$778,400
Capital		\$257,500
<b>Total Electric Fund Expenses:</b>		<b>\$1,557,900</b>

# **Transit Fund**

## **FY20**



**Council  
Direction**

## Proposed Personnel Expenditures

Description	Annual Cost
Transit Support Specialist	\$60,000
<b>Total Personnel Expenses</b>	<b>\$60,000</b>

# Budget Timeline



# Budget Timeline

## Council Direction

Budget Policy Workshop  
Feb 13

**Proposed Budget Workshop  
Aug 1**

5

2

Adopt Budget Policy  
Mar 19

**1<sup>st</sup> Reading Tax Rate  
Aug 20**

6

3

Budget Work Session  
May 7

**1<sup>st</sup> Budget Reading, 2<sup>nd</sup>  
Reading Tax Rate, Sept 3**

7

4

Budget Workshop  
June 26 - 27

**2<sup>nd</sup> Reading & Budget  
Adoption, Sept 17**

8

# CIP Update



- Revised general fund projects to handle extra debt of facilities
- Did not delay:
  - Victory Gardens construction
  - Sunset Acres
  - Hills of Hays
- Significant demand for General Funds
- Reviewed project list for Downtown TIRZ funding and potential 2022 Bond Election

## Projects:

- Downtown Alley Reconstruction
  - Design funding
  - Kissing Alley to University
- Downtown Pedestrian and Safety Improvements
  - Smaller scale projects
  - Improve sidewalks and aesthetics
  - Benches, bike racks, lighting
  - Downtown Pattern Book guidelines
  - Involvement with Main Street & Downtown Association



- Funding for Design
  - Ensures good project scope/costs for bond election
  - Shovel ready projects for bond construction
- Potential Bond Projects with 2020 design funds:
  - Hopkins Street – Moore to Guadalupe
  - Old Ranch Road 12 Bike and Pedestrian Project (electric)
  - Purgatory Creek Bridge and Trail Improvements
- Additional projects have 2021 funding for design

# 2020 General Fund Projects Revised

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- #745 – 40 acres Master Plan deleted
- #547 – Ed JL Green Improvements delayed 3 yrs.
- #438 – City Park ADA funding accelerated
- #739 – Dunbar Bldg. Rehab phased with design in 2020
- #336 – Gary Softball Complex phased. Add'l Phase 1 funding in 2020
- #740 – River Parks Restroom delayed 1 yr.
- #616 – Cemetery Land Acquisition revised to actual
- #62 – Replace Smeal Pumper delayed 1 yr.

- Complete 2017 bond projects
- Continue work on development of potential 2022 Bond Election projects
  - Establish Bond Committee - Summer 2021
  - Bond Election – May 2022
  - Issue bond debt – Spring 2023
- Continue seeking alternative funding through:
  - Grants
  - TxDOT
  - TWDB



## Council Direction

## Summarized by Strategic Initiative

### Multi-Modal Transportation

- Bishop St. Imps
- Hopkins Sidewalk Widening
- Hopkins St. Imps – Moore to Guadalupe
- Kingwood and Sherwood Imp
- Old RR 12 Bike and Ped
- Purgatory Creek Imp Ph 1
- Sessom/Academy Intersection

### Downtown Vitalization

- Downtown Alley Reconstruction
- Downtown Ped Safety & Comfort Imps

### City Facilities

- Critical Facility Security
- Airport – City Facilities
- Airport Hanger Project
- City Facilities HVAC Replacements
- City Facility Parking Lots
- City Facility Renovations
- PARD Maintenance Facility
- Library Renovations
- Fire Training Facility
- Animal Shelter – Short Term Imps

# Wrap Up

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## Questions



## Discussion



# Thank You



**Bert Lumbreras**

*City Manager*



**Stephanie Reyes**

*Chief of Staff*



**Heather Hurlbert**

*Director of Finance*



**Melissa Neel**

*Assistance Director of Finance*



**Laurie Moyer**

*Director of Engineer/CIP*