

# City of Alpine Draft Budget FY16-17

Budget Workshop #2



# Ad Valorem Taxes

- Draft Budget leaves the rate at \$0.5385/\$100
- Projected Revenues
  - I&S - \$ 279,123
  - M&O - \$ 1,442,712
- Current Year Revenues
  - I&S - \$297,551
  - M&O - \$ 1,320,176
- Question – Are you comfortable with leaving the tax rate the same?
- Information for Public Posted on Home Page of City Website

# City Sales Tax

- Increased revenue projection by 10.1% for next year
  - This is in-line with our increases for this year
- Vision Plan output expected this fall

# Parks/Pool

- Adding two seasonal employees in budget for next year
- Moved maintenance/capital improvement dollars into single line item (0642-0730)
- \$55K budgeted for new tractor/trailer for large area mowing
- Worry some about staffing for Pool and abilities to keep open through season

# Streets

- Plan is to approach seal-coat program in 2017 similar to this years strategy
- Will pave all the way up to late October – early November
- Materials (Rock) is especially hard to buy due to TxDOT projects

# EMS

- Response(s) to RFP
- Direction of Carol's Ambulance
- MOU Opportunity with County and Hospital District
- Goal of achieving cost effective 'out-of-district' transportation
  - AirMethods rates

# Miscellaneous Items in GF

- Volunteer Luncheon included in line item (0623-2200)
- Added line for Discretionary Spend to Community Benefiting agencies (0620-2120)
- Legal Expenses left the same
- IT Focus on Computer upgrades and Cameras for remote visibility
- Combine building maintenance into one department for general fund

# Employee Wages

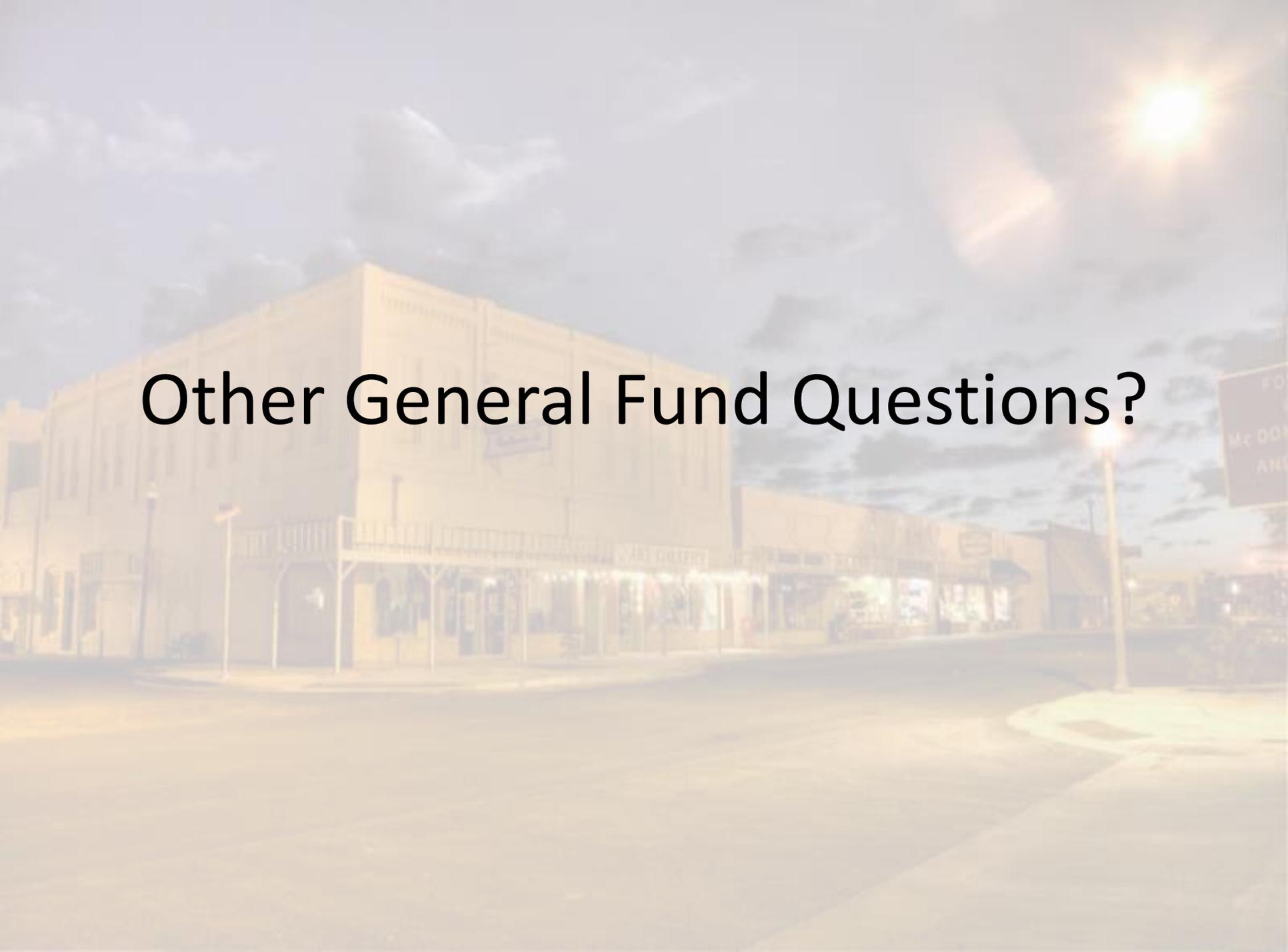
- Building proposed budget at 3% increase in wages
  - Exception – Water/Wastewater division – reviewing contract with US Water (alternate slide) and/or raising them up to more regional equivalent wage
- Workers Compensation and Insurance not broken down in draft budget, but will be complete for Proposed Budget

# HealthCare

- Looking at Variety of Partially Self-Funded options from different vendors
- TML has been aggressive with their rates on this program
- Budgeting approximately \$700/month per employee

# Electricity Costs

- Budgeted at 3% increase in projected costs from this year
- RFP concluded on July 29<sup>th</sup>
- Will need Resolution to accept the company/bid



Other General Fund Questions?

# Water – Sewer Revenues

- Left the revenues the same at this years projection in draft budget
- Have not had an increase in 7 years
- Would like to increase water by approximately 3%
- Would like to increase residential sewer to a flat rate at approximately \$15.50/month versus current \$14.13. Would leave the commercial rate calculation the same, but increase that rate by 3%
  - Other Cities Flat Rate Residential: Andrews \$15, Littlefield \$19.79, McCamey \$14.50, Presidio \$18.80, Seminole \$18.50
  - Alpine rate is currently <75% than average City in our population bracket in the State
- New system conversion gives us limited visibility (due to limited data inputs) into the exact financial calculations

# Water-Sewer Expenses

- Increased line items in draft for proactive work
  - Distribution System Mtc (0653-0711)
  - Line Maintenance (0653-9700)
  - All Well Maintenance (0653-4802)
  - Line Extensions (0653-6500)
  - Fire Hydrants (0653-9600)
  - WWTP Maintenance (0654-0704)
  - Collection System Maintenance (0654-0705)
  - CIP Sludge Box - Sludge Removal (0654-9000)
  - CIP Bar Screen (0654-9001)
  - Will decrease these lines as necessary to get to a balanced budget for formal Proposal
- US Water Quote Review and Options
  - Project Manager Only
  - Project Manager and all employees
  - Would need to go out to RFP

# Sanitation

- Converting Part-time employee working with Patsy to a full-time employee
- Continue to utilize Grants and Workforce GO for additional funding sources for projects
- Rate with TDS established
- Adding in approximately \$9K in to reserve fund for Landfill Closure costs. Current fund has just shy of \$75K

# Airport

- Will need to generate an additional -- \$ 100k in our Airport Reserve Fund to satiate our commitment for larger TxDOT project
- Contemplate Equity Transfer of \$150k from Gas Fund during Fiscal Year 2016-17
  - This would be an expense above the Gas Departments normal expenses plan for the fiscal year

# HOT Fund

- \$80K in projected expenses to finish the Civic Center remodel
- RFP for Visitor Center work
- Break down revenue sections per entity
- Projecting an increase of 7.5% in revenues

# Gas Department

- Projecting Revenue reduction this year – conservative approach due to warmer trend this year and gas purchase rate
- Currently have an approximate \$85K gap in Revenues versus Expense in Draft
  - Would eliminate Vehicle Purchase CIP – purchasing in this years budget at end of cycle
  - Reduce \$25K (1/6<sup>th</sup>) of Road Repair obligation

# Ordinances/Resolutions Required

- Ordinance on Budget
- Ordinance on setting of Tax Rate
- Ordinance on Revenue increase with Ad Valorem Tax
- Water/Sewer Rate Ordinance
  - Water Bill Due Date (move to the 15<sup>th</sup> to coincide with Gas bill due date)
- Civic Center Usage Rates
- Animal Control Fees – to coincide with new Ordinance passed earlier this year
- Resolution on Electricity RFP
- Resolution on Gas price and term with West Texas Gas
- Resolution on Holiday Schedule

# Proposed Meeting Times for Approvals

- Proposed Budget Due out Early Next Week – August 9th
- Tax Rate Hearing #1 – August 18<sup>th</sup>
- Tax Rate Hearing #2 – August 29<sup>th</sup>
- Budget Public Hearing – August 29<sup>th</sup>
- Approve Tax Rate, Tax Revenue, Adoption of Budget on September 6th