

AGENDA
NOTICE OF MEETING OF THE CITY COUNCIL OF
SHAVANO PARK, TEXAS

This notice is posted pursuant to the Texas Open Meetings Act. Notice hereby given that the City Council of the City of Shavano Park, Texas will conduct a Budget Workshop on Tuesday, July 11, 2023 at 5:30 p.m. at 900 Saddletree Court, Shavano Park City Council Chambers for the purpose of considering the following agenda:

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE AND INVOCATION

3. CITIZENS TO BE HEARD

The City Council welcomes “Citizens to be Heard.” If you wish to speak, you must follow these guidelines. **As a courtesy to your fellow citizens and out of respect to our fellow citizens, we request that if you wish to speak that you follow these guidelines.**

- Pursuant to Resolution No. 04-11 citizens are given three minutes (3:00) to speak during “Citizens to be Heard.”
- Only citizens may speak.
- Each citizen may only speak once, and no citizen may pass his/her time allotment to another person.
- Direct your comments to the entire Council, not to an individual member.
- Show the Council members the same respect and courtesy that you expect to be shown to you.

The Mayor will rule any disruptive behavior, including shouting or derogatory statements or comments, out of order. Continuation of this type of behavior could result in a request by the Mayor that the individual leave the meeting, and if refused, an order of removal. In compliance with the Texas Open Meetings Act, no member of City Council may deliberate on citizen comments. (Attorney General Opinion – JC 0169)

4. CITY COUNCIL COMMENTS

Pursuant to TEX. GOV'T CODE §551.0415(b), the Mayor and each City Council member may announce city events/community interests and request that items be placed on future City Council agendas. “Items of Community Interest” include:

- expressions of thanks, congratulations, or condolences;
- information regarding holiday schedules;
- an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in status of a person’s public office or public employment is not honorary or salutary recognition for purposes of this subdivision;
- a reminder about an upcoming event organized or sponsored by the governing body;
- information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality or county; and
- announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after posting of the agenda

5. REGULAR AGENDA ITEMS

- 5.1. Presentation/discussion - Compensation Study Results - Dr. Stephen Werling, Werling Associates**
- 5.2. Presentation / discussion - Long-term Financing Considerations - City Manager / Finance Director**
- 5.3. Presentation / discussion - Prioritized Projects/Major Expenditures - City Manager / Directors**
- 5.4. Presentation / discussion - Capital Replacement Fund - Finance Director**
- 5.5. Presentation / discussion - American Rescue Plan Act Funds Considerations - City Manager / Finance Director**
- 5.6. Presentation/discussion – Review of Budget Calendar – Finance Director**

6. ADJOURNMENT

Executive Sessions Authorized: This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of TEX. GOV'T CODE CHAPTER 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy TEX. GOV'T CODE §551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

Attendance by Other Elected or Appointed Officials:

It is anticipated that members of City Council or other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

Accessibility:

The facility is wheelchair accessible and accessible parking spaces are also available in the front and sides of the building. The entry ramp is located in the front of the building. Sign interpretative services for meetings must be made 48 hours in advance of the meeting. Call the City Secretary at 210-581-1116 or TDD 1-800-735-2989.

CERTIFICATION:

I, the undersigned authority, do hereby certify that the above Notice of Meeting was posted at Shavano Park City Hall, 900 Saddletree Court, at a place convenient and readily accessible to the general public at all times, and said Notice was posted on the 7th day of July 2023 at 12:30 p.m.

Kristen M. Hetzel
City Secretary

CITY COUNCIL STAFF SUMMARY

Meeting Date: July 11, 2023

Agenda item: 5.1

Prepared by: Brenda Morey

Reviewed by: Bill Hill

AGENDA ITEM DESCRIPTION: Presentation / Discussion – Compensation Study Results – Dr. Stephen Werling, Werling Associates, Inc.

X

Attachments for Reference:

- a) Compensation Study presentation
- b) Base Pay System Design Preliminary Report

BACKGROUND / HISTORY:

The City contracted with Ray Associates to complete a compensation and benefits survey during summer 2021. Council approved the recommendations as well as a 3% COLA adjustment which resulted in an average 8.5% increase for FY22.

For FY2023, the City contracted with Werling Associates, Inc. to compare the City's current pay structure to the marketplace, identifying positions in need adjustment. Council approved \$1,000 increase in the paramedic certification pay, \$1,100 increase in the base firefighter compensation, \$750 increase in the base detective compensation, a one-step (2.5%) increase to those employees not currently at the top of their pay group, a 4.5% COLA to the employees in the general government pay groups below 20, and the 'front line' fire fighters and patrol officers. All other employees received a 4.0% COLA in addition to the one step increase.

DISCUSSION:

Recommendations in the Ray Associates report include:

- Future salary schedule adjustments should be at least equivalent to the percent change in the U. S. Department of Labor's Employment Cost Index (ECI) for salaries and wages over the preceding 12-month period available from the U.S. Bureau of Labor Statistics' website (www.bls.gov). NOTE: The ECI varies slightly based upon the 12 months used in comparison.
- The ECI figures should be supplemented by calls to the benchmark employers used in this study and/or review of other supplemental data to determine what the market in which the City of Shavano Park competes is planning for salary structure adjustments.

The Social Security Administration provided a COLA of 8.7% for calendar year 2023. This increase was based on the Consumer Price Index from the third quarter 2021 thru the third quarter 2022.

The Compensation Subcommittee, consisting of Council members Mayor Pro Tem Konrad Kuykendall and Ald. Maggi Kautz and City staff, City Manager Hill, City Secretary Hetzel and Finance Director Morey, met with Dr. Werling on July 6th.

Dr. Werling joins us to present his findings and recommendations. Dr. Werling recommendation for the ECI is to use 5%.

Other items of note for consideration:

- Texas Health Benefits Pool indicated health insurance premiums will increase 31% for the upcoming plan year. They are also raising the dental premiums. The City has solicited bids from interested insurance providers and this topic will be discussed at the July 24th budget workshop.
- TMRS – The City's contribution rate for calendar year 2024 decreased from 14.57% to 14.33%. This is a modest 1.6% decrease.

COURSES OF ACTION:

Consensus to be determined.

FINANCIAL IMPACT:

To be determined.

MOTION REQUESTED:

None at this time.

Base Pay Plan Update

City of Shavano Park

July 6, 2023

Presented by:
Stephen Werling, DBA, SPHR



Labor Market Conditions

Continuing difficult labor market.

Year	Unempl.	CPI	ECI-Wages
2021	3.90%	7.80%	3.00%
2022	3.50%	6.50%	5.00%
2023	3.50%	4.00%	5.00%

Extreme shortage of direct service and skilled employees (Clinical, Trades, Skilled Admin, Direct Service, Entry-Level Police and Fire).

Starting pay is increasing for most jobs.

Average Wage Change

ADP	7.7%
San Antonio Survey	8.1%

Salary Data

San Antonio Municipality Survey cities

City	City
Alamo Heights	San Antonio River Authority
Balcones Heights	Schertz
Boerne	Selma
Converse	Shavano Park
Fair Oaks Ranch	Windcrest
New Braunfels Utilities	

Recommendation

If there are concerns with the 2024 – 25 Update

- Council identifies target Cities
- City staff collects data.
 - Voluntary or Open Records Act

Fire Department

Data and Analysis

The Fire Department Pay Schedule is market driven.

- Market average starting pay is matches to Step 1.**

Table 4

Job Title	Current Step 1	Current Step 6	Survey Average Starting Pay	Survey Average Pay	Avg. Min Salary/ Step 1	Average Salary/ Step 6
Paramedic	47,572.59	53,824.02				
Firefighter EMT	50,076.41	56,656.86	51,886.49	55,062.98	103.61%	97.19%
Fire Lieutenant	61,058.74	69,082.36	67,599.44	74,261.45	110.71%	107.50%
Fire Captain	71,575.36	80,980.95	76,765.09	84,460.05	107.25%	104.30%
Fire Administrator	74,467.42	84,253.06				

Fire Department

Recommendations

Match the current market starting pay and ECI – Wage change for 2023 and 2024.

Adjustments

Current Step 1 * (1+ Standard Adjustment) *(1+ ECI).
Current Step 1 * (1+ 3.6%) *(1+ 5.0%).
Current Step 1 * 1.088%

Set Paramedic 5.0% below Firefighter EMT.

Set Fire Administrator 4.0% above the Captain

Table 8

Job Title	Avg Min Differential w/ECI	Avg Min Differential w/COLA	Standard Department Adjustment w/ECI	Standard Department Adjustment w/COLA
Paramedic	51,756.77	51,263.85	51,749.46	51,256.61
Firefighter EMT	54,480.81	53,961.95	54,473.12	53,954.33
Fire Lieutenant	70,979.42	70,303.42	66,419.70	65,787.13
Fire Captain	80,603.34	79,835.69	77,859.67	77,118.15
Fire Administrator	83,827.47	83,029.12	80,974.06	80,202.88

See Exhibit 2.

Police Department

Data and Analysis

The Police Department Pay Schedule is market driven.

- **Market average starting pay is matches to Step 1.**

Table 4

Job Title	Current Step 1	Current Step 6	Survey Average Starting Pay	Survey Average Pay	Avg. Min Salary/ Step 1	Average Salary/ Step 6
Police Officer	55,000.80	62,228.35	56,179.14	59,167.44	102.14%	95.08%
Police Corporal	58,289.22	65,948.90	64,503.33	68,562.56	110.66%	103.96%
Police Detective	59,695.31	67,539.77	73,080.45	63,076.00	122.42%	93.39%
Police Sergeant	67,466.75	76,332.43	72,938.55	78,312.25	108.11%	102.59%
Police Captain	77,208.01	87,354.82				

Police Department

Recommendations

Match the current market starting pay and ECI – Wage change for 2023 and 2024.

Adjustments

Current Step 1 * (1+ Standard Adjustment) *(1+ ECI).

Current Step 1 * (1+ 2.%) *(1+ 5.0%).

Current Step 1 * 1.071%

Set Police Captain 14.0% above the Sergeant.

Table 8

Job Title	Avg Min Differential w/ECI	Avg Min Differential w/COLA	Standard Department Adjustment w/ECI	Standard Department Adjustment w/COLA
Police Officer	58,988.09	58,426.30	58,963.60	58,402.05
Police Corporal	67,728.49	67,083.46	62,488.96	61,893.82
Police Detective	76,734.47	76,003.67	63,996.36	63,386.87
Police Sergeant	76,585.47	75,856.09	72,327.73	71,638.89
Police Captain	87,307.44	86,475.94	82,770.92	81,982.56

See Exhibit 3.

Admin and Public Works

Data and Analysis

The General Government Pay Schedule uses a standard pay structure.

Market average starting pay matched to Step 1.
Market average matched to Step 9.

Evaluation Guidelines

PW Maintenance Worker matched with other Maintenance Workers.

Police Office Manager has no supervisory responsibilities.

PW/W Superintendent 3 pay grades above Water Crew Lead market pay grade.

Assistant to CM – Match increases with level of responsibility and skills.

City Secretary/HR Director 2 pay grades above City Secretary market pay grade due to HR duties.

Assistant City Manager pay grade based on skill set and level of responsibilities relative to market jobs.

Administration and Works

Data and Analysis

The General Government Pay Grades

Table 11

Job Title	Current Pay Grade	Avg Min Pay Grade	Avg Pay Grade	Recommended 2023 – 24 Pay Grade
Permit Clerk/Reception	GG 15	GG 16	GG 13	GG 16
Police Office Mgr	GG 16	GG 17	GG 11	GG 17
PW Maintenance Worker	GG 14	GG 14	GG 9	GG 17
PW/W Maint Worker	GG 14	GG 18	GG 17	GG 17
Water Maint Worker	GG 14	GG 18	GG 17	GG 17
Court Clerk	GG 19	GG 17	GG 17	GG 19
HR/Finance Clerk	GG 19	GG 19	GG 14	GG 19
PW/W Office Mgr	GG 19	GG 23	GG 18	GG 19
Water Crew Leader	GG 17	GG 22	GG 21	GG 21
PW/W Superintendent	GG 23			GG 24
City Secretary/HR Director	GG 30	GG 30	GG 27	GG 32
Fire Chief	GG 35	GG 35	GG 34	GG 35
Dir of Public Works	GG 34	GG 33	GG 37	GG 35
Police Chief	GG 36	GG 37	GG 36	GG 36
Asst City Manager	GG 35	GG 43	GG 41	GG 37
Finance Director	GG 37	GG 35	GG 34	GG 37
City Manager	GG 45	GG 45	GG 43	GG 45

Administration and Works

Recommendations

Match the current market starting pay and ECI – Wage change for 2023 and 2024.

Adjustments

Current Step 1 * (1+ ECI).
Current Step 1 * 1.050%

See Exhibit 4.

Individual Pay Analysis

Comments and Recommendations

City maintains a modified Step Plan.

- Time on the Job
- Experience
- Other Factors

Plan not documented and followed consistently.

Recommendations

Establish a structured process to assist in determining the proper pay step.

Maintain documentation to support the initial step.

Establish a two year plan to move the employees pay to the proper pay step.

Pay Plan

Recommendation

Consider training for the City Secretary/HR Director to enable the City to conduct the annual pay plan reviews with minimal external support.



Solutions and Leadership
For Human Resource Management

**Base Pay System Design
Preliminary Report
For
City of Shavano Park**

Prepared by:

Stephen Werling, DBA, SPHR

July 6, 2023

Werling Associates, Inc.
11845 IH-10 West, Suite 407
San Antonio, TX 78230
Telephone: 210-697-8232
steve@werling.com

INTRODUCTION

Werling Associates, Inc. provides this base pay plan design for the City of Shavano Park. The analysis provides management with the necessary background information to establish competitive and equitable base pay for the positions in the organization. The analysis focuses on the organization's concern for maintaining competitive pay relative to other similarly sized organization, and follows the market based job evaluation process and individual pay model used in previous studies.

The analysis provides a recommended pay range for each position based on the market estimates and internal considerations.

WERLING ASSOCIATES, INC.'S ROLE

Werling Associates, Inc. is a San Antonio, Texas based human resource management consulting firm specializing in compensation system design. The analysis and recommendations reflect our knowledge of sound compensation practice. Werling Associates, Inc. is a consulting firm and does not practice law. As such, the analysis and recommendations represent our view as management consultants from a business perspective. The organization should consider the information and interpretations contained in this report as reference points for decision-making, not as legal opinion or legal advice. The organization should consult with an attorney on any legal matters associated with this report.

The primary role of Werling Associates, Inc. in the base pay system design process is that of a technical consultant and advisor. It is the responsibility of the management to make all final compensation decisions.

LABOR MARKET CONDITIONS

The current labor market and general market conditions create a unique situation that significantly impacts pay and the related business decision. The high general inflation for the past 12 months, April CPI is 4.0%, and the low unemployment for the past two years of less than 4.0% places severe upward pressure on wages. The March, 2023 Employer Cost Index for wages increased 5.0% over the past year. In spite of the market conditions, most organizations budgeted low annual increases of 4.13% for 2022 and 3.49% for 2023 which contributed to the increased turnover of 27.16% reported in the 2023 San Antonio Survey.

The labor market conditions and general inflation have a direct impact on the City's response to the pay analysis especially the pay adjustments and pay increases for FY 23 - 24. The total inflation over the past three years and projected 2023 is approximately 19.20%, the total annual increase for the period is approximately 14.10%.

The relatively low annual increases relative to inflation do not consider the wage inflation for the lower paying jobs in the marketplace or the wage inflation for specific jobs such as entry level Police Officer, Firefighter, and EMT Paramedic. Organizations who do not respond to the wage inflation will experience increased turnover as employees seek to recover their lost earning power.

BASE PAY PLAN

The base pay plan includes four major components. The base pay plan support component includes the base pay system design guidelines and the base pay objectives. The base pay structure component

includes: the pay structure, market definition, establishing the pay level policy, external data collection, the job evaluation process, initial pay grade assignments, and managerial evaluation. The employee pay determination component includes the individual pay analysis and the individual pay determination process. The pay administration component includes the related pay policies and procedures to maintain the base pay system.

BASE PAY PLAN SUPPORT

The base pay plan support component includes the base pay philosophy and the base pay objectives.

Base Pay Philosophy

Base pay system design requires an understanding of both computational procedures of information and the logical foundations for the decisions. There are several basic principles that provided guidance in developing the base pay system and in making the recommendations.

- Base all decisions on the goals, objectives, and culture of the organization.
- Be conservative. Start with conservative practices that the organization may expand on as needed.
- Design a plan that maintains competitive wages for the organization.
- Focus on process equity rather than desired outcomes based on past decisions or practices.
- Recommend financial resource allocation to those individuals and activities that have the greatest impact on the organization and where there is a significant risk of losing the employee through turnover.
- Create a transparent process that allows open review of all design decisions and information and training for employees.

Objectives

To achieve the base pay philosophy, the base pay system has several specific objectives.

- Enhance and support the organization's culture, strategies, and objectives.
- Ensure the organization makes pay decisions within the organization's long-term financial objectives, as with any financial decision, be conservative.
- Standardize the wage determination process.
- Establish wage levels that are competitive with those paid for similar work in the relevant labor market.

Study Assumptions and Limitations

- The level of base pay depends on a variety of factors including market conditions, industry, individual characteristics, and other organizational considerations. The market average minimum pay represents the best estimate for a new hire in an entry level position. The market survey averages represent the best estimate for the pay of a fully qualified individual.
- The published surveys do not include information on individual characteristics that influence wages, such as performance, tenure in the organization, and previous experience.

- The analysis assumes that the organization’s benefit package is competitive but does not provide a significant advantage or disadvantage that would impact the base pay analysis. The organization offers a level of benefits that generally match the marketplace.

Relevant Information

The organization provided the following information for all jobs and employees included in the project.

- Current pay structures and pay grade assignments
- Employee data

Pay Level Policy

The organization maintains a pay policy of meeting the average base pay within the relevant labor market.

EXTERNAL LABOR MARKET INFORMATION

The external labor market information includes the definition of the organization’s relevant labor market, and the source of the market data.

Relevant External Labor Market

The definition of the relevant external labor market is one of the most important decisions in establishing a competitive base pay plan. Organizations define the relevant labor market in terms of the geographic region that contains the supply of potentially qualified individuals for a job and the demand for these individuals as defined by the organizations in a geographical area that also hire the qualified individuals.

The relevant labor market for the administrative jobs that are common across industries in the San Antonio area. The relevant labor market for the municipality specific jobs is other cities of similar size in the San Antonio area.

Survey Data

The availability of market data is critical to the success of the compensation system design. The design process uses data from the 2023 San Antonio Area Wage & Benefit Survey. Table 1 provides a list of the 2023 San Antonio Area Wage & Benefit Survey, Municipality participants used in the analysis. Exhibit 1 provides the unadjusted survey data.

Table 1

City	City
Alamo Heights	San Antonio River Authority
Balcones Heights	Schertz
Boerne	Selma
Converse	Shavano Park
Fair Oaks Ranch	Windcrest
New Braunfels Utilities	

Recommendations

The analysis depends on a consistent source of survey information. The City Council has mentioned the concern several times. However, consultants have a difficult time getting some cities to voluntarily submit wage data for a survey. The City should use the network of City officials to obtain the data and submit open records requests to the cities that do not voluntarily provide data. A consultant can then analyze the data.

MARKET-BASED JOB EVALUATION PROCESS

The City's base pay plan uses a market based job evaluation process to evaluate the jobs and determine the appropriate pay grade assignments for the administrative positions and the actual pay grades for the Police and Fire positions. The market-based job evaluation process uses elements from traditional market pricing and job evaluation methods to establish the appropriate pay grade for each job. The market pricing provides the benchmark information, while the job evaluation process considers internal factors such as the job responsibilities, internal labor markets, and unique jobs.

Market Pricing

The market pricing process assigns each job with market data to the pay grade where there is the closest match between the adjusted market rate and the midpoint of the pay grade or to the minimum starting pay with the minimum of the pay grades to ensure that the pay grades reflect the starting pay in the marketplace. This ensures that the midpoint or the minimum of the pay grade is within 2.5% of the market average. The market pricing also provides foundation for the starting pay for position in the Police and Fire departments.

Internal Guidelines

The internal guidelines consider internal factors that may influence compensation for the jobs. These factors include, but are not limited to the: reporting relationships between jobs; similarity and differences in job responsibilities, skill requirements, and specific knowledge requirements; managerial input; and other compensable factors.

The internal guidelines assist in determining the appropriate pay grades for the jobs without market data or job where internal factor may over-ride the market pricing pay grades. The analysis uses the following guidelines.

- Maintain current pay grade if current pay grade is above the market pay grade.

2023 -24 BASE PAY SCHEDULES

The City maintains four pay schedules for the 27 jobs in the organization. The pay schedules contain pay grades and a step plan with a 2.50% increase for each step. Table 2 lists the pay schedules.

Table 2

Schedule
Fire Department Pay Schedule
Police Department Pay Schedule
General Government Pay Schedule 1
General Government Pay Schedule 2

Fire Department Market Analysis

Survey Data

The Fire Department pay schedule is 100% market driven. The starting pay for each job matches the average starting or minimum pay in the marketplace. Table 3 provides the average minimum pay from the survey participants, the 25th percentile, average, and the 75th percentile from the San Antonio Municipality Survey. The survey did not provide data for the EMT-Paramedic or the Fire Administrator.

Table 3

Job Title	Average Minimum Salary	Survey 25th Percentile	Survey Average	Survey 75th Percentile
Paramedic				
Firefighter EMT	51,886.49	51,718.42	55,062.98	59,420.74
Fire Lieutenant	67,599.44	69,097.50	74,261.45	79,235.00
Fire Captain	76,765.09	73,358.08	84,460.05	97,534.84
Fire Administrator				

Table 4 provides a comparison of the Step 1 and Step 6 compared to the survey average starting pay and the survey average. The data does not reflect any wage inflation for 2023 or any changes in the 2023 – 24 salaries of the other cities.

Table 4

Job Title	Current Step 1	Current Step 6	Survey Average Starting Pay	Survey Average Pay	Avg. Min Salary/ Step 1	Average Salary/ Step 6
Paramedic	47,572.59	53,824.02				
Firefighter EMT	50,076.41	56,656.86	51,886.49	55,062.98	103.61%	97.19%
Fire Lieutenant	61,058.74	69,082.36	67,599.44	74,261.45	110.71%	107.50%
Fire Captain	71,575.36	80,980.95	76,765.09	84,460.05	107.25%	104.30%
Fire Administrator	74,467.42	84,253.06				

The data shows that the Firefighter survey average starting pay is 3.61% above the current Step 1 and the Firefighter survey average is 2.81% below Step 6, the grade midpoint. The lower average reflects the turnover and number of new hires in the position.

The Fire Captain and Fire Lieutenant ratios show that the respective market values are 4.30% to 10.71% higher than the equivalent pay schedule steps. The Fire Lieutenant and Fire Captain are typically internal promotions rather than external hires. The market salaries reflect the Cities' internal promotion policies and longevity of the employees, not the wage inflation due to any extreme labor market conditions.

Police Department Market Analysis

Survey Data

The Police Department pay schedule is 100% market driven. The starting pay for each job matches the average starting or minimum pay in the marketplace. Table 5 provides the average minimum pay from the survey participants, the 25th percentile, average, and the 75th percentile from the San Antonio Municipality Survey. The survey did not provide data for the Police Captain.

Table 5

Job Title	Average Minimum Salary	Survey 25th Percentile	Survey Average	Survey 75th Percentile
Police Officer	56,179.14	54,704.00	59,167.44	62,275.20
Police Corporal	64,503.33	60,406.00	68,562.56	73,340.80
Police Detective	73,080.45	63,076.00	63,076.00	63,076.00
Police Sergeant	72,938.55	69,430.00	78,312.25	85,036.54
Police Captain				

Table 6 provides a comparison of the Police Department Pay Schedule Step 1 and Step 6 compared to the survey average starting pay and the survey average. The data does not reflect any wage inflation for 2023 or any changes in the 2023 - 24 salaries of the other cities.

Table 6

Job Title	Current Step 1	Current Step 6	Survey Average Starting Pay	Survey Average Pay	Avg. Min Salary/ Step 1	Average Salary/ Step 6
Police Officer	55,000.80	62,228.35	56,179.14	59,167.44	102.14%	95.08%
Police Corporal	58,289.22	65,948.90	64,503.33	68,562.56	110.66%	103.96%
Police Detective	59,695.31	67,539.77	73,080.45	63,076.00	122.42%	93.39%
Police Sergeant	67,466.75	76,332.43	72,938.55	78,312.25	108.11%	102.59%
Police Captain	77,208.01	87,354.82				

The data shows that the Police Officer survey average starting pay is 2.14% above the current Step 1 and the Police Officer survey average is 4.92% below step 6, the grade midpoint. The lower average reflects the turnover and number of new hires in the position.

The non-entry position ratios show that the respective average starting market values are 8.11% to 22.42% higher than the equivalent pay schedule Step 1. The average salary ratios indicate that the City's average salaries, Step 6, are close to the market estimates, with the exception of the Police Detective. The non-entry position are typically internal promotions rather than external hires. The market salaries reflect

the Cities' internal promotion policies and longevity of the employees, not the wage inflation due to any extreme labor market conditions. The Police Detective data may also include cities that match the Detective salaries to a Police Lieutenant.

Fire and Police Departments Pay Schedule Recommendations

The data in Tables 4 and 6 indicates that the City's 2022 - 23 starting salaries and average salaries are competitive with the current salaries offered by the cities in the San Antonio survey. The primary concern, however, is the projected 2023 - 24 salaries.

The analysis uses three guidelines in establishing the 2023 - 24 starting salary for the position in the Fire and Police Departments.

- If the market differential is less than 100%, then do not reduce the starting salary.
- Set Paramedic Step 1 5.0% below Firefighter – EMT.
- Set Fire Administrator Step 1 4.0% above the Fire Captain.
- Set Police Captain Step 1 14.0% above the Police Sergeant.

The analysis assumes that the other San Antonio area cities are conducting similar studies to determine the 2023 - 24 salaries. The studies include similar market data and the same market statistics. Table 7 provides the relevant statistics.

Table 7

Factor	Percent Change
Actual Salary Differential, Tables 4 and 6	Varies
Standard Firefighter Market Adjustment	3.60%
Standard Police Market Adjustment	2.10%
Consumer Price Index, May 2023	4.00%
Employer Cost Index - Wages, March 2023	5.00%

The City has two options in setting the starting salaries for 2023 – 24 relative to the other cities.

- The first option raises the starting pay to the average minimum starting salary using the differentials shown in Tables 4 and 6. This option assumes that the survey data accurately reflects the external labor market conditions for each job rather than the internal job progressions. The option will over-estimate the adjustments necessary to maintain competitive salaries for the positions above the entry position in each department.
- The second option uses a standard standard market adjustment for each department, shown in Table 7 that reflects the difference in salaries for the entry level position. This option assumes that the survey data accurately reflects the internal job progressions and policies of the other cities rather than any above average labor market conditions. The option is the best estimate of the adjustments necessary to maintain competitive salaries for the positions above the entry level position.

The City may consider addressing the relative salaries between the positions in each department as part of the 2024 - 25 market study if the market estimate for the non-entry positions increase.

The City has two options in setting the starting salaries for 2023 - 24 relative to the wage inflation and increased cost of living since October 2022.

- The first option raises the starting pay to reflect the 2023 - 24 fiscal year market salaries using the Employer Cost Index - Wages. This option is a direct measure of the wage inflation that has occurred over the past year and the expected average wage inflation for 2023 – 24. The typical COLA will not match the wage inflation in the current labor market and will cause the City to fall behind the salaries of other cities.
- The second option raises the starting pay to reflect the 2023 - 24 fiscal year market salaries using a typical COLA. This option assumes that wages are inflating at the same rate as the average cost of goods found in the Consumer Price Index. The typical COLA will not match the wage inflation in the current labor market and may cause the City to fall behind the salaries of other cities.

Recommendations

The recommendations use the standard department market adjustment and the Employer Cost Index – Wages to determine the 2023 - 24 Fire and Police Department Pay Schedules. The recommendations also include an adjustment to the top steps in the pay grades.

- Adjust the starting pay, Step 1, to match estimated average starting pay in the marketplace. Use the standard department adjustment shown in Table 7 for all of the Fire and Police Department positions.
- Adjust the starting pay, Step 1, to reflect the 2022 and 2023 wage inflation as measured by the Employer Cost Index - Wages of 5.0%.

The adjustment equation is Current Step 1 * (1+ Standard Adjustment) *(1.05). Table 8 provides the initial 2023 - 24 Step 1 for the Fire Department. Table 9 provides the initial 2023 - 24 Step 1 for the Police Department. The Excel spreadsheet that accompanies the analysis allows the City Council to easily adjust the Step 1 computations to meet any budgetary constraints.

Table 8

Job Title	Avg Min Differential w/ECI	Avg Min Differential w/COLA	Standard Department Adjustment w/ECI	Standard Department Adjustment w/COLA
Paramedic	51,756.77	51,263.85	51,749.46	51,256.61
Firefighter EMT	54,480.81	53,961.95	54,473.12	53,954.33
Fire Lieutenant	70,979.42	70,303.42	66,419.70	65,787.13
Fire Captain	80,603.34	79,835.69	77,859.67	77,118.15
Fire Administrator	83,827.47	83,029.12	80,974.06	80,202.88

Table 9

Job Title	Avg Min Differential w/ECI	Avg Min Differential w/COLA	Standard Department Adjustment w/ECI	Standard Department Adjustment w/COLA
Police Officer	58,988.09	58,426.30	58,963.60	58,402.05
Police Corporal	67,728.49	67,083.46	62,488.96	61,893.82
Police Detective	76,734.47	76,003.67	63,996.36	63,386.87
Police Sergeant	76,585.47	75,856.09	72,327.73	71,638.89
Police Captain	87,307.44	86,475.94	82,770.92	81,982.56

The analysis also recommends that the City standardize the Fire and Police Department Pay Schedules with 13 steps in each pay grade. Exhibit 2 provides the initial 2023 - 24 Fire Department Pay Schedule. Exhibit 3 provides the initial 2023 - 24 Fire Department Pay Schedule.

General Government Pay Schedule 1 and 2

The General Government Pay Schedule uses a standard pay structure with a minimum pay of \$9.61, 17 2.50% steps, a 5.0% differential between starting pay, and a 48% pay range.

Survey Data

Table 10 provides the average minimum pay from the survey participants, the 25th percentile, average, and the 75th percentile from the San Antonio Municipality Survey. The survey did not provide data for the PW/W Superintendent.

Table 10

Job Title	Avg. Min	25 Pctile	Avg	75th
Permit Clerk/Reception		41,093.00	43,801.60	46,991.63
PW Maintenance Worker	37,161.73	33,134.40	36,125.76	36,961.60
PW/W Maint Worker	44,998.72	41,496.00	51,936.04	58,396.00
Water Maint Worker	44,998.72	41,496.00	51,936.04	58,396.00
Police Office Mgr	57,266.14	52,000.00	56,800.02	61,563.42
Court Clerk		43,524.10	52,936.83	60,981.44
HR/Finance Clerk	47,331.86	42,724.76	46,404.80	51,127.23
PW/W Office Mgr	57,266.14	52,000.00	56,800.02	61,563.42
Water Crew Leader	53,923.16	53,448.90	62,586.71	67,537.60
Water Crew Supervisor	88,547.00		94,103.00	
PW/W Superintendent				
City Secretary		77,229.07	83,798.58	89,419.20
Asst City Manager	147,300.00		160,961.00	
Dir of Public Works		91,206.55	136,674.90	170,300.00
Fire Chief		100,212.95	115,947.38	132,768.48
Police Chief		108,503.10	127,980.31	146,851.43
Finance Director		100,037.40	114,692.90	120,569.70
City Manager		164,292.00	184,629.21	205,006.49

Market Analysis

The analysis compares the current base grade minimum and midpoint for each job compared to the survey average minimum pay grade or 25th percentile and the survey averages. Table 11 provides the analysis and recommended 2023-24 General Government pay grades.

Table 11

Job Title	Current Pay Grade	Avg Min Pay Grade	Avg Pay Grade	Recommended 2023 – 24 Pay Grade	Evaluation Guidelines
Permit Clerk/Reception	GG15	GG 16	GG 13	GG16	
PW Maintenance Worker	GG14	GG 14	GG 9	GG17	Match with PW/W Maintenance Worker
PW/W Maint Worker	GG14	GG 18	GG 17	GG17	
Water Maint Worker	GG14	GG 18	GG 17	GG17	
Police Office Mgr	GG16	GG 17	GG 11	GG17	No Supervisory Responsibility
Court Clerk	GG19	GG 17	GG 17	GG19	
HR/Finance Clerk	GG19	GG 19	GG 14	GG19	
PW/W Office Mgr	GG19	GG 23	GG 18	GG19	
Water Crew Leader	GG17	GG 22	GG 21	GG21	
PW/W Superintendent	GG23			GG24	Lead data plus 3 grade
City Secretary/HR Director	GG30	GG 30	GG 27	GG32	Plus 2 pay grades for HR Director
Dir of Public Works	GG34	GG 33	GG 37	GG35	
Fire Chief	GG35	GG 35	GG 34	GG35	
Police Chief	GG36	GG 37	GG 36	GG36	
Asst City Manager	GG35	GG 43	GG 41	GG37	Match skill set and level of responsibility
Finance Director	GG37	GG 35	GG 34	GG37	
City Manager	GG45	GG 45	GG 43	GG45	

The market analysis indicates that the City's pay grade minimum and midpoints are lower than the average minimum pay grade for seven of the jobs.

General Government Pay Schedule Recommendations

The City has the same two options in setting the starting salaries for 2023 – 24 relative to the wage inflation and increased cost of living since October 2022.

- The first option raises the starting pay to reflect the 2023 - 24 fiscal year market salaries using the Employer Cost Index – Wages. This option is a direct measure of the wage inflation that has occurred over the past year and the expected average wage inflation for 2023 – 24. The typical COLA will not match the wage inflation in the current labor market and will cause the City to fall behind the salaries of other cities.

- The second option raises the starting pay to reflect the 2023 - 24 fiscal year market salaries using a typical COLA. This option assumes that wages are inflating at the same rate as the average cost of goods found in the Consumer Price Index. The typical COLA will not match the wage inflation in the current labor market and may cause the City to fall behind the salaries of other cities.

Recommendations

The analysis considers the current labor market conditions, survey data, and administrative practices in establishing several recommendations for FY 2023 - 24.

- Merge the General Government 4.0% and 4.50% Pay Schedules into single pay schedule.
- Implement the recommended pay grades from Table 11.
- Adjust the pay grades using the Employer Cost Index – Wages. The City should consider a 5.0% adjustment to match the expected wage inflation since Fall, 2022 unless the City believes that the wage inflation rate will decrease substantially in the near future.

Exhibit 4 provides the initial combined 2023 - 24 General Government Pay Schedule.

INDIVIDUAL PAY IMPLEMENTATION

Step Plan Analysis

The City maintains a step plan to establish the salary for each employee. A typical step plan considers only time on the job to establish the step and pay for each employee. A review of the current step for the employees compared to their starting date indicates that the City does not closely follow the step plan. In some instances the City places the employees on a higher step to attract experienced employees. In other instances the employees are in a lower than expected step due to budgetary constraints.

Recommendations

The City should implement several

- Establish a structured process to assist in determining the proper pay step for each employee. The process should include procedures to document and retain the supporting information.
- Establish a two year plan to move the employees pay to the proper pay step.

IMPLEMENTATION AND COST IMPLICATIONS

The accompanying Excel worksheet provides the ability to implement all of the recommendations. The worksheet also allows the City to determine the financial impact of the decisions.

GENERAL RECOMMENDATION

The City should consider training for the City Secretary/HR Director to enable the City to conduct the annual pay plan reviews without external support.

Exhibit 1: Market Data

Job Title	No. of Orgs	No. of Empl	Actual Min	Avg Min	10th %tile	25th %tile	Avg	Med	75th %tile	90th %tile	Max
Assistant City Manager	4	4		147,300			160,961				
Building Permit Clerk	5	6	39,546			41,093	43,802	43,320	46,992		47,038
Chief of Police	9	9	103,865			108,503	127,980	130,000	146,851		159,099
City Manager/Administrator	9	9	150,010			164,292	184,629	175,000	205,006		242,195
City Secretary	7	7	70,139			77,229	83,799	78,637	89,419		107,786
Court Clerk	8	10	39,707			43,524	52,937	54,676	60,981		64,843
Director of Utilities/Public Works	8	8	74,499			91,207	136,675	143,512	170,300		208,863
Finance Director - City	8	8	87,064			100,037	114,693	111,422	120,570		166,421
Fire Captain	6	19	55,661	76,765		73,358	84,460	81,845	97,535		104,104
Fire Chief	8	8	92,541			100,213	115,947	112,757	132,768		143,562
Fire Lieutenant	6	24	51,709	67,599	62,479	69,098	74,261	76,010	79,235	83,448	84,030
Police Corporal	8	39	55,373	64,503	56,481	60,406	68,563	67,642	73,341	78,242	90,958
Police Lieutenant/Patrol	6	10	74,469	86,255		80,496	89,503	92,115	96,171		98,284
Police Officer	9	143	48,214	56,179	50,162	54,704	59,167	58,802	62,275	69,181	74,963
Police Sergeant	9	43	62,350	72,939	65,697	69,430	78,312	81,786	85,037	88,213	90,438
Utility Billing Clerk	7	19	32,635	41,495		36,213	43,442	42,037	47,251		59,592
Utility Crew Leader	6	23	47,029	53,923	51,033	53,449	62,587	62,504	67,538	77,282	78,125
Utility Crew Member	6	35	34,923	39,009	34,923	37,794	39,714	38,813	41,267	45,479	53,206
Water/Wastewater Operator	6	40	35,443	44,999	39,957	41,496	51,936	50,107	58,396	70,980	77,501
Water/Wastewater Operator Supv.	4	4		88,547			94,103				

Exhibit 2 - 2023 – 24 Fire Department Pay Schedule

**CITY OF SHAVANO PARK
FY 2023-2024 PAY SCHEDULE - FIRE**

Eff.10/1/2023

PAY GROUP	PAY BASIS	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12
FD 5													
Paramedic	A	51,749.46	53,043.20	54,369.28	55,728.51	57,121.72	58,549.77	60,013.51	61,513.85	63,051.70	64,627.99	66,243.69	67,899.78
Only	B	1,990.36	2,040.12	2,091.13	2,143.40	2,196.99	2,251.91	2,308.21	2,365.92	2,425.07	2,485.69	2,547.83	2,611.53
	H-2756	18.78	19.25	19.73	20.22	20.73	21.24	21.78	22.32	22.88	23.45	24.04	24.64
FD 6													
Firefighter	A	54,473.12	55,834.95	57,230.82	58,661.59	60,128.13	61,631.33	63,172.12	64,751.42	66,370.21	68,029.46	69,730.20	71,473.45
EMT	B	2,095.12	2,147.50	2,201.19	2,256.22	2,312.62	2,370.44	2,429.70	2,490.44	2,552.70	2,616.52	2,681.93	2,748.98
	H-2756	19.77	20.26	20.77	21.29	21.82	22.36	22.92	23.49	24.08	24.68	25.30	25.93
	H-2080	26.19	26.84	27.51	28.20	28.91	29.63	30.37	31.13	31.91	32.71	33.52	34.36
FD 7													
Fire	A	66,419.70	68,080.19	69,782.20	71,526.75	73,314.92	75,147.79	77,026.49	78,952.15	80,925.96	82,949.10	85,022.83	87,148.40
Lieutenant	B	2,554.60	2,618.47	2,683.93	2,751.03	2,819.80	2,890.30	2,962.56	3,036.62	3,112.54	3,190.35	3,270.11	3,351.86
	H-2756	24.10	24.70	25.32	25.95	26.60	27.27	27.95	28.65	29.36	30.10	30.85	31.62
	H-2080	31.93	32.73	33.55	34.39	35.25	36.13	37.03	37.96	38.91	39.88	40.88	41.90
FD 8													
Fire	A	77,859.67	79,806.16	81,801.32	83,846.35	85,942.51	88,091.07	90,293.35	92,550.68	94,864.45	97,236.06	99,666.96	102,158.64
Captain	B	2,994.60	3,069.47	3,146.20	3,224.86	3,305.48	3,388.12	3,472.82	3,559.64	3,648.63	3,739.85	3,833.34	3,929.18
	H-2756	28.25	28.96	29.68	30.42	31.18	31.96	32.76	33.58	34.42	35.28	36.16	37.07
	H-2080	37.43	38.37	39.33	40.31	41.32	42.35	43.41	44.50	45.61	46.75	47.92	49.11
FD 9													
Fire	A	81,005.66	83,030.81	85,106.58	87,234.24	89,415.10	91,650.47	93,941.74	96,290.28	98,697.54	101,164.97	103,694.10	106,286.45
Administrator	B	3,115.60	3,193.49	3,273.33	3,355.16	3,439.04	3,525.02	3,613.14	3,703.47	3,796.06	3,890.96	3,988.23	4,087.94
Captain	H-2756	29.39	30.13	30.88	31.65	32.44	33.25	34.09	34.94	35.81	36.71	37.62	38.57
	H-2080	38.95	39.92	40.92	41.94	42.99	44.06	45.16	46.29	47.45	48.64	49.85	51.10

Exhibit 3 - 2023 – 24 Police Department Pay Schedule

**CITY OF SHAVANO PARK
FY 2023-2024 PAY SCHEDULE - POLICE**

eff 10/1/2023

PAY GROUP	PAY BASIS	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12
PD 6 Police Officer	A	58,963.60	60,437.69	61,948.64	63,497.35	65,084.79	66,711.91	68,379.70	70,089.20	71,841.43	73,637.46	75,478.40	77,365.36
	B	2,267.83	2,324.53	2,382.64	2,442.21	2,503.26	2,565.84	2,629.99	2,695.74	2,763.13	2,832.21	2,903.02	2,975.59
	H-2184	27.00	27.67	28.36	29.07	29.80	30.55	31.31	32.09	32.89	33.72	34.56	35.42
	H-2080	28.35	29.06	29.78	30.53	31.29	32.07	32.87	33.70	34.54	35.40	36.29	37.19
PD 7 Police Corporal	A	62,488.96	64,051.18	65,652.46	67,293.77	68,976.12	70,700.52	72,468.03	74,279.73	76,136.73	78,040.15	79,991.15	81,990.93
	B	2,403.42	2,463.51	2,525.09	2,588.22	2,652.93	2,719.25	2,787.23	2,856.91	2,928.34	3,001.54	3,076.58	3,153.50
	H-2184	28.61	29.33	30.06	30.81	31.58	32.37	33.18	34.01	34.86	35.73	36.63	37.54
	H-2080	30.04	30.79	31.56	32.35	33.16	33.99	34.84	35.71	36.60	37.52	38.46	39.42
PD 8 Police Detective	A	63,996.36	65,596.27	67,236.18	68,917.08	70,640.01	72,406.01	74,216.16	76,071.56	77,973.35	79,922.69	81,920.75	83,968.77
	B	2,461.40	2,522.93	2,586.01	2,650.66	2,716.92	2,784.85	2,854.47	2,925.83	2,998.98	3,073.95	3,150.80	3,229.57
	H-2184	29.30	30.03	30.79	31.56	32.34	33.15	33.98	34.83	35.70	36.59	37.51	38.45
	H-2080	30.77	31.54	32.33	33.13	33.96	34.81	35.68	36.57	37.49	38.42	39.38	40.37
PD 9 Police Sergeant	A	72,327.73	74,135.92	75,989.32	77,889.05	79,836.28	81,832.18	83,877.99	85,974.94	88,124.31	90,327.42	92,585.60	94,900.24
	B	2,781.84	2,851.38	2,922.67	2,995.73	3,070.63	3,147.39	3,226.08	3,306.73	3,389.40	3,474.13	3,560.98	3,650.01
	H-2184	33.12	33.95	34.79	35.66	36.56	37.47	38.41	39.37	40.35	41.36	42.39	43.45
	H-2080	34.77	35.64	36.53	37.45	38.38	39.34	40.33	41.33	42.37	43.43	44.51	45.63
PD 10 Police Captain	A	82,770.92	84,840.20	86,961.20	89,136.22	91,364.62	93,648.74	95,989.96	98,389.70	100,849.45	103,370.68	105,954.95	108,603.82
	B	3,183.50	3,263.08	3,344.66	3,428.32	3,514.02	3,601.87	3,691.92	3,784.22	3,878.82	3,975.80	4,075.19	4,177.07
	H-2184	37.90	38.85	39.82	40.81	41.83	42.88	43.95	45.05	46.18	47.33	48.51	49.73
	H-2080	39.79	40.79	41.81	42.85	43.93	45.02	46.15	47.30	48.49	49.70	50.94	52.21

Exhibit 4 - FY 2023-2024 Pay Schedule - General Government

CITY OF SHAVANO PARK
FY 2023-2024 PAY SCHEDULE - GENERAL GOVERNMENT

PAY GRADE	JOB TITLE	PAY BASIS	STEP 1	STEP 3	STEP 5	STEP 7	STEP 9	STEP 11	STEP 13	STEP 15	STEP 17
10		A	31,167.60	32,745.46	34,403.19	36,144.86	37,974.69	39,897.16	41,916.95	44,039.00	46,268.47
		B	1,198.75	1,259.44	1,323.20	1,390.19	1,460.56	1,534.51	1,612.19	1,693.81	1,779.56
		H	14.98	15.74	16.54	17.38	18.26	19.18	20.15	21.17	22.24
11		A	32,745.46	34,403.19	36,144.86	37,974.69	39,897.16	41,916.95	44,039.00	46,268.47	48,610.81
		B	1,259.44	1,323.20	1,390.19	1,460.56	1,534.51	1,612.19	1,693.81	1,779.56	1,869.65
		H	15.74	16.54	17.38	18.26	19.18	20.15	21.17	22.24	23.37
12		A	34,403.19	36,144.86	37,974.69	39,897.16	41,916.95	44,039.00	46,268.47	48,610.81	51,071.74
		B	1,323.20	1,390.19	1,460.56	1,534.51	1,612.19	1,693.81	1,779.56	1,869.65	1,964.30
		H	16.54	17.38	18.26	19.18	20.15	21.17	22.24	23.37	24.55
13		A	36,144.86	37,974.69	39,897.16	41,916.95	44,039.00	46,268.47	48,610.81	51,071.74	53,657.24
		B	1,390.19	1,460.56	1,534.51	1,612.19	1,693.81	1,779.56	1,869.65	1,964.30	2,063.74
		H	17.38	18.26	19.18	20.15	21.17	22.24	23.37	24.55	25.80
14		A	37,974.69	39,897.16	41,916.95	44,039.00	46,268.47	48,610.81	51,071.74	53,657.24	56,373.64
		B	1,460.56	1,534.51	1,612.19	1,693.81	1,779.56	1,869.65	1,964.30	2,063.74	2,168.22
		H	18.26	19.18	20.15	21.17	22.24	23.37	24.55	25.80	27.10
15		A	39,897.16	41,916.95	44,039.00	46,268.47	48,610.81	51,071.74	53,657.24	56,373.64	59,227.56
		B	1,534.51	1,612.19	1,693.81	1,779.56	1,869.65	1,964.30	2,063.74	2,168.22	2,277.98
		H	19.18	20.15	21.17	22.24	23.37	24.55	25.80	27.10	28.47
16	Permit Clerk/Reception	A	41,916.95	44,039.00	46,268.47	48,610.81	51,071.74	53,657.24	56,373.64	59,227.56	62,225.95
		B	1,612.19	1,693.81	1,779.56	1,869.65	1,964.30	2,063.74	2,168.22	2,277.98	2,393.31
		H	20.15	21.17	22.24	23.37	24.55	25.80	27.10	28.47	29.92

PAY GRADE	JOB TITLE	PAY BASIS	STEP 1	STEP 3	STEP 5	STEP 7	STEP 9	STEP 11	STEP 13	STEP 15	STEP 17
17	Police Office Mgr	A	44,039.00	46,268.47	48,610.81	51,071.74	53,657.24	56,373.64	59,227.56	62,225.95	65,376.14
	PW Maintenance Worker	B	1,693.81	1,779.56	1,869.65	1,964.30	2,063.74	2,168.22	2,277.98	2,393.31	2,514.47
	PW/W Maint Worker	H	21.17	22.24	23.37	24.55	25.80	27.10	28.47	29.92	31.43
18		A	46,268.47	48,610.81	51,071.74	53,657.24	56,373.64	59,227.56	62,225.95	65,376.14	68,685.81
		B	1,779.56	1,869.65	1,964.30	2,063.74	2,168.22	2,277.98	2,393.31	2,514.47	2,641.76
		H	22.24	23.37	24.55	25.80	27.10	28.47	29.92	31.43	33.02
19	HR/Finance Clerk	A	48,610.81	51,071.74	53,657.24	56,373.64	59,227.56	62,225.95	65,376.14	68,685.81	72,163.02
	Court Clerk	B	1,869.65	1,964.30	2,063.74	2,168.22	2,277.98	2,393.31	2,514.47	2,641.76	2,775.50
	PW/W Office Mgr	H	23.37	24.55	25.80	27.10	28.47	29.92	31.43	33.02	34.69
20		A	50,821.68	53,394.53	56,097.63	58,937.57	61,921.28	65,056.05	68,349.51	71,809.70	75,445.07
		B	1,954.68	2,053.64	2,157.60	2,266.83	2,381.59	2,502.16	2,628.83	2,761.91	2,901.73
		H	24.43	25.67	26.97	28.34	29.77	31.28	32.86	34.52	36.27
21	Water Crew Leader	A	53,394.53	56,097.63	58,937.57	61,921.28	65,056.05	68,349.51	71,809.70	75,445.07	79,264.48
		B	2,053.64	2,157.60	2,266.83	2,381.59	2,502.16	2,628.83	2,761.91	2,901.73	3,048.63
		H	25.67	26.97	28.34	29.77	31.28	32.86	34.52	36.27	38.11
22		A	56,097.63	58,937.57	61,921.28	65,056.05	68,349.51	71,809.70	75,445.07	79,264.48	83,277.24
		B	2,157.60	2,266.83	2,381.59	2,502.16	2,628.83	2,761.91	2,901.73	3,048.63	3,202.97
		H	26.97	28.34	29.77	31.28	32.86	34.52	36.27	38.11	40.04
23		A	58,937.57	61,921.28	65,056.05	68,349.51	71,809.70	75,445.07	79,264.48	83,277.24	87,493.15
		B	2,266.83	2,381.59	2,502.16	2,628.83	2,761.91	2,901.73	3,048.63	3,202.97	3,365.12
		H	28.34	29.77	31.28	32.86	34.52	36.27	38.11	40.04	42.06
24	PW/W Superintendent	A	61,921.28	65,056.05	68,349.51	71,809.70	75,445.07	79,264.48	83,277.24	87,493.15	91,922.49
		B	2,381.59	2,502.16	2,628.83	2,761.91	2,901.73	3,048.63	3,202.97	3,365.12	3,535.48
		H	29.77	31.28	32.86	34.52	36.27	38.11	40.04	42.06	44.19

PAY GRADE	JOB TITLE	PAY BASIS	STEP 1	STEP 3	STEP 5	STEP 7	STEP 9	STEP 11	STEP 13	STEP 15	STEP 17
25		A	65,056.05	68,349.51	71,809.70	75,445.07	79,264.48	83,277.24	87,493.15	91,922.49	96,576.07
		B	2,502.16	2,628.83	2,761.91	2,901.73	3,048.63	3,202.97	3,365.12	3,535.48	3,714.46
		H	31.28	32.86	34.52	36.27	38.11	40.04	42.06	44.19	46.43
26		A	68,349.51	71,809.70	75,445.07	79,264.48	83,277.24	87,493.15	91,922.49	96,576.07	101,465.23
		B	2,628.83	2,761.91	2,901.73	3,048.63	3,202.97	3,365.12	3,535.48	3,714.46	3,902.51
		H	32.86	34.52	36.27	38.11	40.04	42.06	44.19	46.43	48.78
27		A	71,809.70	75,445.07	79,264.48	83,277.24	87,493.15	91,922.49	96,576.07	101,465.23	106,601.91
		B	2,761.91	2,901.73	3,048.63	3,202.97	3,365.12	3,535.48	3,714.46	3,902.51	4,100.07
		H	34.52	36.27	38.11	40.04	42.06	44.19	46.43	48.78	51.25
28		A	75,445.07	79,264.48	83,277.24	87,493.15	91,922.49	96,576.07	101,465.23	106,601.91	111,998.63
		B	2,901.73	3,048.63	3,202.97	3,365.12	3,535.48	3,714.46	3,902.51	4,100.07	4,307.64
		H	36.27	38.11	40.04	42.06	44.19	46.43	48.78	51.25	53.85
29		A	79,264.48	83,277.24	87,493.15	91,922.49	96,576.07	101,465.23	106,601.91	111,998.63	117,668.56
		B	3,048.63	3,202.97	3,365.12	3,535.48	3,714.46	3,902.51	4,100.07	4,307.64	4,525.71
		H	38.11	40.04	42.06	44.19	46.43	48.78	51.25	53.85	56.57
30		A	83,277.24	87,493.15	91,922.49	96,576.07	101,465.23	106,601.91	111,998.63	117,668.56	123,625.53
		B	3,202.97	3,365.12	3,535.48	3,714.46	3,902.51	4,100.07	4,307.64	4,525.71	4,754.83
		H	40.04	42.06	44.19	46.43	48.78	51.25	53.85	56.57	59.44
31		A	87,493.15	91,922.49	96,576.07	101,465.23	106,601.91	111,998.63	117,668.56	123,625.53	129,884.07
		B	3,365.12	3,535.48	3,714.46	3,902.51	4,100.07	4,307.64	4,525.71	4,754.83	4,995.54
		H	42.06	44.19	46.43	48.78	51.25	53.85	56.57	59.44	62.44
32	City Secretary/HR Director	A	91,922.49	96,576.07	101,465.23	106,601.91	111,998.63	117,668.56	123,625.53	129,884.07	136,459.46
		B	3,535.48	3,714.46	3,902.51	4,100.07	4,307.64	4,525.71	4,754.83	4,995.54	5,248.44
		H	44.19	46.43	48.78	51.25	53.85	56.57	59.44	62.44	65.61

PAY GRADE	JOB TITLE	PAY BASIS	STEP 1	STEP 3	STEP 5	STEP 7	STEP 9	STEP 11	STEP 13	STEP 15	STEP 17
33		A	96,576.07	101,465.23	106,601.91	111,998.63	117,668.56	123,625.53	129,884.07	136,459.46	143,367.72
		B	3,714.46	3,902.51	4,100.07	4,307.64	4,525.71	4,754.83	4,995.54	5,248.44	5,514.14
		H	46.43	48.78	51.25	53.85	56.57	59.44	62.44	65.61	68.93
34		A	101,465.23	106,601.91	111,998.63	117,668.56	123,625.53	129,884.07	136,459.46	143,367.72	150,625.71
		B	3,902.51	4,100.07	4,307.64	4,525.71	4,754.83	4,995.54	5,248.44	5,514.14	5,793.30
		H	48.78	51.25	53.85	56.57	59.44	62.44	65.61	68.93	72.42
35	Dir of Public Works Fire Chief	A	106,601.91	111,998.63	117,668.56	123,625.53	129,884.07	136,459.46	143,367.72	150,625.71	158,251.13
		B	4,100.07	4,307.64	4,525.71	4,754.83	4,995.54	5,248.44	5,514.14	5,793.30	6,086.58
		H	51.25	53.85	56.57	59.44	62.44	65.61	68.93	72.42	76.08
36	Police Chief	A	111,998.63	117,668.56	123,625.53	129,884.07	136,459.46	143,367.72	150,625.71	158,251.13	166,262.60
		B	4,307.64	4,525.71	4,754.83	4,995.54	5,248.44	5,514.14	5,793.30	6,086.58	6,394.72
		H	53.85	56.57	59.44	62.44	65.61	68.93	72.42	76.08	79.93
37	Asst City Manager Finance Director	A	117,668.56	123,625.53	129,884.07	136,459.46	143,367.72	150,625.71	158,251.13	166,262.60	174,679.64
		B	4,525.71	4,754.83	4,995.54	5,248.44	5,514.14	5,793.30	6,086.58	6,394.72	6,718.45
		H	56.57	59.44	62.44	65.61	68.93	72.42	76.08	79.93	83.98
38		A	123,625.53	129,884.07	136,459.46	143,367.72	150,625.71	158,251.13	166,262.60	174,679.64	183,522.80
		B	4,754.83	4,995.54	5,248.44	5,514.14	5,793.30	6,086.58	6,394.72	6,718.45	7,058.57
		H	59.44	62.44	65.61	68.93	72.42	76.08	79.93	83.98	88.23
39		A	129,884.07	136,459.46	143,367.72	150,625.71	158,251.13	166,262.60	174,679.64	183,522.80	192,813.64
		B	4,995.54	5,248.44	5,514.14	5,793.30	6,086.58	6,394.72	6,718.45	7,058.57	7,415.91
		H	62.44	65.61	68.93	72.42	76.08	79.93	83.98	88.23	92.70
40		A	136,459.46	143,367.72	150,625.71	158,251.13	166,262.60	174,679.64	183,522.80	192,813.64	202,574.83
		B	5,248.44	5,514.14	5,793.30	6,086.58	6,394.72	6,718.45	7,058.57	7,415.91	7,791.34
		H	65.61	68.93	72.42	76.08	79.93	83.98	88.23	92.70	97.39

PAY GRADE	JOB TITLE	PAY BASIS	STEP 1	STEP 3	STEP 5	STEP 7	STEP 9	STEP 11	STEP 13	STEP 15	STEP 17
41		A	143,367.72	150,625.71	158,251.13	166,262.60	174,679.64	183,522.80	192,813.64	202,574.83	212,830.18
		B	5,514.14	5,793.30	6,086.58	6,394.72	6,718.45	7,058.57	7,415.91	7,791.34	8,185.78
		H	68.93	72.42	76.08	79.93	83.98	88.23	92.70	97.39	102.32
42		A	150,625.71	158,251.13	166,262.60	174,679.64	183,522.80	192,813.64	202,574.83	212,830.18	223,604.71
		B	5,793.30	6,086.58	6,394.72	6,718.45	7,058.57	7,415.91	7,791.34	8,185.78	8,600.18
		H	72.42	76.08	79.93	83.98	88.23	92.70	97.39	102.32	107.50
43		A	158,251.13	166,262.60	174,679.64	183,522.80	192,813.64	202,574.83	212,830.18	223,604.71	234,924.69
		B	6,086.58	6,394.72	6,718.45	7,058.57	7,415.91	7,791.34	8,185.78	8,600.18	9,035.57
		H	76.08	79.93	83.98	88.23	92.70	97.39	102.32	107.50	112.94
44		A	166,262.60	174,679.64	183,522.80	192,813.64	202,574.83	212,830.18	223,604.71	234,924.69	246,817.76
		B	6,394.72	6,718.45	7,058.57	7,415.91	7,791.34	8,185.78	8,600.18	9,035.57	9,492.99
		H	79.93	83.98	88.23	92.70	97.39	102.32	107.50	112.94	118.66
45	City Manager	A	174,679.64	183,522.80	192,813.64	202,574.83	212,830.18	223,604.71	234,924.69	246,817.76	259,312.91
		B	6,718.45	7,058.57	7,415.91	7,791.34	8,185.78	8,600.18	9,035.57	9,492.99	9,973.57
		H	83.98	88.23	92.70	97.39	102.32	107.50	112.94	118.66	124.67
46		A	183,522.80	192,813.64	202,574.83	212,830.18	223,604.71	234,924.69	246,817.76	259,312.91	272,440.62
		B	7,058.57	7,415.91	7,791.34	8,185.78	8,600.18	9,035.57	9,492.99	9,973.57	10,478.49
		H	88.23	92.70	97.39	102.32	107.50	112.94	118.66	124.67	130.98
47		A	192,813.64	202,574.83	212,830.18	223,604.71	234,924.69	246,817.76	259,312.91	272,440.62	286,232.93
		B	7,415.91	7,791.34	8,185.78	8,600.18	9,035.57	9,492.99	9,973.57	10,478.49	11,008.96
		H	92.70	97.39	102.32	107.50	112.94	118.66	124.67	130.98	137.61

CITY COUNCIL STAFF SUMMARY

Meeting Date: July 11, 2023

Agenda item: 5.2

Prepared by: Bill Hill

Reviewed by: Bill Hill

AGENDA ITEM DESCRIPTION:

Discussion - Long-term financing considerations - City Manager / Finance Director

X

Attachments for Reference:

1) ~~6/26/2023 I&S Tax Rate Impact Analysis~~

2) ~~P&Z Focus Area Write-up~~

3) ~~6/27/2022 I&S Tax Rate Impact Analysis~~

1) PowerPoint Brief

BACKGROUND / HISTORY: At the November 2, 2022 Planning & Zoning Meeting, the Commission selected *Long-term City Finances* for the 5th and last focus area of the Town Plan.

On March 9, City staff sent out a Finances 101 document. The goal of this document is to familiarize the Commission with City Finances before the Long-term Finances discussion began.

At the April 5, 2023 P&Z meeting, Finance Director Brenda Morey presented staff's fiscal forecast for the next 5-years and analysis of possible fiscal impact of bonds for street and drainage projects discussed in town plan.

At the May 5, 2023 P&Z meeting, P&Z held a public hearing and reviewed the Long-term City Finances write-up. At the June 7, 2023, P&Z reviewed the focus area for the third time and edits were made. This focus area review may be helpful in the 2023-24 budget development – especially looking forward to possible Bond issuances in 2027 and 2032 and their impact considerations for this year's budget.

At Budget Workshop #2, the City Manager provided a broad overview of the 6/27/2022 I&S Tax Rate Impact Analysis (what we presented at last year's June budget workshop) and compare this with the current situation (6/26/23 I&S Tax Rate Impact Analysis) and options for increased debt in 2027 and 2032.

DISCUSSION: Staff has prepared a short brie that projects annual debt service FY23-FY45 and Projects Potential I&S Rates with two options (No Tax increase this next year or a 1 cent increase applied to debt this year).

COURSES OF ACTION: N/A; give guidance to staff.

FINANCIAL IMPACT: Varies

MOTION REQUESTED: N/A;



5.3. Presentation / discussion – Long-term Financing Considerations

- City Manager / Finance Director

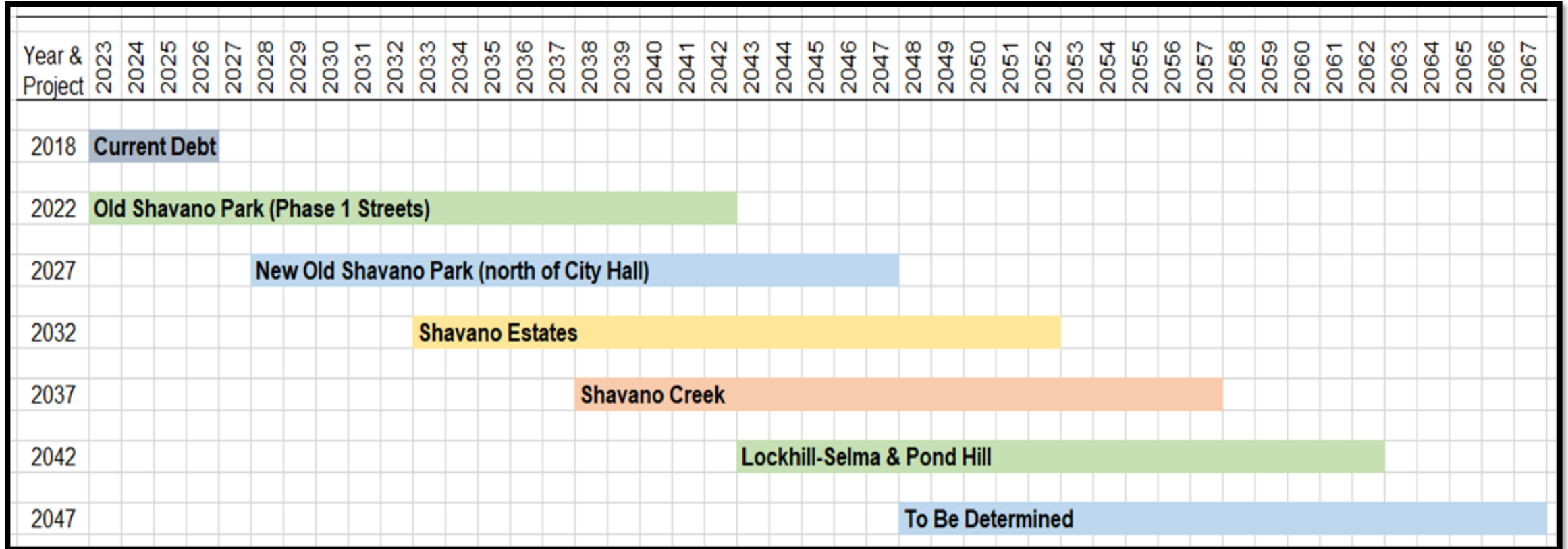
Debt Payment Assumptions / Options



Together We Can!

- 6% Growth in Total Taxable Value thru FY2027; 4% afterwards
- Sales tax annual growth is 8% thru FY 2026; then 4.6% afterwards
- New Debt issued in 2027 (Phase II Streets); Payments begin in 2028
- New Debt issued in 2032 (Phase III Streets); Payments begin 2033
- Option 1 – no increase
 - Draws Down \$1,530,000 Reserves by 2026
- Option 2 - \$.01 cent increase
 - Draws Down \$1,530,000 Reserves by 2031

Possible Street Financing Strategy

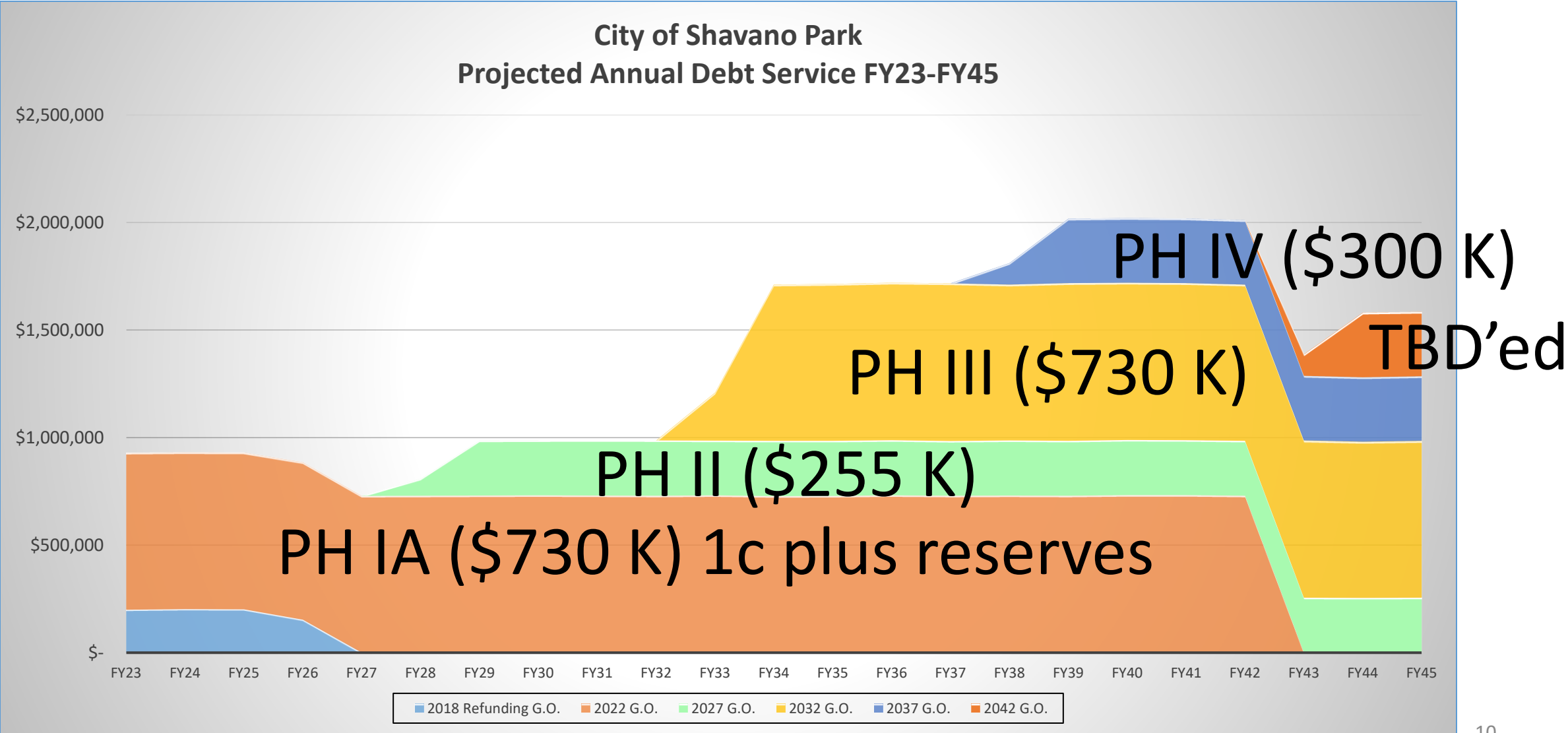


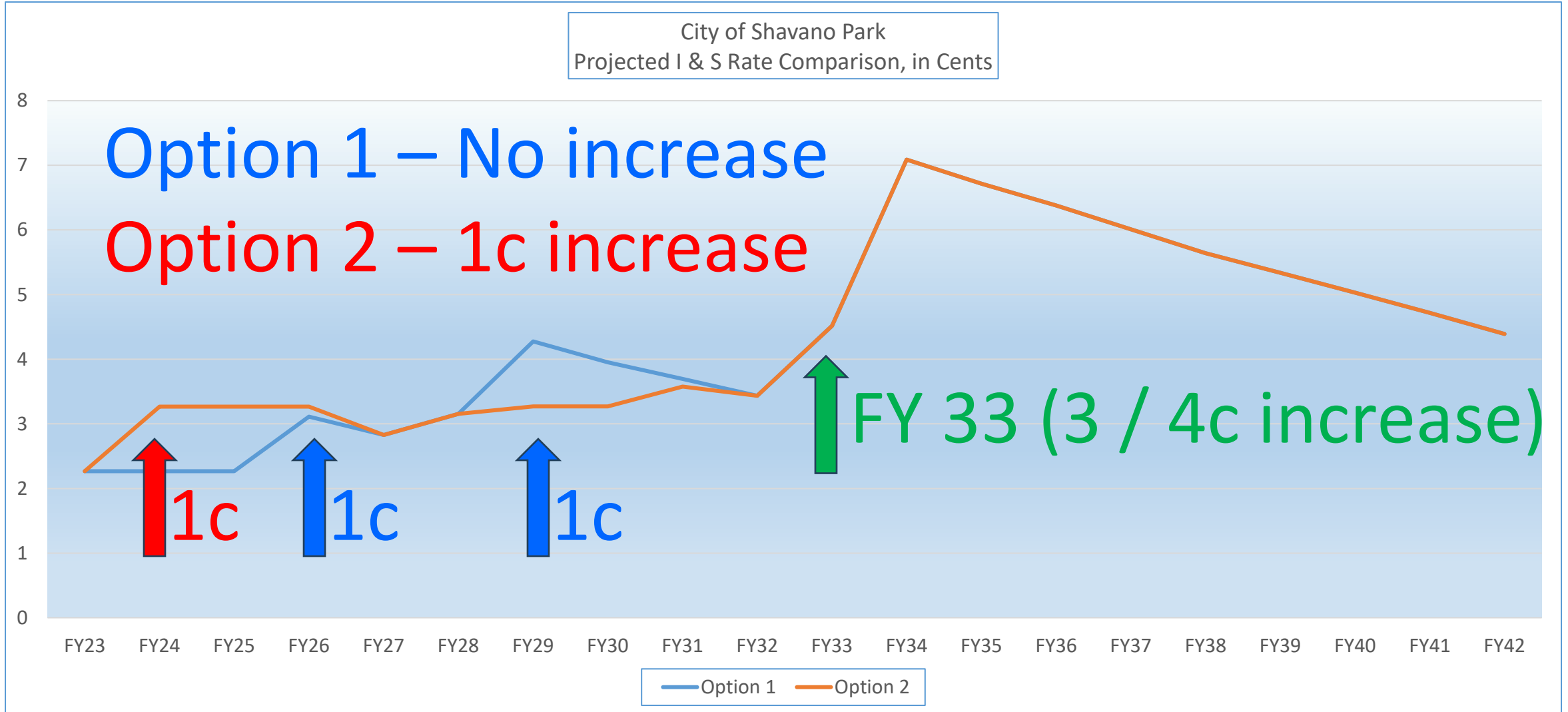
Projected Annual Debt Service FY23-FY45

Together We Can!



City of Shavano Park
Projected Annual Debt Service FY23-FY45







FY 2023-24 Budget Workshop

July 11, 2023

Capital / Major Purchases – Department Requirements
– City Manager/ Department Directors

- Council**
- Admin**
- Police Department**
- Fire Department**
- Public Works**
- Water**



Priority	Description	Cost	Funded In Capital Replacement / CCPD / Other	Additional Required	Included in CM FY24 Budget
1	Fund NW Military water main relocation SIB Loan Payment	\$ 57,880	\$ 28,940 Water Utility	\$ 28,940	Yes
2	Fund 2022 GO Bond debt service (streets)	\$ 728,800	N/A	\$ 728,800	Yes
3	Fund Capital Replacement (fully) - FY23 funded \$297,241	\$ 280,255 - \$ 362,050	No	\$ 280,255 - \$362,050	Yes/TBD
4	Reimburse Capital Replacement Fund for land purchase (\$260,000 over 4 years)	\$ 65,000	N/A	\$ 65,000	Yes / TBD
5	Up to 7x City Sponsored Events (\$2,000 incr)	\$ 32,000	\$ 6,000	\$ 26,000	Yes
6	Fund Compensation Adjustments - Positions Fund COLA and Step Increases	\$ TBD \$ TBD	No	TBD'ed	Yes Yes / TBD
7	Landscaping Plan for City Hall, Monuments & NWM	\$ TBD'ed	No	TBD'ed	Yes / TBD

\$

American Rescue Plan Act Funding Eligible

Administration / Court



Together We Can!

Priority	Description	Cost	Funded In Capital Replacement/ Other	Additional Required	Included in CM FY24 Budget
1	Fund increased cost of employee health insurance, TBD % increase	\$ TBD	No	\$ TBD	Yes
2	City Hall HVAC Replacement (if needed)	\$ 9,000	\$ 9,000	\$ 0	Yes
3	Install Pavilion public announcement system	TBD	PEG Funds	No	TBD
4	Implement a plan to harden the windows and walls of the Court Clerk Office area	TBD'ed	Court Security	TBD	TBD

\$

American Rescue Plan Act Funding Eligible

Information Technology



Together We Can!

Priority	Description	Cost	Funded In Capital Replacement/CCPD / Water	Additional Required	Included in CM FY24 Budget
1	Upgrade Fire Dept Vehicles to ruggedized mobile routers (FD)	\$12,000	No	\$12,000	TBD
2	Upgrade City security event incident management	\$4,500	No	\$4,500	TBD
3	Upgrade Phone system	\$37,000	Yes	\$13,595	TBD
4	<u>ARPA Only</u> : Windows 11 upgrade in FY24 to save FY25 costs - Police	\$16,000	No	\$16,000	TBD
4	<u>ARPA Only</u> : Windows 11 upgrade in FY24 to save FY25 costs – Fire/EMS	\$18,800	Yes	\$18,800	TBD
4	<u>ARPA Only</u> : Windows 11 upgrade in FY24 to save FY25 costs - Admin	\$4,200	No	\$4,200	TBD
4	<u>ARPA Only</u> : Windows 11 upgrade in FY24 to save FY25 costs – Public Works/Water	\$6,400	Yes (SCADA)	\$6,400	TBD

\$

American Rescue Plan Act Funding Eligible

Fire Department

Together We Can!



Priority	Description	Cost	Funded In Capital Repl/ARPA	Additional Required	Included in CM FY24 Budget
1	Replace existing large commercial ice machine	\$7,500	No/ARPA?	TBD	TBD
2	Repair and Repave FD/PW Parking lot	\$ 11,000 est	No/ARPA?	TBD	TBD
3	Retrofit radio pockets on bunker gear to fit new radios	\$ 800	No	\$800	TBD
4	Continue Joint Fire and Police Honor Guard, with purchase of new uniforms (increase to uniform budget)	\$ 3,500	No	\$ 3,500	TBD
5	Replace Stair Machine/ Step Mill	\$ 7,500	Yes - \$7,937	\$ 0	TBD
6	Purchase new tool mounts for Engine and Ladder Truck	\$ TBD	No	\$ TBD	TBD

\$

American Rescue Plan Act Funding Eligible

Police Department

Together We Can!



Priority	Description	Cost	Funds Allocated In CCPD	Additional Required	Included in CM FY24 Budget
1	Purchase two replacement Patrol Vehicles	\$ 150,000	\$150,000	No	Yes
2	4 Rugged Laptops (same as IT budget)	\$16,000	No	\$16,000	TBD
3	2 AFIS Devices	\$ 7,800	No	\$ 7,800	TBD
4	Drug Drop – Off Container	\$ 1,500	No	\$ 1,500	TBD
5	10 ALPR Cameras	\$ 38,000	No	\$ 38,000	Deferred



American Rescue Plan Act
Funding Eligible



Crime Control Prevention
District Funded



Priority	Description	Cost	Funded In Capital Replacement	Additional Required	Included in CM FY24 Budget
1	Continue Tree Maintenance Program	\$ 10,000	No	\$ 10,000	Yes / TBD
2	Continue Ground Maintenance Program	\$ 10,000	No	\$ 10,000	Yes
3	Repair & Repave PW/Fire Parking Lot	\$ 11,000 est	No/ARPA?	TBD	TBD
4	Maintenance of Lockhill Selma Median (include water bills to SAWS)	\$16,000	\$ 8,000 COA	\$8,000	Yes
5	Replace small dump truck with stake body (Split 50/50)	\$ 78,000	Yes	\$39,000	TBD
6	Restripe all of Pond Hill Drive fire lanes	\$ TBD	No	\$ TBD	TBD
7	Installation of key fob system at PW yard pedestrian gate	\$ TBD	No	\$ TBD	TBD

\$

American Rescue Plan Act Funding Eligible

Water Prioritized List



Together We Can!

Priority	Description	Cost	Funded In Capital Replacement	Additional Required	Included in CM FY24 Budget
1	Comprehensive water model	\$ TBD	Bexar Co.	\$ TBD	TBD
2	Replace dead ends in cul-de-sac (4)	\$ 60,000	No	\$ 30,000	TBD
3	GPS Mains and meters across system	\$ 15,000	No	\$ 15,000	TBD
4	Replace small dump truck with stake body (Split 50/50)	\$ 85,000	Yes	\$42,500 Water Fund	TBD
5	Place Well #1 back into operation	\$ 80,000	Bexar Co	\$ TBD	TBD
6	Repaint the Huebner ground storage tank roof	\$40,000	Yes	\$ TBD	TBD
7	Shade structure over drive shaft motor - Well #8, preserve and extend life of the motor	\$ 6,500	No	\$ 6,500	TBD
8	Enclose / improve Chorine building (Well #6)	\$ 20,000	No	\$ 20,000	TBD
9	Installation of emergency power supply for Well #7 (Generator, VFD, AC, move power etc)	\$ 100,000	No	\$100,000	No
10	Installation of emergency power supply (Huebner/mobile unit)	\$ 35,000	No	\$35,000	No

\$

American Rescue Plan Act Funding Eligible

Overall Take Aways



Together We Can!

- Most of Police Capital Equipment can be funded from CCPD Fund
- Maximize final use of American Recovery Plan Act funds? Must be obligated by December 31, 2024
- Capital Replacement Fund – few major capital purchases projected for FY24 – **any previously allocated savings can be redistributed (redistributed \$ amount will need to be added back next year)**
- Funding Decisions based upon priority and available revenue



FY 2023-24 Budget Workshop July 11, 2023

5.4 Review / discussion – Capital Replacement Fund

Capital Replacement Fund

Together We Can!



- Used to account for the acquisition / replacement of large capital items and projects, such as fire equipment, street reconstruction and drainage projects
- There are no restrictions. Council may use the dollars in any manner deemed appropriate
- There are no written guidelines / policies / requirements as to funding
- Funding is from the General Fund, either through current revenues or unassigned fund balance transfers
- The equipment replacement schedule
 - Uses an estimated purchase price for the replacement cost
 - Anticipated scheduled year to replace is an estimate (Equipment may need to be replaced sooner or could have a longer life)

Background History



Together We Can!

- **2010/2011 Adopted Budget:** the capital improvement fund began with a zero fund balance
 - Funds were set aside for new / future projects
 - Document and establish reserves in greater detail for equipment
- **FY2013 - FY2015 Budgets** included continued funding, but no expenditures
- **2015/2016 Adopted Budget** continued funding and increased with an amendment
 - February 22, 2016 amendment approved transfer from Unreserved General Fund Balance \$1,623,749 for:
 - Drainage \$1,020,445,
 - Sidewalk Pathways (Hike and Bike) \$10,000,
 - Fire Equipment \$593,304

Background History cont'd



Together We Can!

- 2016/2017 Adopted Budget continued funding and resourced **\$323,000** in expenditures.
- 2017/2018 Adopted Budget fully funded Capital Replacement Fund of **\$324,596**.
- 2017/2018 Budget Amendment authorized a transfer from Unreserved General Fund fund balance of **\$250,599**.
- 2018-2019 Adopted Budget funded capital replacement of **\$235,756** and included **\$1,052,690** of expenditures
- 2018-2019 Budget Amendment authorized a transfer from General Fund unencumbered fund balance of \$42,000
- 2019-2020 Adopted Budget funded capital replacement of **\$297,582** and included \$839,500 of expenditures
- 2019-2020 Budget Amendment authorized additional expenditures of **\$351,718**

Background History cont'd



Together We Can!

- 2020-2021 Adopted Budget funded capital replacement of **\$306,590** and included \$658,985 of expenditures
- 2020-2021 Budget Amendment authorized additional expenditures of **\$43,274**
- 2021-2022 Adopted Budget funded capital replacement of **\$197,840** and included \$102,950 of expenditures, with budget amendment #1 pending to add \$8,170 for City Hall AC replacement
- 2022-2023 Adopted Budget funded capital replacement of **\$297,241** and included \$269,000 for expenditures

Est. FY 2023-24 Beg. Balances



Together We Can!

CAPITAL REPLACEMENT FUND (70)		
FY 2023-24 Estimated Beginning Fund Balance		
		<u>Amount</u>
FUND BALANCE DETAIL:		
Equipment Replacement Fund		
	Administration - Equipment	\$ 115,463
	Public Works - Equipment	236,812
	Fire Department - Equipment	1,097,409
	Street Reconstruction	515,948
	NWM land purchase	(260,000)
	Town Plan Items	
	N.W. Military Hwy Expansion	25,000
	Hike & Bike Trails/Paths	6,923
	Unallocated(Interest earned on account balances, estimated thru year end)	<u>85,436</u>
	ESTIMATED BEGINNING FUND BALANCE	<u>\$ 1,822,991</u>

Department Summary

Together We Can!



GENERAL FUND EQUIPMENT REPLACEMENT SCHEDULE SUMMARY BY DEPARTMENT

	Total Estimated Replacement Cost		Committed Balance Thru 09/30/2023		Projected Additional Funding - Future Years
<u>Administrative</u>	\$ 399,500		\$ 115,463		\$ 284,037
<u>Fire Department</u>	\$ 4,015,000		\$ 1,097,409		\$ 2,917,591
<u>Public Works</u>	\$ 606,050		\$ 236,812		\$ 369,238
Total	\$ 5,020,550		\$ 1,449,684		\$ 3,570,866

Proposed Funding Department

Together We Can!



GF EQUIPMENT REPLACEMENT SCHEDULE FUNDING OPTIONS BY DEPARTMENT

	Total Proposed Funding		Proposed ARPA Funding		Required GF Transfer, with using ARPA
	(5.4a)		(5.5a)		(5.4b)
<u>Administrative</u>	\$ 29,795		\$ 37,000		\$ -
<u>Public Works</u>	\$ 57,694		\$ 77,000		\$ 15,194
<u>Fire Department</u>	\$ 274,561		\$ 26,300		\$ 265,061
Total	\$ 362,050		\$ 140,300		\$ 280,255

CITY OF SHAVANO PARK
FY 2023 - 24 PROPOSED GENERAL FUND EQUIPMENT REPLACEMENT SCHEDULE

	Year Model	Estimated Replacement Cost	Estimated Year To Replace	Total Life (yrs)	Committed Balance at 10/1/2022	Adopted Funding FY23	FY23 Utilization/ Transfers	Committed Balance at 9/30/2023	Proposed Funding FY24	Additional Future Yrs Funding	Total Committed Balance
<u>Administrative</u>											
Upgrade - Incode to Invision	Future	\$ 60,000	2028	5	\$ 33,080	\$ 4,717	\$ -	\$ 37,797	\$ 4,441	\$ 17,762	\$ 60,000
City Hall Septic Tank Replacement (w/ Bexar 911)	2020	60,000	2050	30	6,143	1,925	-	8,068	1,925	50,007	60,000
Application Server	2022	21,000	2029	7	-	3,000	-	3,000	3,000	15,000	21,000
Email Server	2015		2023	7	11,915	(11,915)	-	-	-	-	-
Email Server	2023	22,500	2030	7	-	-	-	-	3,214	19,286	22,500
Firewall Server	2017		2024	7	7,000	-	(7,000)	-	-	-	-
Firewall Server	2023	9,000	2030	7	-	-	405	405	1,228	7,367	9,000
Telephone system, from landline to VOIP	Future	37,000	2024	7	9,811	13,594	6,595	30,000	7,000	-	37,000
A/C Units - City Hall (8)	Various	70,000	Varies	15	20,206	3,320	(9,000)	14,526	3,320	52,154	70,000
City Hall Roof	2019	100,000	2039	20	16,000	5,000	-	21,000	5,000	74,000	100,000
Backup Power Supply/Auxiliary Power Unit (CH w/Crime Control)	2021	20,000	2051	30	-	667	-	667	667	18,666	20,000
Sub Totals		\$ 399,500			\$ 104,155	\$ 20,308	\$ (9,000)	\$ 115,463	\$ 29,795	\$ 254,242	\$ 399,500
<u>Public Works</u>											
Ford F250 Crew Cab	2019	\$ 60,000	2034	15	\$ 8,809	\$ 4,266	\$ -	\$ 13,075	\$ 4,266	\$ 42,659	\$ 60,000
Ford F350 Small Dump/Tilt Bed (3492) (\$85,000 - 50/50)	2001	42,500	2024	15	28,278	7,111	-	35,389	7,111	-	42,500
Ford XL F350 Pickup/Lift Gate (0612)	2008	80,000	2025	15	34,098	15,300	-	49,398	15,300	15,302	80,000
Chevrolet Silverado HD3500 (2283) (\$80,000 - 50/50)	2013	40,000	2028	15	22,500	2,916	-	25,416	2,916	11,668	40,000
Hotsy 225 Gallon Tank/Washer/Trailer (0193)	2009	10,000	2025	15	8,167	917	-	9,084	916	-	10,000
Case Bobcat skid loader(two thirds/one third)	2019	40,000	2038	20	6,000	2,000	-	8,000	2,000	30,000	40,000
Vermeer 8" Chipper	2019	37,500	2035	15	6,287	2,400	-	8,687	2,400	26,413	37,500
Roller (ASCO)	2016	27,000	2034	18	7,400	1,300	-	8,700	1,300	17,000	27,000
Trailer (Magnum) for roller	2016	9,000	2026	8	6,124	1,437	-	7,561	1,439	-	9,000
Grasshopper MaxTorque Model 325D mower, rear discharge	2019	16,000	2028	8	3,215	2,131	-	5,346	2,131	8,523	16,000
Case Backhoe (\$66,100 - 50/50)	2017	33,050	2042	25	4,894	1,336	-	6,230	1,336	25,484	33,050
Crack Seal Machine - Trailer Mounted - CL200 Cimline	2017	50,000	2033	15	12,785	3,333	-	16,118	3,333	30,549	50,000
Grasshopper MaxTorque Model 325D mower, side discharge	2017	16,000	2025	8	7,100	2,966	-	10,066	2,966	2,968	16,000
Mini-excavator (50/50)	2018	20,000	2039	20	3,000	1,000	-	4,000	1,000	15,000	20,000
Trailer mounted Ingersoll Rand Air Compressor(50/50)	2006	4,000	TBD	20	2,000	1,000	-	3,000	1,000	-	4,000
Public Works Director Truck (\$50,000 - 50/50)	Future	25,000	TBD	15	15,500	3,665	-	19,165	3,665	2,170	25,000
Equipment Trailer	2021	6,288	2041	20	797	300	-	1,097	300	4,891	6,288
Dump truck 50/50 (Grant funded)	2020	45,000	2040	20	2,250	2,250	-	4,500	2,250	38,250	45,000
Landscape Trailer	2018	5,000	2038	20	750	250	-	1,000	250	3,750	5,000
Kubota UTV	2021	14,712	2036	15	-	980	-	980	980	12,752	14,712
Backup Power Supply/Auxiliary Power Unit	2023	25,000	2053	30	-	-	-	-	835	24,165	25,000
Sub Totals		\$ 606,050			\$ 179,954	\$ 56,858	\$ -	\$ 236,812	\$ 57,694	\$ 311,544	\$ 606,050

CITY OF SHAVANO PARK
FY 2023 - 24 PROPOSED GENERAL FUND EQUIPMENT REPLACEMENT SCHEDULE

	Year	Estimated Replacement Cost	Estimated Year To Replace	Total Life (yrs)	Committed Balance at 10/1/2022	Adopted Funding FY23	FY23 Utilization/ Transfers	Committed Balance at 9/30/2023	Proposed Funding FY24	Additional Future Yrs Funding	Total Committed Balance
Fire Department											
Hallmark Trailer-Wells Cargo (1086)	2004	\$ 8,000	2032	10	\$ 8,000	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ 8,000
Ambulance (4617)	2017	230,000	2028	10	72,000	18,000	-	90,000	28,000	140,000	230,000
Ambulance (1796) remount box on new cab/chassis	2018	175,000	2029	10	42,000	14,000	-	56,000	19,833	119,000	175,000
Hall-Mark Fire Apparatus E-One Typhon Pumper (7377)	2012	800,000	2033	20	324,568	43,200	-	367,768	43,200	259,200	800,000
Pierce 2017 Platform Apparatus (purchased 2019)	2017	1,750,000	2039	20	196,700	76,700	-	273,400	83,000	498,000	1,750,000
Ford F350 Pickup (5691)	2010	75,000	2030	20	32,300	5,300	-	37,600	5,300	31,800	75,000
Ford F550 Fire Brush Truck (5797)	2010	150,000	2030	20	45,762	5,030	-	50,792	14,175	85,042	150,000
Chevy Tahoe LS - Command 1752	2014	80,000	2025	15	26,100	5,500	-	31,600	24,200	48,400	80,000
Max Air Trailer Mounted Breathing Air System Complete	2005/17	20,000	2037	20	1,250	500	-	1,750	500	3,000	20,000
Communication System (hand held/mobile mounted radios)	2021	140,000	2036	15	9,400	9,400	-	18,800	9,400	56,400	140,000
Cardiac Monitor-Defibrillator	2022	39,000	2032	10	1,477	3,752	-	5,229	3,752	22,512	39,000
Cardiac Monitor-Defibrillator	2022	39,000	2032	10	1,478	3,752	-	5,230	3,752	22,512	39,000
Stryker - Stretcher	2017	18,000	2028	10	9,000	1,800	-	10,800	1,800	7,200	18,000
Stryker - Stretcher	2018	18,000	2029	10	7,200	1,800	-	9,000	1,800	9,000	18,000
Roof on Living Quarters (metal)	2016	20,000	2056	40	1,500	500	-	2,000	500	3,000	20,000
SCBA units (12)	2018	125,000	2034	15	24,714	8,357	-	33,071	8,357	50,142	125,000
Thermal Imaging Cameras	2017	10,000	2025	8	6,338	1,191	-	7,529	1,235	2,471	10,000
Thermal Imaging Cameras	2017	10,000	2025	8	6,338	1,191	-	7,529	1,236	2,471	10,000
Mobile Computers (13)	Various	39,000	Various	7	19,800	4,000	-	23,800	4,000	15,200	39,000
A/C systems (Bays 1 5-ton split unit)	2010	10,000	2025	15	10,000	-	-	10,000	-	-	10,000
A/C systems (Living Quarters 2 5-ton units)	2000	10,000	TBD	10	10,000	-	-	10,000	-	-	10,000
Lucas Auto Pulse (1)	2022	24,000	2032	10	-	2,400	-	2,400	2,400	14,400	24,000
Lucas Auto Pulse (1)	2022	24,000	2032	10	-	2,400	-	2,400	2,400	14,400	24,000
Generac Emergency Generator 25KW (Gas)(Bay Doors & Radios)	2015	25,000	2035	20	7,500	1,250	-	8,750	1,250	7,500	25,000
Extrication tools (Jaws of Life)	2022	38,000	2032	10	-	3,800	-	3,800	3,800	22,800	38,000
Skyline 40LB Extractor	2020	8,000	2035	15	1,526	498	-	2,024	498	2,988	8,000
StairPro Stair Master	2006	7,500	2024	15	4,083	104	-	4,187	3,313	3,313	7,500
Eliptical machine	2006	5,000	2025	15	3,500	250	-	3,750	625	1,250	5,000
Communication System (Radio Repeater Complete) VHF	1990	48,500	Various	30	2,500	1,000	-	3,500	1,000	6,000	48,500
Second set - bunker gear (9)	2021	23,000	2031	10	2,300	2,300	-	4,600	2,300	13,800	23,000
Second set - bunker gear (8)	2022	21,000	2032	10	-	2,100	-	2,100	2,100	12,600	21,000
Backup Power Supply/Auxiliary Power Unit	2023	25,000	2053	30	-	-	-	-	835	5,010	25,000
Sub Totals		\$ 4,015,000			\$ 877,334	\$ 220,075	\$ -	\$ 1,097,409	\$ 274,561	\$ 1,479,411	\$ 4,015,000
Total Capital Replacement Funds		\$ 5,020,550			\$ 1,161,443	\$ 297,241	\$ (9,000)	\$ 1,449,684	\$ 362,050	\$ 2,045,197	\$ 5,020,550

CITY OF SHAVANO PARK

FY 2023 - 24 PROPOSED GENERAL FUND EQUIPMENT REPLACEMENT SCHEDULE WITH AMERICAN RESCUE PLAN ACT UTILIZATION CONSIDERATIONS

	Year Model	Estimated Replacement Cost	Estimated Year To Replace	Total Life (yrs)	Committed Balance at 10/1/2022	Adopted Funding FY 23	FY23 Utilization/ Transfers	Committed Balance at 9/30/2023	Proposed Funding FY 24	Additional Future Yrs Funding	Total Committed Balance
<u>Administrative</u>											
Upgrade - Incode to Invision	Future	\$ 60,000	2028	5	\$ 33,080	\$ 4,717	\$ -	\$ 37,797	\$ 6,200	\$ 16,003	\$ 60,000
City Hall Septic Tank Replacement (w/ Bexar 911)	2020	60,000	2050	30	6,143	1,925	-	8,068	2,500	49,432	60,000
Application Server	2022	21,000	2029	7	-	3,000	-	3,000	3,500	14,500	21,000
Email Server	2015		2023	7	11,915	(11,915)	-	-	-	-	-
Email Server	2023	22,500	2030	7	-	-	-	-	3,300	19,200	22,500
Firewall Server	2017		2024	7	7,000	-	(7,000)	-	-	-	-
Firewall Server	2023	9,000	2030	7	-	-	405	405	1,500	7,095	9,000
Telephone system, from landline to VOIP	Future	37,000	2024	7	9,811	13,594	6,595	30,000	(30,000)	37,000	37,000
A/C Units - City Hall (8)	Various	70,000	Varies	15	20,206	3,320	(9,000)	14,526	6,000	49,474	70,000
City Hall Roof	2019	100,000	2039	20	16,000	5,000	-	21,000	6,000	73,000	100,000
Backup Power Supply/Auxiliary Power Unit (CH w/Crime Control)	2021	20,000	2051	30	-	667	-	667	1,000	18,333	20,000
Sub Totals		\$ 399,500			\$ 104,155	\$ 20,308	\$ (9,000)	\$ 115,463	\$ -	\$ 284,037	\$ 399,500
<u>Public Works</u>											
Ford F250 Crew Cab	2019	\$ 60,000	2034	15	\$ 8,809	\$ 4,266	\$ -	\$ 13,075	\$ 4,266	\$ 42,659	\$ 60,000
Ford F350 Small Dump/Tilt Bed (3492) (\$85,000 - 50/50)	2001	42,500	2024	15	28,278	7,111	-	35,389	(35,389)	42,500	42,500
Ford XL F350 Pickup/Lift Gate (0612)	2008	80,000	2025	15	34,098	15,300	-	49,398	15,300	15,302	80,000
Chevrolet Silverado HD3500 (2283) (\$80,000 - 50/50)	2013	40,000	2028	15	22,500	2,916	-	25,416	2,916	11,668	40,000
Hotsy 225 Gallon Tank/Washer/Trailer (0193)	2009	10,000	2025	15	8,167	917	-	9,084	916	-	10,000
Case Bobcat skid loader(two thirds/one third)	2019	40,000	2038	20	6,000	2,000	-	8,000	2,000	30,000	40,000
Vermeer 8" Chipper	2019	37,500	2035	15	6,287	2,400	-	8,687	2,400	26,413	37,500
Roller (ASCO)	2016	27,000	2034	18	7,400	1,300	-	8,700	1,300	17,000	27,000
Trailer (Magnum) for roller	2016	9,000	2026	8	6,124	1,437	-	7,561	1,439	-	9,000
Grasshopper MaxTorque Model 325D mower, rear discharge	2019	16,000	2028	8	3,215	2,131	-	5,346	2,131	8,523	16,000
Case Backhoe (\$66,100 - 50/50)	2017	33,050	2042	25	4,894	1,336	-	6,230	1,336	25,484	33,050
Crack Seal Machine - Trailer Mounted - CL200 Cimline	2017	50,000	2033	15	12,785	3,333	-	16,118	3,333	30,549	50,000
Grasshopper MaxTorque Model 325D mower, side discharge	2017	16,000	2025	8	7,100	2,966	-	10,066	2,966	2,968	16,000
Mini-excavator (50/50)	2018	20,000	2039	20	3,000	1,000	-	4,000	1,000	15,000	20,000
Trailer mounted Ingersoll Rand Air Compressor(50/50)	2006	4,000	TBD	20	2,000	1,000	-	3,000	1,000	-	4,000
Public Works Director Truck (\$50,000 - 50/50)	Future	25,000	TBD	15	15,500	3,665	-	19,165	3,665	2,170	25,000
Equipment Trailer	2021	6,288	2041	20	797	300	-	1,097	300	4,891	6,288
Dump truck 50/50 (Grant funded)	2020	45,000	2040	20	2,250	2,250	-	4,500	2,250	38,250	45,000
Landscape Trailer	2018	5,000	2038	20	750	250	-	1,000	250	3,750	5,000
Kubota UTV	2021	14,712	2036	15	-	980	-	980	980	12,752	14,712
Backup Power Supply/Auxiliary Power Unit	2023	25,000	2053	30	-	-	-	-	835	24,165	25,000
Sub Totals		\$ 606,050			\$ 179,954	\$ 56,858	\$ -	\$ 236,812	\$ 15,194	\$ 354,044	\$ 606,050

CITY OF SHAVANO PARK

FY 2023 - 24 PROPOSED GENERAL FUND EQUIPMENT REPLACEMENT SCHEDULE WITH AMERICAN RESCUE PLAN ACT UTILIZATION CONSIDERATIONS

	Year	Estimated Replacement Cost	Estimated Year To Replace	Total Life (yrs)	Committed Balance at 10/1/2022	Adopted Funding FY 23	FY23 Utilization/ Transfers	Committed Balance at 9/30/2023	Proposed Funding FY 24	Additional Future Yrs Funding	Total Committed Balance
Fire Department											
Hallmark Trailer-Wells Cargo (1086)	2004	\$ 8,000	2032	10	\$ 8,000	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ 8,000
Ambulance (4617)	2017	230,000	2028	10	72,000	18,000	-	90,000	28,000	140,000	230,000
Ambulance (1796) remount box on new cab/chassis	2018	175,000	2029	10	42,000	14,000	-	56,000	19,833	119,000	175,000
Hall-Mark Fire Apparatus E-One Typhon Pumper (7377)	2012	800,000	2033	20	324,568	43,200	-	367,768	43,200	259,200	800,000
Pierce 2017 Platform Apparatus (purchased 2019)	2017	1,750,000	2039	20	196,700	76,700	-	273,400	83,000	498,000	1,750,000
Ford F350 Pickup (5691)	2010	75,000	2030	20	32,300	5,300	-	37,600	5,300	31,800	75,000
Ford F550 Fire Brush Truck (5797)	2010	150,000	2030	20	45,762	5,030	-	50,792	14,175	85,042	150,000
Chevy Tahoe LS - Command 1752	2014	80,000	2025	15	26,100	5,500	-	31,600	24,200	48,400	80,000
Max Air Trailer Mounted Breathing Air System Complete	2005/17	20,000	2037	20	1,250	500	-	1,750	500	3,000	20,000
Communication System (hand held/mobile mounted radios)	2021	140,000	2036	15	9,400	9,400	-	18,800	9,400	56,400	140,000
Cardiac Monitor-Defibrillator	2022	39,000	2032	10	1,477	3,752	-	5,229	3,752	22,512	39,000
Cardiac Monitor-Defibrillator	2022	39,000	2032	10	1,478	3,752	-	5,230	3,752	22,512	39,000
Stryker - Stretcher	2017	18,000	2028	10	9,000	1,800	-	10,800	1,800	7,200	18,000
Stryker - Stretcher	2018	18,000	2029	10	7,200	1,800	-	9,000	1,800	9,000	18,000
Roof on Living Quarters (metal)	2016	20,000	2056	40	1,500	500	-	2,000	500	3,000	20,000
SCBA units (12)	2018	125,000	2034	15	24,714	8,357	-	33,071	8,357	50,142	125,000
Thermal Imaging Cameras	2017	10,000	2025	8	6,338	1,191	-	7,529	1,235	2,471	10,000
Thermal Imaging Cameras	2017	10,000	2025	8	6,338	1,191	-	7,529	1,236	2,471	10,000
Mobile Computers (13)	Various	39,000	Various	7	19,800	4,000	-	23,800	2,000	12,000	39,000
A/C systems (Bays 1 5-ton split unit)	2010	10,000	2025	15	10,000	-	-	10,000	-	-	10,000
A/C systems (Living Quarters 2 5-ton units)	2000	10,000	TBD	10	10,000	-	-	10,000	-	-	10,000
Lucas Auto Pulse (1)	2022	24,000	2032	10	-	2,400	-	2,400	2,400	14,400	24,000
Lucas Auto Pulse (1)	2022	24,000	2032	10	-	2,400	-	2,400	2,400	14,400	24,000
Generac Emergency Generator 25KW (Gas)(Bay Doors & Radios)	2015	25,000	2035	20	7,500	1,250	-	8,750	1,250	7,500	25,000
Extrication tools (Jaws of Life)	2022	38,000	2032	10	-	3,800	-	3,800	3,800	22,800	38,000
Skyline 40LB Extractor	2020	8,000	2035	15	1,526	498	-	2,024	498	2,988	8,000
StairPro Stair Master	2006	7,500	2024	15	4,083	104	-	4,187	(4,187)	(4,187)	7,500
Elipctical machine	2006	5,000	2025	15	3,500	250	-	3,750	625	1,250	5,000
Communication System (Radio Repeater Complete) VHF	1990	48,500	Various	30	2,500	1,000	-	3,500	1,000	6,000	48,500
Second set - bunker gear (9)	2021	23,000	2031	10	2,300	2,300	-	4,600	2,300	13,800	23,000
Second set - bunker gear (8)	2022	21,000	2032	10	-	2,100	-	2,100	2,100	12,600	21,000
Backup Power Supply/Auxiliary Power Unit	2023	25,000	2053	30	-	-	-	-	835	5,010	25,000
Sub Totals		\$ 4,015,000			\$ 877,334	\$ 220,075	\$ -	\$ 1,097,409	\$ 265,061	\$ 1,468,711	\$ 4,015,000
Total Capital Replacement Funds		\$ 5,020,550			\$ 1,161,443	\$ 297,241	\$ (9,000)	\$ 1,449,684	\$ 280,255	\$ 2,106,792	\$ 5,020,550

CITY COUNCIL STAFF SUMMARY

Meeting Date: July 13, 2022

Agenda item: 5.5

Prepared by: Brenda Morey

Reviewed by: Bill Hill

AGENDA ITEM DESCRIPTION:

Discussion – American Rescue Plan Act Funds Consideration – City Manager / Finance Director

☒

Attachments for Reference:

a) ARPA Proposed Priority List

BACKGROUND / HISTORY: President Biden signed the American Rescue Plan Act (ARPA or the Act) in early March, 2021. The Act provides for a State and Local Fiscal Recovery Fund of \$350 billion dollars to respond to the COVID-19 emergency. The Act's funding objectives include:

- Support public health response by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare and certain public health and safety staff,
- Replace public sector revenue loss to provide government services to the extent of the reduction in revenue experienced due to the pandemic,
- Water and sewer infrastructure, making necessary investment to improve access to clean drinking water and invest in wastewater and stormwater infrastructure,
- Address negative economic impacts by responding to the economic harms to workers, families, small businesses, impacted industries and the public sector,
- Premium pay for essential workers by offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors
- Broadband infrastructure, to provide unserved or underserved locations with new or expanded broadband access.

The expenditure period began March 3, 2021 with funds obligated by December 31, 2024 and expended by December 31, 2026.

The City has segregated money received under this Act in Fund 58, American Rescue Plan Act Fund, to clearly reflect the receipt and expenditure of the award. The City also has a separate investment account at TexStar to hold unspent ARPA funds.

DISCUSSION: Due to its population, the City of Shavano Park is considered a non-entitlement unit of local government (NEU). As such, the City's funding, approximately \$986,000 received in two equal payments, flows thru the State of Texas and not directly from the U.S. Treasury. The City received the first tranche on August 23, 2021, and incurred expenditures of \$413,987 for FY22. For FY2023, Council approved a budget of approximately \$281,000 leaving \$291,000 to allocate. Staff's initial plan is to budget approximately \$250,000 FY24, leaving the balance for unforeseen price increases or other urgent requirements that may arise.

The funding objective with the most flexibility for the City is the replacement of lost revenues to support governmental services. The Treasury Department has modified the lost revenues component and provides for an allowance of \$10 million under this category to reduce the record keeping and reporting requirements, especially on the smaller entities. This modification does not increase the City's award, but allows the City to use all of the funding under the lost revenues category.

This amount can be used for government services, including but not limited to, maintenance of infrastructure or pay-go spending for building new infrastructure, including roads; modernization of cybersecurity, including hardware, software and protection of critical infrastructure; and the provision of police, fire and other public safety services. Public works activities would also be considered a government service. These funds cannot be used to pay principal or interest on any outstanding debt, replenish reserve funds or pay settlements or judgments as these are not considered provision of a government service.

The purpose of this discussion is to re-familiarize and evaluate the implications of potential ARPA funded purchases. Here are some considerations:

- Use for Water Fund expenses is a great use, but will not defer increased cost expenditures (inflation) in the General Fund, also the Water Utility has Bexar County ARPA funding available that is specifically for the Utility's use.
- Use of General Fund expenditures best used for one-time purchases required next year
- Use of General Fund expenditures for reoccurring expenses could provide a false level of revenue expected in future years. Next year, to maintain the same level of funding we will have to come up with new revenues to cover that used to fund ARPA funding expenses
- Council can review the Major Expenditures listed in each departments' slide and begin to prioritize and formulate an ARPA funding list
- A list of possible expenditures is provided as a starting point

COURSES OF ACTION: Review, consider and provide guidance for use of ARPA funding for FY 2023-2024.

FINANCIAL IMPACT: Varies based upon Council guidance.

MOTION REQUESTED: Consensus framework, guidance, consideration may be achieved for budget preparation.

CITY OF SHAVANO PARK
ARPA Proposed Priority List

Staff proposed utilization of the ARPA funding, by priority:

Lost Revenues - provision of governmental services:

1 Upgrade Fire Dept ruggedized mobile routers	\$ 12,000	
2 Upgrade City security event incident management	4,500	
3 Upgrade Phone system	37,000	Capital Replacement Funds \$30,000
4 Replace commercial ice machine	7,500	
5 Repair and repave FD/PW parking lot	11,000	
6 Windows 11 upgrades - all departments	41,400	
7 2 AFIS devices - PD	7,800	
8 Stair Machine - FD	7,500	
10 PW/W Stake bed truck, with lift gate	77,000	Capital Replacement Funds \$71,000
Total Proposed for FY24	<u>\$ 205,700</u>	(in 70 fund and Water)

Other items for consideration:

NWM/Saddletree lot payment	\$ 65,000	Capital?
Place Well #1 back into Operation	\$ 80,000	Water Utility - Bexar Co ARPA
Patrol Car/Body Worn camera system, yr 3 of 5	\$ 29,490	Crime Control District
Enclose / Improve Chorine / Well Houses	\$ 15,000	Water Utility
Build Shades over the Drive Shafts	\$ 6,500	Water Utility

CITY COUNCIL STAFF SUMMARY

Meeting Date: July 11, 2023

Agenda item: 5.6

Prepared by: Brenda Morey

Reviewed by: Bill Hill

AGENDA ITEM DESCRIPTION:

Discussion / action - FY 2023-24 Budget Calendar – City Manager/ Finance Director

X

Attachments for Reference:

a) Proposed FY 2023-24 Budget Calendar

BACKGROUND / HISTORY: Staff drafted the FY 2023-24 Budget Calendar to allow Council and Staff to arrange their schedules for the required meetings over the next several months. Updates from prior staff summary are highlighted in **yellow**.

DISCUSSION: Attached is the Proposed FY 2023-24 Budget Calendar.

Council should consider the proposed budget calendar meeting schedule and provide guidance as necessary. Council has approved the dates for the first two budget workshops (June 6th at 12:00 pm and Monday, June 26th at 5:00 pm, prior to the regular June meeting).

At the June 6 budget workshop, Council provided consensus for a budget workshop to be held on Tuesday, July 11, 2023, at 5:30pm and for a Special Council meeting to be held on Thursday, August 3, 2023 at 5:30pm, where the City Manager will present his proposed FY2023-24 budget, with no Council action planned.

At the June 26th regular City Council meeting, Council approved the budget workshops scheduled for Tuesday, July 11, 2023 at 5:30pm and on Monday July 24, 2023 at 5:00pm (before the regular July City Council meeting). Council also advised staff that the meeting originally scheduled for Thursday, August 3, 2023 at 5:30pm was no longer feasible and that presenting the City Manager's proposed FY24 budget should be planned for either Tuesday, August 1 or Tuesday, August 8 at 5:30pm. After discussion between the City Manager and staff, and considering the tax rate calculation may not be received by August 1, staff is proposing the August 8, 2023 date for this meeting.

Staff is also proposing moving the Special Council meeting originally planned for Thursday, August 10, where Council would set the total tax rate ceiling, to Tuesday, August 15, 2023, combining with the budget workshop already scheduled for that day. Rescheduling the special

meeting allows Council members one week to review and consider the City Manager's proposed budget prior to voting to set the tax rate ceiling.

Prior to the first workshop, Staff will present to Council each Directorate's / Department's draft goals and objectives for the upcoming fiscal year. Some of these will be service related and some will be resources related. Critical objectives will be planned by staff to be fully funded in the budget. In a number of cases, the funding of other objectives (requirements) in the budget will be based upon the staff's ability to operate within the projected revenues. Thus, planned objectives may be deferred to future years.

This calendar provides for the City Council establishing overarching Goals and Objectives as you have in the past. Typically, the eight goals established in previous years do not vary significantly, but the objectives do change as priorities and requirements evolve and other objectives are accomplished. This is an important element of guidance provided to staff for the entire year, but also those objectives that require fiscal funding must be included in the budget.

Council assumptions developed early on assist staff in prioritizing and developing the budget. For example, an assumption may be that employee compensation wages may rise by 5% or that medical insurance costs may rise by 10%. The actual rates may not be determined until after the City Manager proposes the initial budget. Should Council want to lower the tax rate, the development of an assumed amount (target) would be helpful. The ability to do this ultimately comes down to balancing services and resource requirements with projected revenues.

Note: Staff intends to present the budget as early as possible. Considering the certified tax rolls are not provided to the City until approximately July 25th (last year the certified rolls were provided on July 25th) and the No-New-Revenue, Voter-Approval and Deminimis tax rates are not provided until after that date (City received calculations on July 29th) – presenting the record City Manager budget is scheduled for August 3rd.

Staff anticipates the requirement to approve the budget and tax rate at the normally scheduled City Council meeting on September 18th will meet the timetable from the Bexar County Tax Assessor's Office for timely preparation and mailing of the tax bills on October 1. This schedule anticipates scheduling a special City Council meeting on September 11th for the first reading of the budget/public hearing.

COURSES OF ACTION: 1.) Provide consensus guidance for a Special City Council meeting on Tuesday, August 8, 2023 at 5:30pm, where the City Manager will present his proposed FY24 budget and for a Special Council meeting on Tuesday, August 15, 2023 at 5:30pm where Council will set the

tax rate ceiling for FY24 followed immediately by a budget workshop.

2.) Look ahead to the budget workshop scheduled for August 28, 2023 at 5:00pm (before the regular August City Council meeting) and to the Special City Council meeting scheduled for Monday, September 11, 2023 at 6:30 pm for the first reading of the budget/public hearing for possible schedule conflicts.

3.) Provide alternate dates/times.

FINANCIAL IMPACT: N/A

MOTION REQUESTED: N/A

CITY OF SHAVANO PARK

PROPOSED BUDGET CALENDAR FOR FY 2023-24

2023

*****Planning*****

20 - 28 April	Receive Preliminary Property Tax Report; pass to Council
1 – 12 May	Department Budget Meetings with General Fund Departments - FY 2023 -24 Goals, Objectives, Unfunded Requirements
Monday 8 May	Water Advisory Committee FY 2023-24 Goals and Objectives, Revenues

*****Preparation*****

Tuesday 6 June	Council Workshop 12:00 noon – Set Initial Goals, Objectives and Budget Guidance, review annual risk assessment – all departments
Monday 19 June	Water Advisory Committee Meeting / Budget Workshop (Expenses, G&O)
19-30 June	Prepare Revenues for Preliminary Budget
Monday 26 June	Council Workshop – Budget Basics, Staff Analysis of Council Objectives, Benefits Update, Long Term Financing Considerations (before regular City Council meeting – 5:00pm)
Monday 10 July	Water Advisory Committee Meeting - Recommendation of initial Water Utility Fund Budget
Tuesday 11 July	Budget Workshop 5:30pm – Capital Replacement, Compensation, Expense Estimates
Monday 24 July	Budget Workshop 5:00pm – Compensation and Benefits (before regular City Council meeting – 5:00pm)
25 July	Bexar County Appraisal District Provides Certified Tax Roll; pass to Council
~ July 25 - August 5	Bexar County Tax Assessor Collector Calculates & Provides No-New-Revenue, Voter-Approval and Deminimis Tax Rates
Tuesday 8 August	Special Council Meeting 5:30pm - <ul style="list-style-type: none"> - City Manager Submits Proposed FY 2023-24 Budget (No anticipated Council action) - Receive No-New-Revenue, Voter-Approval and Deminimis Tax Rate Calculations
Thursday 10 August	Special Council Meeting / Workshop 5:30pm <ul style="list-style-type: none"> - Discuss tax rate; if proposed tax rate will exceed the No-New-Revenue Rate, take record vote and schedule Public Hearing.
Tuesday 15 August	Special Council Meeting & Budget Workshop 5:30pm <ul style="list-style-type: none"> - Discuss tax rate; if proposed tax rate will exceed the No-New-Revenue Rate, take record vote and schedule Public Hearing.

*******Review*******

Monday 28 August Budget Work Shop 5:00pm (if needed) / Regular Council Meeting

Wednesday 23 August or
30 August Publication - Notice of Budget Hearings

Wednesday, 30 August or
6 September Publication - Notice of 2023 Tax Year Proposed Tax Rate (No-New-Revenue, Voter-Approval, Deminimis)

*******Public Adoption*******

Monday 11 September Special Council Meeting 6:30pm –
- 1st Reading of Budget/Public Hearing
- Announce meeting to adopt tax rate.

Monday 18 September Regular Council Meeting –
- 2nd Reading of Budget/Public Hearing
- Adopt Budget by Ordinance
- Levy Tax Rate by Resolution and take record vote