

# 2022/23 Budget Workshop #1 - Notes

Council / Mayor:

All of the City's Department Heads have submitted their FY22/23 operational budgets. The process was labor intensive and I am happy to report the team has done an OUTSTANDING job. **Our FY22/23 revenues and expenditures are currently BALANCED at \$14,798,549.** This is \$956,018 greater than our FY21/22 budget of \$13,742,531 and represents a 6.96% INCREASE in projected Y-O-Y spending. Our General Fund debt service payment next year will be \$746,968. The total bonded debt remaining as of 8/31/22 is \$6,823,799 (13.9% reduction).

FY2021/22			
General	Utility	Debt	Total
\$5,522,767	\$7,703,590	\$516,174	\$13,742,531
FY2022/23			
General	Utility	Debt	Total
\$5,929,629	\$8,021,952	\$746,968	\$14,698,549

**DELTA =  
\$956k INCREASE**

Several key "drivers" impacted spending during FY21/22 that will carry over into and/or impact our FY22/23 budget:

**\$RED = EXPENSE / \$GREEN = REVENUE**

- Hotel Occupancy Tax (HOT) INCREASED by 62% - **(\$40k)**
- Sales tax revenue INCREASED by 21% during FY21/22 - **(\$80k)**
- COS property values INCREASED by 20% or \$66M during 2022 - **(\$123k)**
- Health Insurance premiums INCREASED by 4% - **(\$20k)**. City pays 100% of employee health care.
- Contingency expenditures in FY21/22 approximately **\$321k** (e.g., WWTF Blower, Transformers, Fuel, etc.)
- WMI, Inc. Solid Waste Services Fee INCREASED by 5% - **(\$89k)**. Increase not transferred to customers.
- Interfund transfer from Utilities to the General Fund was REDUCED by 4.5% (\$60k) from \$1.32M to \$1.26M
- \$1.25M Tax Note recommended to purchase capital equipment for PD, Parks & Rec, and Public Works.
- Recommend **FY22-23 Ad Valorem TAX RATE @ \$0.548934 cents** (SLIGHTLY < 2021). Average Home Value INCREASED from \$186k to \$208k. Average impact to property owners is \$121.00 INCREASE / year.

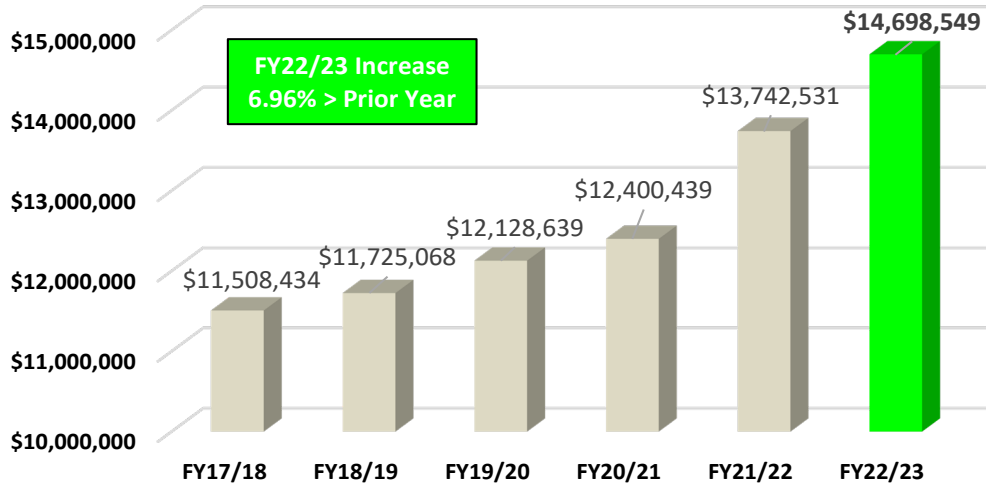
The proposed FY22/23 budget will support multiple projects and plans with a 3% cost of living adjustment for all employees. The additional \$595k revenue from American Recovery Plan Act (ARPA) and issuing a \$1.25M tax note will cover the cost for sealcoating / restriping Main Street, expanding City Hall to include additional office space and ADA-compliant restrooms, conducting a wastewater expansion study, making upgrades to Mt. Pleasant Cemetery, redesigning the city website, preparing a comprehensive plan, and purchasing capital equipment for the Public Works, Parks, and Police Department(s).

Funds have also been budgeted to cover various grant matches and enable mowing of over-grown lots and removal of debris associated with condemned property. Public services like fire, police, animal control, courts, library, airport, rec center, parks, cemetery, leaf/limb, road repair, street paving, and small drainage projects throughout town will be funded through property taxes, sales tax, permits, and a \$1.26M Utility transfer to the General Fund. **However, the following projects and plans have been cut as they represent a lower priority and can be postponed until funding becomes available and/or operations warrant:**

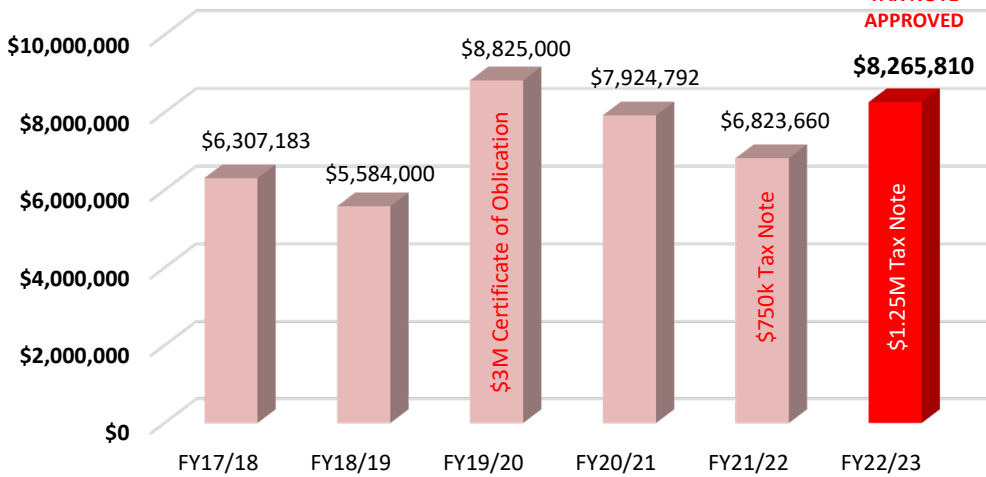
- **Reopen Ramona Street - \$150k**
- **OpenGov Citizen Services Software Suite (permits, P&Z) - \$50k**
- **Shade Structure for Skate Park - \$25k**
- **Security Upgrade at City Hall (Panic Buttons) - \$10k**
- **Utility Truck for Public Works - \$60k**
- **Bucket Truck for Utility Department - \$150k**

**\$445k  
In Budget Cuts**

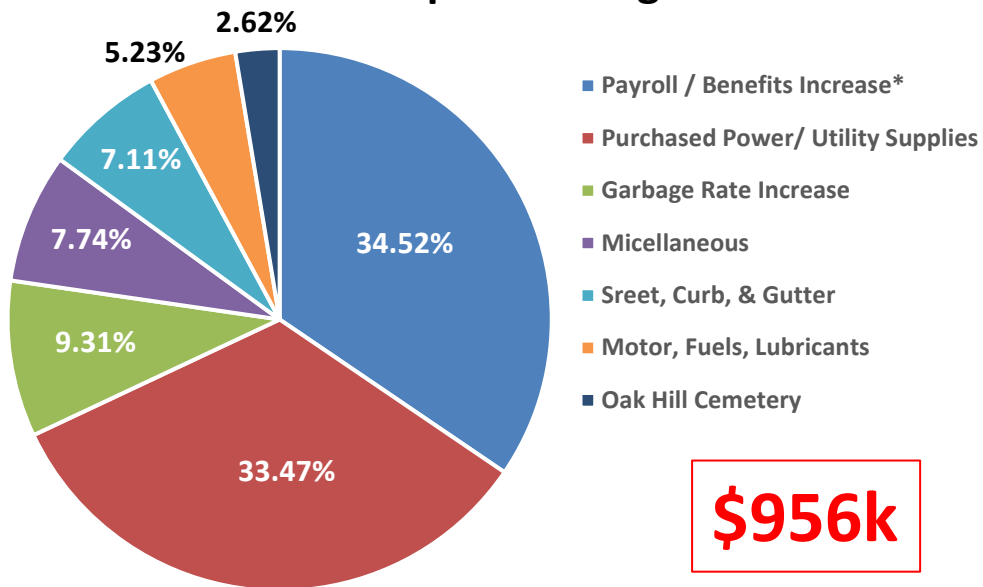
### City of Smithville Budget History



### City of Smithville Debt History



### Breakdown of Proposed Budget Increase



# 3% Cost of Living Adjustment (COLA) for Employees

Base Hourly Wage for Laborer (BEFORE ADJUSTMENT)		Base Hourly Wage for Laborer (AFTER ADJUSTMENT)		
City	Hourly Rate \$	City	Hourly Rate \$	% Increase Proposed
Bastrop	\$17.17	Bastrop	\$18.54	8%
Flatonia	\$16.56	Flatonia	\$17.38	5%
Gonzales	\$15.00	Gonzales	\$15.75	5%
<b>Smithville</b>	<b>\$15.00</b>	<b>Smithville</b>	<b>\$15.45</b>	<b>3%</b>
Elgin	\$14.50	Elgin	\$15.23	5%
LaGrange	\$14.00	LaGrange	\$14.70	5%
Giddings	\$13.50	Giddings	\$13.90	3%

The base hourly wage for an entry-level employee working for the City of Smithville was increased from \$12.80 to \$15.00 last year at a cost of \$470k. This year, we are proposing medical benefits for retirees, increasing the TMRS multiplier from 1.5x to 2.0x to better align with what other municipalities of similar size offer, and a 3% cost of living adjustment to raise the base hourly rate from \$15.00 to \$15.45. This rate is consistent with other municipalities are currently paying. However, funding will require an additional **\$330k** in revenue which includes an average 28% burden rate for benefits. No new headcount is planned. However, we currently have six (6) open positions to fill (see org chart below).

## City of Smithville August 2022

Mayor: Sharon Foenster

Mayor Pro-Tem: William Gordon

City Council Members: Janice Bruno, Tom Etheredge, Cassie Barrientos, & Joanna Morgan

City Manager: Robert Tamble

Municipal Judge: Raymah Davis

Associate Judge: Anna Hernandez

<p><b>Administration</b> City Secretary Jennifer Lynch</p> <p>General Consultant P/T Brenda Page</p> <p>Assistant City Secretary Tracie Dzenowski</p> <p>Accounting Ass./Gen. Clerk Tracia Ford</p> <p>General Clerk P/T Heather Ambrose</p> <p>Court Clerk Anna Hernandez</p>	<p><b>Police / Animal Control</b> Chief of Police David Repka</p> <p>Police Investigator Jadwin Hubbard Greg Stewart</p> <p>Police Sergeant Matthew Henderson Danny Wofford</p> <p>School Resource Officer Glenn Addison</p> <p>Police Dispatch Supervisor Cynthia Anderson</p> <p>Police Dispatchers Denver Donaghe Paul Lowery Renee Lupo Paige Nguyen Mylissa Hernandez</p> <p>Officers Cary Alexander Anthony Nolen Frederico Salazar Jeremy Schelsteder Richard Hernandez Kenneth Yarbrough</p> <p>Reserve Officers Phillip Ascebedo Jessie Dell Gregg Goddard Jordan Murray Steve Ou Phillip Taylor Robert Torres Steven Tyler Dustin Werley Mark Zimmerman</p> <p>Animal Control Officer William Dikline</p>	<p><b>Library</b> Library Director Judy Bergeron</p> <p>Library Assistant Director Jason Lynch</p> <p>Library Clerks - F/T Stella Pease Lisa Duty</p> <p>Library Assistant - P/T OPEN POSITION Andra Sparks OPEN POSITION</p> <p>Literacy Coordinator Roxanne Shelt</p>	<p><b>Parks / Public Works / Utilities</b> Public Works Director Jack Page</p> <p>Assistant Public Works / Utilities Director Edward Balusek</p> <p><b>Parks</b> Parks Foreman Scott Saunders</p> <p>Parks Laborer James Boethel Timothy John Robert Gregg III OPEN POSITION</p> <p><b>Public Works</b> Public Works Foreman Ronnie Kadleck</p> <p>Equipment Operator David Kalisek</p> <p>Streets &amp; Alleys Ken Knebel Kayden Faycoch</p> <p>Solid Waste Vincent Adams David Smith Patrick Sampson Delvin McDow</p> <p>Solid Waste P/T OPEN POSITION</p> <p>Code Enforc/Inspect Shawn Hernandez</p> <p>Code Enforc Laborer P/T Wayne Washington</p> <p>Cemetery Carlton Dambrosky Christopher McDonald</p> <p>Maintenance Brad Burnham</p> <p>Buildings Custodian Patrick Vinklarek</p> <p><b>Utilities</b> Electric Foreman Trey Clemons</p> <p>Electric Lineman Tyler Balusek</p> <p>Electric Laborer OPEN POSITION Matt Lara III Zachary DeFriend</p> <p>Water/Wastewater Foreman Paul Espinoza</p> <p>Water Laborer Kevin Barnes Cade Balusek</p> <p>Wastewater Systems Operator Odin Pfeiffer</p> <p>Wastewater Systems Laborer OPEN POSITION</p> <p>Recycle Center Laborer Larry Winkler</p>
<p><b>Finance</b> Finance Director Cynthia White</p> <p>AP/Payroll Clerk Tiffany Scallorn</p> <p>Accounting Assistant Allysha Page</p> <p>Utility Billing Supervisor Nadine Harris</p> <p>Utility Clerk Rosalie Johnson</p>	<p><b>Economic Development &amp; Grant Administration</b> Director Jill Strube, PhD</p> <p>Community Engagement Coordinator Andres Esquivel</p>	<p><b>Rec Center Rec</b> Rec. Center Director Ashley Garrison</p> <p>Rental/Sp Events Coordinator Alexis Peck</p> <p>Program Coordinator Patricia Hurst</p> <p>Rec Laborer P/T Alicia Elam Rose Gutierrez Kyndra Lovelkamp Rebeca Weatherly Payton Simon</p> <p>After School Program P/T Kylie Grubb Landon Bales Sheila Wilson</p>	
<p># Budgeted EE's @ 10/01/2022</p> <p>15 Part-Time</p> <p>70 Full-Time</p> <p>85 Total</p>			

Some of the large projects / initiatives the city will be supporting during the FY22-23 Fiscal year include the following:


- Re-furbish / rehabilitate city-wide water storage tanks - (\$2M C of O).
- Construct TDHCA HOME Grant homes for 4 qualified candidates. City Match = (\$10k + \$11k In-Kind).
- Complete city-wide street, road, and drainage repairs. Purchase / replace street signs (\$150k).
- Support TXDOT TA/Set-Aside Projects - Loop 230 sidewalks / Main Street ADA ramps. Match = 100k (Tax Note).
- Support GLO CDBG-MIT City-wide drainage Improvement Projects - \$13M with 1% match (\$130k – FY24).
- Support GLO CDBG-MIT Community Resiliency Grant for Comprehensive Plan - \$300k with NO MATCH.
- Support CDBG-Disaster Resiliency (DR) Drainage Project (NW 2<sup>nd</sup> from Cleveland to SH95) – Cost \$885k (County).
- Support FEMA DR-4485 – Emergency Generator(s) for Water Plants. Cost = \$650k. Match = \$65k (Tax Note)
- Support **M5 Subdivision** construction (32-home development behind Webb Street).

- Support **SJ2 Subdivision** construction (29-home development off of Loop 230 behind Oak Meadows).
- Support **Enclave Subdivision** construction (112-home development on Hwy 71 and American Legion Road).
- Support **Garwood Park Subdivision** construction (18-home development between Garwood and Short Steet)
- Support **Woodrose Place Subdivision** construction (14-home development off of Loop 230 East between Bluebonnet Circle and the Texaco).
- Support distribution of \$595k in American Rescue Plan Act (ARPA) funds administered by TDEM for infrastructure, tourism / eco development, and broadband, etc. No match.
- Refurbish runway and Ramp area at Smithville-Crawford Municipal Airport - \$100k (Tax Note)
- Complete Wastewater Treatment Facility Expansion Study - \$75k (ARPA)
- Complete City Hall Expansion - \$175k (ARPA)

There are a host of other projects and purchases that will be funded by ARPA and the proposed \$1.25M Tax Note we will be discussing during the workshop. These projects are above and beyond what it takes to provide City services to our citizens while keeping the water running, the lights on, and the toilets flushing.

City of Smithville \$1.25M Series 2022 Tax Note				
Police Department				
Qty	Description	Unit Cost	Total	Comments
1	Radio Console for Dispatch	\$200,000	\$200,000	Upgrade PD Communications (Dispatch) radio console
8	Active Shooter Shields	\$1,500	\$12,000	Necessary for protection of LE personnel during active shooter event
13	Mobile CAD Units for Patrol Cars	\$6,250	\$81,250	Mobile access to BADGE system and other LE databases.
			<b>\$293,250</b>	
Public Works / Utilities				
Qty	Description	Unit Cost	Total	Comments
1	Leaf Machine	\$30,000	\$30,000	Replace older leaf machine
1	Public Works Truck	\$60,000	\$60,000	Replace older truck to reduce maintenance costs
1	Water Truck	\$150,000	\$150,000	Avoid rental cost for street work
1	Cardboard Baler	\$20,000	\$20,000	Supplement existing baler. Increase capacity and operational efficiency
1	Forklift	\$40,000	\$40,000	Unload trucks, materials, and equipment at the Warehouse
1	Paving @ Airport & Warehouse	\$150,000	\$150,000	Pave back side of warehouse. Re-furbish runway and Ramp area
1	Sealcoat and Re-stripe Main St.	\$55,000	\$55,000	One-time contract expense to crack-fill, sealcoat, and re-stripe Main Street
1	Vacuum Truck	\$60,000	\$60,000	Vacuum truck for sewer back-ups and maintenance of Lift Stations.
1	TDA Grant Match (SWTC)	\$100,000	\$100,000	Grant match for construction of Smithville Workforce Training Center
1	Tub Grinding @ Brush Dump	\$45,000	\$45,000	One-time contract expense for grinding brush, trees, and leaves into mulch
1	Replace Rec Center Bleachers	\$55,000	\$55,000	Current bleachers are over 20 years old and need to be replaced
1	TASA Grant Match - Sidewalks	\$100,000	\$100,000	ADA ramps on Main Street and Sidewalks on Loop 230
1	Pole Barn @ Warehouse	\$25,000	\$25,000	One-time expense to construct Pole Barn for Parks Dept. Equipment Storage
1	Miscellaneous Tools / Equip.	\$67,000	\$67,000	Mowers, Weed-eaters, Chainsaws, Miscellaneous Tools
			<b>\$957,000</b>	
<b>Grand Total \$1,250,250</b>				

## ARPA – Round 2 Financial Summary



**LANGFORD**  
COMMUNITY MANAGEMENT  
SERVICES  
EST. 1983

Project	Amount
City Hall Expansion	\$ 175,000
Mt. Pleasant Cemetery Upgrades	\$ 50,000
Wastewater Expansion Study	\$ 75,000
AV System Upgrade – Rec Center/City Hall	\$ 65,000
Parks & Public Facility Upgrades	\$ 145,000
City Website Re-design	\$ 25,000
Tourism	\$ 30,000
Langford Fee	\$ 30,000
Second Tranche Funds Allocated	\$595,000

**Community Services / Philanthropy:**

One of the action items from last year’s budget workshop(s) was to have non-profit organization submit requests for future philanthropic donations. The request requires the non-profit organization to identify the amount of funding and the purpose of the donation. These requests (letters) are included in your budget binders for review and represent an additional \$28k impact to the FY22-23 budget. Your action will be to review these requests and determine what amount you will authorize. FYI.....philanthropic donations are captured in the Community Services (Dept. 155) budget. Below you will find a summary of funding requests from our non-profit organizations.

**Community Services / Philanthropy (Department 155)**

New?	Organization	FY 2021-22 Budget	FY 2022-23 Budget (current)	Requested Amount	Funding for:
No	CARTS	\$2,500	\$2,500	\$5,000	Transportation services in the Smithville area
No	Combined Community Action	\$1,000	\$1,000	\$5,000	Meals on Wheels, utility relief, home weatherization, case management for youth, other assistance
No	Smithville Community Clinic	\$2,500	\$2,500	\$3,000	Expanding free and charitable medical, behavioral health, well women's and dental
No	The Smithville Heritage Society	\$2,500	\$2,500	\$2,500	Utilities assistance at museum
No	Smithville Food Pantry	\$2,500	\$2,500	\$2,500	Assist residents with food insecurity and hunger
No	Smithville Community Gardens	\$1,500	\$1,500	\$1,500	Food assistance and programming related to nutrition and healthy food preparation
No	CASA	\$600	\$600	\$1,500	Address child abuse and neglect in Bastrop County
No	Bastrop County Child Welfare	\$1,500	\$1,500	\$1,500	Kinship care, birthday and Christmas gift cards, back to school items-care for chedren in DFPS
No	Family Crisis Center	\$500	\$500	\$800	Prevent domestic violence and sexual assault
No	CAMPO	\$0	\$650	\$650	Conduct transportation planning activities and projects (was awarded \$580 in FY 2017-18)
<b>Subtotal (OLD)</b>		<b>\$15,100</b>	<b>\$15,750</b>	<b>\$23,950</b>	
<b>Unallocated Philanthropic Funds</b>			<b>\$8,000</b>		<b>\$8,000 has been budgeted for new organizations – not currently allocated</b>
Yes	Fleming Ranch Studios	\$0	\$0	\$5,000	Install art mosaic project in Smithville
Yes	Drums for Youth (Baëille Lancelin)	\$0	\$0	\$5,000	(\$1,000-\$5,000) Four-part workshop to teach youth about the business of music and entertainment
Yes	Prizer Arts and Letters (Common Thread)	\$0	\$0	\$2,800	Install month-long art event and workshop for sewing and entrepreneurship in Smithville
Yes	The Salvation Army	\$0	\$0	\$2,500	Care for homeless and needy families in Bastrop County
Yes	Angels Unaware	\$0	\$0	\$1,000	Feed students and provide hygenic products in Smithville
<b>Subtotal (NEW)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$16,300</b>	
<b>Total</b>		<b>\$15,100</b>	<b>\$23,750</b>	<b>\$40,250</b>	

CITY OF SMITHVILLE GENERAL FUND FISCAL YEAR 2022-23 PROPOSED BUDGET									
		2017-18	2018-19	2019-20	2020-21	@ 8/24/22 2021-22 YTD ACTUAL	2021-22 BUDGET	PROPOSED 2022-23 BUDGET	\$ amt diff
		ACTUAL	ACTUAL	ACTUAL	ACTUAL				
<b>155 COMMUNITY SERVICES</b>									
5705	YOUTH ACTIVITY (boot camp)	4,620	4,620	4,620	4,620	4,620	4,620	4,620	0
5705	YOUTH ADVISORY COUNCIL	0	1,000	800	0	0	500	0	(500)
5708	MISC / PHILANTHROPY	750	250	1,450	350	0	500	0	(500)
5745	ART CENTER	2,190	412	515	18,062	1,475	1,000	1,000	0
5290	OTHER PROFESSIONAL SERVICES	0	0	0	5,645	2,628	1,000	1,000	0
5720	INSURANCE & BONDS	191	469	476	294	1,909	1,875	2,195	320
5757	PHILANTHROPY / OTHER PUBLIC SVCS	500	0	0	0	0	0	8,000	8,000
5757	BASTROP COUNTY CHILD WELFARE	0	0	1,500	1,500	1,500	1,500	1,500	0
5757	CARTS	0	0	0	0	2,500	2,500	2,500	0
5757	SMITHVILLE FOOD PANTRY	2,500	2,500	2,500	2,500	2,500	2,500	2,500	0
5757	CASA	500	0	0	600	600	600	600	0
5757	FAMILY CRISIS CENTER	500	0	0	500	500	500	500	0
5757	CAMPO	580	0	0	0	0	0	650	650
5757	SMITHVILLE COMMUNITY CLINIC	3,000	2,500	2,500	2,500	2,500	2,500	2,500	0
5757	SMITHVILLE COMMUNITY GARDENS	2,000	1,500	1,500	1,500	1,500	1,500	1,500	0
5757	SMITHVILLE HERITAGE SOCIETY	0	0	0	0	2,500	2,500	2,500	0
5757	COMBINED COMMUNITY ACTION	1,000	1,000	1,000	1,000	1,000	1,000	1,000	0
5758	CHAMBER OF COMMERCE	26,000	26,000	26,000	30,000	30,000	30,000	45,000	15,000
5695	MAINTENANCE - BUILDINGS	725	1,500	0	998	5,192	1,000	1,000	0
5150	ELECTRICITY	0	0	0	0	4,189	2,650	5,340	2,690
5160	WATER/SEWER/GARBAGE	378	86	0	0	1,692	0	2,415	2,415
<b>TOTAL COMMUNITY SERVICES</b>		<b>45,434</b>	<b>41,837</b>	<b>42,861</b>	<b>70,068</b>	<b>66,805</b>	<b>58,245</b>	<b>86,320</b>	<b>28,075</b>

**Summary:**

Enclosed you will find the **PRELIMINARY BUDGET** for **FY22/23**. The proposed \$14.7M budget represents the collective input from my direct reports and includes projects / plans that councilmembers have expressed be included for consideration. Please review this material thoroughly and be prepared to ask questions during the Wednesday, August 31, 2022 Special-Called Meeting and Budget Workshop. **The meeting will be held at City Hall (317 Main) and will begin promptly at 5:00 pm.** We must have a quorum. So, please notify Jennifer if you will not be able to attend. During the workshop, we will have a representative from SAMCO Investments (Andrew Freidman) provide a presentation regarding the pros and cons of issuing a \$1.25M tax note for the purchase of capital equipment, infrastructure improvements, grant matches, and miscellaneous services. Then, I will provide a 15-minute overview of the budget “drivers”, proposed tax rate, debt service, capital equipment requests, headcount, and major project-related expenditures. The rest of the time will be spent reviewing the top 3-5 projects each of the department heads have identified and answering any questions you may have. We will finish up with a review of action items and next steps. Hopefully, we can get through the process in 2-3 hours.

Below you will find an our updated “at-a-glance” strategic roadmap. I am still finalizing the budget presentation for the workshop and should have a final DRAFT ready for distribution by close of business Monday, August 29, 2022. In the interim, please feel free to give me a call if you have any questions or need more information.

-- Robert --

### CITY OF SMITHVILLE – STRATEGIC ROADMAP



- Much has been accomplished but still much to be done.
- **Strategic Focus** - Infrastructure Improvement, Eco Development, and Fiscal Responsibility.
- Partner with the Community, Chamber, and County to proactively manage growth in a manner that preserves and protects our small-town look, feel, and charm.