



## AGENDA ITEM SUMMARY

### District Impacted

- ☐ 1 = Wolosin
- ☐ 2 = Woolard
- ☐ 3 = Scott
- ☐ 4 = Fowler
- ☐ 5 = Macaluso
- ☐ x All

<b>AGENDA DATE</b>	<i>September 10, 2019</i>
<b>DESCRIPTION</b>	CONSIDER ON SECOND READING ORDINANCE NO. 2019-37; AN ORDINANCE ADOPTING THE ANNUAL CAPITAL AND OPERATING BUDGETS FOR THE CITY OF BOERNE, TEXAS FOR THE FISCAL YEAR 2019-2020, BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020.
<b>STAFF'S RECOMMENDED ACTION (be specific)</b>	Approve on second reading Ordinance No. 2019-37; adopting the fiscal year 2019-2020 annual capital and operating budgets.
<b>CONTACT PERSON</b>	Sandy Mattick, Finance Director
<b>SUMMARY</b>	<p>The public hearing on the proposed fiscal year 2019-2020 budget was held on August 27, 2019 at 6:00 pm during the Regular Called City Council meeting.</p> <p>City Council passed, on first reading, the ordinance to adopt the fiscal year 2019-2020 budget at the August 27, 2019 Regular Called City Council meeting. At that time Staff was instructed to increase, if possible, personnel expenditures to allow for a 2.9% Cost of Living (COLA) adjustment for employees (up from 1.9%) if we could offset the cost increase (\$173,000) by adjusting other line items in the budget. Staff went through the line item detail of the budget and identified potential adjustments to various line items to allow for the additional COLA. These adjustments total \$178,550 and include:</p> <p>Decreasing expenditures for public art - \$15,000  Reevaluation of personnel cost due to recent turnover and re-hire at lower rates - \$47,500  Decrease in advertising budget for CVB - \$3,550  Reallocation of unallocated ad valorem revenues from Parks to Library operations - \$25,000  Reevaluation of cost of power due to positive impact of recent lower gas lock-ins - \$40,000  Reallocation of IT &amp; communication costs within several Utilities – no net change  Small decreases in several maintenance and overhead costs throughout a number of departments. – \$47,500</p>

	<p>A copy of the proposed budget has been included for your review.</p> <p>The vote on this ordinance must be a recorded vote.</p>
<b>COST</b>	See attached
<b>SOURCE OF FUNDS</b>	See attached
<b>ADDITIONAL INFORMATION</b>	Staff researched current average and median tax rates through the State Comptrollers Office website to gauge how Boerne's current and proposed tax rate compares on a statewide basis. The average and median tax rate for cities in Texas are \$0.536 and \$0.537 respectively.

This summary is not meant to be all inclusive. Supporting documentation is attached.