

Budget Workshop MINUTES
CITY COUNCIL MEETING
1 City Hall Place, Coatesville, PA 19320
November 4, 2020

Council members present were President Linda Lavender-Norris, Vice President Carmen Green, Msrs. Donald Folks, Edward Simpson, Ms. Khadijah Al Amin, Ms. Nydea Graves and Mrs. C. Arvilla Hunt. Staff members present included City Manager James Logan, Chief John Laufer. Finance Director Richard Troutman, Finance Staff Accountant Jessica Arthur and recording secretary Ruthann Mowday.

President Lavender-Norris explained the procedure for the meeting. The format does not include Public participation, nor sharing of any documents; it is a workshop for Council. She asked Council to mute their phones when not speaking and use the zoom technology of raising your hands for questions.

Mr. Logan announced a significant amount of time and effort has been invested by department managers to identify contractual commitments, streamline requests, factor in cost savings and improve services.

For 2021, we are presenting a budget that does **not** require using reserves – **none**. The budget does not include real estate tax or trash increases as projected, It does include a number of initiatives that help save money or generate additional funds.

The City is at the very beginning of a 5-year strategic planning process. This budget is a critical start to a comprehensive review of the City structure and services.

Mr. Troutman announced the budget is projected as break even with no tax increase, the last tax increase was 2016. The City has needed to use savings to balance budgets each year. We are projecting needing about \$100,00 this year, 2020. For the last few years initiatives have been introduced to eliminate the dependency on savings, and this year we had to factor in COVID. The reserve funds are about \$3 million dollars.

Changes are happening to increase revenues and decrease expenses. The City has been taking steps to reduce or at least mitigate the deficit growth by implementing about two dozen initiatives impacting 2020 and 2021 favorably, and expects to consider upwards of 200 recommendations through the Strategic Management Plan grant analysis kicked off in early October.

The 2021 budget is \$11,677,033.

The following was discussed:

Revenues

- Revenues increased from 2020 are significant at 14.7%
- The vast majority of the increase is attributable to anticipated growth in permits (a passthrough)
- RDA sales, helpful but not sustainable
- The positives come from the earned income tax, advertising contracts and increased licenses as a result of initiatives
- Solid Waste - \$1,018,900
- Capital Reserve - \$ 2,892,667
- Liquid Fuels - \$303,163
- Debt Service Fund - \$339,072
- Grand Prix – 101,050

A vast majority of the increase from 2020 is attributable to pass through revenues and going back to pre Covid levels.

Police Department

- The Police Department is responsible for protecting and serving the public 24 hours a day, every day of the year.
- Efforts are primarily involved in patrolling and detective work, including training costs and the administration of these efforts.
- Additional responsibilities include parking enforcement, animal control, assisting with Information technology Management, and assisting Human Resources in performing background checks and maintaining records on all employees and key contractors.
- The staff is responsible for temporary prisoner supervision
- Staff also coordinates with County, Commonwealth and Federal Law enforcement as requested on a reimbursable basis and manage efforts of constables.
- Under limited circumstances the department is also reimbursed for services provided (such as CASD high school football games).
- Funds received from government agencies, courts and for parking are recorded as revenue and this are not included int this presentation. These revenues vary annually, averaging about \$600,000 a year.
- Two factors affect the sworn officer staffing levels. An April 2012 Agreement with the bargaining unit establishes 25 as the minimum, 27 when including the Chief and the Lieutenant.
- The COPS Grant award in late 2017 committed to maintain existing sworn officer staffing levels through essentially the end of 2021. Almost all full time personnel are members of either the Police bargaining unit or AFSCME. Both agreement s end 12/31/22.

The next workshop is scheduled on November 11, 2020 at 6:30 pm.