

CITY OF MCALESTER

PRELIMINARY ANNUAL BUDGET 2020-2021

PETER STASIAK, CITY MANAGER



City Of McAlester Preliminary Budget for 2020-2021

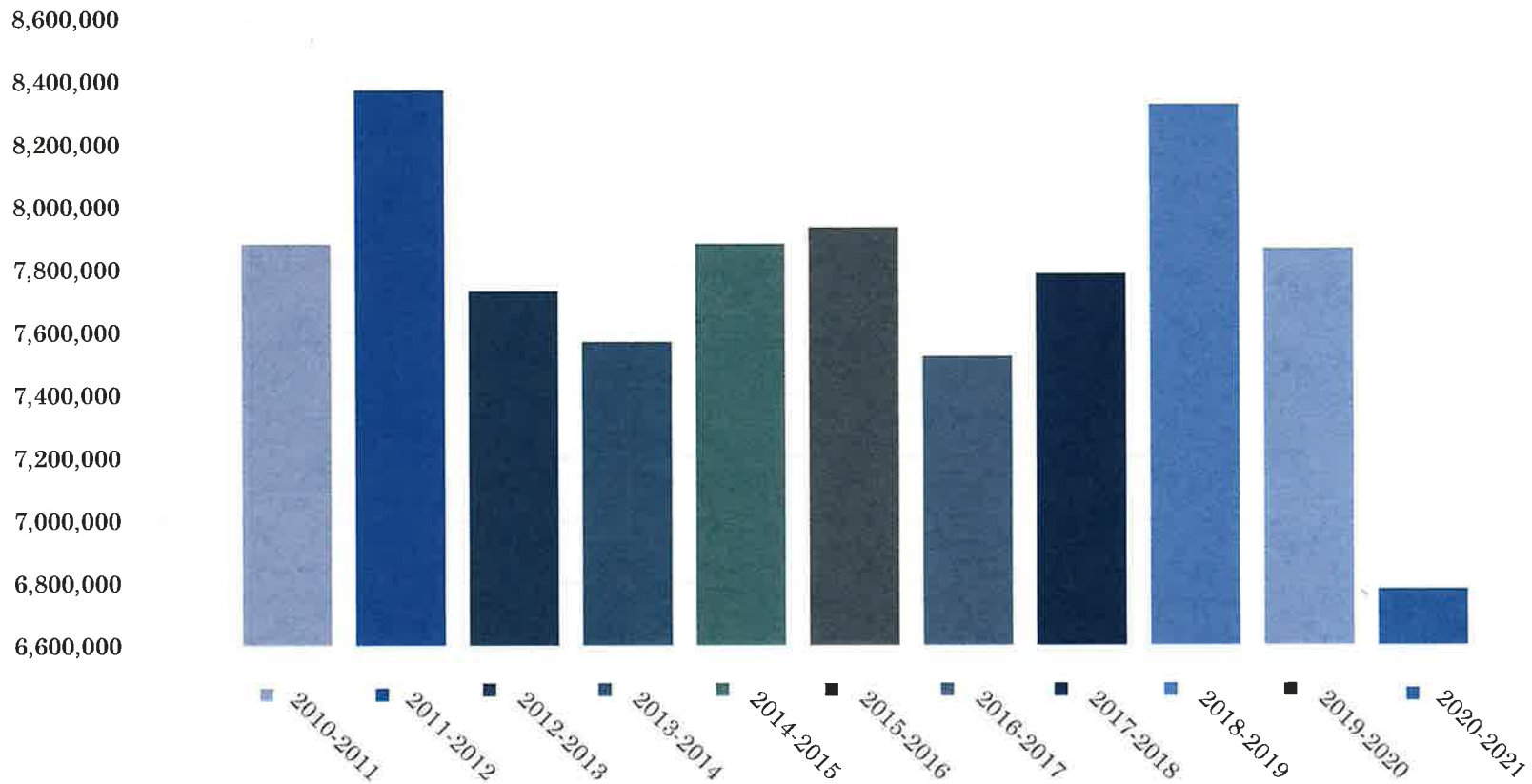
The Annual Operating Budget for Fiscal Year 2020-21 embraces the following tenets in order to ensure the financial strength and future of the City:

- **Provides for a balanced budget; and**
- **Meets the requirement of maintaining a minimum reserve of 10% in an Emergency Fund.**

City of McAlester Preliminary Budget 2020-2021

When budgeting for General Fund, Sales Tax Trends are the leading factor in projecting the future receipts.

Annual Sales Tax



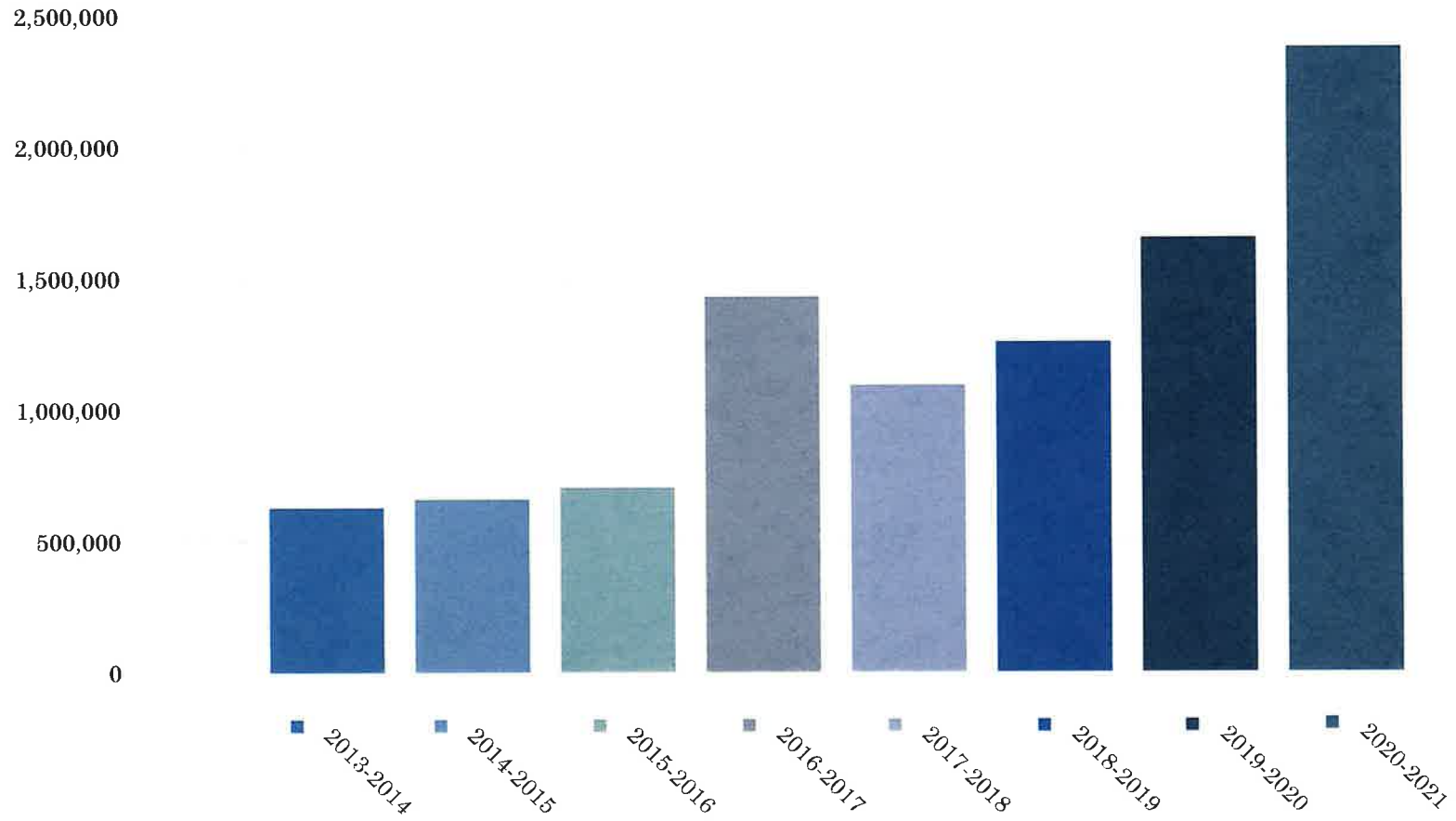
2020-2021 Projected Revenues: General Fund

Due to the destabilization of the local economy by the worldwide pandemic, Sales tax revenue is budgeted at an unprecedented 20% decrease. Use Tax is budgeted at a 23% increase based on continued growth. This General Fund budget for 2020-21 has been reduced \$2.3 million.

General Fund		Original Budget 2019-2020	Projected 2019-2020	Proposed Budget 2020-2021
Sales Tax		\$8,584,787	\$7,667,701	\$6,780,434
Use Tax		\$1,930,209	\$1,655,256	\$2,379,654

City of McAlester Preliminary Budget 2020-2021

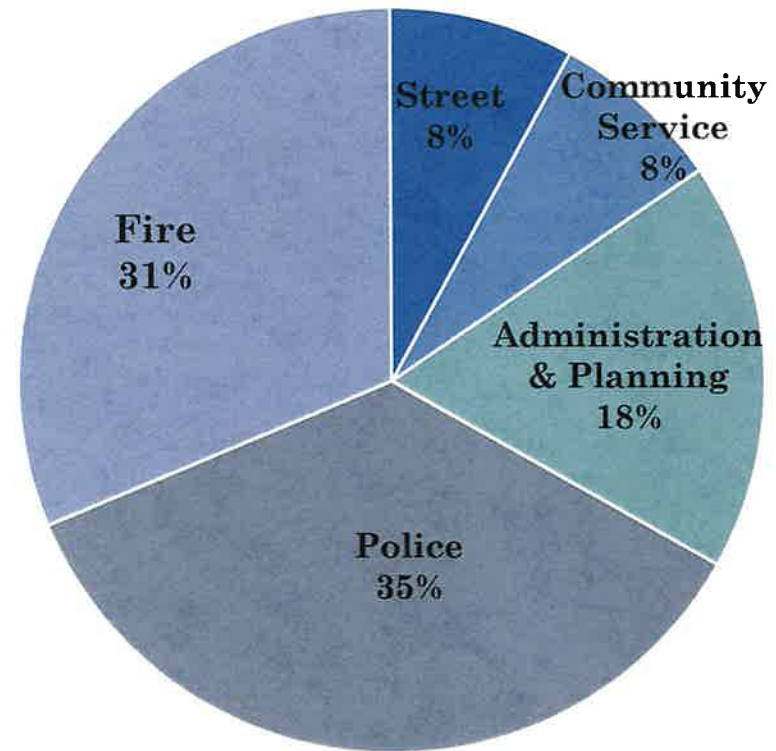
Annual Use Tax



General Fund Budget 2020-2021

Departmental Expenditures

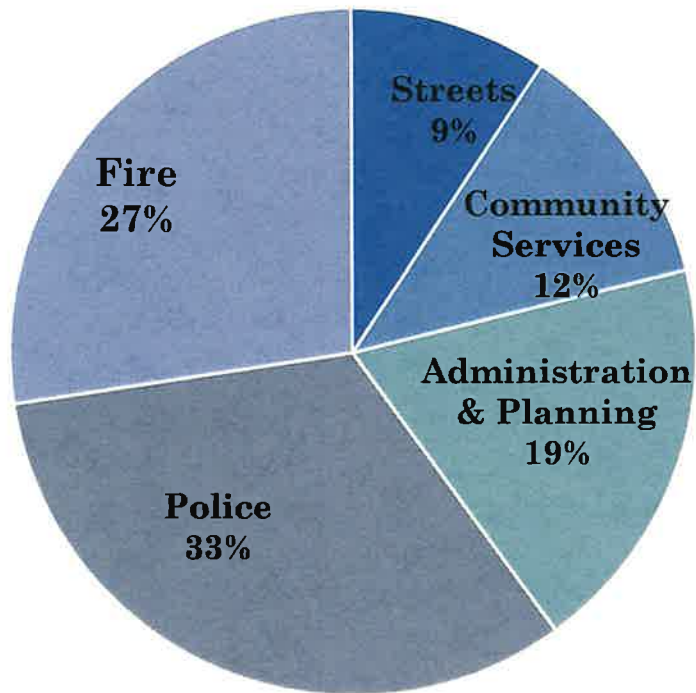
- 9% Streets - \$801,168**
Streets, Facility Maintenance
- 12% Community Services - \$751,334**
Parks, Swimming Pools, Recreation, Cemetery
- 19% Administration & Planning - \$1,781,935**
City Council, City Manager, Finance, City Clerk, Municipal Court, Legal, Information Services, Planning & Comm. Dev., Human Resources
- 33% Police - \$3,561,217**
Patrol, Animal Control, CID, Communications
- 27% Fire - \$3,139,644**
Fire and EMS



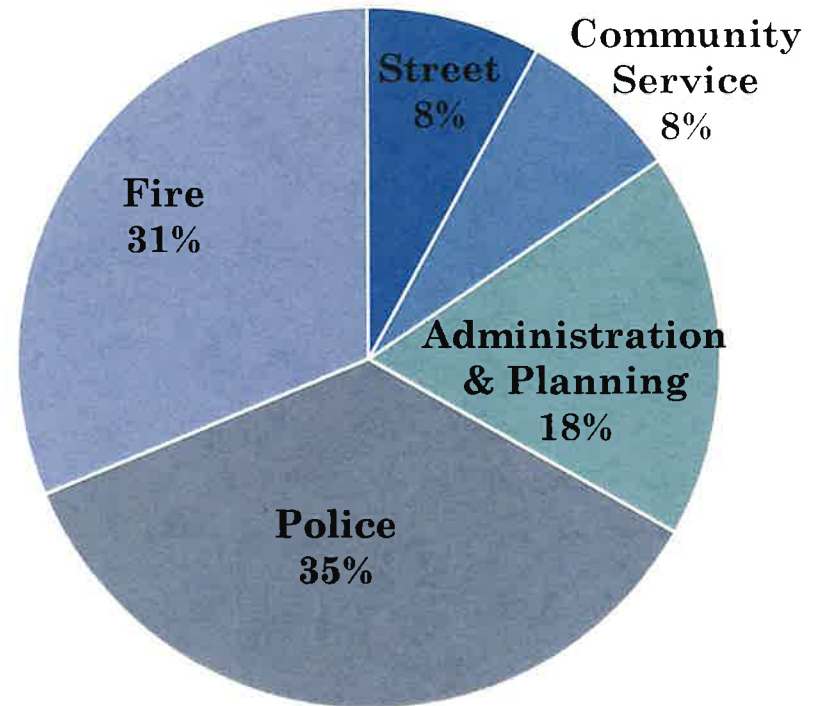
General Fund Budget Comparison

Departmental Expenditures

2019-2020



2020-2021



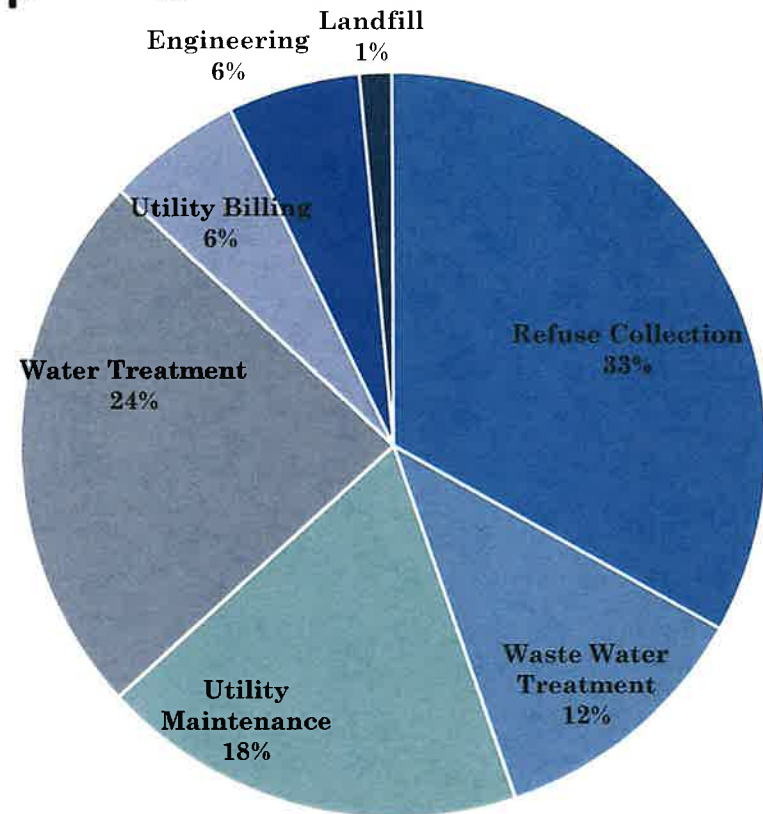
2020-2021 Projected Revenues: MPWA Fund

MPWA	Original Budget 2019-2020	Proposed Budget 2020-2021
Water Sales	\$3,271,528	\$3,104,163
Districts	\$1,727,368	\$1,333,149
Sewer	\$1,685,500	\$1,582,309
Garbage	\$2,814,623	\$2,817,062
Other	\$121,141	\$155,551
Total MPWA Revenues	\$9,620,160	\$8,992,234

MPWA Fund Budget 2020-2021

Departmental Expenditures

32%	Refuse Collection - \$1,993,976
12%	Waste Water Treatment - \$697,472
14%	Utility Maintenance - \$1,109,667
25%	Water Treatment - \$1,425,174
9%	Utility Billing - \$354,102
7%	Engineering - \$344,240
1%	Landfill - \$84,585



City of McAlester Preliminary Budget 2020-2021

Defense Consultant Services - Economic Dev.	\$	60,385
Keep McAlester Beautiful	\$	48,000
Pittsburg County Emergency Management	\$	40,000
Main Street program - Tourism/Economic Dev.	\$	24,000
OML Membership - General Fund	\$	22,500
OIL- OK for Independent Living - General Fund	\$	19,200
Sunbelt Classic Tournament - Tourism	\$	-
Pittsburg County Child Advocacy	\$	-
	<u>\$</u>	<u>214,085</u>

General/MPWA transfers	Nutrition Fund:	Revenues	\$ 46,242
		Expenditures	<u>\$ 250,568</u>
		Additional Funding Required	\$ (204,326)
General/MPWA transfers	Airport Fund:	Revenues	\$ 93,800
		Expenditures	<u>\$ 117,648</u>
		Additional Funding Required	\$ (23,848)
Tourism funds	Expo:	Revenues	\$ 60,000
		Expenditures	<u>\$ 314,532</u>
		Additional Funding Required	\$ (254,532)

City of McAlester

Preliminary Budget 2020-2021: Bond Payments

Fiscal year 2020-2021, the difference between the Sales tax revenue (.01) less than Bond Payments is the largest it has been. MPWA has funded the shortfall for the last 5 years.

Dedicated Sales Tax Fund

Sales Tax Revenue	\$ 3,390,217
Bond payments	<u>\$ 4,594,395</u>
Difference	\$ 1,213,678

Last year's shortfall was budgeted at \$353,063, the amount budgeted in 2020-21 budget is 489,389. Without further budget cuts or increase in Revenue, the City's shortfall will be \$724,289.

Personnel & Benefits 2020-2021

- **Benefits**

Health Plan, Vision, Dental, and Life/ADD/LT Disability Insurance is 100% covered per FTE

- **Fire Pension 14%**
- **Police Pension 13%**
- **Non Uniform Pension**

Only the 50% match of the employee contributed funds up to \$3,000.

2% Employee Defined Contribution Plan is NOT to be funded for the Non Uniform employees.

FULL TIME EQUIVALENT POSITIONS	CURRENT FTE 2019-2020	CURRENT % OF TOTAL FTE	PROPOSED FTE 2020-2021	PROPOSED % OF TOTAL FTE
Administration	35	16%	21	12%
Police	62	28%	56	33%
Fire	43	19%	41	24%
Community Service	31	14%	13	8%
Public Works	28	12%	16	9%
Public Utilities	26	12%	23	14%
Total	223	100%	170	100%



**City of McAlester:
Capital Fund Budget 2020-2021**

The Capital fund budget for 2020-21 will continue to fund the recurring payments for water tower maintenance agreement of \$155,600, loans and leases of \$498,582.

City of McAlester: \$1,726,709 Infrastructure Fund Budget 2020-2021

\$591,709	- Street Reconstruction Projects
\$100,000	- Concrete Panel Replacement
\$350,000	- Asphalt Overlay Program
\$250,000	- Rehab West Waste Water Plant
\$100,000	- Lift Stations
\$150,000	- Water Line Replacement
\$150,000	- Sewer Line Replacement
\$35,000	- Facility Maintenance

Last year's amount for Infrastructure was budgeted at \$2.2 million.

Any questions?