

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

AGENDA DATE: November 23, 2021

PUBLIC HEARING DATE:

CONTACT PERSON(S) NAME AND PHONE NUMBER:

K. Nicole Cote, City Manager's Office (915) 212-1092

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: 6. Set the Standard for Sound Governance and Fiscal Management

SUBGOAL: N/A

SUBJECT:

Presentation, discussion and action on the 4th Quarter Financial Report and to authorize the City Manager or his designee to allocate \$24,946,829 to the Budget Stabilization Fund of which \$7 million will be established in the FY 2022 Budget for the following two items:

1. The use of \$3,500,000 for a one-time lump sum payment for full-time and part-time employees
2. The use of \$3,500,000 to be allocated to streets, infrastructure, and facility repairs as a result of recent and future storm impacts.

The City Manager, or designee, will be authorized to effectuate any budget transfers and execute any contracts and/or related documents necessary to ensure that the funds are properly expended for such purpose.

BACKGROUND / DISCUSSION:

Presentation, Discussion and action on the 4th Quarter Financial Report and to authorize the City Manager or his designee to allocate \$24,946,829 to the Budget Stabilization Fund and \$7 million for one-time lump sum payments and recent or future storm impacts.

PRIOR COUNCIL ACTION:

The City Council adopted the Budget Policies on March 3, 2020 to approve the budget stabilization fund. The stabilization fund was established as a reserve of surplus revenues to be used with the purpose of 1) minimizing future tax rate impact, 2) protecting against raising charges for services and fees and 3) providing available funding for specific circumstances as needed to maintain the same levels of service.

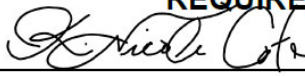
AMOUNT AND SOURCE OF FUNDING: \$7 million from the Budget Stabilization Fund

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? YES NO

PRIMARY DEPARTMENT: City Manager's Office

SECONDARY DEPARTMENT: All City

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: 

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

RESOLUTION

WHEREAS, the City Council adopted the Budget Policies on March 3, 2020 to approve the budget stabilization fund.

WHEREAS, the stabilization fund was established as a reserve of surplus revenues to be used with the purpose of 1) minimizing future tax rate impact, 2) protecting against raising charges for services and fees and 3) providing available funding for specific circumstances as needed to maintain the same levels of service.

WHEREAS, the stabilization fund serves as a source of financial support for the City's budget in times of slow or declining revenue growth, as a safeguard to continue funding priorities included in the strategic plan, and as the primary source of protection against having to make drastic cuts in City services in periods of economic downturns; and

WHEREAS, there was a surplus in revenues of \$29,946,829 from FY 2021 which City Council will establish appropriations in the FY 2022 budget for the one-time lump sum payments and expenses related to recent and future storm impacts.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. **THAT** the City Manager or his designee is authorized to allocate \$24,946,829 to the Budget Stabilization Fund;
2. **THAT** the City Manager or his designee is authorized to allocate \$7,000,000 from the budget stabilization fund for the following use:
 - a. **THAT** the City Manager is authorized to approve the use of \$3,500,000 for a one-time lump sum payment for employees' continued service from the date of this resolution through December 3, 2021 by employees who have not submitted a notice of resignation or been terminated for any reason, as follows:
 - A \$500 one-time lump sum payment to Full Time Employees.
 - A \$250 one-time lump sum payment to Part-Time Employees.

Employees must be employed as of November 21, 2021, and remain in active status until December 3, 2021. The one-time lump-sum payment shall be reflected in the December 3, 2021 paycheck and be paid in accordance with the process established by the City's Human Resources Department. The one-time lump sum payment shall be subject to the availability of funds and other management factors as determined by the City Manager.

- b. **THAT** the City Manager is authorized to approve the use of \$3,500,000 to be allocated to streets, infrastructure, and facility repairs as a result of recent and future storm impacts.
3. **THAT** the City Council hereby approves the reallocation of funds from the budget stabilization fund to reflect the above expenditures.
4. **THAT**, the City Manager, or designee, be authorized to effectuate any budget transfers and execute any contracts and/or related documents necessary to ensure that the funds are properly expended for such purpose.

PASSED and APPROVED this ____ day of _____, 2021.


CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Frances M. Maldonado Engelbaum
Assistant City Attorney

APPROVED AS TO CONTENT:



K. Nicole Cote, Director
Office of Management & Budget