



FISCAL YEAR 2021

ADAPT & GROW

MAYOR'S BUDGET RECOMMENDATIONS

OPERATING BUDGETS

General Fund	\$ 154,416,989
Water and Sewer Fund	56,195,182
Elevate Tuscaloosa Fund	15,405,839
Total	\$ 226,018,010



EMPLOYEE INVESTMENT

Tier 2 to Tier 1 Conversion

\$150,000

Increase employee contribution from **6%** to **7.5%**

25 years of service or
10 years of service and **60 years old**



EMPLOYEE INVESTMENT

Fire and Police Pension

\$395,000 annually

Increase **employer** contribution by **1%**

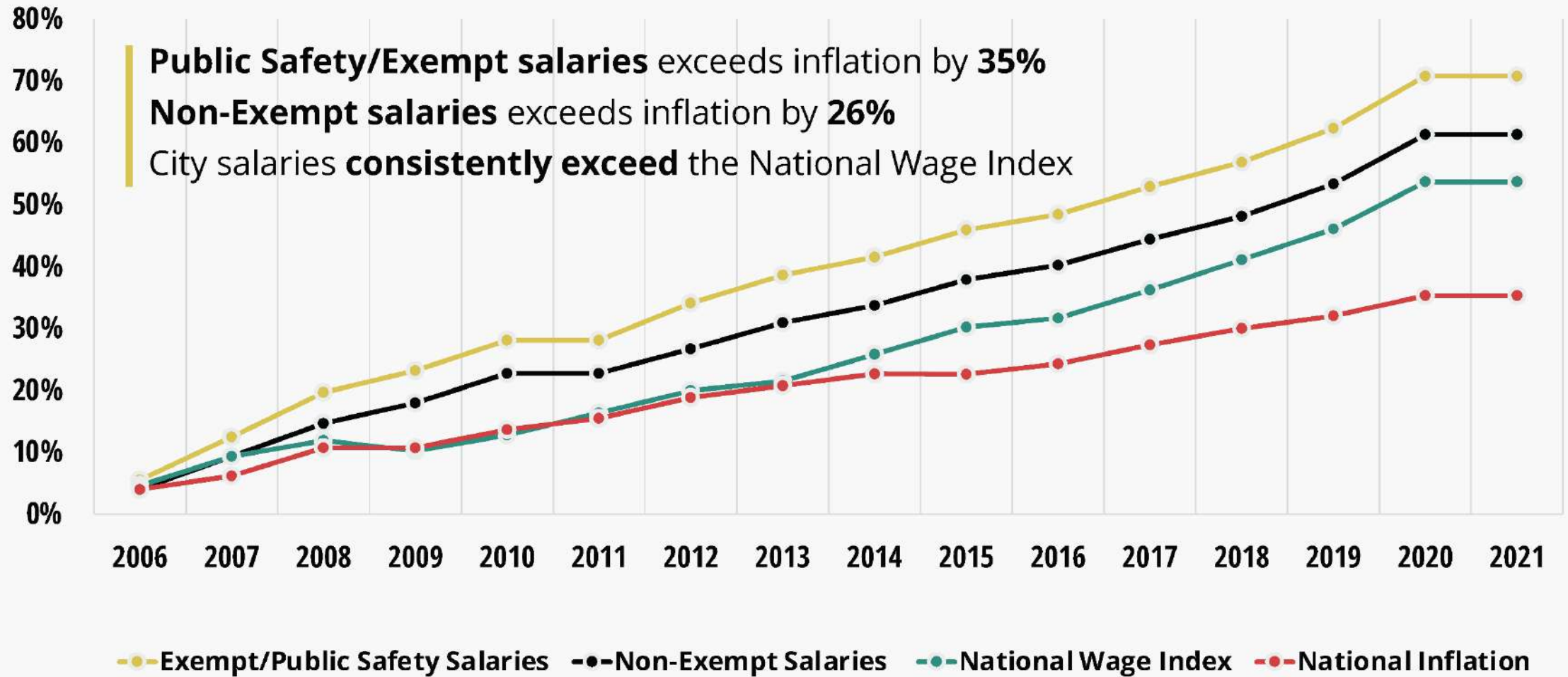
Increase **employee** contribution by **0.5%**

3-year commitment



SALARY INCREASE TRENDS

Compared to National Wage Index and Inflation



*Fiscal year 2019 and 2020 were projected using historical annual growth



HEALTH INSURANCE IMPACT

Bi-weekly Employee Premium Increases



BUDGET PROCESS

Each department was tasked with **reducing** their **operating budget** (non-personnel) by **38%** for the general fund and **12%** for the water & sewer fund

Employee optimization plans were crucial in departments' ability to reach their objective

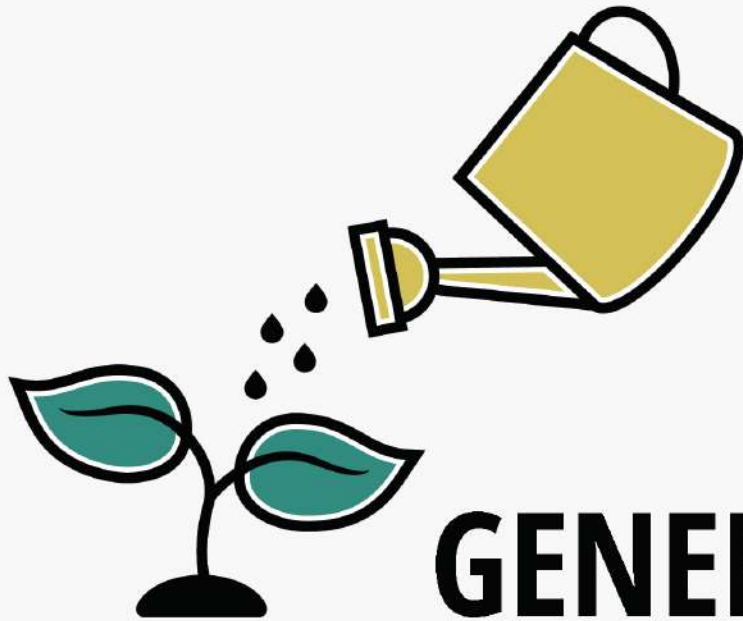
- | **23** positions were **frozen** (\$1,333,948)
- | **3** positions were permanently **eliminated** (\$225,240)

HIRING FREEZE

Oct. 1, 2020 through **March 31, 2021**

\$1,000,000 projected **additional savings**

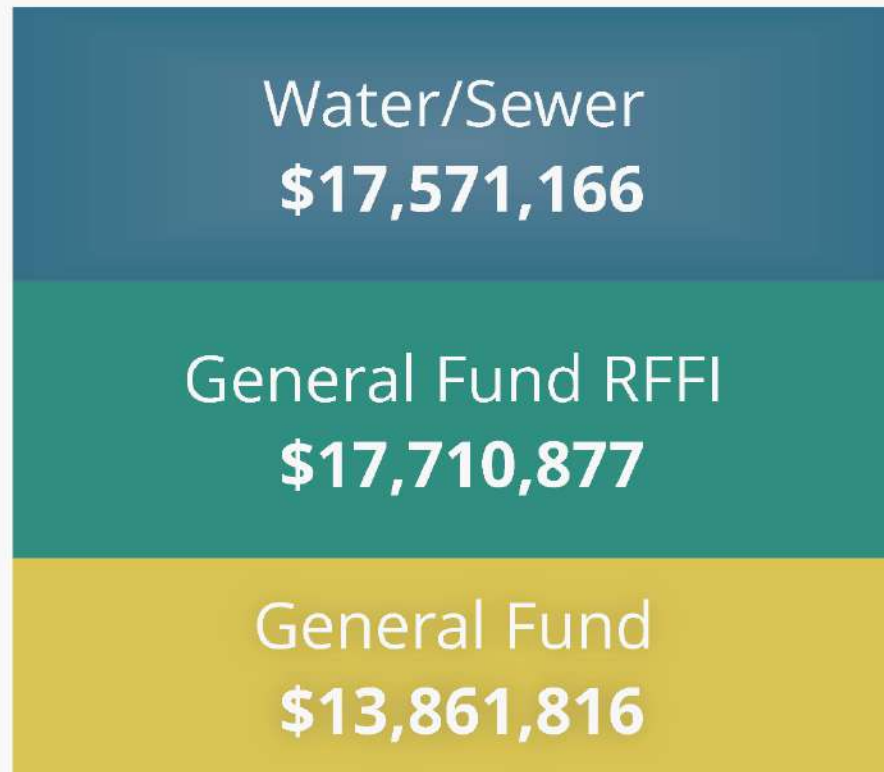




GENERAL FUND

FUND BALANCE

Total **\$49,143,859**



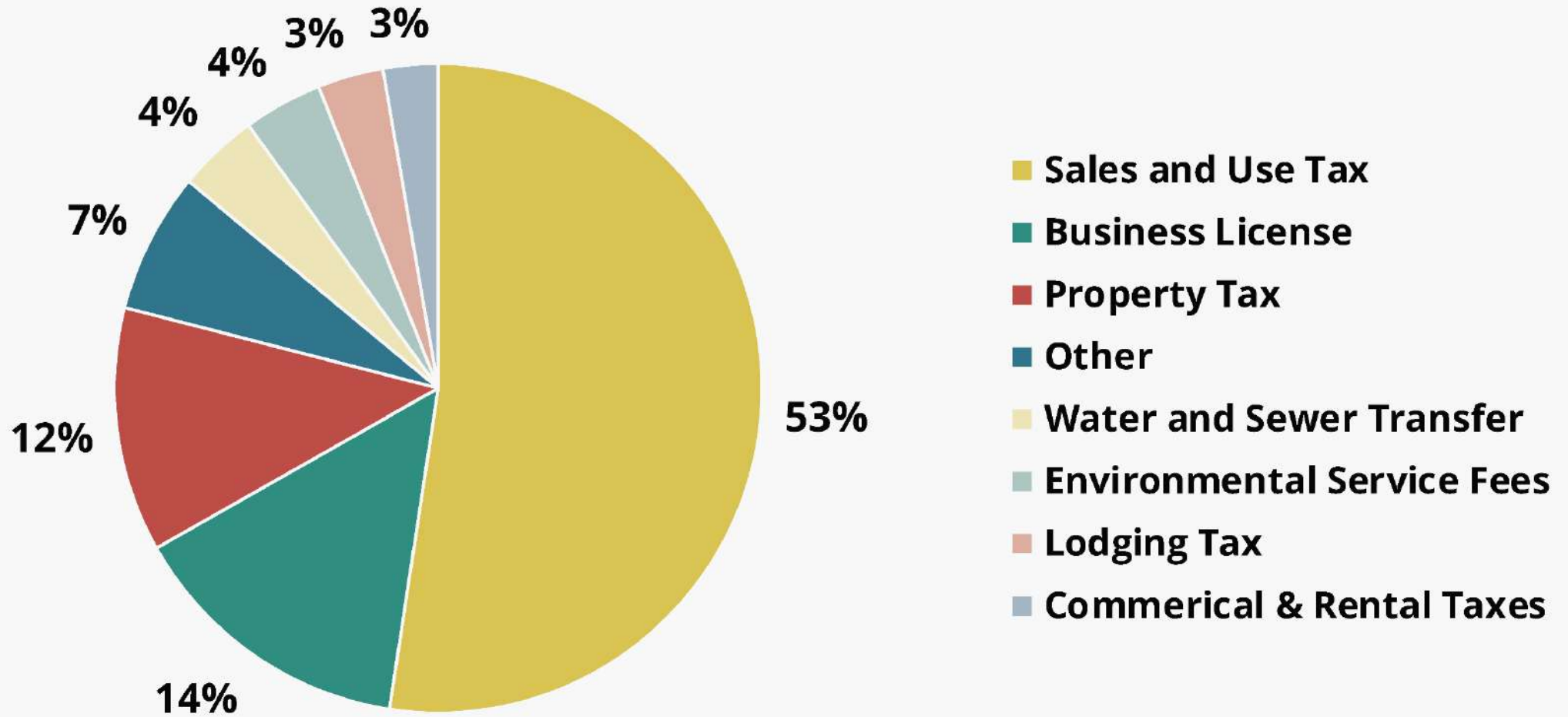
FY 2011 Budget **\$42,598,280**

Reserves are based on the FY 2019
and FY 2010 annual audits

REVENUE BUDGET HISTORY



REVENUE SOURCES



*Other includes, but is not limited to, grants, interest income, building permits, bank excise tax, transfers, road and bridge tax, inspection fees, and cost reimbursements

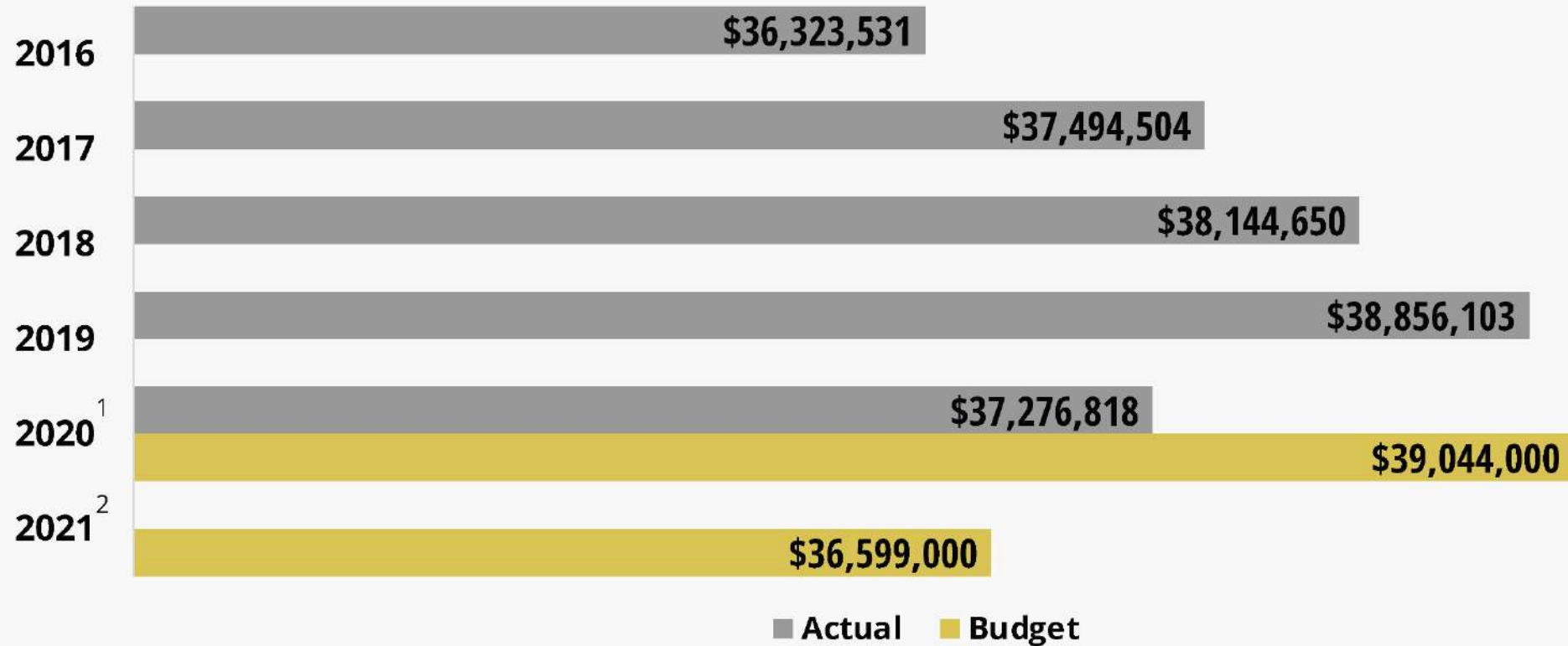
MAJOR DISCRETIONARY REVENUES

	FY 2021 Budget	FY 2020 Budget	Difference
City Sales Tax	\$ 36,599,000	\$ 39,044,000	\$ (2,445,000)
Business License	20,715,000	20,941,000	(226,000)
Property Tax	17,660,000	18,165,680	(505,680)
County Sales Tax	16,736,000	17,534,118	(798,118)
Lodging Tax	5,515,000	8,610,000	(3,095,000)
Use Tax	4,330,000	4,142,000	188,000
Rental License Tax	3,288,000	3,310,000	(22,000)
Simplified Sellers Use Tax	3,350,000	2,070,000	1,280,000
Liquor Tax	1,611,000	1,794,000	(183,000)
Total	\$ 109,804,000	\$ 115,610,798	\$ (5,806,798)

CITY SALES TAX

7% growth between 2016-2019

2.3% average annual growth between 2016-2019



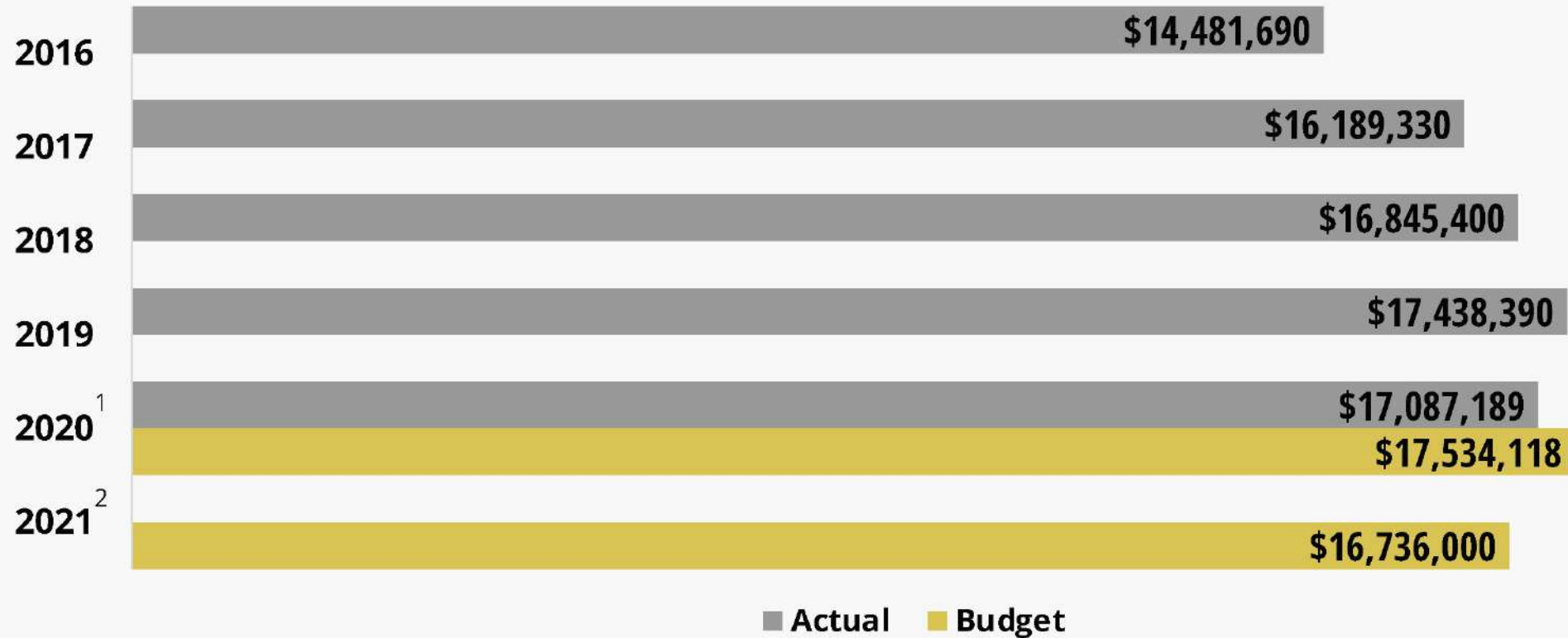
¹Projected collections per Accounting and Finance Department

²FY 2021 budget based on FY 2020 projections plus COVID-19 assumptions

COUNTY SALES TAX

20% growth between 2016-2019

3.8% average annual growth between 2017-2019



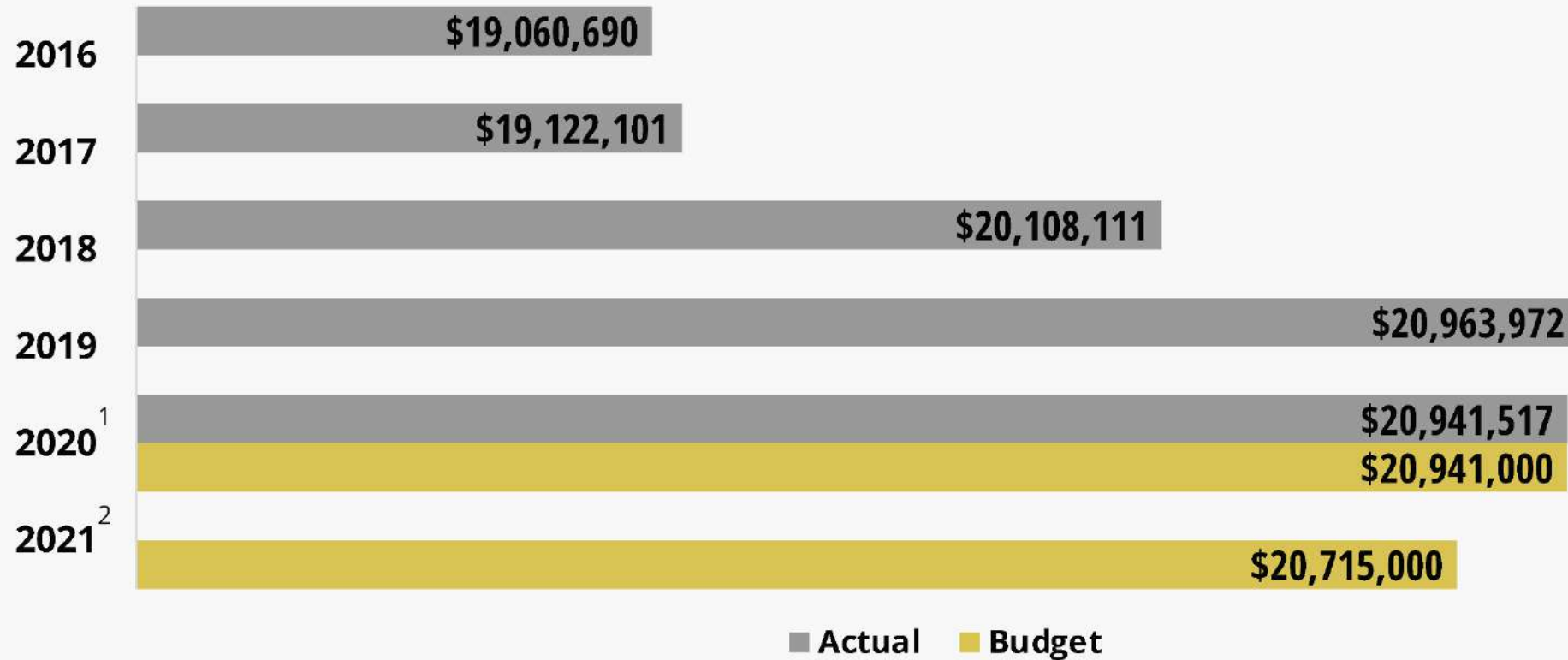
¹Projected collections per Accounting and Finance Department

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BUSINESS LICENSE

10% growth between 2016-2019

3.2% average annual growth between 2016-2019



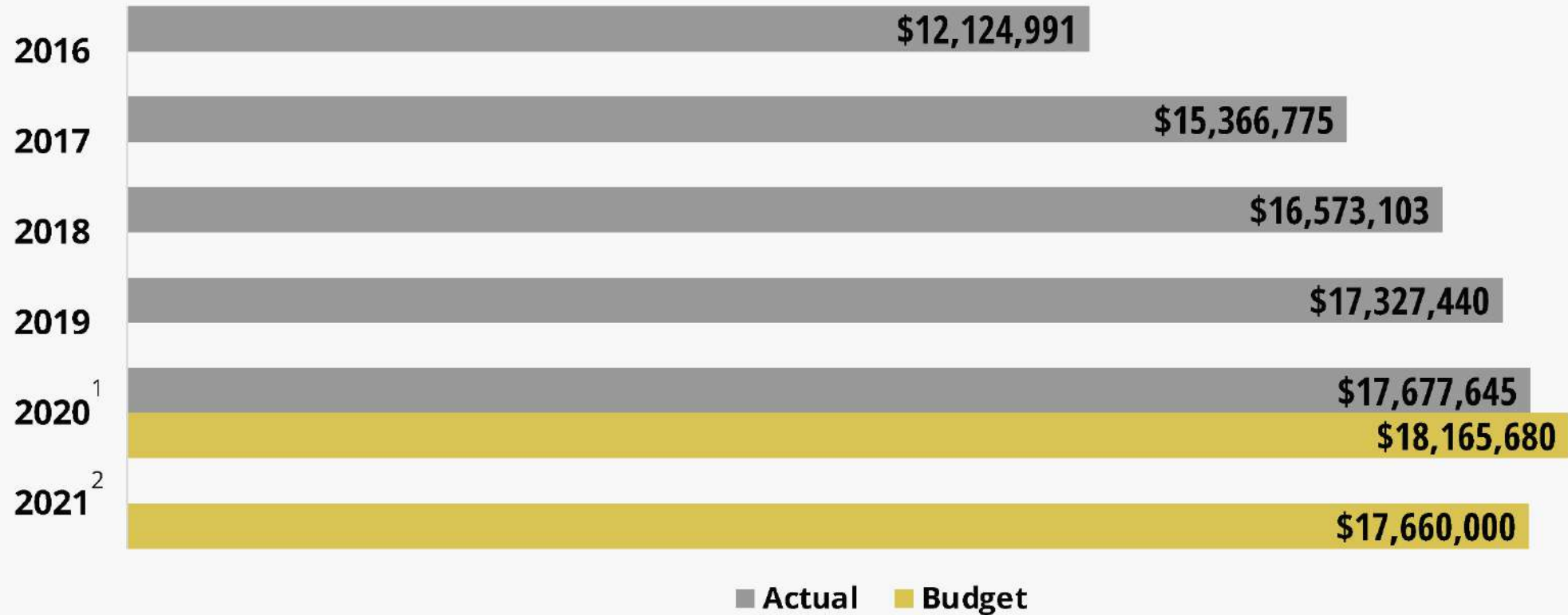
¹Projected collections per Accounting and Finance Department

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PROPERTY TAX

43% growth between 2016-2019

12.6% average annual growth between 2016-2019

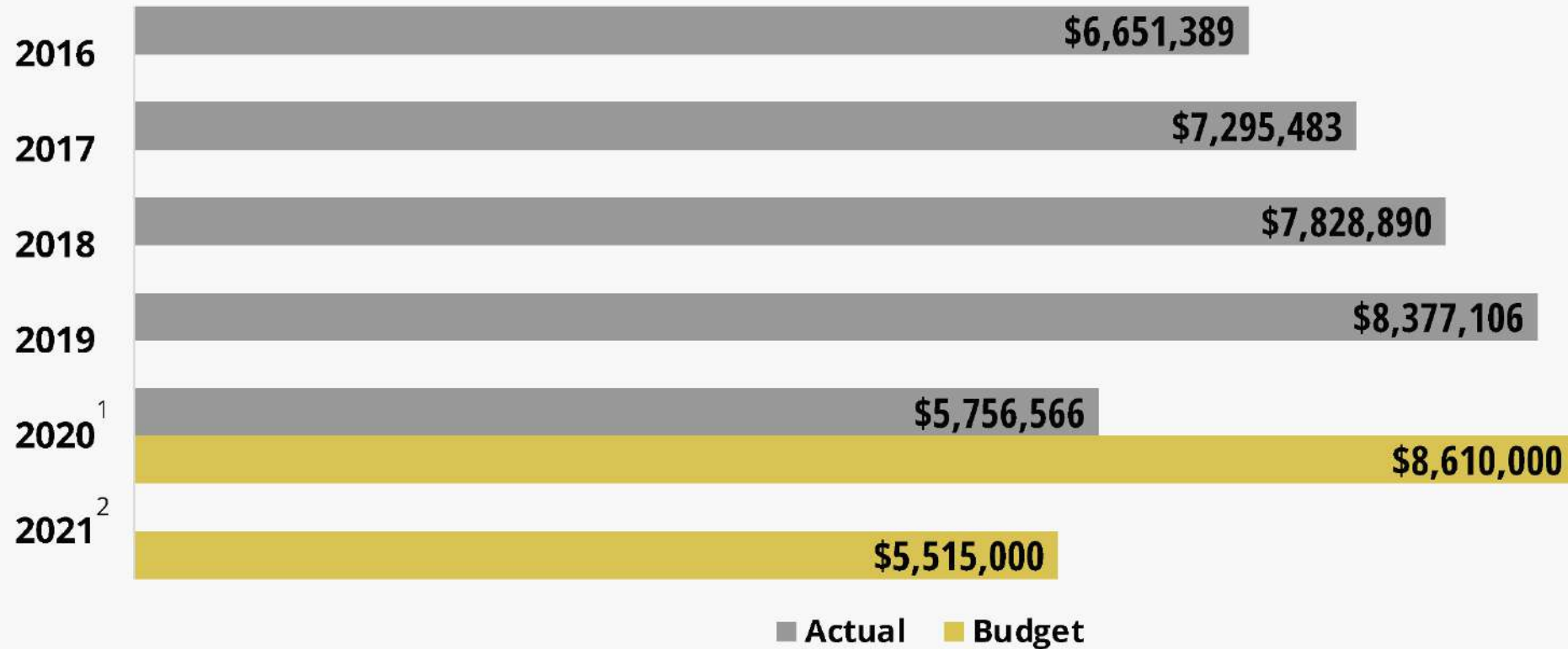


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LODGING TAX

26% growth between 2016-2019
8% average annual growth between 2016-2019



¹Projected collections per Accounting and Finance Department

²FY 2021 budget based on FY 2020 projections plus COVID-19 assumptions

AGENCY FUNDING AND CONTINGENCY

Agencies contracts will **decrease 38%** beginning **Jan. 1, 2021**

Exceptions

- | Tuscaloosa City Schools
- | Tuscaloosa Tourism and Sports Commission

PARA will be **decreased 38%** on a **conditional contract** in which additional funds could later be allocated

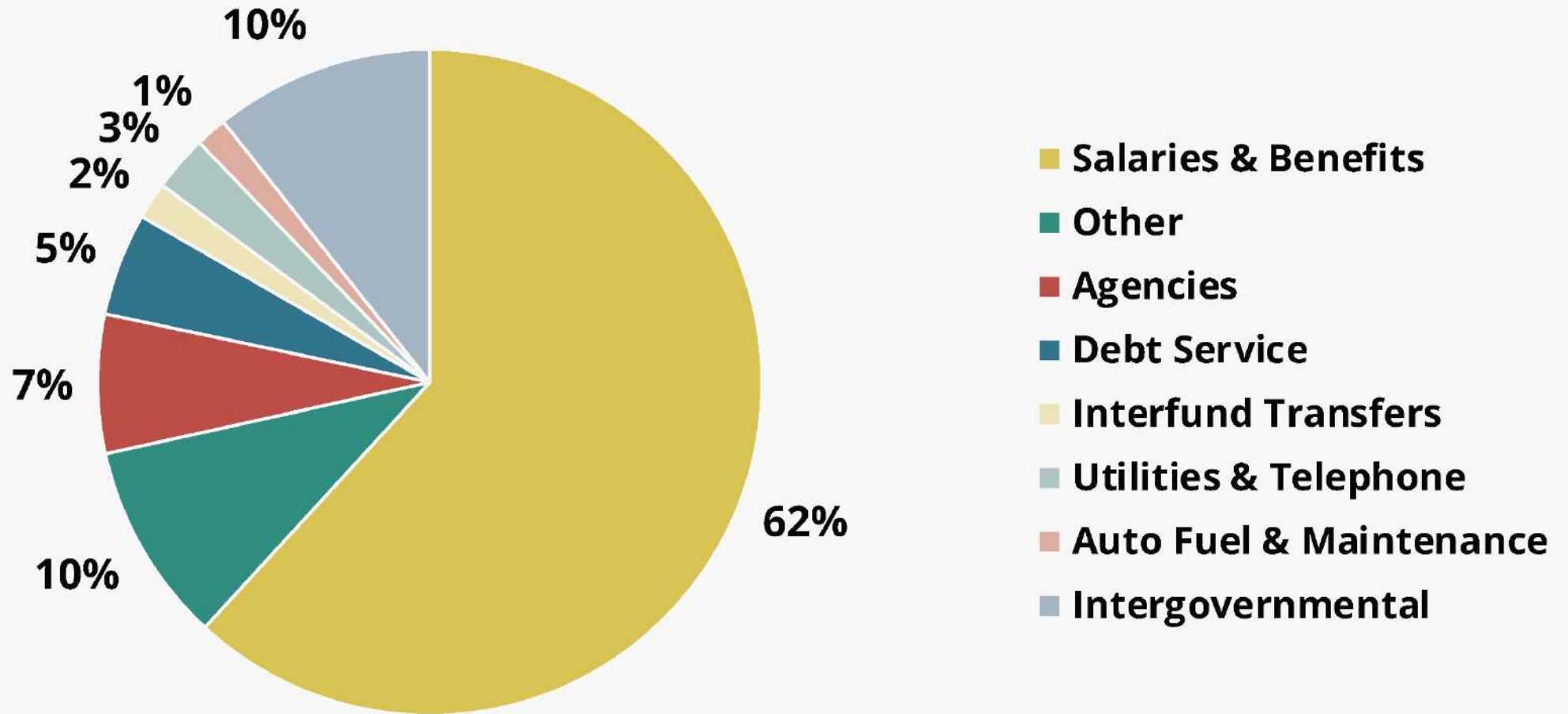
Tuscaloosa Transit Authority received a **\$5.7 million grant**, freeing up city agency funds allocated to them for **3-4 years**

Provides a **contingency balance** of **\$500,477**

DIRECT EXPENDITURES BY DEPARTMENT

Infrastructure & Public Services	\$ 34,297,809	22.2%
Police	33,508,565	21.7%
Fire & Rescue	26,006,608	16.8%
Agencies	10,731,114	6.9%
Information Technology	5,330,336	3.5%
Accounting & Finance	4,371,879	2.8%
Office of Urban Development	3,333,005	2.2%
Human Resources	2,668,117	1.7%
Office of the City Attorney	1,922,395	1.2%
Office of the Mayor	1,471,652	1.0%
Municipal Court	1,082,877	0.7%
Federal Programs	468,219	0.3%
Council	378,468	0.2%

ALL EXPENDITURES BY TYPE



*Other includes, but is not limited to, contingency, maintenance contracts, jail costs, pass through funds, insurance and claims \$95,498,678 in Salaries and Benefits

THEN AND NOW

Budget Comparison

	2007	2020	2021
Salaries and Benefits*	60%	58%	62%
Agencies	11%	7%	7%
Debt Service	4%	5%	5%
Utilities and Telephone	1%	2%	3%
Auto Fuel and Maintenance	2%	1%	2%

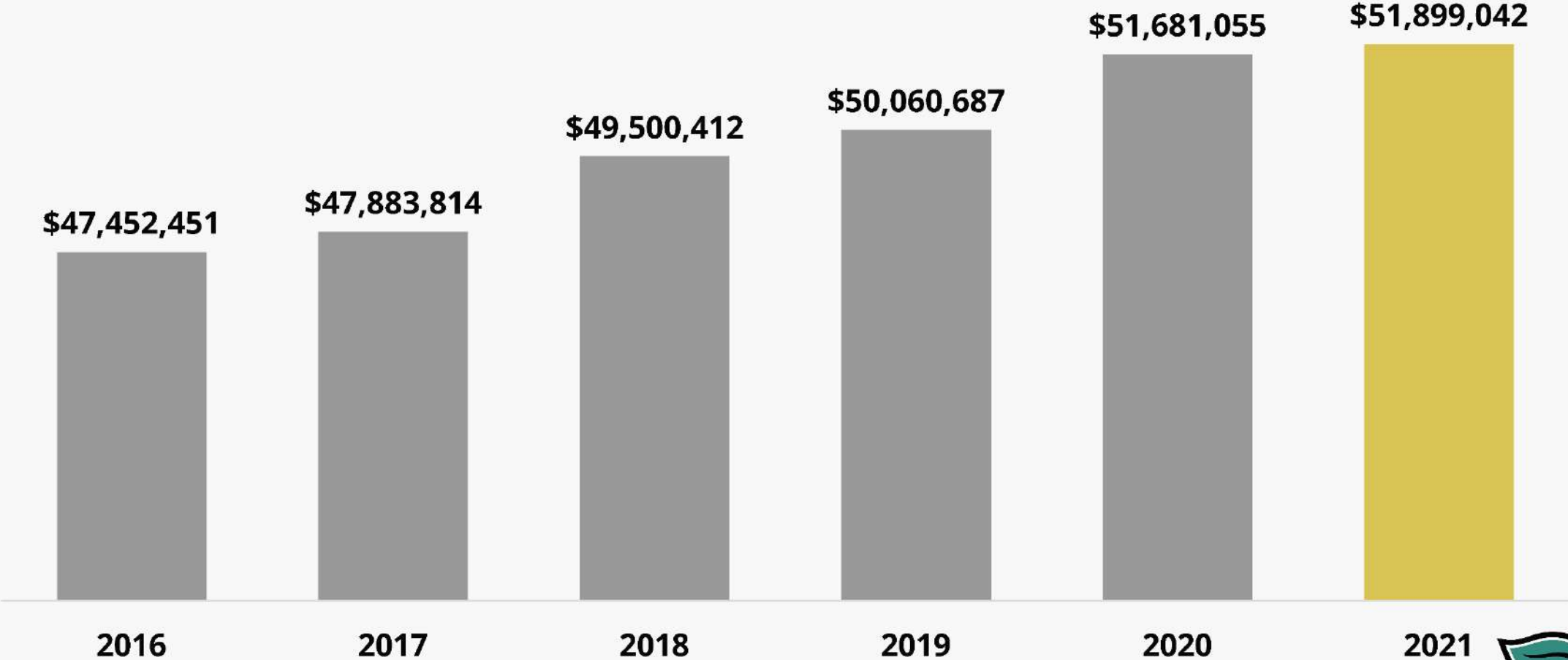
Does not include other operating expenditures

*FY 2021 salaries and benefits are less than FY 2020



WATER AND SEWER FUND

REVENUE BUDGET HISTORY



REVENUE HIGHLIGHTS

Recommending a **1%** Water and Sewer rate increase to cover annual operating increases

2% rate increase is already dedicated to 2019 SRF debt service

Recommending a **1.5%** rate increase for rural water authorities

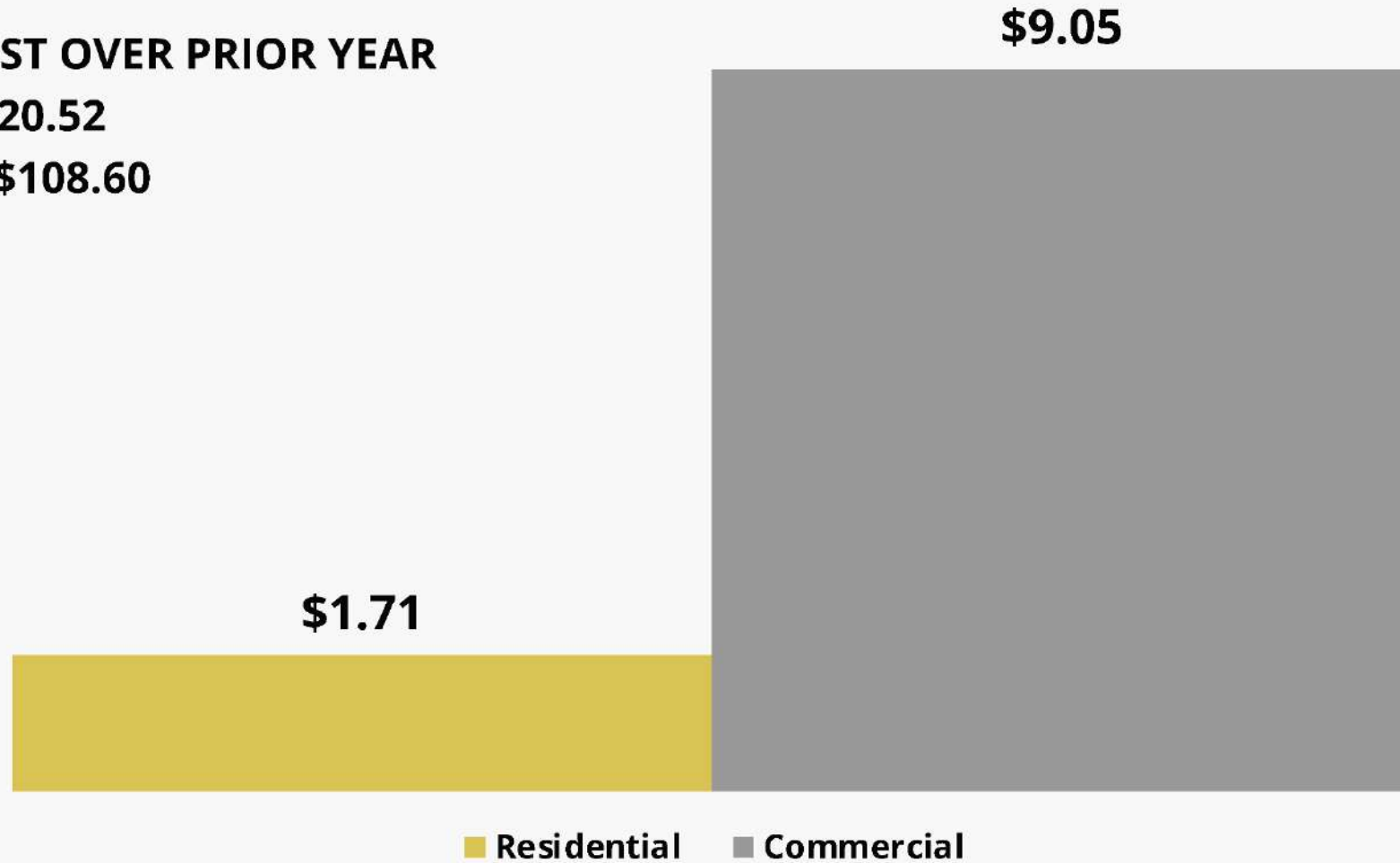
Recommending extension of Water and Sewer grace period to **Jan. 1, 2021** to provide additional relief to taxpayers during COVID-19

MONTHLY CUSTOMER IMPACT

ANNUAL COST OVER PRIOR YEAR

Residential **\$20.52**

Commercial **\$108.60**

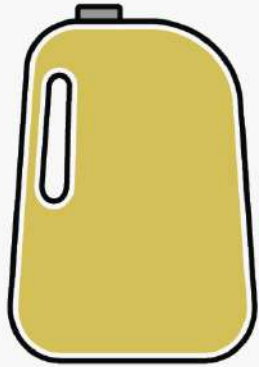


■ Residential ■ Commercial

REVENUE HIGHLIGHTS



A gallon of tap water costs \$.0031



\$3.48

A gallon of
milk



\$16.80

A gallon of
coffee



\$58.04

A gallon of
wine



\$1.00

A gallon of
bottled water

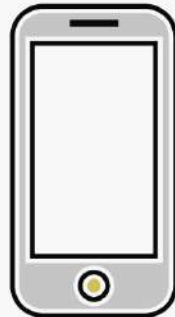
REVENUE HIGHLIGHTS



💧 Average monthly residential water and sewer bill is \$57.07



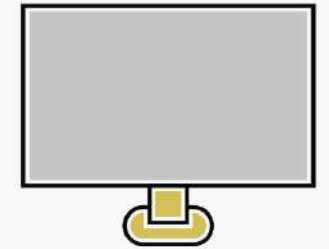
\$124.25
Power



\$100.58
Cell Phone*



\$35.49
Internet



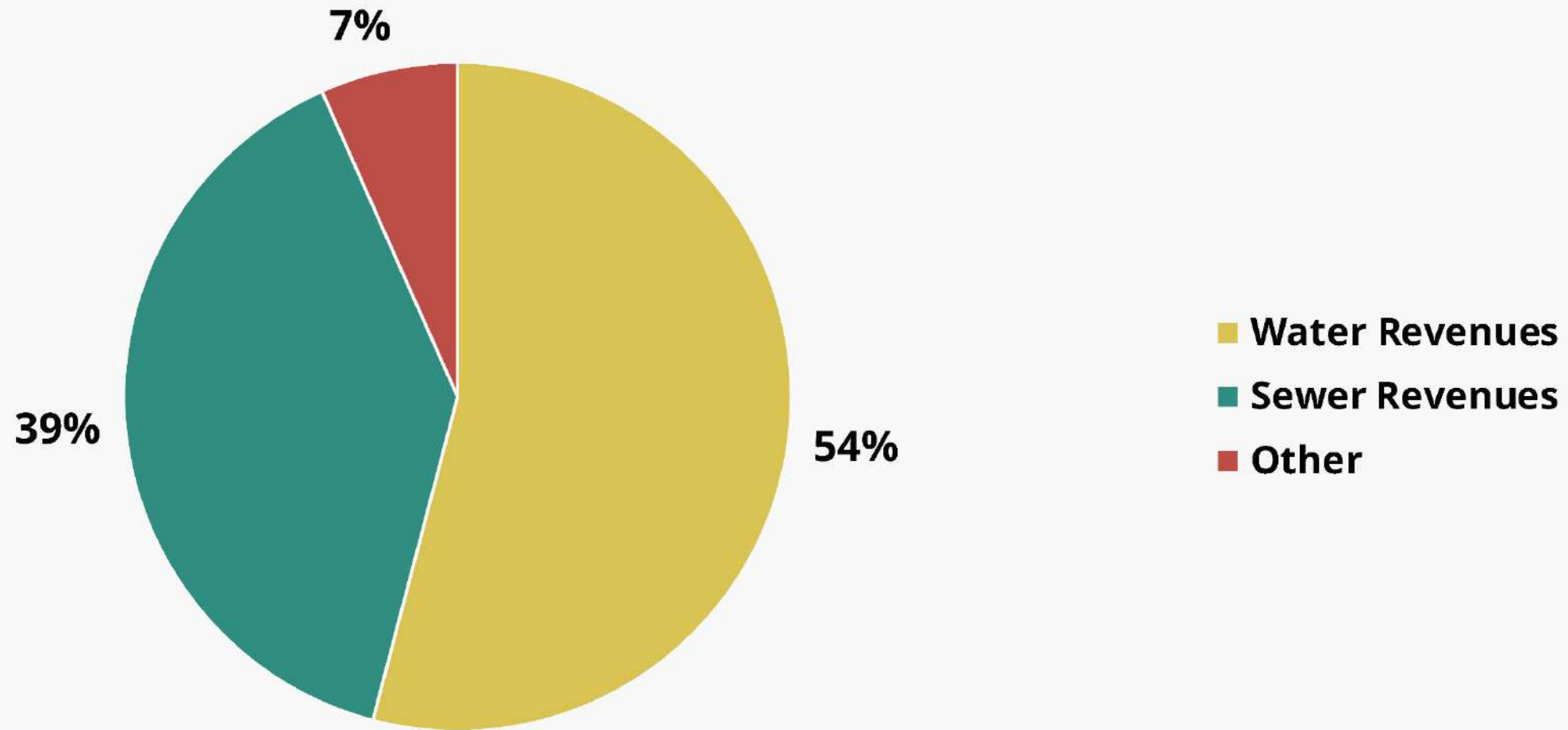
\$85
Cable

*Average consumer not household

REVENUE COMPARISON

REVENUES	FY 2021 BUDGET	FY 2020 BUDGET	DIFFERENCE
Use of Property	\$ 32,500	\$ 31,000	\$ 1,500
Charges for Services	51,333,477	51,094,279	239,198
Other Operating	467,000	482,000	(15,000)
Transfers from Other Funds	41,065	44,776	(3,711)
Cost Reimbursements	25,000	29,000	(4,000)
Total	\$ 51,899,042	\$ 51,681,055	\$ 217,987

REVENUE SOURCES



*Other includes, but is not limited to, collection fees, tap fees, meter/fire connection fees, interest income, transfers from other funds and cost reimbursements

THEN AND NOW

Budget Comparison

	2007	2020	2021
Salaries and Benefits*	27%	23%	23%
Debt Service	30%	22%	22%
Utilities and Telephone	7%	7%	7%
Equipment	1%	2%	1%
Auto Fuel and Maintenance	1%	1%	7%

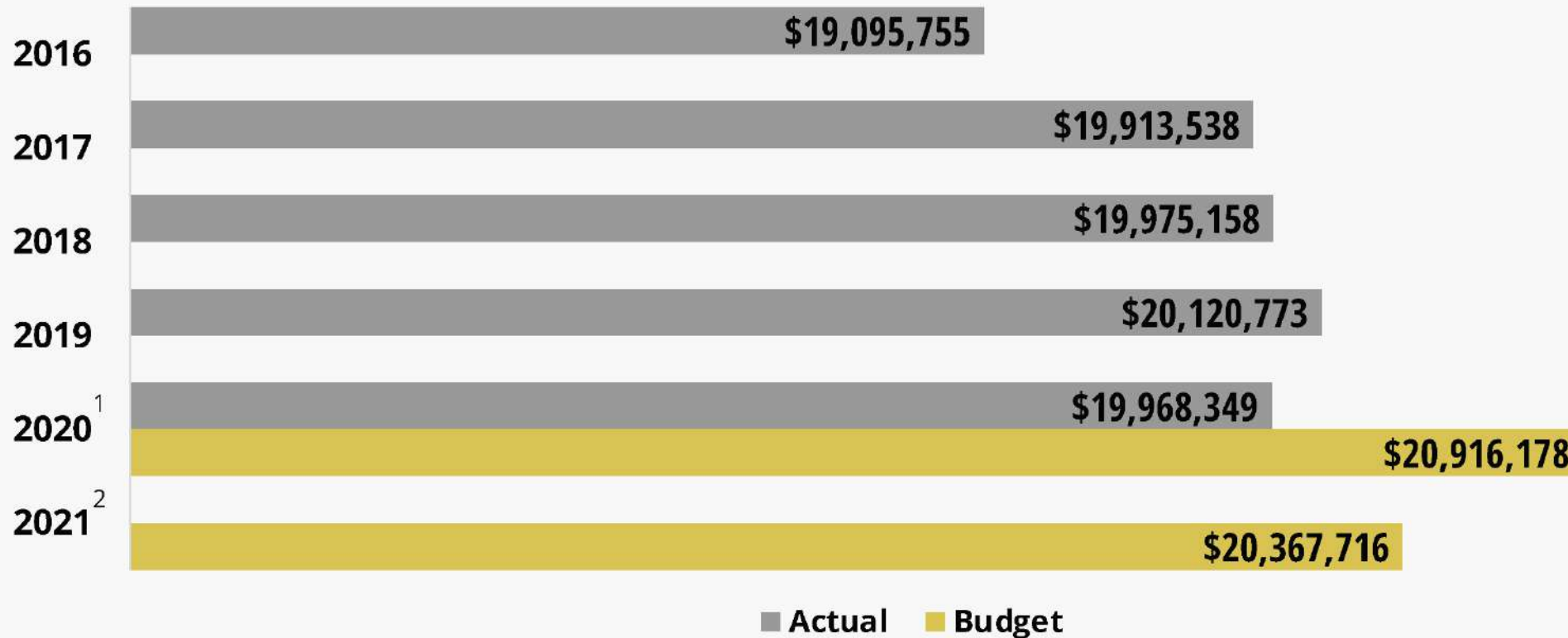
Does not include other operating expenditures

*FY 2021 salaries and benefits are less than FY 2020

SEWER REVENUES

5% growth between 2016-2019

1.8% average annual growth between 2016-2019



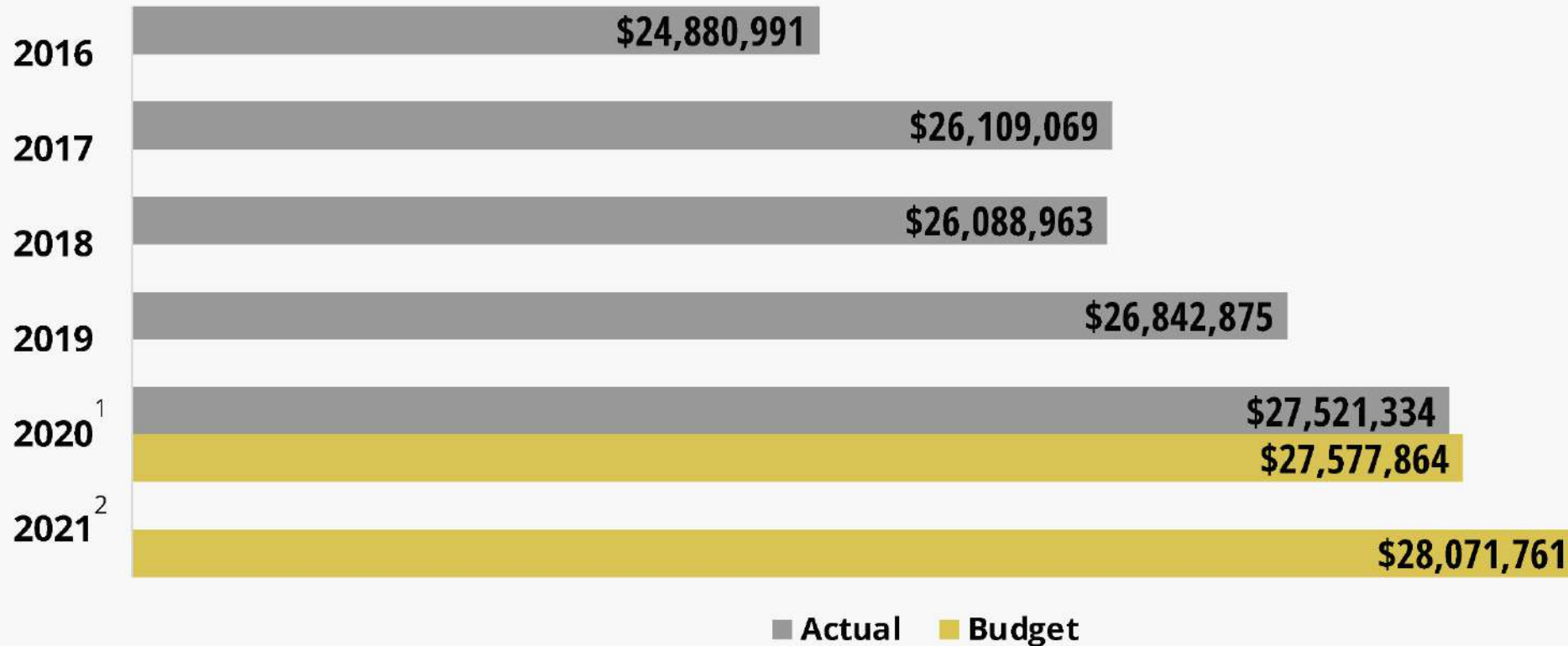
¹Projected collections per Accounting and Finance Department

²FY 2021 budget based on FY 2020 projections plus rate increase assumptions

WATER REVENUES

8% growth between 2016-2019

2.6% average annual growth between 2016-2019



¹Projected collections per Accounting and Finance Department

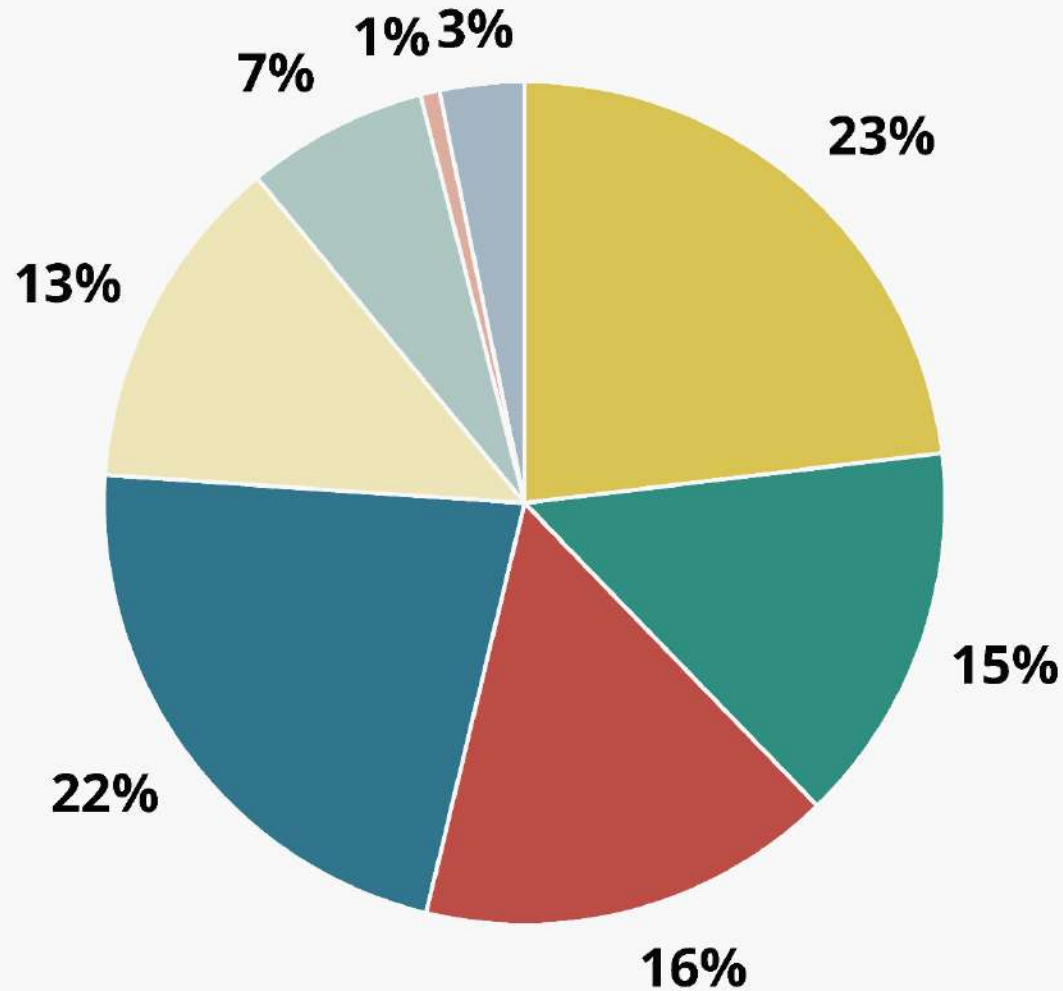
²FY 2021 budget based on FY 2020 projections plus rate increase assumptions

DIRECT EXPENDITURES BY DEPARTMENT

Infrastructure & Public Services	\$ 25,051,813	45%
Office of Urban Development	1,093,841	2%
Information Technology	859,036	2%
Accounting & Finance	585,091	1%
Office of the City Attorney	44,059	0.1%
Other	\$ 28,561,342	51%

Other includes transfers to other funds, debt service and depreciation

ALL EXPENDITURES BY TYPE



- Salaries & Benefits
- Other
- Depreciation
- Debt Service
- Interfund Transfers
- Utilities & Telephone
- Auto Fuel & Maintenance
- Special Projects

Other expenses include, but are not limited to, chemicals, tip fees, outside services and auto fuel \$12,984,193 in salaries, and benefits



ELEVATE

TUSCALOOSA

REVENUES

Sales Tax, Gross	\$ 18,382,000
Use Tax	2,165,000
Other	130,505
Total Revenues, Gross	\$ 20,677,505
Less:	
Sales Tax Abatement, Legacy Park	(235,000)
Sales Tax Abatement, Construction Mitigation	(36,667)
Reimbursement to GF for Garbage Fee Subsidy	(5,000,000)
Total Revenues, Net	\$ 15,405,839

Anticipated FY 2020 carry-over is \$5,098,531

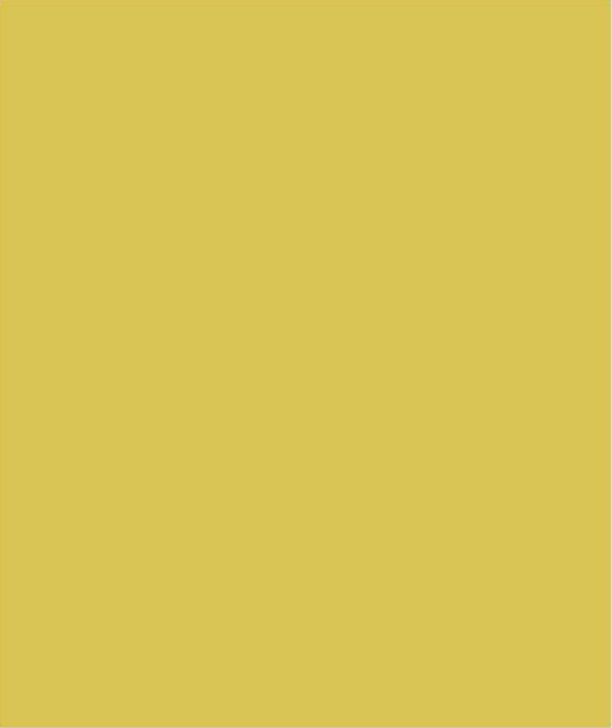
REVENUE BUDGET HISTORY

\$19,546,788



2020

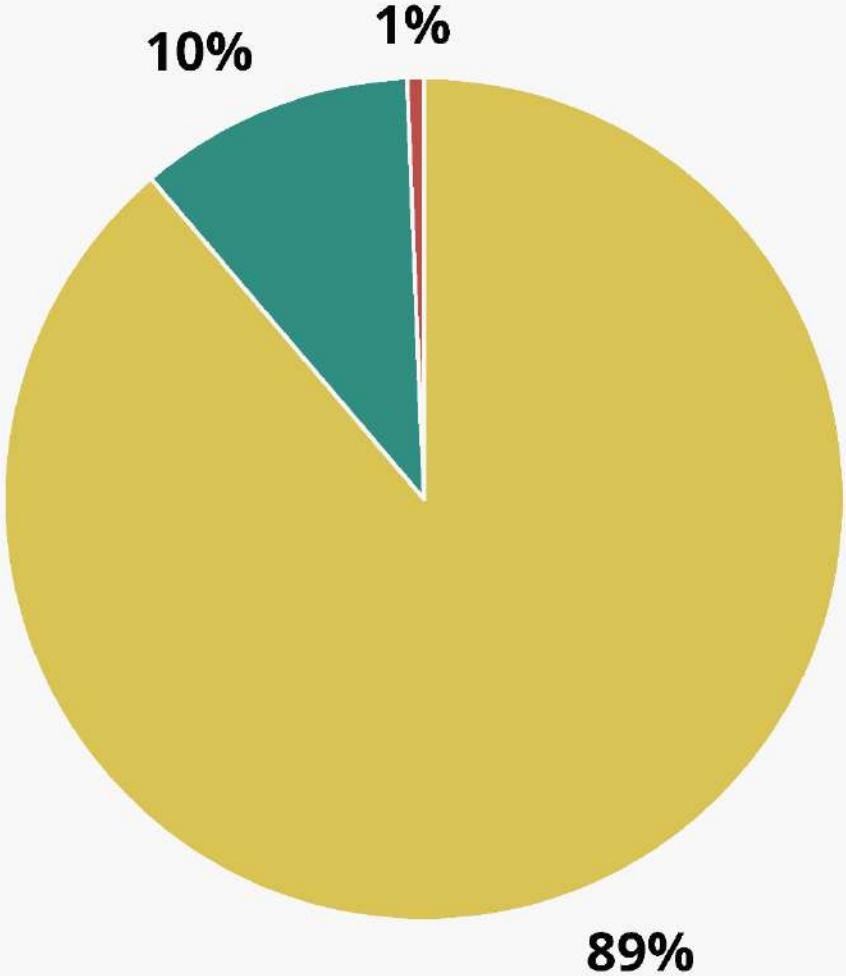
\$20,405,839



2021



REVENUE SOURCES



- Sales Tax
- Use Tax
- Other

ENVIRONMENTAL SERVICES

Garbage, Trash and Recycling

Residential customers will continue to average **\$200 in savings** per year on their environmental services fee

Residential (first cart)	\$ 3.25
Residential (second cart)	23.35
Non-Residential	31.35



VEHICLES, EQUIPMENT & CAPITAL PROJECTS

REVENUE SOURCES

General Fund	\$ 1,049,945
Water and Sewer Fund	616,705
Water and Sewer RFFI Closeouts	140,000
Restart Tuscaloosa Public Safety	2,000,000
Elevate – PWCF Equipment	1,145,650
Elevate – PSCF Equipment	1,145,650
Total	\$ 6,097,950



INFRASTRUCTURE AND PUBLIC SERVICES

General Fund

Capital Lease Equipment	\$ 113,944
Sweeper	275,000
½ Ton Crew Cab Truck	36,000
Boom Truck with Knuckle Boom and Trailer	175,000
Shuttle Truck with Trailer	130,000
Trash Trailer	40,000
Rear Load Garbage Truck	195,000
Skid-steer	85,000
60" Mowing Deck	20,000
Tractor	125,000
Attenuator	36,000
Message Board	22,000
GF Equipment Contingency	6,650
Total	\$ 1,259,594



INFRASTRUCTURE AND PUBLIC SERVICES

Water and Sewer Fund

Capital Lease Equipment	\$ 266,705
2 60" Mowing Deck	31,000
Dump Truck	150,000
2 ½ Ton Truck	59,000
ATV	21,000
Valve Maintenance System for Utility Truck	135,000
¾ Ton Truck with Service Bed	37,000
WS Equipment Contingency	57,000
Total	\$ 756,705

TUSCALOOSA POLICE DEPARTMENT

Cameras – Cyber Crimes Unit	\$ 100,000
½ Ton Truck – Violent Crimes Unit	36,000
½ Ton Truck – Criminal Investigations Division	32,101
5 Patrol Vehicles – Repeat Offender Unit	247,000
3 ½ Ton Trucks – Training Division	64,202
3 ½ Ton Trucks – Juvenile Division	64,202
4 SUVs – Administrative Division	188,000
Motorcycle – Traffic Division	25,458
2 ½ Ton Trucks – Logistics Division	76,000
8 SUVs – Patrol Division	456,000
3 ½ Ton Trucks – K9 Patrol Division	159,000
3 ½ Ton Trucks – Patrol Division	96,303
Total Capital Expenditures	\$ 1,544,266

TUSCALOOSA FIRE RESCUE

Pumper Truck	\$ 663,062
Remounted Rescue Truck	135,000
Specialty Rescue Truck	151,938
¾ Ton 4x4 Truck	50,000
Proposed Equipment to be bid/leased using remaining funding*	601,384
107' Aerial Truck with Equipment	
Pumper Truck with Equipment	
Pumper Truck with Equipment	
Rescue Truck with Equipment	
Total Capital Expenditures	\$ 1,601,384

*\$601,384 will be allocated annually for 5 years as a lease payment for proposed equipment

VEHICLES, EQUIPMENT & CAPITAL PROJECTS



INFORMATION TECHNOLOGY

Public Safety Radio System Payment – Year 2 of 7	\$ 936,001
Total Capital Expenditures	\$ 936,001

CAPITAL PROJECT RECOMMENDATION

Revenue Sources

Restart Tuscaloosa	\$ 3,150,000
FY 2021 Estimated Gas Tax Distribution	800,000
GF-RFFI Resurfacing Closeouts	300,000
Total	\$ 4,250,000

Project Recommendation

2020 City-wide Resurfacing Project	\$ 4,250,000
Total	\$ 4,250,000

BUDGET TEAM

Accounting and Finance

Susan Snowden
Chief Financial Officer

Katy Metcalfe
Deputy Chief Financial Officer

Becky Scheeff
Director of Budgets & Strategic Planning

Ashley Price
Budget Manager

London Jenkins
Grants Manager

Estella Hare
Accounting Manager



2021 BUDGET HEARING SCHEDULE

Council Chambers

Tuesday, Sept. 1

8:30 – 10:30 a.m.

Budget Overview and Revenues

10:30 – 11:30 a.m.

Elevate Tuscaloosa Fund

11:30 a.m. – 12:30 p.m.

Mayor and Council



2021 BUDGET HEARING SCHEDULE

Council Chambers

Tuesday, Sept. 8

8:30 – 9:30 a.m.

Tuscaloosa Police Department

9:30 – 10:30 a.m.

Tuscaloosa Fire Rescue

10:30 – 11:30 a.m.

Infrastructure and Public Services

11:30 a.m. – 12:30 p.m.

Budget Review



2021 BUDGET HEARING SCHEDULE

Council Chambers

Tuesday, Sept. 15

8:30 – 9:30 a.m.

Agency Funding

9:30 a.m. – 12:30 p.m.

Budget Wrap Up

