



Capital Area Council of Governments General Assembly | Agenda

11:30 a.m. Wednesday, September 11, 2024

Austin Southpark Hotel

4140 Governor's Row

Austin, Texas 78744

- 11:30 a.m. Registration
- 12:00 p.m. Call to Order and Opening Remarks – Mayor Lew White, Chair
- Approve Minutes of the December 13, 2023 Meeting – Mayor White, Chair
- Introduction of CAPCOG's New Executive Director – Mayor White, Chair
- Presentation of Action Items – Chris Miller, Executive Director
- Election of Nominating Committee for 2024-2025 Term
 - Adoption of Fiscal Year 2024-2025 Budget
- 12:30 p.m. Recognition of former Executive Director Betty Voights – Mayor Lew White
- Other Business
- 1:00 p.m. Adjourn

GA Representatives can RSVP for this meeting at <https://www.capcog.org/trainings/general-assembly/> for a complimentary lunch.



CAPCOG General Assembly | Summary Minutes

11:30 a.m. Wednesday, December 13, 2023

Austin Southpark Hotel

4140 Governors Row

Austin, Texas 78744

1. Call to Order and Opening Remarks

Burnet County Judge James Oakley, Chair

Judge Oakley called the meeting to order at 12 p.m. and welcomed all the CAPCOG General Assembly representatives and the attending advisory committee members.

2. Approve Minutes for the September 13, 2023 Meeting

Judge James Oakley, Chair

Judge Oakley asked the General Assembly to consider the Sept. 13, 2023, meeting minutes. Mayor Jane Hughson, of San Marcos, made a motion to approve the minutes. Ms. Connie Schroeder, of Bastrop, seconded the motion. It passed unanimously.

3. Presentation of Nominating Committee Recommendations for the Executive Committee for 2024 Term

Betty Voights, Executive Director

Ms. Voights said the General Assembly appointed the Nominating Committee in September to make a recommendation of 2024 Executive Committee members based on self-nominations from elected officials, the size of jurisdictions and their jurisdictions' geographic location. She said they met on October 11 and determined the recommended slate of members to present to the General Assembly. It included:

For County Positions:

Bastrop County Commissioner Clara Beckett

Blanco County Judge Brett Bray

Burnet County Judge James Oakley

Caldwell County Judge Hoppy Haden

Fayette County Judge Dan Mueller

Hays County Commissioner Debbie Ingalsbe

Lee County Commissioner Steven Knobloch

Llano County Judge Ron Cunningham

Travis County Judge Andy Brown

Travis County Commissioner Ann Howard

Williamson County Commissioner Russ Boles

For the City of Austin Position:

Council Member Mackenzie Kelly

For Cities over 100,000 Population Position:

Round Rock Mayor Pro Tem Matt Baker

For Cities between 25,000 and 100,000 Positions:

Georgetown Council Member Ron Garland

Leander Mayor Pro Tem Esmeralda Mattke Longoria

Pflugerville Mayor Pro Tem Doug Weiss

San Marcos Mayor Jane Hughson

For Cities under 25,000 Positions:

Bee Cave Council Member Kevin Hight

Smithville Council Member Janice Bruno

Lockhart Mayor Lew White

Granite Shoals Council Member Steve Hougen

Taylor Mayor Brandt Rydell

For At-large Positions:

Bastrop Mayor Lyle Nelson
Burnet County Commissioner Joe Don Dockery
Williamson County Commissioner Cynthia Long

For State Legislators Positions

Senator Pete Flores
Representative Stan Gerdes
Representative Vicki Goodwin

Ms. Voights also said the Nominating Committee makes a recommendation for the Executive Committee’s officers and the board elects those positions in January. They included:

| | |
|----------------------|--|
| Chair | Lockhart Mayor Lew White |
| First Vice Chair | Hays County Commissioner Debbie Ingalsbe |
| Second Vice Chair | Round Rock Mayor Pro Tem Matt Baker |
| Secretary | Blanco Judge Brett Bray |
| Parliamentarian | Llano County Judge Ron Cunningham |
| Immediate Past Chair | Burnet County Judge James Oakley |

4. Election of 2024 Executive Committee

Judge James Oakley, Chair

Judge Oakley asked all those in favor of those recommended on the slate to vote. The slate was approved unanimously.

5. Presentation of Jack Griesenbeck Leadership in Regionalism Award

Judge James Oakley, Chair

Judge Oakley said that this year’s Jack Griesenbeck Leadership in Regionalism Award recipient epitomizes a high level of customer services especially at his organizations. He announced that Tucker Ferguson, TxDOT Austin Area District Engineer as the award’s recipient.

Mr. Ferguson said receiving the award was amazing and unexpected. He said he couldn’t say enough about relationships he has built around the region as he worked in partnership with many of the people in the room on projects. He also thanked his staff.

6. Recognition of Advisory Committee Members and Presentation of 2023 Volunteer Service Award

Betty Voights, Executive Director

Ms. Voights recognized and thanked the work of all the CAPCOG advisory committee members who were present. She said each year staff recognizes someone from one the committees who has gone above and beyond in their work as a volunteer committee member. She announced that this year’s recipient was Richard McHale, who works for the city of Austin and services on the Solid Waste Advisory Committee.

7. Air Central Texas Awards and Bill Gill Air Quality Leadership Award

Anton Cox, Air Quality Program Manager

Mr. Cox said the Air Central Texas Awards have been around since 2016 and help recognized excellence in working to preserve the region's air quality. The winners this year included:

- Movability, Inc. received the Air Central Texas Outstanding Organization Award.
- Rich Segal, with KXAN, received the Air Central Texas Media Award
- Dr. Peter Beck, at St. Edward's University, received the Air Central Texas Environmental Education Award posthumously.
- Olivia Prior, a St. Edward's University student, received the Air Aware Student Leadership Award.
- Bill Gibbs, the former Clean Air Force executive director, received the Bill Gill Central Texas Air Quality Leadership Award.

8. Panel Discussion on Legislative Issues

Stan Gerdes, Texas Representative

Representative Gerdes said the property tax cut was among the most important accomplishments of the legislature during the last session, but for him personally, it was the creation of a rural law enforcement grant that provided \$350 million for counties law enforcement agencies to supplement salaries.

Judge Oakley asked about the 14 amendments placed on the November ballot. Rep. Gerdes said all of them passed but the increase retirement age for judges. He noted that internet is important and expensive in the rural parts of the state as well as water and those items need to be addressed.

Rep. Gerdes said it was a good first term and he is planning for a second. He noted that he tried to involve local governments when working on his legislation since its those governments and their residents he is representing.

Ms. Voights asked about more possible direct funding for COG based law enforcement training as COGs work on an economy of scale and their basic police officer courses often support smaller local departments that can't afford to operate their own academies. She noted that CAPCOG's regional law enforcement academy operates on a very tight budget, does non-stop training, but its grant funds to operate are currently being supplemented by local funds. Mr. Gerdes said his office is working on interim items and funding for such law enforcement programs could be discussed.

Rep. Gerdes wrapped up his comments saying he hoped to continue serving his district and working with local governments.

9. Adjourn

Judge Oakley adjourned the meeting at 12:56 p.m.



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BASTROP BLANCO BURNET CALDWELL FAYETTE HAYS LEE LLANO TRAVIS WILLIAMSON

MEMORANDUM
August 26, 2024

To: General Assembly Members
From: Betty Voights, Executive Director
RE: Schedule and Recommendations for the Nominating Committee

CAPCOG's Bylaws require the General Assembly to elect a Nominating Committee each year for the purpose of recommending membership for the Executive Committee for the upcoming calendar year; since the General Assembly meets in September, we include this election on that agenda. The Nominating Committee typically meets 1-2 times during October to develop recommendations for the slate of Executive Committee members; their recommendations must be sent to the General Assembly by CAPCOG's Executive Director no later than October 31st of each year.

All General Assembly members who are elected officials representing a city or county are eligible to serve on the Executive Committee. If a city or county elected official is interested in serving but is not in a General Assembly slot, it is the prerogative of the governing body of that city or county to change its representatives and should contact my office to obtain the designation form. Once in a General Assembly slot, the city or county elected officials submit a nomination form to CAPCOG (schedule attached) which does not require action by the governing body – it is a self-nomination process since serving requires an investment of his or her time.

The Nominating Committee makes recommendations based on the nominations received. In accordance with CAPCOG's Bylaws, the Committee must consider membership based on rural and urban, small and large, and city/county representation along with geographic and population representation. The Committee also makes recommendations for the Executive Committee officers, who are elected in January, and selects a recipient of the Jack Griesenbeck Leadership in Regionalism Award for recognition at the December 11th meeting.

Each year at their August meeting I have asked the Executive Committee to make recommendations for the seven-person Nominating Committee. The Bylaws (also attached) require the Nominating Committee be composed of General Assembly representatives of which at least two members are current Executive Committee, and at least two members are not on the Executive Committee.

At their regular August meeting, the Executive Committee voted on recommendations for consideration at the upcoming September meeting: former City Council Member Janice Bruno, Llano County Judge Ron Cunningham, Burnet County Commissioner Joe Don Dockery, Williamson County Commissioner Cynthia Long, Leander Mayor

Christine DeLisle, and Hays County Commissioner Lon Shell. The Executive Committee Chair, currently Lockhart Mayor Lew White, is automatically the committee chair per the Bylaws.

This year's schedule will be:

| | |
|---|--------------------|
| Election of Nominating Committee | September 11, 2024 |
| Nominations due from eligible elected officials | September 27, 2024 |
| First Nominating Committee meeting | October 9, 2024 |
| Second Nominating Committee meeting | October 23, 2024 |

Executive Committee Nominations and Review Timeline – 2024

| | |
|---|--------------------|
| Request for Nominations sent to elected official representatives on General Assembly | August 29-30, 2024 |
| Nominating Committee elected at General Assembly | September 11, 2024 |
| Nominations due from eligible elected officials seeking slot on Executive Committee | September 27, 2024 |
| First Nominating Committee Meeting – held in conjunction with/prior to Executive Committee meeting | October 9, 2024 |
| --Review nominations & develop draft slate --Discuss officers --Identify candidates for Regionalism award | |
| Second Nominating Committee Meeting (Can be held by conference call) | October 23, 2024 |
| -Finalize recommendations for slate including officers -Finalize recommendations for Regionalism award | |
| Third Nominating Committee Meeting | Called if needed |
| Recommended slate for Executive Committee with officers sent to General Assembly members | October 30, 2024 |
| Last day for challenge for slot on Executive Committee | November 30, 2024 |
| Cities and counties must pay membership dues for candidates from that local government to be considered at the December General Assembly meeting December 13, 2023 | December 1, 2024 |

Section 4.4 – Nominating Committee

(a) At its summer or fall meeting each year the General Assembly shall appoint a seven-person Nominating Committee to nominate Executive Committee members and officers of the Council to serve during the following year. The Nominating Committee members serve for a year or until a new Nominating Committee, which may include members of the former Committee, is appointed.

(b) A Nominating Committee member must be a General Assembly representative of a full member, an associate member, or a citizen representative. Two Nominating Committee members must be Executive Committee members and at least two members must be General Assembly members not currently serving on the Executive Committee. The chair of the Council shall serve as the Nominating Committee chair, or the vice chair in the absence of the chair.

(c) The Nominating Committee shall nominate at least one qualified representative for each position on the Executive Committee. The Nominating Committee shall also nominate one Executive Committee member for each office of the Council. In making nominations to the Executive Committee, the Nominating Committee shall consider the economic, urban-rural, geographic, ethnic, and gender diversity of the Region and, insofar as possible, shall make its nominations to reflect this diversity. In the case of November elections, a person who has been elected but not sworn into office may be considered by the Nominating Committee contingent upon the candidate being designated as the General Assembly representative of that local government at the time of the General Assembly election.

(d) The Nominating Committee shall solicit interest for service on the Executive Committee from all eligible General Assembly members. To be eligible for service, General Assembly members must be elected officials from cities and counties who are full members and who are officially designated by that city or county as the General Assembly representative. The Nominating Committee shall submit its nominations in writing for Executive Committee members to the Executive Director of the Council and the Executive Director shall furnish copies of the Nominating Committee report to each General Assembly representative during October of each year. A qualified representative who is not included on the slate of the Nominating Committee but wishes to be considered for election to the Executive Committee by the General Assembly may notify the Executive Director in writing no later than November 30th and specify which nominated representative he or she wishes to challenge. Nominations will not be accepted from the floor. A contested slot will be voted on separately from the Nominating Committee slate.

(e) The Nominating Committee shall submit its nominations in writing for the officers of the Council to the Executive Committee with the notice of the January Executive Committee meeting.

(f) In accordance with Local Government Code, Section 391.006(c), the Nominating Committee shall solicit interest for service on the Executive Committee from State Legislators whose districts are wholly or partly within the State Planning Region 12.

(g) Legislators eligible for membership on the Executive Committee may apply for membership on the Executive Committee by submitting a written request to the Nominating Committee. At least one eligible Legislator may serve in an ex-officio position on the Executive Committee. The Nominating Committee shall recommend at least one State Legislator for an ex-officio position on the Executive Committee when it submits nominations to the Executive Director during October of each year.



GENERAL ASSEMBLY MEMBER REPRESENTATIVES

BASTROP COUNTY REPRESENTATIVES

Bastrop County Judge Gregory Klaus
 Bastrop County Commissioner Mel Hamner
 Bastrop County Commissioner Clara Beckett
 City of Bastrop Mayor Lyle Nelson
 City of Bastrop Ms. Sylvia Carrillo
 City of Elgin Mayor Theresa Y. McShan
 City of Elgin Council Member Forest L. Dennis
 City of Smithville Ms. Janice Bruno

BLANCO COUNTY REPRESENTATIVES

Blanco County Judge Brett Bray
 City of Blanco Mayor Mike Arnold
 City of Johnson City Mayor Stephanie Fisher
 City of Round Mountain Vacant

BURNET COUNTY REPRESENTATIVES

Burnet County Judge James Oakley
 Burnet County Commissioner Joe Don Dockery
 City of Bertram Ms. Georgina Hernandez
 City of Burnet Council Member Joyce Laudenschlager
 City of Cottonwood Shores Mr. J.C. Hughes
 City of Double Horn Alderman John Osborne
 City of Granite Shoals Council Member Steve Hougen
 City of Highland Haven Mayor Olan Kelley
 City of Marble Falls Mayor Dave Rhodes
 City of Meadowlakes Mayor Mark Bentley

CALDWELL COUNTY REPRESENTATIVES

Caldwell County Judge Hoppy Haden
 Caldwell County Commissioner BJ Westmoreland
 City of Lockhart Council Member Jeffry Michelson
 City of Lockhart Mayor Lew White
 City of Luling Mayor Carol Jene "CJ" Watts
 City of Martindale Mayor Katherine Glaze

FAYETTE COUNTY REPRESENTATIVES

Fayette County Mr. Joe Weber
 Fayette County Judge Dan Mueller
 City of Carmine Mayor Wade Eilers
 City of Fayetteville Mr. Mike Stroup
 City of Flatonia Ms. Sarah Novo
 City of La Grange Ms. Janet Moerbe
 Town of Round Top Alderman Owen Massey
 City of Schulenburg Mr. Roger Moellenberndt

HAYS COUNTY REPRESENTATIVES

Hays County Commissioner Lon A. Shell
 Hays County Commissioner Walt Smith

HAYS COUNTY (Continued) REPRESENTATIVES

Hays County Judge Ruben Becerra
 City of Buda Mayor Lee Urbanovsky
 City of Buda City Manager Micah Grau
 City of Dripping Springs Council Member Taline Manassian
 City of Hays Council Member Lydia Bryan-Valdez
 City of Kyle Council Member Daniela Parsley
 City of Kyle Council Member Robert Rizo
 City of Kyle Council Glenn "Bear" Heiser
 City of Mountain City Mayor Ralph McClendon
 City of Niederwald City Administrator Reynell Smith
 City of San Marcos Mayor Jane Hughson
 City of San Marcos Council Member Matthew Mendoza
 City of San Marcos Council Member Shane Scott
 City of Uhland Mayor Lacey Duke
 City of Wimberley Council Member Teresa Shell
 City of Woodcreek Ms. Gloria Whitehead

LEE COUNTY REPRESENTATIVES

Lee County Commissioner Steven Knobloch
 City of Giddings Mayor Joel Lopez
 City of Lexington Mayor Allen Retzlaff

LLANO COUNTY REPRESENTATIVES

Llano County Commissioner Jerry Don Moss
 Llano County Judge Ron Cunningham
 City of Horseshoe Bay Council Member Dwight King
 City of Llano Ms. Gail Lang
 City of Sunrise Beach Village Mayor Pro Tem Dan Gower

TRAVIS COUNTY REPRESENTATIVES

Travis County Judge Andy Brown
 Travis County Commissioner Ann Howard
 Travis County Commissioner Jeff Travillion
 City of Austin Council Member Mackenzie Kelly
 City of Austin Council Member Sabino Renteria
 City of Austin Mr. DeWayne Lofton
 City of Austin Mr. Steve Adler
 City of Bee Cave Council Member Kevin Hight
 City of Jonestown Alderman Dave Nelsen
 City of Lago Vista Mayor Kevin Sullivan
 City of Lakeway Mayor Thomas Kilgore
 City of Lakeway Council Member Louis Mastrangelo
 City of Manor Mayor Dr. Christopher Harvey
 City of Manor Mayor Pro Tem Emily Hill
 City of Mustang Ridge Mayor David Bunn
 City of Pflugerville Mayor Pro Tem Doug Weiss
 City of Pflugerville Council Member Ceasar Ruiz
 City of Pflugerville Council Member Jim McDonald
 City of Rollingwood Mayor Gavin Massingill
 City of Sunset Valley Ms. Rose Cardona
 City of West Lake Hills Mayor Linda Anthony
 Village of the Hills Mayor Greg Wharton

TRAVIS COUNTY (Continued) REPRESENTATIVES

Village of Point Venture..... Vacant
Village of San Leanna..... Mayor Molly Quirk
Village of Volente Mr. Ken Beck

WILLIAMSON COUNTY REPRESENTATIVES

Williamson County Commissioner Russ Boles
Williamson County Commissioner Cynthia Long
Williamson County Judge Bill Gravell
City of Bartlett Mr. Norris Ivy
City of Cedar Park..... Council Member Heather Jefts
City of Cedar Park..... Council Member Eric Boyce
City of Cedar Park..... Council Member Mel Kirkland
City of Florence..... Mayor Mary Condon
City of Georgetown City Manager David Morgan
City of Georgetown Mayor Pro Tem Kevin Pitts
City of Georgetown Council Member Ron Garland
City of Granger Mayor Monica Stojanik
City of Hutto Council Member Amberley Kolar
City of Hutto Council Member Randal Clark
City of Jarrell..... City Manager Vanessa Shrauner
City of Leander..... Mayor Christine De L’isle
City of Leander..... Ms. Esme Mattke Longoria
City of Leander..... Council Member Na’Cole Thompson
City of Liberty Hill Council Member Wade Ashley
City of Round Rock Council Member Frank Ortega
City of Round Rock Vacant
City of Round Rock Mr. Matthew Baker
City of Round Rock Council Member Rene Flores
City of Taylor..... Council Member Robert Garcia
City of Taylor..... Mayor Brandt Rydell
City of Thrall Mayor Troy Marx
City of Weir..... Vacant

ASSOCIATE MEMBERS REPRESENTATIVES

Austin ISD Trustee Lynn Boswell
Barton Springs/Edwards Aquifer Conservation
District Timothy Loftus PHD, General Manager
Bluebonnet Electric Cooperative, Inc. Mr. Johnny Sanders
Buda Economic Development
Corporation Executive Director Jennifer Storm
Capital Area Metropolitan
Planning Organization Executive Director Ashby Johnson
Central Health..... Ms. Cynthia Valadez
Del Valle ISD..... Trustee Darla Wegner
Dripping Springs ISD Trustee Rob McClelland
Eanes ISD President John Havenstrite
Fayette County Central
Appraisal District Chief Appraiser Richard Moring
Georgetown Chamber of Commerce Mr. Jim Johnson
Guadalupe-Blanco River Authority Ms. Lauren Willis
Hays Central Appraisal District Chief Appraiser Laura Raven
Hutto ISD..... Chief William Edwards
La Grange ISD Superintendent William Wagner
Lockhart ISD..... Superintendent Mark Estrada
Lower Colorado River Authority Mr. Phil Wilson
Movability Inc. Executive Director Lonny Stern
Northtown MUD..... Director Lee Hill
Pedernales Electric Co-Op Ms. Shannon Johnson
Round Rock Chamber of Commerce Ms. Lora Weber
Travis County Emergency Services
District No. 2 Chief Ron Moellenberg

EXECUTIVE COMMITTEE OFFICERS:

Mayor Lew White, **Chair**
Judge Brett Bray, **1st Vice Chair**
Mr. Matthew Baker, **2nd Vice Chair**
Judge Ron Cunningham, **Secretary, Parliamentarian**
Judge James Oakley, **Immediate Past Chair**

EXECUTIVE COMMITTEE MEMBERS:

Commissioner Clara Beckett
Commissioner Russ Boles
Judge Andy Brown
Ms. Janice Bruno
Commissioner Joe Don Dockery
State Senator Pete Flores
Council Member Ron Garland
Representative Stan Gerdes
Representative Vikki Goodwin
Judge Hoppy Haden
Council Member Kevin Hight
Mayor Pro Tem Dr. Steve Hougen
Commissioner Ann Howard
Mayor Jane Hughson
Council Member Mackenzie Kelly
Commissioner Steven Knobloch
Commissioner Cynthia Long
Ms. Esmeralda Mattke Longoria
Mayor Lyle Nelson
Judge Dan Mueller
Mr. Bryant Rydell
Mayor Pro Tem Doug Weiss



BASTROP BLANCO BURNET CALDWELL FAYETTE HAYS LEE LLANO TRAVIS WILLIAMSON

MEMORANDUM August 26, 2024

TO: General Assembly

FROM: Andrew Hoekzema, Deputy Executive Director

RE: Proposed Fiscal Year 2025 Budget

Enclosed is a resolution for the adoption of the fiscal year (FY) 2025 CAPCOG annual budget and a budget document that includes the following components:

- A summary of sources and uses of funds;
- Proposed allocation of unrestricted funds;
- Fringe cost pool and fringe ratio calculation; and
- Indirect cost pool and estimated FY 2025 indirect rate.

On August 14, 2024, CAPCOG's Executive Committee recommended approval of this budget. There are a few minor changes noted in this budget relative to that version that are noted below.

Overview

CAPCOG's proposed FY 2025 budget is \$40,257,421. The largest portion of the proposed budget is CAPCOG's Emergency Communications Division, which accounts for 48% of the total, followed by the Aging Services Division, which accounts for another 41%. These divisions have significant amounts of non-recurring revenue that make their budgets larger than they would otherwise be. These include \$2.3 million in funding from Proposition 8 to support Next-Generation 9-1-1 (NG9-1-1) that CAPCOG received in FY 2024 but is applying in FY 2025 and \$7.5 million in carry-forward funding from the Health and Human Services Commission (HHSC) for the Area Agency on Aging as a result of large amounts of American Rescue Plan (ARP) and CARES Act funding received in recent years. The remaining funding comes from multiple grants and contracts from the state, the federal government, and a private foundation, as well as membership dues and interest from investment accounts.

CAPCOG's FY 2025 budget incorporates the FY 2025 Capital Area Emergency Communications District (CAECD) budget, which was adopted by the CAECD Board of Managers on July 11, 2024. That budget totaled \$20,068,247. This accounts for 9-1-1 operations and projects managed by the Emergency Communications

Division, and for the costs of the Regional Notification System (RNS) and WebEOC system, which are managed by the Homeland Security Division.

The \$7.5 million carry-forward in federal funding CAPCOG will receive for implementation of the Older Americans Act (OAA) represents the remaining unspent funds from FY 2024 as a result of extra revenue received from ARP and CARES Act over the past several years, combined with staffing shortages during the COVID-19 pandemic and practical challenges with HHSC's process for releasing funding. For example, CAPCOG did not receive its full FY 2024 funding until June 2024, 9 months into the fiscal year. Combined with an additional \$7.5 million CAPCOG anticipates receiving for the Area Agency on Aging (AAA) in FY 2025, CAPCOG anticipates having a total of spending a total of \$15 million available for OAA programs, and anticipates spending \$10.4 million. The \$5.1 balance is being set aside as carry-forward to FY 2026 to ensure that CAPCOG can cash-flow these programs in the 1st half of FY 2026. CAPCOG's planned annual expenditures for the AAA exceeds our anticipated new revenues by \$2.9 million, which means that we anticipate the need to reduce expenditures starting in FY 2026.

CAPCOG's individual grant budgets are prepared and finalized in consultation with funding agencies at various times and across various timelines that for the most part do not coincide with CAPCOG's fiscal year. This makes CAPCOG's budget process somewhat different than the processes our member city and county governments follow. We typically are fairly certain about which grants and programs will be funded during the year and, except mainly for the use of unrestricted funds, proposed expenditures and uses just match anticipated revenue and represent a 12-month snapshot of the various funding sources and expenditures.

Staffing and Salaries

Under state law, Councils of Government are required to adopt pay plans that ensure that they are not paying more for positions than the state pays for comparable positions. The salary plan is due to the state 45 days prior to the start of the fiscal year, and was submitted on August 14. The plan includes 77 positions, including 2 regular part-time positions that we plan to sunset effective January 1, 1 permanent part-time position, and 1 temporary part-time position. The total full-time employee (FTE) count for the year is 74.57. As recommended by the Executive Committee, **the FY 2025 budget includes a 3% across-the-board labor market adjustment to salaries**, which applies to any existing employees whose salaries have not otherwise changed within 3 months of the start of the fiscal year.

Fringe Benefits

The FY 2025 fringe rate is 56.95%. This represents the ratio between the fringe benefit cost pool and the portion of the salaries paid to employees eligible for benefits for time worked. The fringe pool includes benefits, paid leave, the employer portion of the social security and Medicaid/Medicare taxes, merit bonuses, unemployment and worker's compensation insurance, and benefits consulting services. CAPCOG's benefit package includes medical, dental, vision, life, and long-term disability insurance paid by CAPCOG, as well as a retirement plan, a wellness program, and access to an employee assistance program (EAP). The FY 2025 pool also includes an adjustment to account for over-recovery of fringe costs during FY 2023.

- **Health, Dental, Vision, Life, and Long-Term Disability Insurance:**
 - Insurance is on a calendar year basis rather than a fiscal year basis and currently, CAPCOG's medical, dental, and insurance plans are provided by Cigna and life and long-term disability insurance is provided by Ochs.

- CAPCOG is budgeting for a 10% increase in medical insurance rates for calendar year 2025. We have a 15% limit on increases, but will not know for sure what the rates will be until early October.
- In addition to paying for employee medical insurance, CAPCOG also provides each employee enrolled in medical insurance with funds in a health reimbursement account to defray unreimbursed health care costs.
- **Paid Leave:**
 - Paid leave for employees includes 12 holidays (10 agency-wide holidays and 2 personal holidays), sick leave, vacation leave, and administrative leave.
 - Employees are eligible to get paid for up to 240 hours of unused vacation time and up to 48 hours of sick leave upon separation, so the fringe pool includes amounts set aside to cover those costs as well.
- **Retirement Plan:**
 - CAPCOG's retirement plan is a voluntary, defined-contribution 401k plan.
 - Under CAPCOG's plan, employer match is discretionary, but has historically has been 8:1 up to 8% of an employee's salary with a five-year vesting schedule.
- **Merit Bonuses:**
 - The fringe pool includes a budget for one-time merit bonuses, which the Budget and Audit Committee recommended be set at 2.5% of budgeted salaries agency-wide.
 - Merit bonuses for other employees will be awarded by the Executive Director based strictly on performance.
- **Employee Assistance Program:**
 - Employees have access to an employee assistance program (EAP), which provides an array of resources to assist employees with various issues.
 - Examples include access to up to 6 free counseling sessions, access to a free 30-minute legal consultation, and others.

Indirect Rate

CAPCOG's estimated indirect rate for FY 2025 is 25.40% of total wages and salaries. Indirect costs include general administration and common areas of office space that need to be allocated to the various programs that CAPCOG administers so that each funding source pays a fair share of those costs. CAPCOG's proposed FY 2024 indirect cost pool includes \$1.3 in expenditures. For FY 2025, CAPCOG is splitting indirect costs evenly between the CAECD and all other funding sources. The 50% of indirect costs not covered by the CAECD will be recovered through a Negotiated Indirect Cost Rate Agreement (NICRA), which approved by the federal government and will apply to all other funding sources. As of the date of this memo, CAPCOG is still awaiting initiation of the negotiations for the FY 2025, but anticipates completion of this process by the start of the fiscal year.

Program Budget Notes

- **Aging Services:**
 - \$90,000 in local funds from membership dues is budgeted as a required 25% for Area Agency on Aging (AAA) funding for program administration.

- Federal AAA funding for supportive services, nutrition services, and caregiver support services also require a match, which is provided through a combination of state funding and third party match from our subrecipients, vendors, and other partner organizations.
- HHSC is reducing ADRC funding by about 15% relative to FY 2024 funding.
- **Air Quality:**
 - FY 2025 will be the 2nd year of funding from the Rider 7 local air quality planning grants for the FY 2024-2025 biennium to support technical work related to ground-level ozone (O₃) and fine particulate matter (PM_{2.5}) air pollution in the Austin-Round Rock-San Marcos Metropolitan Statistical Area (MSA).
 - FY 2025 will also be the 2nd year of two special PM_{2.5} air pollution monitoring grants CAPCOG received from the U.S. Environmental Protection Agency (EPA) that extend through June 2026.
 - Data analysis, outreach, technical assistance, and other types of planning activities still require local funding.
- **Economic Development:**
 - FY 2025 is the 2nd year of a 3-year Economic Development Administration (EDA) planning grant, which provides \$70,000 per year.
 - CAPCOG uses membership dues to provide the remaining \$70,000 as match.
- **Emergency Communications:**
 - Most revenue comes from 9-1-1 fees collected from phone lines.
 - The FY 2025 CAECD budget will be updated following the end of FY 2024 to carry forward projects that had not yet been completed by the end of the fiscal year.
- **Homeland Security:**
 - CAPCOG receives recurring grants from the Office of the Governor for homeland security planning, regional training, and hazardous materials reporting.
 - The Homeland Security Division also manages RNS and WebEOC, which are funded by the CAECD.
- **Law Enforcement Academy:**
 - FY 2025 is the 2nd year of a two-year training grant from the Office of the Governor that pays for about half of the costs of the law enforcement academy's operations.
 - The remaining costs of the academy are paid for with tuition and fees from CAPCOG's Basic Peace Officer Course (BPOC), in-service courses, and, if necessary, funding from membership dues to make up any shortfall. For FY 2025, CAPCOG is again budgeting \$60,000 from membership dues for this purpose.
 - CAPCOG also anticipates one-time funding from the Office of the Governor to enable CAPCOG for equipment purchases.
- **Solid Waste:**
 - FY 2025 will be the 2nd year of CAPCOG's two-year solid waste grant from the state. CAPCOG's Executive Committee awarded \$274,000 in grants in early 2024 that are split between FY 2024 and FY 2025.
 - The FY 2025 budget will also include \$80,000 in a special recycling grant from TCEQ funded by EPA that is targeted at expanding recycling at local schools.
- **Transportation:**
 - CAPCOG's rural transportation planning funding increased by 33% for FY 2025.
 - This increase will enable CAPCOG to hire a full-time transportation planner.

**CAPITAL AREA COUNCIL OF GOVERNMENTS
ANNUAL BUDGET AND WORK PLAN
FISCAL YEAR 2025
OCTOBER 1, 2024 – SEPTEMBER 30, 2025**



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Agency-Wide Budget

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Divisions

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Budget Summary

CAPCOG's proposed FY 2025 budget is \$40,257,421. The largest portion of the proposed budget is CAPCOG's Emergency Communications Division, which accounts for 48% of the total, followed by the Aging Services Division, which accounts for another 41%. These divisions have significant amounts of non-recurring revenue that make their budgets larger than they would otherwise be. These include \$2.3 million in funding from Proposition 8 to support Next-Generation 9-1-1 (NG9-1-1) that CAPCOG received in FY 2024 but is applying in FY 2025 and \$7.5 million in carry-forward funding from the Health and Human Services Commission (HHSC) for the Area Agency on Aging as a result of large amounts of American Rescue Plan (ARP) and CARES Act funding received in recent years. The remaining funding comes from multiple grants and contracts from the state, the federal government, and a private foundation, as well as membership dues and interest from investment accounts.

CAPCOG's FY 2025 budget incorporates the FY 2025 Capital Area Emergency Communications District (CAECD) budget, which was adopted by the CAECD Board of Managers on July 11, 2024. That budget totaled \$20,068,247. This accounts for 9-1-1 operations and projects managed by the Emergency Communications Division, and for the costs of the Regional Notification System (RNS) and WebEOC system, which are managed by the Homeland Security Division.

The \$7.5 million carry-forward in federal funding CAPCOG will receive for implementation of the Older Americans Act (OAA) represents the remaining unspent funds from FY 2024 as a result of extra revenue received from ARP and CARES Act over the past several years, combined with staffing shortages during the COVID-19 pandemic and practical challenges with HHSC's process for releasing funding. For example, CAPCOG did not receive its full FY 2024 funding until June 2024, 9 months into the fiscal year. Combined with an additional \$7.5 million CAPCOG anticipates receiving for the Area Agency on Aging (AAA) in FY 2025, CAPCOG anticipates having a total of spending a total of \$15 million available for OAA programs, and anticipates spending \$10.4 million. The \$5.1 balance is being set aside as carry-forward to FY 2026 to ensure that CAPCOG can cash-flow these programs in the 1st half of FY 2026. CAPCOG's planned annual expenditures for the AAA exceeds our anticipated new revenues by \$2.9 million, which means that we anticipate the need to reduce expenditures starting in FY 2026.

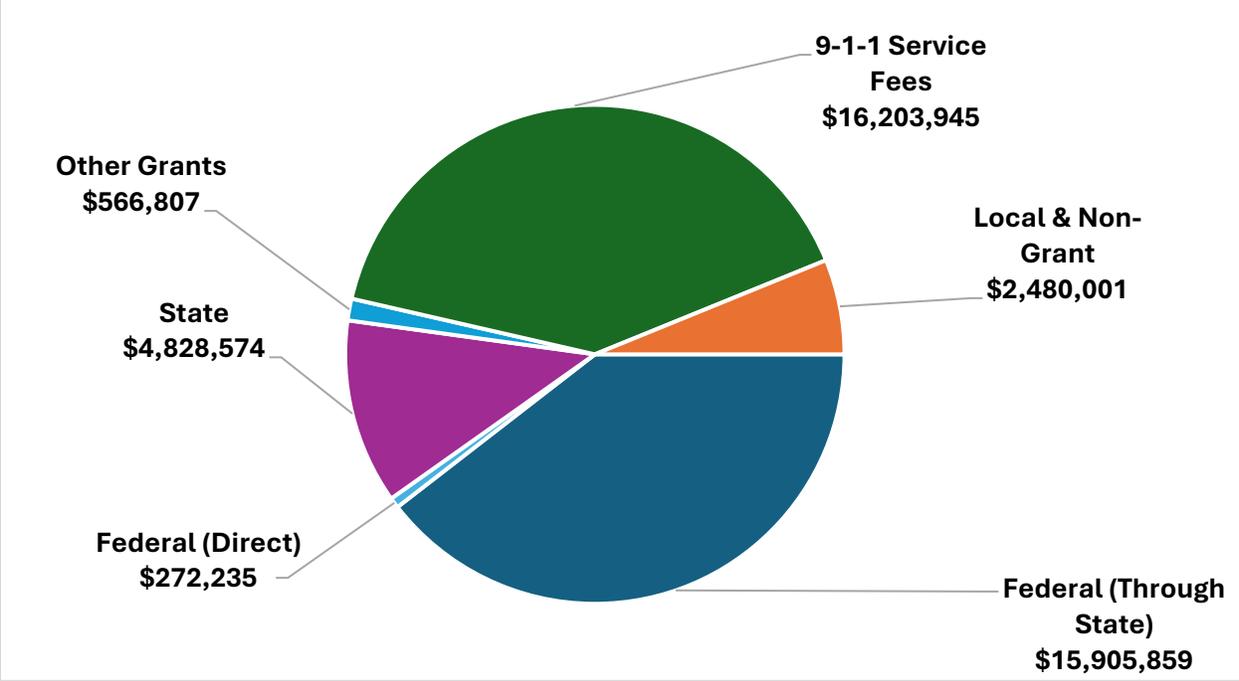
CAPCOG's individual grant budgets are prepared and finalized in consultation with funding agencies at various times and across various timelines that for the most part do not coincide with CAPCOG's fiscal year. This makes CAPCOG's budget process somewhat different than the processes our member city and county governments follow. We typically are fairly certain about which grants and programs will be funded during the year and, except mainly for the use of unrestricted funds, proposed expenditures and uses just match anticipated revenue and represent a 12-month snapshot of the various funding sources and expenditures.

Under state law, Councils of Government are required to adopt pay plans that ensure that they are not paying more for positions than the state pays for comparable positions. The salary plan is due to the state 45 days prior to the start of the fiscal year, and was submitted on August 14. The plan includes 77 positions, including 2 regular part-time positions that we plan to sunset effective January 1, 1 permanent part-time position, and 1 temporary part-time position. The total full-time employee (FTE) count for the year is 74.57. As recommended by the Executive Committee, **the FY 2025 budget includes a 3% across-the-board labor market adjustment to salaries**, which applies to any existing employees whose salaries have not otherwise changed within 3 months of the start of the fiscal year.

FY 2025 CAPCOG BUDGET

| <u>SOURCES OF FUNDS</u> | <u>FY 2025</u> |
|---|---------------------|
| LOCAL & NON-GRANT | |
| Membership Dues | \$321,671 |
| Local Air Quality Contributions | \$325,394 |
| RLEA Tuition and Fees | \$217,550 |
| Private Switch Agreements (Emergency Communications) | \$34,886 |
| Contractual Income | \$0 |
| Interest/Misc. Income | \$1,580,500 |
| Subtotal | \$2,480,001 |
| 9-1-1 SERVICE FEES | |
| Emergency Service (Landline) Fees set by CAECD Board | \$2,354,054 |
| Wireless Service Fees Allocated from the State | \$12,890,178 |
| Prepaid Wireless Service Fees allocated from the State | \$959,713 |
| Subtotal | \$16,203,945 |
| STATE | |
| Office of the Governor - Criminal Justice/Law Enforcement | \$446,941 |
| Office of the Governor - Homeland Security | \$40,700 |
| Proposition 8 Funding - Carry-Forward | \$2,336,882 |
| Texas Commission on Environmental Quality | \$1,112,072 |
| Texas Department of Transportation | \$200,000 |
| Texas Department of Agriculture | \$12,015 |
| Texas Health and Human Services Commission | \$679,963 |
| Subtotal | \$4,828,574 |
| FEDERAL - (Through State/Other Agency) | |
| Office of the Governor - Criminal Justice/Law Enforcement | \$130,710 |
| Office of the Governor - Homeland Security | \$614,850 |
| Texas Commission on Environmental Quality | \$80,000 |
| Tx. Health and Human Services Commission - Current Year | \$7,532,188 |
| Tx. Health and Human Services Commission - Carry-Forward | \$7,548,112 |
| Subtotal | \$15,905,859 |
| FEDERAL - (Direct) | |
| Economic Development Administration | \$70,000 |
| Environmental Protection Agency | \$202,235 |
| Subtotal | \$272,235 |
| OTHER GRANTS | |
| CAIF - St. David's Foundation | \$566,807 |
| Subtotal | \$566,807 |
| TOTAL FUNDS AVAILABLE | \$40,257,421 |

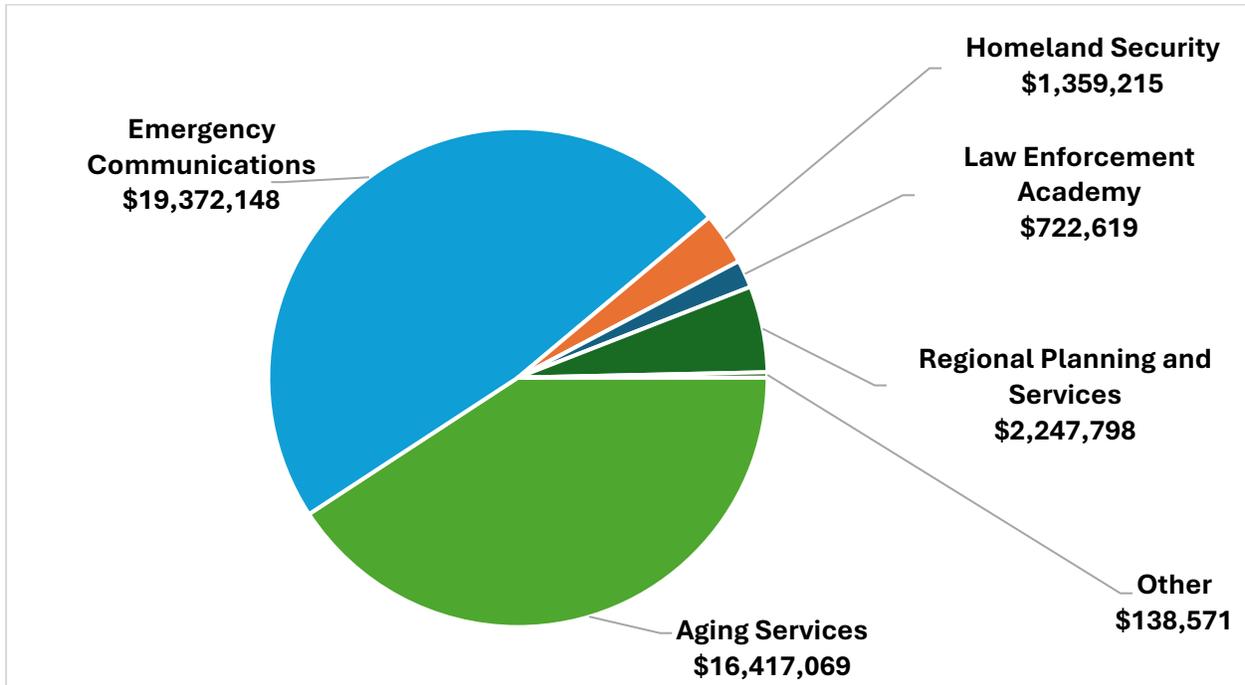
Revenue by Source Type CAPCOG FY 2025



FY 2025 CAPCOG BUDGET

| <u>USES OF FUNDS</u> | <u>FY 2025</u> |
|--|---------------------|
| AGING SERVICES | |
| Area Agency on Aging - Program Operations | \$10,463,273 |
| Area Agency on Aging - Carry-Forward Reserve for next FY | \$5,096,794 |
| Aging and Disability Resource Center (ADRC) | \$290,195 |
| CAIF - St. David's Foundation - CAPABLE Project | \$401,915 |
| CAIF - St. David's Foundation - ASC/ADRC Network Coord. | \$164,892 |
| Subtotal | \$16,417,069 |
| EMERGENCY COMMUNICATIONS | |
| Operations | \$17,722,148 |
| Projects | \$1,650,000 |
| Subtotal | \$19,372,148 |
| HOMELAND SECURITY | |
| Homeland Security Planning and Training | \$655,550 |
| RNS | \$501,381 |
| WebEOC | \$202,285 |
| Subtotal | \$1,359,215 |
| REGIONAL LAW ENFORCEMENT ACADEMY | |
| Operations | \$591,909 |
| Equipment | \$130,710 |
| Subtotal | \$722,619 |
| REGIONAL PLANNING AND SERVICES | |
| Air Quality | \$1,286,767 |
| CDBG - CEDAF | \$12,015 |
| Criminal Justice Planning | \$132,582 |
| Economic Development | \$140,000 |
| Solid Waste | \$441,434 |
| Transportation | \$200,000 |
| Other Projects | \$35,000 |
| Subtotal | \$2,247,798 |
| OTHER AND CONTINGENCY | \$138,571 |
| TOTAL FUNDS USED | \$40,257,421 |

Use of Funds by Division CAPCOG FY 2025



| FY 2025 CAPCOG BUDGET SOURCES AND USES DETAIL | | | | | | | | | | | |
|--|---------------------|---------------------|------------------|-------------------------|---------------------|---------------------|---------------------|--------------------|--------------------|---------------------|---|
| Grantor/Funding Agency | Sources | | | | | Total | Uses | | | Total | Programs/Activities |
| | Grant or Contract | Service Fees | Local Funds | Prog. Income / Interest | Interfund Transfers | | Direct | Indirect | Pass-Through | | |
| CAECD | | | | | | | | | | | |
| 9-1-1 Operations | \$2,371,768 | \$15,500,280 | | \$1,500,100 | | \$19,372,148 | \$18,742,812 | \$629,336 | | \$19,372,148 | Regional 9-1-1 services, training, projects |
| Other Emergency Comm. Systems | | \$703,665 | | | | \$703,665 | \$683,831 | \$19,834 | | \$703,665 | RNS and WebEOC |
| CAIF-St. David's Foundation | | | | | | | | | | | |
| Capable Grant | \$401,915 | | | | | \$401,915 | \$372,335 | \$29,580 | | \$401,915 | Direct support of seniors in select counties |
| ASC/ADRC Network Coordinator Grant | \$164,892 | | | | | \$164,892 | \$146,897 | \$17,995 | | \$164,892 | Support for Aging Services Council and ADRC |
| Economic Development Administration | | | | | | | | | | | |
| Planning Grant | \$70,000 | | \$70,000 | | | \$140,000 | \$126,118 | \$13,882 | | \$140,000 | Regional economic development planning |
| Office of the Governor | | | | | | | | | | | |
| Criminal Justice Planning | \$132,582 | | | | | \$132,582 | \$117,213 | \$15,369 | | \$132,582 | Support grant process, technical assistance |
| Regional Law Enforcement Academy | \$445,069 | | \$60,000 | \$217,550 | | \$722,619 | \$675,868 | \$46,751 | | \$722,619 | Basic peace officer course, in-service training |
| Homeland Security Planning | \$464,850 | | | | | \$464,850 | \$420,844 | \$44,006 | | \$464,850 | Homeland security planning |
| Homeland Security Grant Support | \$40,700 | | | | | \$40,700 | \$35,527 | \$5,173 | | \$40,700 | Support grant process, technical assistance |
| Homeland Security Training and Exercises | \$125,000 | | | | | \$125,000 | \$125,000 | | | \$125,000 | Regional exercises and specialized training |
| Tier II Reporting | \$25,000 | | | | | \$25,000 | \$25,000 | | | \$25,000 | Hazardous materials reporting |
| Tx. Comm. on Environmental Quality | | | | | | | | | | | |
| Solid Waste | \$432,934 | | | \$8,500 | | \$441,434 | \$201,630 | \$22,804 | \$217,000 | \$441,434 | Solid waste planning and grants |
| Air Quality | \$759,138 | | | | | \$759,138 | \$742,839 | \$16,299 | | \$759,138 | Air pollution monitoring and inventories |
| Tx Department of Agriculture | | | | | | | | | | | |
| CEDAF | \$12,015 | | | | | \$12,015 | \$10,623 | \$1,392 | | \$12,015 | Rural CDBG technical assistance |
| Tx Health and Human Services Commission | | | | | | | | | | | |
| Aging and Disability Resource Center | \$290,195 | | | | | \$290,195 | \$260,154 | \$30,041 | | \$290,195 | Info referral and assistance, ADRC support |
| Area Agency on Aging | \$15,470,067 | | \$90,000 | | | \$15,560,067 | \$9,494,221 | \$348,181 | \$5,717,665 | \$15,560,067 | Older Americans Act services |
| Tx Department of Transportation | | | | | | | | | | | |
| Planning Contract | \$200,000 | | | | | \$200,000 | \$176,146 | \$23,854 | | \$200,000 | Contract for services |
| U.S. Environmental Protection Agency | | | | | | | | | | | |
| PM2.5 Monitoring Grants | \$202,235 | | | | | \$202,235 | \$197,930 | \$4,305 | | \$202,235 | PM2.5 air pollution monitoring |
| Other Non-Grant | | | | | | | | | | | |
| Local Air Quality Funding | | | \$325,394 | | | \$325,394 | \$297,446 | \$27,948 | | \$325,394 | Air quality activities not funded by grants |
| Regional Planning and Services Projects | | | \$35,000 | | | \$35,000 | \$30,504 | \$4,496 | | \$35,000 | Projects outside of current grants |
| Other | | | \$138,571 | | | \$138,571 | \$138,571 | | | \$138,571 | Meeting expenses/other |
| TOTALS | \$21,608,360 | \$16,203,945 | \$718,965 | \$1,726,150 | \$0 | \$40,257,421 | \$33,021,511 | \$1,301,245 | \$5,934,665 | \$40,257,421 | |
| Interdepartmental Transfers | | | | | | | | | | | |
| GIS Services | | | | | \$432,108 | \$432,108 | \$432,108 | | | \$432,108 | GIS services for CAPCOG programs |
| Finance and Accounting | | | | | \$654,263 | \$654,263 | \$654,263 | | | \$654,263 | Accounting services for CAPCOG |
| Human Resources and Payroll | | | | | \$238,961 | \$238,961 | \$238,961 | | | \$238,961 | HR support and payroll processing |
| Information Technology Services | | | | | \$550,927 | \$550,927 | \$550,927 | | | \$550,927 | Computer and IT support |
| Total, Interdepartmental | \$0 | \$0 | \$0 | \$0 | \$1,876,259 | \$1,876,259 | \$1,876,259 | \$0 | \$0 | \$1,876,259 | |

*Interdepartmental services are expenses between funds and do not represent additional revenue

Unrestricted Funds

While 99% of CAPCOG's budget is restricted for use for a particular program, 1% of CAPCOG's budget is unrestricted, mostly from membership dues. A total of \$393,571 in unrestricted revenue is estimated to be available to CAPCOG for FY 2025, of which CAPCOG proposes to spend \$279,500 to support various programs or cover costs that cannot be charged to grants, while setting aside \$114,071 for contingencies.

Sources of Unrestricted Funds

- **Membership dues total \$321,671 for FY 2025.** Dues are calculated based on the latest U.S. Census Population estimates for July 1, 2023, for cities and counties, and the latest enrollment data available from the Texas Education Agency for school districts.
 - \$90,000 is being used as required 25% match for administrative costs for the Area Agency on Aging
 - \$70,000 is being used as a 50% match for the U.S. Economic Development Administration (EDA) planning grant.
 - \$60,000 is being budgeted for the Regional Law Enforcement Academy (RLEA) in the event program income is unable to cover the 50% of its costs that are not covered by CAPCOG's grant from the state, accounting for roughly a 10% match.
 - \$35,000 is being budgeted for the Regional Planning and Services (RPS) division to work on projects not covered by grants, such as regional broadband initiatives.
 - \$24,500 is being budgeted for agency-wide expenses that cannot be covered by grants, such as the costs for CAPCOG's General Assembly meetings.
 - \$42,171 will be set aside for contingencies.
- **Miscellaneous Income/Rebates totaling \$71,900 are included in the budget.**
 - This revenue comes mainly from interest from CAPCOG's investments and semi-annual credit card rebates.
 - This funding will be set aside for contingencies

FY 2025 USE OF UNRESTRICTED FUNDING

| Revenue | <u>FY 2025</u> |
|---|-----------------------|
| Membership Dues | \$321,671 |
| Contract Revenue | \$0 |
| Misc. Income/Rebates | \$71,900 |
| Total Revenue | \$393,571 |
| | |
| Expenditures | |
| Match - Area Agency on Aging Administration | \$90,000 |
| Match - Economic Development (EDA) | \$70,000 |
| Regional Academy | \$60,000 |
| Regional Planning & Services | \$35,000 |
| Other (GA Meetings, Meeting Food, etc.) | \$24,500 |
| Total Expenditures | \$279,500 |
| | |
| Change in Fund Balance | |
| Building Maintenance Contingency | \$0 |
| CAPCOG Unassigned/Contingency | \$114,071 |
| Total Change in Fund Balances | \$114,071 |

Fringe Benefits

The FY 2025 fringe rate is 56.95%. This represents the ratio between the fringe benefit cost pool and the portion of the salaries paid to employees eligible for benefits for time worked. The fringe pool includes benefits, paid leave, the employer portion of the social security and Medicaid/Medicare taxes, merit bonuses, unemployment and worker's compensation insurance, and benefits consulting services. CAPCOG's benefit package includes medical, dental, vision, life, and long-term disability insurance paid by CAPCOG, as well as a retirement plan, a wellness program, and access to an employee assistance program (EAP). The FY 2025 pool also includes an adjustment to account for over-recovery of fringe costs during FY 2023.

- **Health, Dental, Vision, Life, and Long-Term Disability Insurance:**
 - Insurance is on a calendar year basis rather than a fiscal year basis and currently, CAPCOG's medical, dental, and insurance plans are provided by Cigna and life and long-term disability insurance is provided by Ochs.
 - CAPCOG is budgeting for a 10% increase in medical insurance rates for calendar year 2025. We have a 15% limit on increases, but will not know for sure what the rates will be until early October.
 - In addition to paying for employee medical insurance, CAPCOG also provides each employee enrolled in medical insurance with funds in a health reimbursement account to defray unreimbursed health care costs.
- **Paid Leave:**
 - Paid leave for employees includes 12 holidays (10 agency-wide holidays and 2 personal holidays), sick leave, vacation leave, and administrative leave.
 - Employees are eligible to get paid for up to 240 hours of unused vacation time and up to 48 hours of sick leave upon separation, so the fringe pool includes amounts set aside to cover those costs as well.
- **Retirement Plan:**
 - CAPCOG's retirement plan is a voluntary, defined-contribution 401k plan.
 - Under CAPCOG's plan, employer match is discretionary, but has historically has been 8:1 up to 8% of an employee's salary with a five-year vesting schedule.
- **Merit Bonuses:**
 - The fringe pool includes a budget for one-time merit bonuses, which the Budget and Audit Committee recommended be set at 2.5% of budgeted salaries agency-wide.
 - Out of this amount, the Executive Committee awarded a 10% merit bonus to CAPCOG's outgoing Executive Director Betty Voights.
 - Merit bonuses for other employees will be awarded by the Executive Director based strictly on performance.
- **Employee Assistance Program:**
 - Employees have access to an employee assistance program (EAP), which provides an array of resources to assist employees with various issues.
 - Examples include access to up to 6 free counseling sessions, access to a free 30-minute legal consultation, and others.

FY 2025 CAPCOG FRINGE RATE

| <u>Release Time</u> | <u>FY 2025</u> |
|---|-----------------------|
| Holiday and Admin | \$271,537 |
| Vacation | \$261,093 |
| Sick Leave | \$187,987 |
| Total Release Time | \$720,616 |
| | |
| <u>Benefits</u> | |
| Employee Insurance | \$1,011,984 |
| FICA | \$417,826 |
| Retirement | \$361,219 |
| Merit Pool | \$135,768 |
| Potential Leave Payout | \$51,540 |
| Consulting Services/Other Services | \$29,592 |
| Workman's Compensation | \$17,868 |
| Unemployment Insurance | \$11,261 |
| Wellness Program and EAP | \$9,750 |
| FSA and DCA Fees | \$1,200 |
| Total Benefits | \$2,048,010 |
| | |
| <u>Total Release Time and Benefits</u> | \$2,768,626 |
| Carry-Forward Adjustment from Last Audit FY | (\$86,007) |
| Total Fringe Pool | \$2,682,619 |
| | |
| <u>Salary Base</u> | |
| Total Regular Salaries | \$5,430,733 |
| Less Release Time | (\$720,616) |
| Total Salary Base | \$4,710,116 |
| | |
| <u>Fringe Rate (Total Fringe Pool/Total Salary Base)</u> | 56.95% |

Indirect Costs

CAPCOG's estimated indirect rate for FY 2025 is 25.40% of total wages and salaries. Indirect costs include general administration and common areas of office space that need to be allocated to the various programs that CAPCOG administers so that each funding source pays a fair share of those costs. CAPCOG's proposed FY 2024 indirect cost pool includes \$1.3 in expenditures. For FY 2025, CAPCOG is splitting indirect costs evenly between the CAECD and all other funding sources. The 50% of indirect costs not covered by the CAECD will be recovered through a Negotiated Indirect Cost Rate Agreement (NICRA), which approved by the federal government and will apply to all other funding sources. As of the date of this memo, CAPCOG is still awaiting initiation of the negotiations for the FY 2025, but anticipates completion of this process by the start of the fiscal year.

FY 2025 CAPCOG ESTIMATED INDIRECT RATE

| <u>Total Expenses</u> | <u>FY 2025</u> |
|--|-----------------------|
| Salaries and Fringe | \$597,547 |
| Office Space and Facilities Maintenance | \$417,201 |
| Information Technology Support | \$119,345 |
| Accounting and Finance Support | \$27,825 |
| Dues and Memberships | \$31,000 |
| Insurance and Bonding | \$22,000 |
| Travel and Professional Development | \$16,400 |
| Payroll/Personnel Support | \$15,973 |
| Photocopies, Printing, Postage, and Delivery | \$13,800 |
| Office Supplies | \$11,000 |
| Telecommunications | \$6,103 |
| Software and Computer Supplies | \$2,000 |
| Cable TV Service | \$2,000 |
| Publications and Subscriptions | \$1,800 |
| Legal Services | \$1,000 |
| Other Expenses | \$14,900 |
| Total | \$1,299,895 |

Cost Pool For Indirect Rate

| | |
|---|------------------|
| 50% Charged to CAECD | (\$649,947) |
| Carryforward Adjustment for Other Sources | \$3,258 |
| Indirect Cost Pool | \$653,205 |

Salary Base

| | |
|--|--------------------|
| Total Salary Expenses (not including paid time off) | \$4,727,084 |
| Minus Indirect, Accounting, IT, and HR/Payroll Salary Expenses | (\$1,040,269) |
| Minus CAECD and Related Salary Expenses | (\$1,115,587) |
| Salary Base | \$2,571,229 |

| | |
|--|---------------|
| Indirect Rate (Indirect Cost Pool / Base) | 25.40% |
|--|---------------|

Indirect costs are not to be considered administrative or overhead costs. It is an accounting method used when costs are: (a) incurred for a common joint purpose benefiting more than one cost objective; and (b) not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved. This method is outlined in OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (codified at 2 C.F.R. Part 200) as an allowable method of cost distribution. CAPCOG uses total direct salaries and wages as the basis for distributing indirect costs to individual program areas, resulting in each award bearing a fair share of the indirect costs in reasonable relation to the benefits received from the costs. Separate cost pools have been established for Accounting Services, Personnel/Payroll Services, Information Technology Services, Office Space, Telephone Services, Photocopies, and Postage, and are allocated as direct costs to program areas based on allocation methods included in CAPCOG's Cost Allocation Plan. Indirect rate for budget year may not yet been approved by CAPCOG's Federal Cognizant Agency.

Aging Services

The Aging Services Division serves as the Area Agency on Aging (AAA) of the Capital Area, providing Older Americans Act services to older individuals and their caregivers. The CAPCOG AAA is also the lead agency for the region's Aging and Disability Resource Center (ADRC), which supports older individuals and individuals with disability under the age of 60 seeking long-term services, and manages private grants made to the Capital Area Initiatives Foundation (CAIF).

Major Activities/Outputs

- **Benefit counseling:** assist residents with applying for and understanding public benefits.
- **Care coordination:** assess need and authorize short-term in-home support services.
- **Caregiver support coordination:** assess and coordinate caregiver support services.
- **Health and wellness:** provide programs for healthy aging, including falls prevention, disease self-management and caregiver stress relief.
- **Housing navigation:** advocate for affordable and accessible housing in the region, maintain an inventory of resources, and coordinate with developers to build housing capacity.
- **Information, referral, and assistance:** provide information on regional resources and make referrals.
- **Lifespan respite care program:** provide short-term respite for caregivers caring for children with special needs or adults of all ages with a disability.
- **Local contact agency services:** provide decision support guidance for non-Medicaid nursing facility residents seeking information about available community-based options for care.
- **Nutrition programs:** contract with providers for home-delivered and congregate meals.
- **Ombudsman:** advocate for the rights of nursing homes and assisted living facility residents.
- **Senior center operations:** support for regional senior centers.
- **Transportation:** contract with providers for transportation to congregate meal sites.
- **Special grants:** Manage special grant projects funded outside of traditional AAA and ADRC funding, including the CAPABLE project and an Aging Services Council/ADRC Network Coordinator funded by the St. David's Foundation through the CAIF.

FY 2025 Budget Highlights

- **AAA Carry-forward:** \$7.5 million of the division's budget is from carry-forward funding from FY 2024; CAPCOG is planning to spend approximately \$10.4 million in FY 2025, which should leave about \$5.1 million available as carry-forward for FY 2026 once the \$7.5 million in anticipated new AAA funding for FY 2025 is added. While CAPCOG plans to increase spending in FY 2025 relative to FY 2024, we anticipate needing to cut back spending in FY 2026 once we are no longer able to rely on one-time carry-forward funding as much as we have been in recent years.
- **Reduced ADRC funding:** The ADRC's budget is expected to be 15% lower than in FY 2024. This is the 2nd straight year of decreased funding for the ADRC.
- **Foundation funding:** The St. David's Foundation is extending funding for its two CAIF grants out to December 31, 2025.

Emergency Communications

CAPCOG's Emergency Communications Division provides funding, planning, equipment, technical support, training, and educational outreach assistance to 30 Public Safety Answering Points (PSAPs) throughout the CAPCOG region to enable those agencies to deliver advanced regional emergency 9-1-1 telecommunications systems and services to residents, employees, and visitors to the region.

Major Activities/Outputs

- **Operational Support:**
 - Plan, fund, deploy, and maintain advanced fully redundant emergency telecommunications network infrastructure and equipment to support the delivery of 9-1-1 calls to the region's 30 PSAPs with accurate caller location and telephone number information for responding emergency services.
 - Provide an operational regional backup 9-1-1 center for emergency contingency use for continuous 9-1-1 call delivery and dispatch by regional governments.
- **Training:**
 - Operate a fully equipped training facility used to instruct over 800 call-takers on the effective use of 9-1-1 equipment.
 - Provide over 20 mandated and continuing education courses on state and national standards including topics related to 9-1-1 operations skills and leadership.
- **Public outreach:**
 - Promote the proper use of 9-1-1 by educating regional school children, neighborhood, and community outreach programs.
 - Provide diverse educational support materials and promotional items designed to enhance the understanding of the 9-1-1 program.

FY 2025 Budget Highlights

- **Transition to NG9-1-1:** By the end of FY 2024, CAPCOG anticipates that all PSAPs will have their new call-handling equipment installed and a large part of the transition to NG9-1-1 will be complete. New services will start to come online once this transition is completed. The increased equipment and network maintenance costs associated with the procurement that was completed in 2023 will not go into effect until FY 2026 under CAPCOG's contract with AT&T.
- **Budgeting for Equipment Replacements:** With CAPCOG relying on one-time funding from the state and federal government to complete its largest procurement ever in 2023 to replace call-handling equipment, the FY 2025 budget includes \$1.2 million (about 1/10th of the cost of the call-handling equipment) set aside for long-term equipment replacement needs. We expect to set this same amount aside each year moving forward.
- **Interest Revenue:** due to the size of the CAECD's investment accounts and continued high interest rates, CAPCOG is budgeting a significant amount of interest revenue for FY 2025.
- **Constitutional Amendment:** CAPCOG received \$12.4 million in funding from the state for NG9-1-1 following the passage of Proposition 8 in November 2023. CAPCOG anticipates using this funding over the next several years to cover anticipated shortfalls as a result of spending levels exceeding anticipated 9-1-1 fees and interest revenue.

Homeland Security

CAPCOG's Homeland Security Division assists local governments in preparing, planning, responding to, mitigating, and recovering from terrorism, man-made disasters, natural disasters.

Major Activities/Outputs

- **Best Practices:** identify and promote the use of best practices in hazard mitigation and emergency management within the CAPCOG region.
- **Grant Prioritization:** assist the Office of the Governor (OOG) Public Safety Office (PSO) in prioritizing projects for Homeland Security grant funding within the region.
- **Grant Technical Assistance:** provide technical assistance to local governments in meeting grant eligibility and funding requirements for the State Homeland Security grant program and support pursuit of other grants such as State Regional Interoperability Grants, Assistance to Firefighter Grants, and Community Development Block Grant Mitigation funds.
- **Local Emergency Management Plans:** Assist jurisdictions with developing and updating local emergency management plans.
- **Mutual Aid Agreements:** Promote the use of mutual aid agreements and monitor their implementation throughout the region.
- **Regional Notification System (RNS):** Operate a regional emergency notification system and provide technical assistance and training to jurisdictions on its use.
- **Regional Plans:** Coordinate the development and maintenance of regional emergency management plans.
- **Stakeholder Groups:** Host regional meetings with stakeholder groups to improve all phases of emergency management and awareness.
- **Training and Exercises:** conduct and support regional training and exercises.
- **Warn Central Texas:** maintains the Warn Central Texas (www.warncentraltexas.org) website and support its promotion.
- **WebEOC:** Operate a regional WebEOC situational awareness system and provide technical assistance and training to jurisdictions on its use.

FY 2025 Budget Highlights

- **Recurring Grants from the Office of the Governor:** CAPCOG's budget includes three recurring grants from the Office of the Governor: a planning grant, a training grant, and a hazardous materials reporting grant.
- **Interlocal Agreement with the Office of the Governor:** In addition to the three recurring grants listed above, CAPCOG's budget includes funding from an interlocal agreement with the Office of the Governor to support the process of reviewing and prioritizing homeland security grants awarded throughout the region.
- **RNS and WebEOC:** RNS, including WarnCentralTexas, and WebEOC, are funded out of the CAECD budget, and total \$704k, constituting 52% of the division's budget.

Regional Law Enforcement Academy

CAPCOG's Regional Law Enforcement Academy has been recognized as one of the premier law enforcement training institutions in the state, with regular courses to train new police officers and providing ongoing in-service training to maintain and enhance the skills of existing police officers.

Major Activities/Outputs

- **Basic Peace Officer Course (BPOC):** host three full-time BPOCs over a two-year period to train 25-35 cadets per class in the skills required to be licensed as a peace officer to meet the region's law enforcement staffing needs.
- **In-Service Training:** Provide regular course offerings to assist local law enforcement officers to meet specific continuing education course requirements, obtain certifications required for career advancement, or otherwise enhance skills. The following is a list of classes held over the past 12 months:
 - Basic instructor;
 - Canine encounters;
 - De-escalation techniques;
 - Field training officer;
 - Intermediate crime scene;
 - Interactive with deaf drivers;
 - Mental health officer;
 - New supervisor;
 - State and federal law updates; and
 - Spanish.

FY 2025 Budget Highlights

- **Funding for New Equipment and Equipment Replacement:** CAPCOG anticipates receiving \$131k in special grant funding from the Office of the Governor to purchase new equipment and replace antiquated body armor and other equipment.
- **BPOC Recruitment:** CAPCOG plans to expand recruiting efforts to bring more cadets into each BPOC from local governments, focusing on jurisdictions that may be sending cadets to other nearby academies.

Regional Planning and Services

CAPCOG's Regional Planning and Services Division includes a variety of programs that support CAPCOG's goal of coordinated, data-driving, sustainable regional planning and growth, including an air quality program, a rural community development block grant (CDBG) program, a criminal justice planning program, an economic development program, a solid waste program, and a rural transportation planning program.

Major Activities/Outputs

- **Air Quality Program:** support efforts to reduce air pollution and maintain compliance with federal air quality standards within the Austin-Round Rock-San Marcos metro area, including monitoring, emissions research, air quality data analysis, planning, technical assistance, and outreach.
- **CDBG Program:** provide technical assistance on the CDBG program to communities within the CAPCOG region that do not receive CDBG funding directly from the U.S. Department of Housing and Urban Development (also known as "non-entitlement" communities) and help set priorities for non-entitlement CDBG funding awarded within the CAPCOG region.
- **Criminal Justice Planning:** develop and update a regional criminal justice plan that identifies priorities for funding needs and assist the OOG PSO in prioritizing does of grant applications for victim's services, truancy prevention, juvenile justice, and general justice assistance grants.
- **Economic Development Program:** develop and update the regional Comprehensive Economic Development Strategy (CEDS) through the Capital Area Economic Development District (CAEDD) to support coordinated regional economic development.
- **Solid Waste Program:** support regional efforts to manage municipal solid waste, including awarding grants to support the implementation of the region's solid waste management plan and providing technical support to local efforts to deter and abate illegal dumping.
- **Transportation Program:** facilitate coordinated regional transportation efforts in rural areas of the region through the Capital Area Regional Transportation Organization (CARTPO) and various projects to support local governments in enhancing the transportation system region-wide.

FY 2025 Budget Highlights

- **Solid Waste Funding:** The Solid Waste budget for FY 2025 includes a one-time \$80,000 Solid Waste Infrastructure for Recycling (SWIFR) grant from the U.S. Environmental Protection Agency through the Texas Commission on Environmental Quality (TCEQ) to expand recycling at local schools. This grant is funded by the 2021 Infrastructure Investment and Jobs Act (IIJA).
- **Transportation Funding:** The Texas Department of Transportation (TxDOT) is awarding CAPCOG an additional \$100,000 over two years for rural transportation planning, bringing the two-year total up to \$400,000, and enabling CAPCOG to hire a full-time transportation planner.



A RESOLUTION ADOPTING THE ANNUAL BUDGET OF THE CAPITAL AREA COUNCIL OF GOVERNMENTS FOR FISCAL YEAR 2025

WHEREAS, the Executive Director of the Capital Area Council of Governments (CAPCOG) has prepared a budget for fiscal year 2025 (FY 2025) from October 1, 2024, to September 30, 2025, of \$40,257,421; and

WHEREAS, the proposed budget has been prepared in accordance with CAPCOG's bylaws; and

WHEREAS, CAPCOG has adopted a salary plan, travel policies, and procurement policy in compliance with State Law; and

WHEREAS, CAPCOG's has submitted its FY 2025 salary plan to the State Auditor's Office at least 45 days prior to the start of FY 2025 as required by law; and

WHEREAS, CAPCOG's budget incorporates grant budgets that have been approved by State and Federal agencies and by the Capital Area Emergency Communications District Board of Managers; and

WHEREAS, CAPCOG's proposed budget incorporates a cost allocation plan developed in accordance with Title 2, Section 200 of the Code of Federal Regulations (Uniform Guidance) and the Texas Grant Management Standards (TxGMS) in accordance with instructions from CAPCOG's cognizant federal agency and in conformance with applicable laws and regulations of the State of Texas; and

WHEREAS, CAPCOG's Executive Committee reviewed the proposed budget and recommended it for approval at its August 14, 2024, meeting;

THEREFORE, BE IT RESOLVED, the General Assembly of the Capital Area Council of Governments hereby adopts the FY 2025 budget and authorizes the Executive Director to perform all duties necessary to implement this budget.

Resolution adopted by the Capital Area Council of Governments General Assembly on this 11th Day of September, 2023.

Mayor Lew White, Chair
Executive Committee
Capital Area Council of Governments

Judge Ron Cunningham, Secretary
Executive Committee
Capital Area Council of Governments