



City Staff and Operations Affected by Economic Impact of COVID-19

The City of Salina has recently made numerous changes to its budget, staffing schedules and operational hours. The most-recent budget adjustments were made through a combination of work-hour reductions, temporary furloughs, not filling 30 existing vacancies, and suspending hiring numerous seasonal part-time employees pending further review of seasonal program offerings.

The full economic impact of the Coronavirus (COVID-19) for the City is unknown at this time, but it is clear that a major portion of the City's operations and services will be affected. The April stay-at-home order issued by the Governor along with local, regional, and national economic trends in these unprecedented times have been continually monitored by City leadership and management.

Over the last six weeks City Manager Mike Schrage and City staff have made ten presentations to the City Commission regarding COVID-19 related budget, finance and staffing issues. In those presentations he reported that 31% of the City's General Fund Revenue comes from sales tax, which is likely to decline due to restaurants, hotels and retailers all being affected. "We won't know the April impact until we receive our proceeds from the state at the end of June," commented Schrage. Knowing the short and long-term effects of unemployment and how the public will respond to the lessening of restrictions may take even longer.

A major evaluation and review of the budget and operations were conducted in March and April by City staff and the City Commission. "We were projecting an approximate revenue loss of as much as \$5.6 million", said Schrage. We looked at every non-essential service or project we could find to close the gap, but still fell a couple of million short." As a result, department heads, the finance department, human resources, and city manager sharpened pencils, investigated options, and were able to make some significant adjustments to staffing using state and federal programs, without permanently eliminating any positions.

"Our people are our greatest asset and our most important resource in terms of providing the wide array of services that we provide to the community", offered Schrage. "We are doing all we can to maintain the highest level of service possible while being responsible with the City's budget in these uncertain times." Staffing for the City represents 73% of the General Fund budget and approximately 40% of those employees are in essential services or public safety. Fire & EMS response and Police dispatch and patrols are not being impacted. Areas like water, sanitation, and building services are also being provided, but have lower staffing levels due to furloughs and schedule adjustments.

NEWS RELEASE

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Approximately 76% of non-public safety positions are affected by the personnel adjustments. Organization-wide 54% of all positions have been impacted by the projected loss of revenue. This may create some inconveniences for citizens as many administrative offices will only be open Monday through Thursday and staffing levels will be reduced throughout the week for the foreseeable future. "Our focus will be on continuing to offer the highest level of professional and public service possible while we are working with reduced capacity", said Schrage.

Further complicating budget projections are how the public reacts to Gov. Kelly's reopening guidelines. The City will be watching to see how the public responds to the lessening of restrictions and communicating with Saline County health officials on infection data in the County. City staff and the governing body will be continually monitoring data and trends as additional information becomes available and will make adjustments as necessary to balance the budget and maintain cash reserves. A recurrence of infections, another stay-at-home order or extended social distancing limitations could further complicate planning for the future. Favorable economic performance may allow the City to lessen some of the budget measures that have had to be put in place.

"I have greatly appreciated the guidance provided by the City Commissioners, the hard work by every department head, and the patience and understanding shown by more than 450 employees who have been impacted by these challenges", said Schrage. "Salina has a proud history of entrepreneurial success and resilience in response to adversity and I am confident that we can pull together and meet this current challenge."

Up to date information, office and building hours, and details regarding each City department are provided through the City's website at www.salina-ks.gov/amendedofficehours.

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