

The Budget Public Hearing of September 15, 2015 was called to order at 6:30 p.m.

**MAYOR**

Ron Reinhard

**COUNCILMEMBERS**

Lou Hoffman  
Don Nettle  
Jennifer Nottingham  
Mitch Thornton  
Lynn Tiner

**OTHERS**

Shannan Kinsley	Neil Verity	Eric Karl
Chief David Bejar	Kimberly Verity	Mauricio San Clemente
Chris Mikel	Mandy Waldrop	Marjorie Mautz
Kay McCloskey	Brenda Reinhard	James Swisher
Don Zook	Holly Holleway	
Gavan North	Lee Holleway	
Phil Howard	Kathy Waldrop	
David Trevino	Irene Scharf	

Mayor Reinhard declared a quorum with all Councilmember's present.

**1. PRESENT THE PROPOSED 2015/2016 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST. DISCUSS AND GIVE ALL INTERESTED PARTIES THE RIGHT TO APPEAR AND BE HEARD ON THE 2015/2016 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST**

Mayor Reinhard stated the Public Hearing is a public forum to allow all interested parties an opportunity to discuss the 2015/2016 Fiscal Year Budget for the City of Grey Forest. He stated as Mayor he is the Budget Officer for the City. It's the Budget Officers responsibility to prepare the proposed budget in accordance with state laws and requirements. Mayor Reinhard reviewed the Budget Process Summary and Schedule of Events involved in preparing, presenting, discussing and adopting the budget. Mayor Reinhard stated there was question if The Echo published the Public Hearing Notice in time as required by law. We have assurances it was published timely and we will receive a Publishers Affidavit. Mayor Reinhard stated it's a requirement that Council must act on the proposed budget at the conclusion of the Public Hearing. The action can be to approve and adopt the budget or adopt at a later date. In the past years, Council's action has been to wait until the September Council Meeting. Mayor Reinhard stated the proposed budget is a starting point for discussion. The budget must be adopted by October 1<sup>st</sup>. They have to estimate what the City is going to receive in revenue and what the expected expenses are going to be. They look at trends. Mayor Reinhard stated Council has had two Budget Workshops to date. For the most part, Council is in agreement with most of the budget with the exception of a few main issues. Mayor Reinhard stated he'd like to only touch on the following issues and then hear from citizens who signed up to speak.

Roads – the roads are in the process of being analyzing by the City Engineer. They'll provide the City a staged plan. We're waiting on those results so we don't know what our financial commitment for roads will be. The current version of the budget includes \$25,000. It's been a big topic that \$25,000 won't do much for roads. If there's an immediate need for roads, the Contingency Fund could be used.

SLPC – the City is working with SLPC on a transition plan. Allocated was \$20,000 to help with the transition. The funds would be used to take care of regulatory issues, perhaps to fix up some things that need immediate attention and establish a Board that runs the activities. The Board that's established will bring future budget needs to the City.

Police – the Chief has requested an additional Full Time Officer. The City doesn't currently have 24/7 coverage and it's difficult for Chief Bejar to take time off as he's covering shifts that aren't covered. Council is split on this when looking at the amount of money a full time position costs. The Chief asked for this position last year and didn't receive it.

Fire Contract – Council is split on what the GFAVFD contract amount should be. The GFAVFD operates as a separate entity. The City contracts with them for a service and leases them the land across the street. The GFAVFD contracts with ESD #8 for a service. One question for several years has been why the City is paying more than our ESD neighbors. The other side of that says the quality of service received is worth a higher premium.

Mayor Reinhard stated these issues all have valid questions and points. It's up to Council to deliberate on these issues and determine what the City should continue doing. Mayor Reinhard stated with that being said, things with the GFAVFD are going to change and he would like to give the floor to Fire Chief, Shane Reddout to discuss the direction of the department. Shane Reddout stated lots of transactions have happened over the last couple of weeks. The transactions have to do with the GFAVFD as we know it, will cease to exist in the near future and will start a progress to go into the ESD as a Fire Department. He can't tell a whole lot of what the future holds except that they will be an ESD #8 Fire Department. They are being told operations will remain the same meaning the staff, equipment and they will continue to respond out of the station across the street. There are future plans for additional stations in the district but he can't guarantee things won't change. Shane Reddout stated he doesn't have a whole lot of answers except that the transition is in motion and currently speaking, looks like it's their best option. ESD #8 holds a large share of GFAVFD's funding. The transition does come with some benefits once they truly become ESD #8 employees such as retirement through the State. Shane Reddout explained that an ESD is an Emergency Services District. They are a taxing district and a political subdivision of the State. They are run by a Commission of five Commissioners that are appointed by the County Commissioner. ESD # 8 currently has three Commissioners appointed on their Commission. There was lengthy discussion on how ESD's work, volunteers and what this means for the City. Shane Reddout advised he doesn't have many answers at this point. He stated his concern is to provide citizens fire protection and that their staff can continue serving. Nothing is etched in stone of when or how they will merge. At this time, the ESD has the funding and merging with ESD #8 is the GFAVFD's best option to run the fire department at its best optimal ability. Mayor Reinhard stated what this means for the City is that more than likely, at some point, the City will not be able to contract with the GFAVFD as they'll eventually merge into an ESD #8 Fire Department. After speaking with Fire Chief, Shane Reddout he's been in contact with ESD #8 Administrator, Gil Perez who's been authorized by the ESD #8 Commission to negotiate with the City of Grey Forest a contract and lease. There are still several things to work out but what they've agreed to do in principal is allow the City of Grey Forest to contract with them at the same rates the ESD #8 taxpayers are paying with the exception of the first year as they will have costs for the transfer. The dollar amount for the first year is still under negotiations but he doubts it will be more than \$51,000. The ESD #8 taxpayers pay their taxes based on property value per \$100 value. Under contract, the City of Grey would pay the equivalent amount based on City property value to get fire protection. Mayor Reinhard stated at this point, ESD #8 is the City's only option for fire protection. Helotes is already stretched thin and isn't able to provide fire protection. We don't know if the City of San Antonio would even contract with us and where would the closest station be. Within the ESD, there are two options. The City could contract with ESD #8 at a rate equivalent to what the tax payers pay or hold an election and join ESD #8. If the citizens voted to join ESD #8, the City doesn't pay anything and property owners pay taxes for fire protection. There are advantages and disadvantages of joining ESD #8. For example, unless the City is a part of ESD #8, a Grey Forest citizen can't be a Commissioner on their Commission, meaning we have no say. There's also no guarantee that a Grey Forest citizen would ever be appointed. Additionally, once you join ESD #8, it's irrevocable. There was lengthy discussion of the unknowns and nothing being finalized. Mayor Reinhard stated Council has to determine what direction they want to go in until the questions are answered. The City has to provide fire protection and how are we going to do that during the transition. Therefore, he's asked Gil Perez to provide an Interlocal Agreement almost immediately so our City Attorney can start reviewing it. Mayor Reinhard stated he doesn't think the City has any other options. GFAVFD is the only other option and they're basically saying, this is the direction they're going in. It's extremely expensive to run a fire department. Mayor Reinhard stated he will continue to negotiate with Gil Perez an Interlocal Agreement and Lease. Council will have the final say and will have to approve both agreements. Mayor Reinhard stated the City needs to have something in place by October 1<sup>st</sup>. His intention is to make sure we have fire protection for our citizens.

Mayor Reinhard stated he would like to move on to citizens comments. If citizens have questions or comments during the discussion, he will try to address those.

Kay McCloskey asked if there was discussion behind closed doors with City Councilmember's and ESD #8 Administrator, Gil Perez. She stated when Councilmember's go to meetings; they go with their City tags. It's different than just any citizen going. She wants to make sure ESD #8 Commission didn't push the merge with GFAVFD because they thought Grey Forest Council was interested this.

Don Zook thanked Council for being fiscally responsible. He stated the Police Department is an area the City can't afford, not to afford. Citizens in Grey Forest are proud to live in an area that's crime free. It's our police force that keeps us safe. He stated crime is all around us and passed out a map showing crime in the surrounding area. Crime is coming toward us. The goal for years has been to have 24/7 coverage. He urges Council to be proactive, not reactive.

Gavan North supports Don Zook. The crime around us is through the roof and we need 24 hour protection. At a minimum, we need an additional Full Time Officer and possibly another Part Time. If the City saves money by contracting with the ESD, we should consider hiring an EMT full time to be available specifically in the City.

Phil Howard stated his comments were prepared under the assumption that the City would continue contracting with GFAVFD as it currently exists. He recommends the City not continue the contract with GFAVFD. The City would receive the exact same service with the ESD. The GFAVFD annual increase from 2009 to 2015 has been 12.4%. The ESD charges a 7.5% annual increase. The Consumer Price Index is 1.88%. There's something wrong here.

David Trevino stated he's a retired Police Officer with 30 years of service. We need 24/7 coverage. Crime is everywhere you go. Technology today makes the ability of crime even easier. We need the presence of police; it's what keeps our crime rate low. Other agencies are running thin; you can't depend on mutual aid always being available.

Neil Verity stated his questions have been answered.

Mayor Reinhard stated he would like to move forward with Council discussion. He provided Council updated budget numbers to reflect Public Safety Fire at \$51,000. He stated the numbers are presuming we'll move forward contracting with ESD #8. Mayor Reinhard stated we've had good discussions and appreciates all the comments. He would like to turn it over to Council at this point.

Councilmember Hoffman stated it would be great if we had an officer on every corner but we can't afford that. He'd rather look into other systems such as a Neighborhood Watch Program to augment our current system in lieu of a new officer this year. Between the savings on a police officer and the fire transition, it would get us back to about \$85,000 for roads where he felt we should be after paying off the bond. We've gone a long time without fixing our roads. We're all concerned about security and safety. He appreciates the concern but the roads are a major issue that needs to be addressed. Councilmember Hoffman asked for citizen input on how they feel about road repair.

Mandy Waldrop stated she doesn't want to sacrifice or risk Public Safety for roads. If the City had to break up paving Scenic Loop or any other road over 10 years, would that be such a bad thing. She knows there are some places that need work but she doesn't see the roads as being that big of an issue.

Brenda Reinhard stated we need safe roads but not at the risk of Public Safety. Neighborhood Watch Programs are great but if something happens, they need to have an officer available to respond. We need the police presence.

Kimberly Verity stated being new to the area, she thinks our roads are terrible. She realizes it's part of the rustic community but also thinks it could improve by repaving the roads. It shouldn't be about one or the other. We need police and roads, find a way to make both happen.

Kay McCloskey stated we are a changing neighborhood. One morning they found a half dead cat. That's not your typical average crime in Grey Forest. In the past, there's been talk about a GF sticker for citizens vehicles.

Holly Holleway stated the roads do need to be fixed but there's got to be a way to work out which need to be addressed first. You can't get people to volunteer to clean the swimming hole, how are you going to get them to volunteer for a Neighborhood Watch Program.

Kathy Waldrop stated she's had her house broken into twice and it's a horrible feeling. You don't know how horrible it is until it happens to you. The police presence is a huge benefit to this community. The Fire Department has had an incredible past. She encourages everyone to experiment, encourage the change and not second guess or look back. Shane Reddout has made a decision that he feels is best for everyone. Let's appreciate one another and move forward.

Irene Scharf stated many years ago the club bought an etching tool so you could inscribe in a seal the most valuable things you have and the seal was placed in your window. This was a program in communities to detour theft. She's not sure if something such as this is still available.

Eric Karl stated if there isn't coverage and our police are unable to take off, they will eventually get tired. We don't want this to happen.

Mauricio San Clemente stated he would like to see 24/7 coverage. When his house alarm goes off, the police are at your house before the alarm company has called. He's in favor of keeping the current fire contract. The Fire Department knows who you are before they even get to your house. Is the ESD going to know that.

Marjorie Mautz stated we have people walking the streets all the time that are aware of who lives where and who drives what. Citizens are aware of the surroundings in the neighborhood and that in itself helps tremendously.

James Swisher stated he believes the City has good intentions of looking after the citizens. He has seen the young kids of Grey Forest grow up at the Fire Department. They have done a wonderful job and \$85,000 is a small price to pay for the education they've given our children. He petitions that the Fire Department get what they need during their time of transition. In addition, he supports the Police Department and gives his vote of confidence.

Mayor Reinhard stated he would like to get back to Council discussion and thanked everyone for the discussion.

Councilmember Nettle stated he appreciates the Police Department and understands Public Safety is a big concern but the methods they are currently using are working because we have very low crime. The configuration of our community and having one way in/out helps. Knowing each other helps and is our form of a Neighborhood Watch Program. The City has paid off the bond and absorbed the funds with other costs. The City hasn't done any major road work in a long time. There's a pending report from the City Engineer that's going to tell us a lot about how serious the roads are. Some roads are embarrassing, before we increase expenses he'd like to put off the additional police officer until we get the City Engineers Report. We can always add an officer later on. Next year, we may also be in a better position financially.

Councilmember Tiner stated it appears most citizens are in favor of an additional Police Officer. He would rather be proactive, not reactive.

Councilmember Thornton stated he feels like most of the citizens, we need 24/7 coverage. Neighborhood Watch Programs may sometimes work but he's not going to chase someone up a hill. People are shooting Police Officers now days; they won't hesitate to shoot a civilian. Chasing criminals is a police job. From what he's heard from most of the citizens, they want 24/7 protection from our police force and it just happens to fall in line with what he would like.

Councilmember Nottingham stated she agrees the roads are an issue and she's hoping the City Engineer will give us a prioritized list so we can define what needs to be done first. We can always prioritize the jobs and say we have this much money this year and we'll do something else next year. She agrees police coverage is important and fully supports an additional officer. She thinks we need to leave the \$85,000 in the Fire Contract line item and prorate it monthly to keep them going so they can pay the bills until this merger happens. They don't have to spend the whole \$85,000; it should be prorated just as the \$51,000 with ESD #8 would be prorated. She thinks \$20,000 for SLPC Operations is way too much. She'd like to see that cut to \$10,000 seeing as the budget is tight.

Mayor Reinhard stated Council still has to deliberate and take action on the budget this evening. He stated it's an Open Meeting and encourages everyone to stay. Mayor Reinhard called a short recess at 9:02 p.m.

Mayor Reinhard reconvened the meeting at 9:14 p.m.

**2. DISCUSS AND ACT ON THE 2015/2016 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST**

Mayor Reinhard stated Council is required to take action on the budget this evening. The budget could be adopted as some cities do or ask to bring it back at the next Council Meeting. He stated the budget print out provided to Council this evening did include a few minor changes in the Restricted Funds. The Restricted Funds must be used in specific ways so we don't really have control over the carryover amounts. Mayor Reinhard asked if Council would like to make a motion to accept the updated budget as presented and discussed this evening. There was no motion. There was further discussion on prorating the Fire Contract and what the transition amount should be. Councilmember Nottingham made a motion to wait until next week at the Regular Council Meeting to approve and adopt the Fiscal Year 2016 Budget. The motion was seconded by Councilmember Hoffman and passed unanimously.

Mayor Reinhard adjourned the Budget Public Hearing at 9:30 p.m.

These minutes were written/recorded by Shawna Kinsky.

These minutes were approved as ~~written~~ amended on the 27<sup>th</sup> day of October, 2015.

Signed: Ronald G. Reinhard  
Ronald G. Reinhard, Mayor