

The Budget Workshop Meeting of August 15, 2016 was called to order at 6:30 p.m.

**MAYOR**

Ron Reinhard

**OTHERS**

Shannan Kinsley

Chief David Bejar

**COUNCILMEMBERS**

Susan Darst

Lou Hoffman - Absent

Jennifer Nottingham

Mitch Thornton

Lynn Tiner

Mayor Reinhard declared a quorum. He stated Council member Hoffman sends his apologies that he's unable to attend this evenings Budget Workshop Meeting.

**CITY COUNCIL BUDGET WORKSHOP MEETING**

**1. DISCUSS AND ACT ON PLANNING OF THE CITY OF GREY FOREST 2016/2017 FISCAL YEAR BUDGET**

Mayor Reinhard stated the purpose of this Workshop is to review the budget worksheets he provided to Council at the last meeting. As the Budget Officer, he must file the proposed budget with the City Secretary no later than August 29<sup>th</sup>. The proposed budget must be filed 30 days prior to the Budget Public Hearing which has been scheduled for September 20<sup>th</sup> at 6:30 p.m. Mayor Reinhard stated the Budget Comparison and Initial Draft Budget Worksheets he provided is a starting point based on recommendations from staff, analyzing previous year's numbers and forecasting where we think we'll be in the upcoming year. Although he will file the proposed budget with the City Secretary later this week, it can still be changed based on Council's recommendations. Mayor Reinhard stated he would like to review the budget to explain how he arrived at the numbers to see if Council has any questions, comments or recommendations. Although Council member Hoffman couldn't be present this evening, he did submit his thoughts for the budget and asked that they be read into the record. Mayor Reinhard reviewed the Opening Balances. He stated restricted fund balances must be used for specific items and can't be considered in the general fund for all budget items. The Madla Park projected beginning balance is going to change. The Madla Conservancy will only be transferring \$5,000 to the City account due to some bank fees. It was projected that \$8,000 would be transferred. Although the funds won't be transferred at this time, they are available if needed. Mayor Reinhard reviewed the Income for City operations. The current tax rate for the City is \$0.088441/\$100. The 2016 Effective Tax Rate is \$0.081935/\$100. The Rollback Tax Rate is \$0.088489/\$100. If you exceed the Rollback Tax Rate, voters in the jurisdiction can petition for an election on the tax increase. Mayor Reinhard stated he proposes no tax increase and Council adopt the current tax rate of \$0.088441/\$100. Council agreed they would like to keep the current tax rate and not impose an increase to citizens. There's a programmed 5% increase for GFU Revenue. It was discussed that the City does not receive sales tax or liquor tax from wedding venues in the City. There's a slight increase in Income in the following: Liquor Tax due to 2016 actuals; Fines due to increased citations; Citizen Brush Chipping due to recent rain; and Permits/Variances although this offsets itself in Expenses for the Building Inspector. The Police Department has applied for a grant for new radios. The grant hasn't been awarded but we're still in the process of being considered so he tentatively put in a number of \$6,758. Based on income from previous year's rentals, he's projected income of \$900 for the Grey Forest Community (GFC) Operations. The remainder of income line items will remain roughly the same. Mayor Reinhard stated at this point, under Opening Balances and Income, he will only change the Madla Park Beginning Balance and propose no increase in Ad Valorem Property Taxes by keeping the current tax rate of \$0.088441/\$100. Mayor Reinhard reviewed Administration Expenses in detail. Council member Darst stated the 2.5% cost of living increase for City employees doesn't factor in performance evaluations. If it's financially feasible, she'd like to see more of an increase for City employees for performance. She feels it's important to show employees appreciation for being committed and doing a good job serving our community. Council member Nottingham stated she would like to see at a minimum a 2.5% increase. If 3% is feasible, she supports that but would like to see it across the board. One of her questions is why the Municipal Judge and Prosecuting Attorney didn't receive at least a 2.5% increase. Mayor Reinhard stated in past years, they've received an increase. He didn't have a rationale of why he didn't include an increase. As it stands now, he will include a 2.5% increase across the board for all City employees and see where we end up. Mayor Reinhard stated Council member Hoffman states he's

advocating an across the board pay freeze on all payroll benefits except for those in the 2017 budget for Public Works employees. In addition, Council member Hoffman proposes for consideration that Line Item No. 106, Legal & Litigation for the City Attorney and Line Item No. 116/116A for the City Building Inspector be deleted as no benefit from this service has been realized. Council member Nottingham stated it needs to be taken into consideration that with acceptance of the playground club property, jobs for City employees has escalated with no compensation. Mayor Reinhard reviewed Public Works Expenses in detail. He stated the contract with C-6 for garbage services expires in 2017. Council agreed they want to look at options when the contract expires. They'd need to see if they need to go out for bids. Additionally, look at once a week pickup and the large recycle containers. Wages for Public Works employees was discussed. It was discussed a large burden has been put on Public Works with acquiring the playground club property. It's not enough money for what they do and need to look at how to retain employee's long term. There was further discussion that you need to put it into comparison what other people in that skill are paid. Council agreed to increase Line Item No. 205, Public Works Full Time Pay for Chris Mikel to \$16.75 per hour. Line Item No. 208, Public Works Part Time Pay will be kept at \$11.50 per hour. Mayor Reinhard stated Chris has requested in the upcoming budget a new second Part Time Public Works position. Included in the proposed budget is a position for 28 hours a week at \$10.50 an hour. There was Council discussion on the rate of pay for this new position and agreed to start the position at \$10.50 per hour. Council agreed to remove the Line Item for Public Works Temp Pay and Fica. Temp Pay is contract work and should be under Line Item 213, Public Works Contract Labor. Council agreed to put in \$3,000 under Contract Labor. Council agreed to increase Line Item No. 214, Debris Clearing and Tree Trimming to \$1,000. Mayor Reinhard stated he's included a new Line Item, Public Works Truck of \$30,000 in the proposed budget. Public Works typically gets hammy downs from GFU. GFU takes great care of the vehicles but they have a lot of miles on them. They usually work for a while but don't last. Public Works doesn't have a real reliable vehicle and spends more time trying to keep it running. There was discussion that they'd like to look at possibly a lease agreement for the new vehicle. In addition, get with GFU and look at possible compressed natural gas. Mayor Reinhard stated Council member Hoffman proposed for consideration to eliminate the Line Item for a new Public Works Truck and utilize the current vehicle acquisition procedures. Mayor Reinhard stated he will make the agreed changes to Public Works Expenses. Mayor Reinhard reviewed Capital Improvement/Infrastructure in detail. He stated the proposed budget doesn't reflect the construction costs for the City Hall ADA parking modifications but it will need to be added. Public Safety Police Expenses were reviewed in detail. Council agreed to increase Line Item No. 420, Police Equipment to purchase the necessary radios to update to P25 and assuming the City receives the grant in the amount of \$6,759. Council agreed to increase Line Item No. 4xy, Shift Officer Salary by 2.5% for all City employees across the board. This increase was inadvertently missed. Line Item No. 4xz, Shift Officer Fica will also be adjusted accordingly for the pay. Council agreed that the Line Items for Police Officer employees will be renamed to Police Officer 1, 2, 3 and 4. Mayor Reinhard stated he will make the agreed changes. Mayor Reinhard reviewed Court Cost Expenses in detail. He advised he will make the changes and increase the Municipal Judge, Line Item No. 500 and Prosecuting Attorney, Line Item No. 501 to include a 2.5% increase as previously discussed. Fica for both will be adjusted accordingly. Mayor Reinhard reviewed Public Service Medical Expenses. Council agreed that although the City currently does not pay for emergency medical services, they would like to keep this place holder. Mayor Reinhard reviewed Public Safety Fire Expenses. Line Item No. 700, Contract Amount with Bexar County ESD No. 8 will be adjusted to \$44,033 to reflect the current tax base. There were no changes to Emergency Management Expenses. Mayor Reinhard reviewed Parks and Program Expenses in detail. Council agreed SLP Community Operations would be changed to reflect "Grey Forest Community (GFC) Operations". Madla Park Operations will be decreased by \$3,000 to reflect the funds that will be transferred by the Madla Conservancy. Council agreed Line Item No. 602, Citizen Education would be decreased to \$200 for the Annual 4<sup>th</sup> of July celebration which will be a collaborative community event. Mayor Reinhard stated Council member Hoffman proposes for consideration that the Line Item, New SLP Community Operations be deleted. He states that with no Master Plan presented to the City that references goals and overall scope of what is planned for and scheduled completion dates, it would be irresponsible for the City to fund this Board at this time. Council member Hoffman states using his plan, he shows that we could have a savings of almost \$132,000. We could apply that money into a fund for our street and road maintenance. The City is sorely overdue in addressing that project. Mayor Reinhard stated he will make the changes agreed upon this evening. The proposed budget will be submitted to the City Secretary by the end of the week. He stated again, this is only the proposed budget, it's not final and changes can still be made. The Budget Public Hearing will be held on September 20<sup>th</sup> at 6:30 p.m. It's an opportunity for citizens to speak and comment on the proposed budget. He encourages all to attend.

There was no further business. Mayor Reinhard adjourned the Budget Workshop Meeting at 9:25 p.m.

These minutes were written/recorded by Shawwan Kinsley

These minutes were approved as written ~~amended~~ on the 27 day of September, 2016.

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