

The Budget Public Hearing of September 20, 2016 was called to order at 6:30 p.m.

MAYOR

Ron Reinhard

OTHERS

Shannan Kinsley
Chief David Bejar
Chris Mikel
Brenda Reinhard
Chandler Baker
Laurie Hawkins
Kay McCloskey

COUNCILMEMBERS

Susan Darst
Lou Hoffman
Jennifer Nottingham
Mitch Thornton
Lynn Tiner

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

BUDGET PUBLIC HEARING

1. PRESENT THE PROPOSED 2016/2017 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST PURSUANT TO TEXAS LOCAL GOVERNMENT CODE, CHAPTER 102, MUNICIPAL BUDGET, SECTION 102.006. DISCUSS AND GIVE ALL INTERESTED PARTIES THE RIGHT TO APPEAR AND BE HEARD ON THE 2016/2017 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST

THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$2,522, WHICH IS A 6.864 PERCENT INCREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$318.

Mayor Reinhard stated the Public Hearing is a public forum to present the budget and allow all interested parties an opportunity to discuss the 2016/2017 Fiscal Year Budget for the City of Grey Forest. After the Public Hearing, Council is required to take some sort of action on the budget at the conclusion of the hearing. The action can be adoption of the budget, or else a vote to postpone the final budget vote. In past years, Council has voted to postpone the final budget vote until the September Council Meeting. Mayor Reinhard stated he is the Budget Officer for the City. The Budget Officer is responsible for preparing the proposed budget in accordance with state laws and requirements. The proposed Budget is put on the City website for the public to view. The Budget Public Hearing is published. In addition, City Council had a Budget Workshop in August. Mayor Reinhard stated he would like to review the presented budget in detail. Then he would like to answer any questions and allow all citizen input. City Council will then consider all input, deliberate and determine what action should be taken. The budget is prepared in advance so there are a few changes that were made since the Budget Workshop. Those changes are in green. Mayor Reinhard reviewed the Opening Balances. The Restricted Carryover balances can't be used for the General Fund. They are restricted funds that must be used for specific items. Income was reviewed. Mayor Reinhard stated the City did not raise the property tax rate. Although the budget will raise more revenue than last year's budget, it's not due to a tax increase, rather because property values increased and from new property added to the tax roll. Grey Forest Utilities is the primary source of income for the City. We received notice that the grant for Police Radios was granted. They are restricted funds and must be used specifically for radios for the Police Department. Administration Expenses were reviewed. Employees across the board received a 2.5% increase. School Crossing Guard continues to build. They are restricted funds and is an opportunity to enhance the areas where the school buses pick up the kids. It's been discussed that we'd like to look at possibly installing security cameras at the bus stops with the soon to be upgraded system out of this fund. Public Works Expenses were reviewed. The City continues to pay trash and recycle for the citizens. That contract expires next year and will need to be looked at. Public Works has asked for an additional Part-time Public Works employee. The new position is for 28 hours a week. A new line item has been added for a new Public Works truck. Public Works has typically been given vehicles from Grey Forest Utilities. While they take great care of the vehicles, they are typically old and only last a while. We are looking at a good solid reliable vehicle. Capital Improvement/Infrastructure was reviewed. It includes Building

Improvement/Repairs for the ADA compliance construction. Road and Repair includes \$60,000. Council can either determine to put more money in this line item or pull it from the Contingency Fund when they determine the next step. Public Safety Police Expenses were reviewed. The line item for Police Equipment/Radios includes the grant money awarded. Municipal Court Costs were reviewed. The Security Fund is restricted funds and was decreased due to the upcoming purchase of the security cameras. Public Service Medical was reviewed. The City has used the Health Inspector once in the past year. Public Safety Fire Contract was reviewed. The City contracts with the ESD and pays it for Grey Forest citizens at the rate the neighboring areas pay. Emergency Management was reviewed. This includes the fee for the reverse 911 system. Parks and Programs was reviewed. The GFC Park Operations includes ADA upgrades since an unofficial complaint was received. Additional costs include maintenance, utilities, signs, water testing, tools, septic services and cleaning. The Madla Park Operations includes the restricted carry over amount plus income for donations and fundraisers that they expect to bring in. Cooperative Programs includes \$200 for the annual July 4th celebration. The Opening Balances and Operations Income for the year is \$1,393,323. The Operations Expenses total \$1,393,323. This includes a Contingency Fund balance of \$442,536. Mayor Reinhard gave the public an opportunity to speak and discuss any items proposed in the budget. Brenda Reinhard stated she would like to congratulate the Police Department on obtaining the grant. It takes a lot of work to apply for the grant and saved the City a great deal of money. There was no further citizen comments. Mayor Reinhard closed Agenda Item No. 1 at 6:54 p.m.

2. DISCUSSION AND CITY COUNCIL ACTION ON THE PROPOSED 2016/2017 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST

Mayor Reinhard stated Council is required to take some type of action following the Budget Public Hearing. It can be to adopt the budget or postpone adoption. Mayor Reinhard stated again, the City did not raise the property tax rate. The rate is the same as last year. The resulting increase is due to property values increasing and new property added to the tax roll this year. Council must first adopt the budget, subsequent to that, the property tax rate is approved. Mayor Reinhard stated Council held a Budget Workshop. Council member Hoffman was not able to make the meeting but did provide his input. Mayor Reinhard stated during the Workshop, he did read Council member Hoffman's comments to Council and into the record. Mayor Reinhard opened the floor for Council discussion. Council member Nottingham, Council member Thornton, Council member Tiner and Council member Darst stated they had no comments. Council member Hoffman stated Mayor Reinhard states he read his comments to Council at the Budget Workshop but doesn't see any of his changes incorporated into the proposed budget. Council member Hoffman thanked Mayor Reinhard for reading them into the record and for Council listening. Mayor Reinhard asked if there was a motion. Council member Thornton made the motion to accept the budget as proposed. The motion was seconded by Council member Nottingham and passed with 4 YES and 1 OPPOSED by Council member Hoffman. Mayor Reinhard stated the budget is hereby passed.

There was no further business. Mayor Reinhard adjourned the Budget Public Hearing at 6:59 p.m.

These minutes were written/recorded by Shawn Kinsley.

These minutes were approved as written amended on the 25 day of October, 2016.

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