The Budget Public Hearing of September 19, 2017 was called to order at 6:30 p.m.

MAYOR
Ron Reinhard

COUNCILMEMBERS
Susan Darst
Holly Holleway
Phil Howard
Jennifer Nottingham
Lynn Tiner

OTHERS
Shannan Kinsley
Chief David Bejar
Erik Stagner
Matthew Pompa
Chris Arango
Ethan Inglish
Deacon Stagner
Mason Sisco
Gabriel Rodriguez
Chris Inglish

Mayor Reinhard declared a quorum with all Council member's present. The meeting was started with the Pledge of Allegiance.

BUDGET PUBLIC HEARING

1. PRESENT THE PROPOSED 2017/2018 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 2017/2018 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 $2,945, WHICH IS A 7.51 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 $1,243.

Mayor Reinhard stated we have a troop of scouts in attendance this evening that are working on one of their badges. Scout Master, Chris Inglish introduced himself and thanked City Council for welcoming them and allowing the troop to attend the meeting this evening. He stated the troop will be moving over to Boy Scouts in a couple months. One of the requirements for Building a Better World is looking at how the government functions and works.

Mayor Reinhard stated he is going to give the troop of scouts a brief explanation of how we operate and the budget process. Mayor Reinhard stated the Budget Public Hearing is a public forum to present the budget and allow interested parties an opportunity to appear and be heard on the 2017/2018 Fiscal Year Budget for the City of Grey Forest. After the Public Hearing, Council is required to take action on the budget at the conclusion of the hearing. The action can be adoption of the budget, or a vote to postpone the final budget vote. City Council had a Budget Workshop back in July. The proposed budget includes all the changes Council discussed in the Budget Workshop. His hope is that the budget will be adopted this evening. Mayor Reinhard stated he is the Budget Officer for the City and is responsible for preparing the proposed budget in accordance with state laws and requirements. The proposed Budget is posted on the City website for the public to review. The Budget Public Hearing is published in the City designated newspaper. City Council has many responsibilities; one being fiscally responsible with the citizens/cities money and using it effectively. Mayor Reinhard stated he would like to review the proposed budget in detail. Then he will answer any questions and allow citizen/interested parties input. City Council will then deliberate and determine what action should be taken. Mayor Reinhard stated there is a Budget Cover Page. The wording is dictated by the State and states "This budget will raise more revenue from property taxes than last year's budget by an amount of $2,945, which is a 7.51 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 $1,243". The budget is prepared in advance so there are a few changes that were made since the Budget Workshop to Restricted Funds. Those changes are in green. Mayor Reinhard reviewed the Opening Balances. The Beginning Balances total $674,100. The Restricted Carryover balances are restricted funds that must be used for a specific use. Income was reviewed in detail. Mayor Reinhard stated the budget will raise more property tax revenue than last year's

budget due to increased property values and from new property added to the tax roll but the City did not raise the property tax rate. Grey Forest Utilities is the primary source of income for the City. The total income for the year totals $891,168. This leaves our Beginning Balance and Operating Income at $1,565,268. Mayor Reinhard reviewed Operating Expenses in detail. Administration Expenses total $172,756 which includes running the City, City Secretary's salary, Council expenses and things it takes for the City to operate. Public Works totals $225,700 which includes our garbage collection contract and a new Public Works truck. Capital Improvements total $127,500 which includes road surveys, road repair and the community clubhouse that needs to be brought up to ADA Compliance. Public Safety Police totals $315,834 which includes the Police Chief, three full time officers, a part time officer and a new Police vehicle. We also have reserve officers that are not paid but patrol the City and are a part of our Police Department. Municipal Court totals $53,749 for the cost of running of the court when someone violates the law. Public Service totals $240 for our Health Inspector. Public Safety Fire includes $47,496 for our contract with ESD No. 8 for fire services and $1,200 for the Fire Inspector. Emergency Management includes $670 for the Reverse 911 Notification System. Parks and Programs totals $20,737 which includes operating expenses for the Grey Forest Community (GFC) Park Operations and Madla Park Operations. Total Operating Expenses for the year total $965,882 leaving a Contingency Capital Fund of $599,386. Mayor Reinhard asked the citizens and all interested parties if there were any questions, comments or concerns to the proposed 2017/2018 Fiscal Year Budget. There was no comment. Mayor Reinhard asked Council and staff if they had any questions, comments or concerns. Council agreed Line Item E-11, Cooperative Programs of $200 should reflect funds are for the 4th of July celebration. There was no further discussion.

2. <u>DISCUSSION AND CITY COUNCIL ACTION ON THE 2017/2018 FISCAL YEAR BUDGET FOR THE CITY OF GREY FOREST</u>

Mayor Reinhard stated Council is required to take some type of actin following the Budget Public Hearing. It can be to adopt the budget or postpone adoption. Council must first adopt the budget, following that, the property tax rate is adopted which will be done at the September Council Meeting. Mayor Reinhard opened the floor for any further Council discussion or recommended changes. Council member Nottingham stated in years past, Council has waited until the next Council Meeting to adopt the budget. Since we do not have any feedback from citizens for consideration, she's comfortable acting on the budget this evening. The motion to adopt the Fiscal Year 2017/2018 Budget for the City of Grey Forest with the amendment to Cooperative Programs was made by Council member Nottingham, seconded by Council member Howard and passed unanimously.

There was no further business. Mayor Reinhard adjourned the Budget Public Hearing at 7:10 p.m.

These minutes were written/recorded by Shannan Kinsley.

These minutes were approved as written/~~amended~~ on the 23 day of January, 2018.

Signed: _____
Ronald G. Reinhard, Mayor