

Brenham City Council Minutes

A special budget workshop meeting of the Brenham City Council was held on July 7, 2017 beginning at 8:30 a.m. in the Brenham City Hall, Conference Room 2-A, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Andrew Ebel
Councilmember Susan Cantey
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Charlie Pyle
Councilmember Weldon Williams, Jr.

Members absent:

Others present:

City Manager Terry Roberts, ACM – General Government Ryan Rapelye, ACM-Chief Financial Officer Carolyn Miller, ACM - Public Utilities Lowell Ogle, City Secretary Jeana Bellinger, Fire Chief Ricky Boeker, Police Chief Craig Goodman, Director of Community Services Wende Ragonis, Director of Public Utilities Dane Rau, City Engineer Lori Lakatos, Development Services Manager Erik Smith, Kaci Konieczny, Stacy Hardy, Rhonda Kuehn, Sara Parker, and Susan Nienstedt.

Citizens present:

None.

Media Present:

None.

- 1. Call Meeting to Order**
- 2. FY 2017-18 Proposed Budget Discussions**

City Manager Terry Roberts welcomed Council to the third and final day of FY18 budget workshop discussions. Roberts advised Council that staff would be discussing the last of the general fund departments, special revenue funds, and debt service/capital projects.

The following departmental budgets were then presented to the Council by staff:

- Dept. 100 – Community Services Agencies
- Dept. 121 - Administration
- Dept. 123 – Human Resources
- Dept. 133 – Finance/Risk Management
- Dept. 135 – Purchasing/Warehouse
- Dept. 155 – Municipal Court
 - Fund 233 – Court Security/Technology

Court Administrator Rhonda Kuehn gave the Council an update on two bills (SB 1913 and HB 3729) being discussed during the 2017 legislative session and the impact these bills would have on municipal court if passed.

The following special funds were then presented to the Council by staff:

- Fund 109/110 – Hotel Occupancy Tax
- Fund 214 – Capital Leases
- Fund 218 – 2014 Capital Projects
- Fund 226 – Public Safety Training
- Fund 232 – Donations Fund
- Fund 236 – Equipment Fund
- Fund 237 – Streets/Drainage Improvements
- Fund 250/252 – BCDC/Capital
- Fund 290 – Highway 290 Fund
- Fund 500 – Workers’ Compensation Fund

Roberts advised Council that staff has provided some additional information based on the feedback received by Council the past two days. Roberts discussed the following issues:

Medical Premiums and Funding: Staff is estimating a 10% increase in medical premiums beginning in January, 2018. The City currently pays 95% of employee-only premium costs and 70% of family premium costs. The base budget includes the City picking up their share of the 10% increase and employees picking up their share. If the Council wants to pick up additional employee premium costs, it would require additional funding in the budget.

Capital Equipment Purchases: The General Fund has excess revenue available for capital projects. The amount of reserves over our recommended 95 day level is roughly \$800,000. Staff presented the Council with a list of recommended capital purchases; however, they not recommending the allocation of the entire reserve balance.

Debt Projects: A list of debt projects was provided to the Council for consideration. Roberts reminded Council that the City enjoys more favorable interest rates on debt projects if we keep financing to less than \$10 million in any calendar year. Roberts explained that the General Fund related projects for calendar 2017 will impact the proposed tax rate for this year and the projects in 2018 will impact next year's tax rate. Roberts advised Council that the funding of the Saeger Street expansion would be a 2 cent increase to the tax rate and the construction of a fire substation would require a 1 cent property tax increase but a much larger impact to the O&M tax rate. Roberts stated that a 6% rollback rate is being considered by the State legislature and if that legislation passes, any additional increase in O&M tax rate for a fire substation would require an election by the citizens.

After further discussion of these items by the Council, it was decided to meet again on Thursday, July 27, 2017 at 1:00 to finalize the FY18 budget decisions and hopefully by that time staff would have information from the city's insurance provider about increases in medical insurance premium costs and the legislative session would be over with a final decision on the rollback rate.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor



Jeana Bellinger, TRMC, CMC
City Secretary

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