

Brenham City Council Minutes

A special budget workshop meeting of the Brenham City Council was held on July 27, 2017 beginning at 1:00 p.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 Charlie Pyle
Councilmember Weldon Williams, Jr.

Members absent:

Councilmember Keith Herring

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Ryan Rapelye, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Comptroller Stacy Hardy, Human Resources Director Susan Nienstedt, Kaci Konieczny, Director of Community Services Wende Ragonis, Fire Chief Ricky Boeker, Police Chief Craig Goodman, Assistant City Manager of Public Utilities Lowell Ogle, Development Services Director Erik Smith and City Engineer Lori Lakatos

Citizens present:

None

Media Present:

Arthur Hahn, Brenham Banner Press

1. Call Meeting to Order

2. FY 2017-18 Proposed Budget Discussions

City Manager Terry Roberts welcomed Council to the budget workshop wrap up. Roberts advised Council that staff would be providing updates on Senate Bills 1 and 93 and discussing general fund revenue trends. Roberts also stated that Council would need to make decisions on employee health insurance premiums, staffing requests for general fund departments, debt projects and the I&S tax rate.

Legislative Update: Assistant City Manager – Chief Financial Officer Carolyn Miller gave Council an update on Senate Bills 1 and 93. Miller advised that according to Senate Bill 1, the City is defined as a small taxing unit which would require we maintain an eight percent (8%) rollback rate and that any adopted tax rate exceeding the rollback rate may be subject to an election. Miller also advised that Senate Bill 93, if passed, would lower the property tax rollback rate to five percent (5%) and requires cities to pay for non-voter approved debt with the maintenance and operations portion of the tax rate. Miller advised Council that both of these Bills are still being discussed in the Legislature; however, if passed could be detrimental to the City's budget. Miller stated that staff would watch these bills closely and provide an update to Council once the special legislative session ends.

General Fund Revenue Trends: Miller advised Council that final property valuation numbers have been received from the Washington County Appraisal District and the City's certified valuations have decreased \$23.9 million, or 1.9% percent. This decrease amounts to a loss of \$121,286 in general fund revenues.

Employee Health Insurance Premiums: Human Resources Director Susan Nienstedt gave a summary of the benefits that full time employees receive and discussed the compensation plan for general government and public safety employees. Miller then gave an overview of the Texas Municipal League health insurance and stated there is a ten percent (10%) increase built into the proposed FY18 budget. Miller explained the budget team is supporting a ten percent (10%) premium increase for both the city and employee. Miller stated the total benefits package for employees is excellent and a compensation study is planned for FY18 and eligible employees will be given an increase. Council agreed that the ten percent (10%) premium increase should be absorbed by both the city and the employees.

Staffing Requests for General Fund: Miller explained that staff submitted six (6) personnel requests during the budget process; however, due to salary savings in other positions, only four (4) staffing requests remain for Council to approve: a part-time Health Inspector/Code Enforcement Officer; a part-time Downtown Event/Clean-up Worker; a part-time Library worker; and the addition of Lieutenant ranks in the Fire Department. Miller stated the funding for the four (4) new positions would be through revenue enhancements and an O&M property tax rate increase. Council agreed to raise the O&M tax rate to fund the four (4) requested positions.

Debt Projects & I&S Tax Rate: A list of debt projects was provided to the Council. Roberts discussed the debt projects and explained to the Council that if they wanted to do all of the projects listed, they would need to consider a small tax increase. Council agreed to add a half cent to the O&M tax rate and a half cent to the I&S tax rate for a total of \$0.5170.

The Council also addressed the extension of Saeger Street. Roberts explained that in order to extend Saeger Street the Council would have to agree to issue approximately \$2.8 million in bonds and increase taxes by two cents. After further discussion, the Council agreed to not follow through on the extension of Saeger Street.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor



Kacey A. Weiss
Deputy City Secretary

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