



Mayor
Nancy Berry
Mayor Pro Tem
John Crompton
City Manager
Glenn Brown

Councilmembers
Jess Fields
Dennis Maloney
Katy-Marie Lyles
Dave Ruesink

Minutes
City Council Special Budget Meeting
Tuesday, August 17, 2010 at 3:00 p.m.
City Hall Council Chambers, 1101 Texas Avenue
College Station, Texas

1. Call to order.

Mayor Berry called the meeting to order at 3:05 p.m. and introduced the new City Secretary, Sherry Mashburn

2. Presentation, possible action and discussion on the FY 2010-2011 Proposed Budget.

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Lyles, the City Council voted one (1) for and five (5) opposed, with Mayor Berry, Council members Fields, Lyles, Maloney and Ruesink voting against, to add \$700,000 to the Public Works budget to address street rehabilitation. The motion failed.

MOTION: Upon a motion made by Councilmember Fields and a second by Councilmember Lyles, the City Council voted one (1) for and five (5) opposed, with Mayor Berry, Council members Crompton, Lyles, Maloney and Ruesink voting against, to amend the motion to move \$700,000 from the Public Works fund or find other areas within the General Funds to forestall an effective tax rate increase. The motion failed.

As a result, the Transportation User Fee will remain on the ballot.

General Fund Financial Forecast

- **Revenues**
 - Economic conditions result in lower revenue estimates
 - Sales tax estimates lower
 - Property Tax Rate increases included
 - Permit revenues lower
 - Investment earnings lower

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- Expenditures
 - Limited new expenditures
 - Limited pay plan
 - Increased health care and retirement costs
 - Includes Police continuation of Strategic Plan
 - Includes O&M for Fire Station #6
 - Possible savings of \$150,000 for delayed hires
 - No other new programs included

Property Tax Increases

- FY11 - 0.008143
- FY12 - 0.03
- FY13 - 0.01
- FY14 - 0.0045

Key General Fund Policy Decision Points

- Police and Fire additional resources
- Funded through Effective Tax Rate proposal and shift from Debt to O&M
- Budget and Service Level reductions

Proposed General Debt Service Fund

- FY 10 Debt Service Rate 22.9433 cents
- FY 11 Debt Service Rate 22.0194 cents
 - Satisfies FY 11 debt service requirement of \$12,581,958.
- Parking Garage debt funded from parking revenues.
- Cemetery debt service paid from tax rate
- Proposed rate of 22.0194 will meet projected debt service requirements.
 - 2003 and 2008 Bond Authorization
 - Certificates of Obligation for other projects
 - Technology
 - Facility Improvements
 - Arts Council Building

Other Governmental Funds

- Economic Development Fund
 - General Fund transfer - \$200,000
 - Reduced by \$115,000
 - Water, Wastewater, Sanitation, Business Park transfers - \$295,000
 - Cash Assistance expenditures - \$655,000

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Fields, the City Council voted three (3) for and three (3) opposed, with Mayor Berry, Council members Lyles, and Ruesink voting against, to strike \$50,000 from the RVP Marketing Fund. The motion failed.

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MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Fields to reconsideration the motion, the City Council voted six (6) for and none (0) opposed, to strike \$50,000 from the RVP Marketing Find. The motion carried unanimously..

Parks Xtra Education Fund

- Revenue - \$95,159
- Expenditures - \$95,351

General Government Capital Projects

- 2008 Bond Authorization \$76,950,000
 - Streets and Transportation
 - Parks
 - Library
 - Fire Station
- 7 Year Schedule
- Operations and Maintenance

Hotel Tax Fund

- Revenues: \$3,422,000
- Expenditures: \$2,063,335
 - Special Events & Programs - \$357,816
 - Convention Center Land Debt Service - \$222,519
 - Convention & Visitors Bureau - \$1,060,000
 - Arts Council - \$289,000
 - George Bush Presidential Library - \$50,000
 - Veteran's Memorial - \$10,000
 - Other/Contingency - \$74,000

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Maloney, the City Council voted six (6) for and none (0) opposed, to move \$200,000 creating a fund within the HOT fund for the attraction of tournaments with parameters: at least 40 teams, 90% from out of town, and see \$10.00 return on each dollar spent. The motion carried unanimously.

Council consensus was to remove \$10,000 from the Veteran's Memorial since there is no program nor has there been a request)

MOTION: Upon a motion made by Councilmember Fields and a second by Councilmember Maloney, the City Council voted five (5) for and one (1) opposed, with Council member Lyles voting against, to reduce the George Bush Library allocation to \$25,000 and charge the library to approach other entities for matching funds, (motion

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amended to amend the budget amount in the CVB as a direct pass through). The motion carried.

CVB Budget

MOTION: Upon a motion made by Councilmember Maloney and a second by Councilmember Fields, the City Council voted three (3) for and three (3) opposed, with Mayor Berry, Council members Lyles, and Ruesink voting against, to reduce the HOT contribution by \$60,000 , so CVB budget is \$1 million. The motion failed.

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Fields, the City Council voted four (4) for and two (2) opposed, with Council members Lyles, and Ruesink voting against, to fund CVB at last year's base contributions of \$1,032,000. The motion carried.

Arts Council Budget

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Maloney, the City Council voted two (2) for and four (4) opposed, with Mayor Berry, Council members Lyles, Fields and Ruesink voting against, to move the budget (\$289,000) from HOT to General Fund (Parks Budget) as a pass through fund. The motion failed.

MOTION: Upon a motion made by Mayor Berry and a second by Councilmember Fields, the City Council voted four (4) for and two (2) opposed, with Council members Maloney and Lyles voting against, to move \$89,000 for O&M and \$200,000 to affiliates. The motion carried.

Electric FundRevenues: \$98,329,236

- Residential and Commercial assume 2% Growth
- FY11 Proposed rate increase of 6%
- Forecast Shows Future Rate Increases

Expenditures: \$98,349,929

- Operations & Transfers - \$84,882,785
 - Budget Reductions
 - Includes Purchased Power & Wheeling Costs
- Service Level Adjustments - \$84,500
 - Solar Photovoltaic Rebate Program
 - Transmission Operating Certification Training
- Pay Adjustments - \$91,168
- Debt Service - \$4,481,585

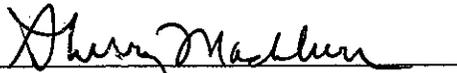
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6. Adjourn.

Hearing no objections, Mayor Berry adjourned the Special Meeting at 8:55 p.m.

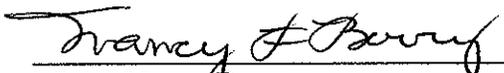
PASSED AND APPROVED this November 10, 2010

ATTEST:



City Secretary

APPROVED:



Mayor Nancy Berry