

MINUTES OF THE CITY COUNCIL BUDGET WORKSHOP
CITY OF COLLEGE STATION
AUGUST 18, 2011

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Nancy Berry, Mayor

Council:

Blanche Brick
Jess Fields
Karl Mooney
Katy-Marie Lyles
Julie Schultz, arrived after roll call
Dave Ruesink

City Staff:

David Neeley, City Manager
Kathy Merrill, Assistant City Manager
Frank Simpson, Assistant City Manager
Carla Robinson, City Attorney
Sherry Mashburn, City Secretary

1. Call to Order and Announce a Quorum is Present

With a quorum present, the Budget Workshop of the College Station City Council was called to order by Mayor Nancy Berry at 3:07 p.m. on Thursday, August 18, 2011 in the Carter Creek Wastewater Training Facility 2200 North Forest Parkway, College Station, Texas 77842.

2. Presentation, possible action, and discussion on the FY 201 1-2012 Proposed Budget.

Sanitation Fund: Revenues are proposed at \$7,242,423. There is no rate increase in the proposed budget; however, the forecast shows rate increases in the future. Expenditures are proposed at \$7,442,514. Of this amount, \$6.7 million is for O&M (personnel, equipment, fuel, and disposal cost at landfill). There are no proposed service level adjustments. \$50,820 is proposed for pay adjustments. A transfer to the General Fund (ROI) is proposed in the amount of \$709,987. \$50,240 is proposed for Keep Brazos Beautiful for operations, beautification grants, and other beautification programs in College Station.

BVSWMA: The proposed budget for salaries and benefits, to be reimbursed by BVSWMA, Inc., is \$1,393,401 for FY12.

Northgate Parking Enterprise Fund: Revenues are proposed at \$1,159,689, primarily from the parking fees and assuming a 1% growth. There are also revenues from parking fines, which are assumed to remain flat. Expenditures are proposed at \$1,085,775. This includes \$444,545 for parking O&M and non-parking activities estimated at \$220,633 to be reimbursed by the General Fund. A service level adjustment of \$80,000 is for garage security cameras. There is a pay adjustment for \$5,701. Debt service for this fund is \$464,000.

Community Development Fund: The total proposed budget is \$5,012,772. CDBG eligible expenditures are \$2,303,828 and HOME grant expenditures are \$2,708,944. This money is from federal grants.

ARRA Fund: The total proposed budget is \$65,000. The money comes from a general government grant and funds the Sustainability Coordinator position. The grant funds this position from FY10 to FY12.

Traffic Safety Fund: Revenues are \$1,400 from investment earnings. Expenditures are \$72,959 for the BCS Mobility Initiative and traffic safety programs. The fund will close out during FY12 when the money has been expended.

Wolf Pen Creek TIF: Revenues are \$10,000 from investment earnings. The Capital budget appropriates for the WPC Festival site. The water feature project will carry forward until the project is complete. The balance is estimated to be expended in FY12. The TIF expired December 21, 2009.

Court Funds and Police Seizure Funds: These funds include the Municipal Court Fee Fund, Court Technology Fund, Court Security Fund, Juvenile Case Manager Fund, and the Police Seizure Fund. Revenue received from fees and fines in these funds can only be expended for specific purposes.

Cemetery Funds: There are three cemetery funds.

- Memorial Cemetery Fund has proposed revenues of \$232,293 for plot sales and investment income. Expenditures are zero.
- Memorial Cemetery Perpetual Care Fund has proposed revenues of \$113,951 for plot sales and investment income. Expenditures are proposed in the amount of \$10,000 for advertising expenses.
- Cemetery Perpetual Care Fund has proposed revenues of \$23,000 for plot sales and investment income. Expenditures are zero.

Parkland Dedication: Revenues are proposed at \$305,000. The funds come from residential land developers for the development of neighborhood parks in residential areas. Expenditures are proposed in the amount of \$1,223,373. These funds must be used for the development of parks within dedicated zones. Anticipated projects for FY12 are University Park, Carter Crossing Park, Southwest Park, and John Crompton Park Phase III.

Drainage Fund: Revenues are proposed for \$1,997,773 for drainage utility fees. Expenditures are proposed at \$2,489,068. Of that amount, \$1.3 is for O&M for drainage maintenance operations and the drainage inspector position. There are no service level adjustments. Capital project expenditures are proposed for \$1,122,010. These projects include Greenways projects, minor drainage improvements, Wolf Pen Creek erosion control, and the Drainage Master Plan.

INTERNAL SERVICE FUNDS

Self-Insurance Funds:

- Property Casualty Fund: Revenue is proposed at \$1,492,910 and Expenditures at \$1,637,161. Ending working capital is \$52,786 reserved for possible claims.
- Employee Benefits: Revenue is proposed at \$9,003,244. The City contribution has increased by \$861,279. This is 13.19% over the FY11 budget. Expenditures are proposed at \$9,138,943. The insurance provider is BlueCross BlueShield of Texas. There will be an increase in cost to employees in FY12, and multiple options will be offered to employees. A service level adjustment in the amount of \$22,375 is proposed for the Police Department Fitlife testing.
- Workers Compensation: Revenues are proposed at \$805,538 and expenditures at \$747,874.

Utility Customer Service provides utility metering, billing and collection customer services for the City utilities. Revenues are proposed at \$2,342,713 and expenditures at \$2,342,713. A service level adjustment in the amount of \$23,661 is proposed to replace hand-held meter reading equipment.

Equipment Replacement Fund: Revenues are proposed at \$3,592,926. Expenditures are proposed at \$4,084,826 for fleet purchases and replacement. They will replace vehicles with hybrids when feasible.

Fleet Maintenance Fund provides fleet support services to City operations. Revenue is proposed at \$1,577,410 and expenditures are proposed at \$1,659,149.

Council expressed concern over roadway maintenance and rehabilitation. Staff reported that a three – five year plan will be ready in a couple of months that will address service levels. Once that is completed, Council will need to commit to an annual expenditure for this program.

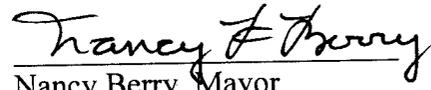
3. Presentation, possible action and discussion on the 2010-2011 ad valorem tax rate; and, if necessary on calling two public hearings on a proposed ad valorem tax rate for 2011-2012.

Total assessed valuation for FY11 is \$5,738,615,002. This is reflective of a 5.2% increase over last year. The proposed property tax rate for FY11 is slightly lower than the current tax rate. Each cent on the tax rate generates approximately \$533,000. Our current rate is 44.7543 cents, and the effective tax rate, which will generate approximately the same amount of revenue, is 43.7995 cents. If the Council wishes to set a rate above the effective tax rate, they will need to hold public hearings.

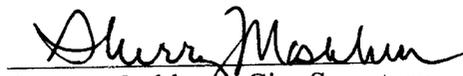
Council consensus was to set the tax rate at the Effective Tax Rate at 43.7995 cents.

4. Adjournment

MOTION: There being no further business, Mayor Berry adjourned the budget workshop of the College Station City Council at 6:08 p.m. on Thursday, August 18, 2011.


Nancy Berry, Mayor

ATTEST:


Sherry Mashburn, City Secretary