

MINUTES OF THE CITY COUNCIL BUDGET WORKSHOP
CITY OF COLLEGE STATION
AUGUST 20, 2013

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Nancy Berry, Mayor

Council:

Blanche Brick
Jess Fields, arrived after roll call
Karl Mooney
John Nichols
Julie Schultz
James Benham

City Staff:

Kathy Merrill, Interim 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 4:08 p.m. on Tuesday, August 20, 2013 in the CSU Meeting/Training Facility, 1603 Graham Road, College Station, Texas 77842.

2. Presentation, possible action, and discussion on the FY 2013-2014 Proposed Budget.

Jeff Kersten, Executive Director of Fiscal Services, continued with the review of the proposed FY13-14 budget. Additional proposed projects funded by the General Fund include:

- * Transfer to Streets CIP Fund in the amount of \$389,549.
- * Transfer to General Government CIP Fund in the amount of \$200,000.
- * Transfer to the PEG Fund in the amount of \$233,840.

Non-departmental expenditures were briefly reviewed.

There are some projects contingent on our future resources from the pending First Street real estate transaction, which is anticipated to net \$2.4 million. Identified capital projects are the Francis Drive Rehab Phases 1 and 2, and the Graham Road Rehab. These capital projects, along

with several Service Level Adjustments contingent on future resources, total \$2,333,072. Staff recommended these be brought back in a mid-year Budget Amendment when proceeds are received.

The financial forecast for revenue continues to be conservative, based on a slight sales tax increase, modest property value increases, and maintaining the tax rate. There are limited new expenditures. The forecast includes the Pay Plan as proposed and the estimated O&M on CIP projects.

OUTSIDE AGENCY FUNDING

From the General Fund:

Research Valley Partnership	\$ 350,000
ACBV - O&M	\$ 75,000
Noon Lions Club	\$ 10,000
Aggieland Humane Society	\$ 194,939
Brazos County Health District	\$ 326,500
Brazos County Appraisal District	\$ 260,607

From the Sanitation Fund:

Keep Brazos Beautiful	\$ 46,240
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From the Hotel Tax Fund:

ACBV - Affiliate Funding	\$ 300,000 (add \$65,000 for George Bush Library=\$365,000)
Convention & Visitors Bureau	\$1,379,340
CVB - Grant Program	\$ 100,000 (add \$53,000 for Chamber, BVB and Northgate=\$153,000)
George Bush Library	\$ 65,000 (move to ACSV-Affiliate Funding=\$0)
BCS Chamber of Commerce	\$ 25,000 (move to CVB-Grant Funding=\$0)
Brazos Valley Bowl	\$ 25,000 (move to CVB-Grant Funding=\$0)
Northgate District Association	\$ 3,000 (move to CVB-Grant Funding=\$0)

RECREATION FUND

The Recreation Fund is designed to identify revenues and total costs associated with recreation programs and facilities. It allows decisions to be made on subsidy levels and funding priorities. There are four levels of support: Full Fee (80%-100%); Partial Fee I (50%-80%); Partial Fee II (20%-50%); and Minimum Fee (0%-20%). Revenue is estimated at \$1,037,750 with expenditures in the amount of \$3,253,310. The FY14 subsidy is \$2,215,560 including a one time SLA for Adamson Lagoon repairs in the amount of \$13,600.

DEBT SERVICE FUND

The Debt Service Fund addresses aging infrastructure and future infrastructure needs due to growth. The proposed FY14 rate is 19.3053 cents for a property tax revenue of \$12,041,492 to satisfy the FY14 debt service requirement. 75% of the Cemetery debt service will be paid from the tax rate in FY14.

ECONOMIC DEVELOPMENT FUND

There is a transfer from the General Fund in the amount of \$400,000. This was increased to meet future commitments. The FY14 expenditure budget is \$998,900 to satisfy current obligations.

CHIMNEY HILL FUND

Revenue derived from rents and royalties from the tenants at Chimney Hill is budgeted at \$410,327. FY14 expenditures are \$80,000 for facilities maintenance and \$48,983 for property taxes.

GENERAL GOVERNMENT CAPITAL PROJECTS

The policy issue related to capital infrastructure is to consider if we should continue to invest in capital infrastructure for a growing community, and where possible, address the needs of existing infrastructure. In 2008, a Bond Authorization for \$76,950,000 was approved by the voters for Streets and Transportation; Library; Parks and Recreation; and Fire Station.

* Streets: \$15,729,902 is budgeted for street rehabilitation projects, street extension projects, TXDOT projects, traffic projects, and sidewalks/trails.

* Other General Government capital projects include \$4.2 million for Parks and Recreation; \$3 million for park land; \$448,955 for facilities; and \$4.6 million for technology.

ENTERPRISE FUNDS

* Electric Fund: No rate increase has been proposed in the FY14 proposed budget. Assuming a 2% growth in residential and commercial, revenue has been budgeted at \$98,170,676. Expenditures in the amount of \$99,937,295 are proposed for operations and maintenance, purchased power and wheeling costs (biggest component of the budget at \$76 million), and transfers. There are proposed SLAs for a new Assistant Director position, the Siemens SiPass System Support Agreement, and the Network Firewall Maintenance Agreement. Debt service is \$5.8 million, and there is a transfer to the General Fund for about \$5.8 million. \$6,342,188 is estimated for FY14 Electric Capital expenditures. Key capital projects include a general plant, overhead system improvements, underground system improvements, residential street lighting, thoroughfare street lighting, etc. The construction of the Northgate Substation is scheduled for completion by December 2013.

3. Presentation, possible action and discussion on the 2013-2014 ad valorem tax rate; and, if necessary on calling two public hearings on a proposed ad valorem tax rate for 2013-2014

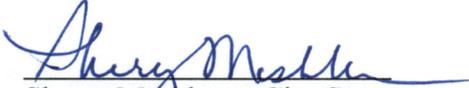
There was no discussion on this item.

4. Adjournment

MOTION: There being no further business, Mayor Berry adjourned the budget workshop of the College Station City Council at 8:00 p.m. on Tuesday, August 20, 2013.


Nancy Berry, Mayor

ATTEST:


Sherry Mashburn, City Secretary