

CITY OF CONVERSE
CITY COUNCIL MEETING/WORKSHOP
MINUTES OF JULY 14, 2010
6:30 PM

The City Council of the City of Converse met in a meeting/workshop at the Converse City Hall Conference Room at 405 South Seguin Street on Wednesday, July 14, 2010 at 6:30 PM to discuss various items on the agenda. The following were present:

Mayor Al Suarez	MPT John Shadron, Place 3
Council Member Renee Paschall, Place 1	Council Member Grant Lopez, Place 2
Council Member Randy Pannell, Place 4	Council Member Robin Benbrook, Place 5
Council Member Steve Brown, Place 6	Mr. Sam Hughes, City Manager
Mr. John Quintanilla, Assistant City Manager	Mr. Rick Jamison, Chief of Police
Mr. Richard Wendt, Chief of Fire/EMS	Mr. Jerry Wilson, Finance Director
Mr. Mark Luft, EDC Executive Director	Ms. Penny Hieronymus, City Secretary

1. Call to Order

At approximately 6:30 PM, Mayor Suarez called the meeting to order.

2. Roll Call

Mayor Suarez stated all Council members are present.

3. Citizens To Be Heard

Mayor Suarez stated there were no "Citizens To Be Heard" signed up.

4. Briefing by the City Manager on the Proposed Budget for Fiscal Year 2010-2011

5. Discussion of Proposed General Fund Budget for Fiscal Year 2010-2011

Mr. Hughes provided Council with "Briefing Notes & explained the proposed budget for FY 2010-2011.
-5,743 Single Family Dwelling Tax Payers; up 235; 4.3% increase
-3,939 Single Family Dwelling Homestead Exemptions; up 165; 4.4% increase
-68.6% of Single Family Dwellings have Homestead Exemptions
-The aggregate value of the 5,743 Single Family Dwellings accounts for 73.1% of our tax base

- Everything else (Apts., Agriculture, Commercial, Industrial, vacant lots, etc.) account for the remaining 26.9% of the tax base
- Average home-appraised value is \$113,978; down \$1,751; 1.5% decrease
- At the tax rate of \$0.53 – the average home with homestead exemption pays \$578.09; up \$8.05 per year; or \$48.17 per month; up \$0.67
- Each \$0.01 of tax yields \$78,177 in revenue; up \$1,146
- Each \$0.01 of tax cost the average home with homestead exemption \$10.91 per year; down \$0.16 or \$0.91 per month; up \$0.01

- This budget proposed to spend \$9,038,257 from the General Fund; down \$120,985
- For each of the 5,743 Single Family Dwellings we propose to spend:
 - \$1,573.79; down \$89.11
 - \$1,349.28 for maintenance & operations; down \$14.87
 - \$81.25 for debt service; down \$0.31
 - \$143.25 for capital; down \$73.94
- Total expenditures per Single Family Dwelling = \$1,573.79; down \$89.11
- At the tax rate of \$0.53, the average home with homestead exemption pays \$578.09; up \$8.05 per year; or \$48.17 per month; up \$0.67
- Homestead Property Tax pays for 36.7% of the Service
- 67.0% of the \$9,038,257 is for personnel salaries & benefits
 - Total salaries = \$4,855,969
 - Total benefits = \$1,201,695
 - Total personnel cost = \$6,057,664
- The expense components of the budget are as follows:
 - Personnel - 67.0%
 - Material & Supplies - 18.7%
 - Debt Service - 5.2%
 - Capital Investment - 9.1%

Mr. Hughes explained what the average homestead appraised at \$113,978 would pay for services & the amount actually budgeted for the services (operations, maintenance & debt service).

Mr. Hughes discussed:

- Budget is being worked with the preliminary estimate of the tax base; we will receive the certified roll on July 22
- Primary objectives remain unchanged
- Top priorities are to make the COC a better place to live & make the City more attractive & competitive
- Budget designed to provide financial resources to support these priorities
- Non-Departmental = Personnel Benefits, Debt Service, Insurance & General Operations
- Streets is the big investment
- Capital Investments
- We are being pretty conservative on the revenue we think we will be getting
- We feel pretty confident we will be able to buy everything we need to buy with the numbers we have on the budget
- Contingency – Is the stuff none of us can forecast what is going to happen

Mr. Hughes briefly went over his cover letter to the Council.

Council discussion/concerns included:

City Council Minutes/Workshop – July 14, 2010

- Monitors for the Council Chambers – Money is there, haven't got a contractor
- Court cost fee
- Marquee sign -\$30,000 from City General Fund (GF) & \$30,000 from EDC
- Non-potable = Standing up a 4-person crew & buying them equipment & supplies
- UF – Radio read meter reading is a substantial savings = phasing out manual meter reading
- We have 2 entities: General Fund & Utility Fund
- We have a handicap with no hotels in Converse
- AAU - We will receive the sales tax calculated for July in Sept. from the Comptroller's office to get a better idea of what we received from this event from last year's sales tax
- When we do a Master Plan – CC can put in things they would like to see in Converse to help the economy help our businesses

- A citizen donated an overhead projector to the Fire/EMS Dept. about a year ago
Fire/EMS Chief Wendt stated his guys are working on getting the manuals to get it in operation.

- Pool & Playground Equipment: We have portable furniture; possible partner with Judson = explore options, how finance, etc.
P&R Chair Kathy Selko stated we want safety for the Parks & playground equipment.

- Street training – Low because we take advantage of free or low cost classes, seminars, trainings, equipment vendors, TML, TEEEX, TCEQ, etc.
- Revenue from Zoning requests from \$100 to \$150 = break-even proposition

- Court Omni – Software the Police Dept. uses & is tied to the Court = break even proposition
Police Chief Jamison stated Omni System is not the best & we have Cardinal Tracking, which is for smaller agencies. We are looking at trying to change our CAD System possibly \$300,000.

- Court Security – Revenue can be used for security or the people or technology = we keep them equipped well
- Storm Water Management Program – Mr. Quintanilla & Mr. Moxley re-wrote the Ord. & will go to CC on July 20; it does propose to amend & raise the fees
- DEA Overtime Reim. – 1 Full-time person
- NIOC - \$41,913 Revenue from NIOC; every year expenses & revenue are on the threshold of FY end & beginning
- 50th Year Anniversary not defined, but we try our best to make revenue neutral; he's heard a lot of comments but does not have guidance from this CC
- Recycle revenue – Changed with the latest contract from Waste Mgmt. (we get but it is not broken down)
- Animal Control Officer (AOC) – Operates under the Police Dept. & majority of the time will let Dispatch know where he is
- Building Salaries – 1 Inspector retired
- Court Salaries – 3 Full-time employees (Court Clerk, Assist. Clerk & Warrant Officer)
- Prosecutor & Judge – Contractors/Professional services
- B&E Commission Expense – no budget, but CC gave them \$1,000 from Surplus
- Website Development – Committee gets 3 persons, identify the best person & negotiate price
- Public Information – Newsletters
- Library Salaries – 2 Full-time employees & 1 part-time (Librarian, Asst. Lib. Clerk & Part-time Clerk)
- MDT Service – Lap tops in Police vehicles
- Non-potable water - \$327,000 - Try to buy 500- acre ft. of Carrizo Wells & contract with City of Schertz, we are working several solutions
- Non-Departmental – Weed cutting

City Council Minutes/Workshop – July 14, 2010

- Longevity – Local Government Code pay for Police & Fire/EMS – we do this across the board for all employees
- Safety bonus – Being accident free & the risk of your job
- Employees also get a Christmas bonus
- Merit increases
- Council Support – Shirts, name tags, name plates, business cards, reim. mileage, NEP, AACOG training, etc.
- Hospitality - Do we have an account for flowers, plants, etc. - no, we do not have this in the budget, employees generally contribute; employees can also donate sick leave/time to an employee with the City Manager's approval
- First Responders: Police & Fire/EMS

At approximately 8:30 PM, Mayor Suarez called for a 10-min. recess.

At approximately 8:43 PM, Mayor Suarez called the workshop back to order.

Budget discussion continued:

- Budget looks good
- Happy to see merit pay for the employees, 2 new employees being hired
- Number of police cars that we have, we sell/auction 2 to 3 cars every year
- City pays normal salary for the DEA agents & if you are the lead investigator you get a percentage, which needs to be put back into their Dept./seizure fund
- Fire/EMS Dept. - Is there a person we can transfer for the new Inspector position in Oct., which is required by 2011
- Annual evaluations – Anniversary date of hire or promoted to another position
- Discussed salaries – make appropriate adjustments: We will order guideline pay scale book; look at limits on pay raises
- Taping of CC mtgs./Cameras - Can be explored when we chase the web site
- Presently have 158 employees
- 50th Anniversary – Would like to see a “party”
- Research deliberators
- Research going paperless, laptops, computers, cameras, server, scanner, thumb drives, training, wireless keyboards, etc., Start-up cost is what gets us, but long-term can save money
- Weed-cutting – Mr. Quintanilla & Code Compliance Officer more involved with notices to home owners/renters
- Police Motorcycle- Harley Davidson maintains
- Thanked Sam & Jerry for a balanced budget

Mr. Hughes provided CC with ACO's statistics fro 2009 & ½ of 2010.

6. Discussion of Proposed Utility Fund Budget for Fiscal Year 2010-2011

7. Discussion of Ad Valorem Tax Rates for Fiscal Year 2010-2011

Mr. Hughes stated:

- No change in water or sewer rates
- Been briefed by SARA to know about the new contract
- We are going to spend most of our capital in investments in non-potable water
- No change in the way we have been doing business
- We will adjust as necessary on Carrizo Water

Stormwater:

- Budgeted \$98,250 - storm water capital requirement for a mandated wash rack with oil separator & concrete bins for sand & road materials
- Budgeted \$60,000 - storm water & flood remediation projects
- Raising the Stormwater \$0.27 cents for Residential & depending on the size that tops out at \$30 a month for Commercial
- Mr. Hughes & Mr. Ortiz are still working on the overage the EAA is trying to charge us, we will offer them a \$200 as an admin. oversight counter offer; Mr. Hughes briefed on the water that we own & lease since 2006; the leases expired Dec. 31, 2008 = had some critical periods due to drought, if we want to push this we can go to District Court but it will cost more

8. Adjournment

At approximately 10:05 PM, Mayor Suarez adjourned the meeting.

PASSED AND APPROVED THIS 3rd DAY OF AUGUST, 2010.

Al Suarez, Mayor

ATTEST:

Adriana I. Hieronymus, City Secretary