

Brenham City Council Minutes

A special budget workshop meeting of the Brenham City Council was held on July 5, 2017 beginning at 8:30 a.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 Keith Herring
Councilmember Charlie Pyle
Councilmember Weldon Williams, Jr.

Members absent:

None.

Others present:

City Manager Terry Roberts, ACM – General Government Ryan Rapelye, ACM-Chief Financial Officer Carolyn Miller, ACM - Public Utilities Lowell Ogle, City Secretary Jeana Bellinger, Fire Chief Ricky Boeker, Police Chief Craig Goodman, Director of Community Services Wende Ragonis, Director of Public Utilities Dane Rau, City Engineer Lori Lakatos, Development Services Manager Erik Smith, Kaci Konieczny, Debbie Gaffey, Amber Pendergraff, Stacy Hardy, and Susan Nienstedt.

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 and advised that the FY18 proposed budget takes into account the direction and priorities of the City Council and management staff, as addressed in strategic planning sessions and during the Council pre-budget workshop held in May, 2017.

Roberts explained that the proposed FY18 budget being presented to them during the next few days of budget workshop is a budget of \$64 million that is balanced with no increase in the O&M (operations and maintenance) tax rate, a half-cent increase in the I&S (interest and sinking) tax rate for general government debt projects and no increase in utility rates.

Roberts advised Council that when putting together the proposed FY18 staff has focused on revenue items/trends, personnel items/trends, expenditure items/trends, capital equipment, and debt projects.

Assistant City Manager – Director of Public Utilities Lowell Ogles advised Council that his team focused on five utility fund budget priorities:

1. Maintaining the competitiveness of electric rates and ensure rates generate revenues sufficient to cover the cost of service program which includes ongoing O&M expenditures, debt service, General Fund support, capital equipment turnover, and infrastructure enhancements and replacements that improve system reliability.
2. Keep the gas system safe and reliable and promote natural gas as a cheap, safe, clean alternative to electricity.
3. Improve water treatment controls and replace aging infrastructure to increase system reliability and reduce water loss.
4. Maintain the wastewater system infrastructure but minimize any unnecessary capital investments until there is a significant reduction in debt liability.
5. Maintain a reliable and efficient solid waste operation at a reasonable cost to the public and ratepayers. This is accomplished through the operational efficiencies of multiple business lines operating together.

The following utility departmental budgets were presented to the Council by staff:

- Electric Fund
 - Dept. 132 – Utility Billing
 - Dept. 160 – Public Utilities
 - Dept. 161 - Electric
- Gas Fund
 - Dept. 162 – Gas

- Water Fund
 - Dept. 163 – Water Treatment
 - Dept. 164 – Water Construction
- Wastewater Fund
 - Dept. 165 – Wastewater Construction
 - Dept. 166 – Wastewater Treatment
- Sanitation Fund
 - Dept. 042 – Transfer Station
 - Dept. 043 – Collection Station
 - Dept. 140 – Recycling Center
 - Dept. 142 – Residential Collection

Assistant City Manager - Chief Financial Officer Carolyn Miller presented a brief overview of the General Fund budget for FY18. Miller explained in detail primary revenue sources, 10 year revenue trends, and discussed various revenue enhancements.

Miller stated that the budget priorities for the General Fund in FY18 are:

1. Preparing a balanced budget with no O&M tax rate increase for FY2017-18.
2. Provide funding for capital expenditures to preserve the current level of service to the community and citizens.
3. Maintain the 90 day reserve policy and 5 day reserve for Renovations and Replacements.

The following general fund departmental budgets were then presented to the Council by staff:

- Dept. 131 – Maintenance
 - Fund 220 – Central Fleet
- Dept. 141 – Streets
- Dept. 144 – Parks
 - Fund 234 – Parks Capital Improvements
- Dept. 167 – General Government Services
- Dept. 128 – Engineering
- Dept. 148 – Airport
 - Fund 203 – Airport Capital Improvements
 - Fund 227 – FEMA Disaster Relief
- Dept. 122 – Development Services & Code Enforcement
- Dept. 172 – Information Technology

The meeting was adjourned.

Milton Y. Tate, Jr.

Mayor



Jeana Bellinger, TRMC, CMC

City Secretary