

**SPECIAL MEETING
BUDGET WORKSESSION
JULY 26, 2017, 8:30 a.m.**

**CITY COUNCIL OF THE CITY OF ABILENE, TEXAS,
CITY COUNCIL CHAMBERS OF CITY HALL**

The City Council of the City of Abilene, Texas, met in a Special Meeting to conduct a budget work session at 8:30 a.m. on July 26, 2017 in the City Council Chambers of City Hall. Mayor Anthony Williams was present and presiding with Councilmen Shane Price, Bruce Kreidler, Weldon Hurt, Kyle McAlister, Steve Savage, and Councilwoman Albus. Also present were City Manager Robert Hanna, Assistant City Managers Mindy Patterson and James Childers, Director of Finance Mike Rains, City Attorney Stanley Smith, City Secretary Danette Dunlap, and various other members of staff.

Council and Staff discussion included: 1) directors were asked to base the proposed budget on FY 16 numbers; 2) Holiday pay; 3) insurance plans AETNA & Blue Cross Blue Shield. Cost of insurance has been pushed onto to the employees; 4) property taxes and the increase in values; 5) self-insurance fund; 6) staffing positions in Finance and City Manager's office; 7) Spillman and the Police computer aided dispatch system; 8) Fees – court, credit card cost, landing fees at the airport, animal services fees, trolley rental fees, septic system fee, library and 3D printing costs, solid waste fees, zoo fee increase; 9) take home vehicles; 10) Hotel and Motel funds Convention Center vs Chamber costs, possible performance audit of the Chamber; and 11) water lab equipment.

Council and Staff discussion included: 1) HOT funds and how they are allocated between Chamber and Convention Center; 2) city owned property – staff is working on some properties that can be placed out on the market. Park property – Kirby Park and 40 other acres look at selling; 3) street maintenance fee; 4) 2% reduction across the budget; and 5) Street sweeper and what it cost for hiring out for the service.

James Childers, Assistant City Manager briefed the city council on the meetings and the discussion of the Street Maintenance Fee.

Council and Staff discussion included: 1) city can not charge a fuel tax; 2) possible exemption for seniors; 3) will send out a sample bill to residents and commercial accounts so that citizens will be able to see what the actual charge will be; 4) Economic Development Fund – it has come to the attention of both Robert Hanna and Kent Sharp that the DCOA can use funds to fund certain streets for those businesses that create primary jobs without taking this to the voters for an election; and 5) taking the Street Maintenance Fee to the election in November as a referendum for the voters to decide on it.

Council recessed for lunch and will return at 1:30 pm today.

Mayor Williams called the meeting back to order at 1:30 and council began further discussion regarding the proposed budget.

Council and Staff discussion included: 1) took back up the discussion of the use of the sales tax funds through the Development Corporation of Abilene. Kent Sharp CEO spoke in support of the use of funds from the DCOA to support street maintenance; 2) council was concerned that the process may be moving too fast and that we might need to slow down to be sure that everything has been covered; 3) some members are

for voting on the Street Maintenance Fee and some are for placing this on the ballot in November. To get the referendum on the ballot the election will have to be called at the next regular council meeting; and 4) rate structure for residential and commercial businesses.

Mayor Williams summed up the discussion regarding the proposed budget which included: 1) reviewed the proposed \$342,000 cut from the proposed budget; 2) HOT Funds; 3) salary to 1 ½% to start on January 1; 4) healthcare cost; 5) Convention Center repairs that are needed; and 6) possibility of raising the tax rate by .03 cents for the maintenance of city facilities.

Councilman Price made the motion to adjust the salary increase from 3% to 1 ½% for non civil service. Councilman Hurt seconded the motion, motion carried.

AYES: Councilmen Price, Kreitler, Hurt, McAlister, Savage Councilwoman Albus and Mayor Williams

NAYS: None

Mayor Williams made the motion to approve the reduction of \$342,601. Based upon the discussion to 1) reduce bus routes from 12 to 8; 2) freeze customer service position in the City Manager's office; 3) freeze position in Finance for ½ year; 4) reduce take home vehicles; 5) reduced professional services, travel and training; 6) removed public records software; and 7) reduced facilities maintenance. Councilman Price seconded the motion, motion carried.

AYES: Councilmen Price, Kreitler, Hurt, McAlister, Savage, Councilwoman Albus and Mayor Williams

NAYS: None

Councilman McAlister made the motion to approve increasing the tax rate by .03 cents, which included the original .01 already included in the proposed budget and .02 for maintenance and operations. Councilwoman Albus seconded the motion, motion failed.

AYES: Councilmen McAlister and Councilwoman Albus

NAYS: Councilmen Kreitler, Price, Hurt, Savage and Mayor Williams

Councilman Savage made the motion to move the HOT Funds by switching the Convention Center and Abilene Chamber of Commerce proposed budget numbers. Councilman Kreitler seconded the motion, motion failed.

AYES: Councilmen Kreitler and Savage

NAYS: Councilmen Price, Hurt, McAlister, Councilwoman Albus, and Mayor Williams

Councilman Kreitler made the motion to move ½ cent to the self-insurance fund - \$267,000. Councilman Savage seconded the motion, motion failed.

AYES: Councilmen Kreitler and Savage

NAYS: Councilmen Price, Hurt, McAlister, Councilwoman Albus, and Mayor Williams

Councilman Price made the motion to add .02 cents to the tax rate (.01 cent will fund the self-insurance fund and .01 cent will be dedicated to the Convention Center for facility maintenance). Councilman McAlister seconded the motion, motion carried.

AYES: Councilmen Price, Hurt, McAlister, and Councilwoman Albus
NAYS: Councilmen Kreitler, Savage and Mayor Williams

Councilman McAlister made the motion to approve the first reading on the Ordinance approving Revised 2016-2017 Budget and setting a public hearing on August 10th 2017. Councilman Price seconded the motion, motion carried.

AYES: Councilmen Price, Kreitler, Hurt, McAlister, Savage and Councilwoman Albus and Mayor Williams
NAYS: None


AN ORDINANCE APPROVING REVISED BUDGET FIGURES FOR FISCAL YEAR 2016-2017; FOR THE CITY OF ABILENE; APPROPRIATING FUNDS; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; CALLING A PUBLIC HEARING.

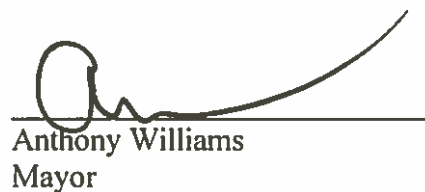
A public hearing and final reading will be held on the Revised Budget 2016-2017 on August 10th.

Public hearings will be held on the Tax Rate on August 24th, September 14th.

A public hearing will be held on the Proposed Budget 2017-2018 at the Regular Meeting September 14th.

There being no further business, the meeting was adjourned at 4:07 p.m.


Danette Dunlap
City Secretary


Anthony Williams
Mayor