

**SPECIAL CALLED MEETING
BUDGET WORK SESSION
July 27, 2021 at 9:00 a.m.**

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

The City Council of the City of Abilene, Texas met in a Special Called Meeting on July 27, 2021, at 9:00 a.m. in the Council Chambers, 555 Walnut St. Mayor Anthony Williams was present and presiding, along with Mayor Pro-tem Kyle McAlister, Deputy Mayor Pro-tem Travis Craver, and Councilmembers Shane Price, Lynn Beard, Donna Albus, and Weldon Hurt. Also present were City Manager Robert Hanna, City Attorney Stanley Smith, City Secretary Shawna Atkinson, and various members of the City staff.

Councilmember Shane Price delivered the invocation.

Jackson Davidson, 5th grader at TLCA led the Pledge of Allegiance to the Flags of the United States of America and the State of Texas.

Mayor Williams outlined the agenda for the morning.

PUBLIC COMMENTS

Mayor Williams opened the public comment period. The following addressed the city council:

- David Swart – urged Council to keep the budget for senior services the same as last year. Mr. Swart suggested two person units for the Police Department to cut down on vehicle costs, and to keep the tax rate the same and use that money to fund a new fire station.

With no other speakers coming forward, the public comment period was closed.

BUDGET WORKSHOP

2. **Staff Presentation on Revised FY 2021 and Proposed FY 2022 Budgets
Complete Budget Review**

City Manager Hanna provided the overview of the proposed schedule for budget work sessions

- **Budget Workshop** July 27, 28, 29 (if needed)
 - First Reading 2021 Revised Budget
 - First Reading 2022 Budget
 - First Reading Tax Rate
 - First Reading Fee Schedule

- **Public Hearing and Adoption of:** August 12 – Regular Council Meeting
 - 2021 Revised Budget
 - Tax Rate
 - 2022 Budget
 - Fee Schedule

The Revised FY 2021 and Proposed FY 2022 Budgets information was as follows:

General Fund
Summary of Revenues & Expenditures
FY 2020-2021 Budget

	Actual 2018-2019	Approved 2019-2020	Revised 2019-2020	Proposed 2020-2021
REVENUE				
Current Revenue	\$97,916,436	\$102,777,550	\$101,308,540	\$103,028,810
Operating Transfers In	3,911,242	3,787,740	5,163,210	4,094,380
Total Current Revenue & Transfers In	\$101,827,678	\$106,565,290	\$106,471,750	\$107,123,190
EXPENDITURES				
Personnel Services	\$69,885,850	\$76,001,560	\$76,345,080	\$78,874,100
Supplies	3,209,198	3,371,000	2,968,040	3,115,850
Maintenance	1,699,106	1,979,090	1,545,310	1,822,770
Other Services & Charges	14,883,804	15,454,300	15,526,590	16,352,720
Capital Expenditures	45,498	19,110	70,410	-
Operating Transfers	10,488,251	9,698,020	11,000,400	6,827,430
Total Expenditures	\$100,211,707	\$106,523,080	\$107,455,830	\$106,992,870
Net Revenues Over (Under) Expenditures	\$1,615,971	\$42,210	(\$984,080)	\$130,320
Beginning Fund Balance	\$25,642,927	\$24,329,867	\$27,258,898	\$26,274,818
Ending Fund Balance	\$27,258,898	\$24,372,077	\$26,274,818	\$26,405,138

General Fund
FY 2021 Revised Key Revenue Changes from FY 2021
Approved Budget

Sales tax		\$1,502,400
Franchise/Access Fees	Decrease in electric and gas franchise tax	(100,750)
Penalties, interest		(50,000)
Licenses and permits	Animal licenses	(60,000)
Intergovernmental revenue	Cares Act grant	6,199,820
Charges for services	Animal services	(102,300)
	Convention Center	(459,720)
	Recreation & Senior programs	(171,365)
Fines and forfeits		(271,600)
Miscellaneous revenues	Increase in personnel recoveries	700,581
	Sale of buildings & equipment	1,373,620
Operating transfers in	Hotel/motel tax	(114,750)
	Increase in transfers to capital project funds	102,000
All other		(75,139)
Total Increase/(Decrease)		\$8,472,797

General Fund
FY 2021 Revised Key Expenditure Changes from
FY 2021 Approved Budget

Personnel	Decreased non-civil service full-time salaries	(\$1,237,172)
	Increased termination pay	813,880
	All other	209,717
Supplies		10,868
Maintenance		(5,202)
Other Services/charges		(212,703)
Operating transfers out	End of year funds transferred to Minor Improvement Fund	4,278,021
	One-time funds transferred to Minor Improvement Fund	8,559,889
	Reduction in funds transferred to capital projects fund	(598,000)
	Increase in funds transferred to miscellaneous grants	569,190
	All other	302,790
Total Increase/(Decrease)		<u>\$12,691,278</u>

General Fund
FY 2022 Key Revenue Changes from FY 2021 Revised Budget

Taxes and franchise fees	Property tax assessed value increase	\$1,414,980
	Sales tax	(46,940)
	Franchise fees - interfund	1,586,520
	Payment in lieu of taxes - Hendrick Health Systems	250,000
Licenses and permits	Increase in building permits	175,000
Intergovernmental revenue	Reduction in Cares Act funds	(5,043,650)
	Reduced fire fighter SAFER grant funding	(417,930)
Charges for services	Convention Center return to normal operations	691,600
Miscellaneous revenues	Increase in indirect cost recovery	450,950
	Increase in personnel recoveries	595,182
	Reduction in sale of land, buildings, and equipment	(1,378,730)
Operating transfers in	Increase in Hotel/motel tax	105,000
	Reduction of transfer from capital project funds and MIP fund	(374,870)
All other		32,205
Airport moved to separate fund		(3,482,390)
Total Increase/(Decrease)		<u>(\$5,443,073)</u>

General Fund
 FY 2022 Key Expenditure Changes from FY 2021
 Revised Budget

Personnel Services	Police & Fire Meet & Confer	\$1,658,548
	Non-civil service 2% COLA + 2% market adjustment	922,056
	Full staffing funding	1,309,240
	Full year of FY 2021 pay raise	765,000
	Civil service step promotions	282,605
Supplies		117,970
Maintenance		197,333
Other Services and Charges	Utility savings	(280,050)
Operating Transfers	Reinstate transfer for Convention Center	625,850
	Minor Improvement Fund transfer	(8,086,658)
	2020 End of Year Funds	(4,278,021)
	Increase Transit Fund subsidy	1,022,205
	Reduction in Self Insurance subsidy	(576,510)
	Reduction in miscellaneous grants	(569,190)
	Reduction in fleet services transfer	(183,000)
All Other		671,507
Airport moved to separate fund		(2,886,072)
	Total Increase/(Decrease)	\$ (9,287,187)

Schedule of Tax Rate
Per \$100 Assessed Valuation
FY 2013-FY 2022

<u>Fiscal Year</u>	<u>General Operating</u>	<u>General Debt Service</u>	<u>Total Tax Rate</u>
2013	.4937	.1923	.6860
2014	.5095	.1765	.6860
2015	.5215	.1645	.6860
2016	.5306	.1834	.7140
2017	.5448	.2017	.7465
2018	.5648	.2103	.7751
2019	.5648	.2074	.7722
2020	.6069	.1808	.7877
2021	.6019	.1858	.7877
2022	.6019	.1832	.7851

**Water & Sewer Operating Fund
Summary of Revenues & Expenditures
FY 2021-2022 Budget**

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Charges for Service	\$57,535,880	\$59,438,970	\$59,438,970	\$61,678,637
Federal/State Assistance	25,870	-	-	-
Interest, Misc & Transfers	951,918	259,070	924,572	229,480
Total Revenue	\$58,513,668	\$59,698,040	\$60,363,542	\$61,908,117
EXPENDITURES				
Personnel Services	\$9,649,776	\$10,430,800	\$10,339,310	\$11,270,718
Supplies	3,052,283	3,555,130	3,556,034	4,251,890
Maintenance	3,045,698	2,868,500	2,992,924	3,262,522
Other Services & Charges	19,905,583	20,306,060	20,505,847	22,011,912
Capital Expenditures	1,623,082	1,225,000	1,387,769	2,085,690
Debt Service	17,731,210	17,379,750	17,379,750	15,737,940
Operating Transfers	6,203,764	-	-	7,691,008
Total Expenditures	\$61,211,396	\$55,765,240	\$56,161,634	\$66,311,680
Net Revenues Over (Under) Expenditures	\$(2,697,728)	\$3,932,800	\$4,201,908	\$(4,403,563)
Beginning Fund Balance	25,612,263	19,820,097	22,914,535	27,116,443
Ending Fund Balance	\$22,914,535	\$23,752,897	\$27,116,443	\$22,712,880

**Water & Sewer Operating Fund
FY 2021 Revised Revenue Changes from Original FY 2021 Budget**

Interest Earnings & Misc.	\$ (7,091)
Sale of land	189,500
Transfer from Central Warehouse Fund	483,093
Total Increase/(Decrease)	\$ 665,502

Water & Sewer Operating Fund
 FY 2021 Revised Expenditure Changes from Original FY 2021 Budget

Administration	\$ (393,149)
Customer Service	673,737
Water Production	(12,574)
Water Treatment	(84,486)
Water Distribution	256,653
Wastewater Collection	(24,838)
Wastewater Treatment	(19,030)
Quality Control	(17,419)
Utility Special Services	17,500
Total Increase/(Decrease)	\$ 396,394

Water & Sewer Operating Fund
 FY 2022 Revenue Changes from FY 2021 Revised Budget

Charges for Service	\$ 2,239,667
Miscellaneous Revenue	(211,999)
Transfers from Central Warehous	(483,093)
Total Increase/(Decrease)	\$ 1,544,575
% Change	3%

Water & Sewer Operating Fund FY 2022 Expenditure Changes from FY 2021 Revised Budget

Administration	\$ (122,265)
Customer Service	344,693
Water Production	326,249
Water Treatment	365,474
Water Distribution	759,965
Wastewater Collection	892,680
Wastewater Treatment	1,153,851
Quality Control	(51,891)
Utility Special Services	6,481,290
Total Increase/(Decrease)	\$ 10,150,046
% Change	18%

Airport Operating Fund Summary of Revenues & Expenditures FY 2021-2022 Budget

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Charges for Service	-	-	-	\$1,330,469
Federal/State Assistance	-	-	-	1,050,000
Miscellaneous	-	-	-	619,220
Total Revenue	-	-	-	\$2,999,689
EXPENDITURES				
Personnel Services	-	-	-	\$1,634,206
Supplies	-	-	-	60,330
Maintenance	-	-	-	164,676
Other Services & Charges	-	-	-	650,843
Debt Service	-	-	-	471,160
Total Expenditures	-	-	-	\$2,981,215
Net Revenues Over (Under) Expenditures	-	-	-	\$18,474
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	-	-	-	\$18,474

**Solid Waste Services Fund
 Summary of Revenues & Expenditures
 FY 2021-2022 Budget**

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Charges for Service	\$16,604,976	\$16,135,550	\$16,140,550	\$17,382,076
Miscellaneous	42,271	3,150	2,050	5,940
Total Revenue	\$16,647,247	\$16,138,700	\$16,142,600	\$17,388,016
EXPENDITURES				
Personnel Services	\$4,104,143	\$4,098,310	\$4,047,631	\$4,144,877
Supplies	48,470	57,310	57,670	65,920
Maintenance	71,613	115,130	130,130	105,000
Other Services & Charges	8,429,704	8,959,050	8,655,920	9,740,399
Capital Expenditures	190,935	300,000	300,000	350,000
Operating Transfers	3,531,930	2,712,570	2,712,570	3,209,210
Total Expenditures	\$16,376,795	\$16,242,370	\$15,903,921	\$17,615,406
Net Revenues Over (Under) Expenditures	\$270,452	\$(103,670)	\$238,679	\$(227,390)
Beginning Fund Balance	2,439,292	2,457,690	2,709,744	2,948,423
Ending Fund Balance	\$2,709,744	\$2,354,020	\$2,948,423	\$2,721,033

**Stormwater Services Fund
 Summary of Revenues & Expenditures
 FY 2021-2022 Budget**

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Charges for Service	\$2,847,085	\$2,829,500	\$2,829,500	\$2,970,975
Miscellaneous	54,118	34,060	34,000	35,570
Total Revenue	\$2,901,203	\$2,863,560	\$2,863,500	\$3,006,545
EXPENDITURES				
Personnel Services	\$1,260,434	\$1,378,600	\$1,355,814	\$1,427,211
Supplies	21,407	39,720	39,720	40,390
Maintenance	108,685	330,870	357,870	256,050
Other Services & Charges	1,032,396	1,137,160	1,114,520	1,551,688
Operating Transfers	128,080	-	-	-
Total Expenditures	\$2,551,002	\$2,886,350	\$2,867,924	\$3,275,339
Net Revenues Over (Under) Expenditures	\$350,201	\$(22,790)	\$(4,424)	\$(268,794)
Beginning Fund Balance	849,492	850,497	1,199,693	1,195,269
Ending Fund Balance	\$1,199,693	\$827,707	\$1,195,269	\$926,475

Self Insurance Fund Summary of Revenues & Expenditures FY 2021-2022 Budget

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
City Health Contributions	\$7,308,702	\$7,828,710	\$7,790,920	\$7,752,846
Employee Health Contributions	2,909,045	3,043,420	3,043,420	3,343,130
Retiree Health Contributions	125,164	143,140	115,000	118,500
Interfund Charges	2,273,745	2,758,530	2,754,550	3,128,030
Federal/State Assistance	63,414	-	-	-
Recoveries	2,548,777	177,790	663,460	554,470
Miscellaneous	42,494	1,500	1,390	970
Operating Transfers In	1,619,770	1,202,360	1,322,890	625,850
Total Revenue	\$16,891,111	\$15,155,450	\$15,691,630	\$15,523,796
EXPENDITURES				
Health & Drug Claims	\$11,411,129	\$8,965,330	\$8,585,990	\$9,123,700
Administrative Charges	920,657	1,379,090	900,530	855,890
Liability/Property Premiums/Charges/Claims	3,581,523	2,882,740	3,237,190	3,317,040
Other Expenditures	872,051	639,650	625,000	661,472
Winter Storm Repairs	-	-	305,000	-
Hail Damage Repairs	869,402	-	35,900	-
Total Expenditures	\$17,654,756	\$13,866,810	\$13,689,610	\$13,958,102
Net Revenues Over (Under) Expenditures	\$(763,645)	\$1,288,640	\$2,002,020	\$1,565,694
Beginning Fund Balance	3,247,020	1,702,270	2,483,375	4,485,395
Ending Fund Balance	\$2,483,375	\$2,990,910	\$4,485,395	\$6,051,089

Health Insurance Plan Changes

	2021 Current Plan	2022 Proposed Changes	% Increase 2021-2022
Employee Premiums-monthly cost			
Employee only	\$131	\$138	5%
Employee+children	\$289	\$303	5%
Employee + spouse	\$499	\$524	5%
Employee+family	\$578	\$607	5%
City Contributions-monthly cost	\$508 per employee	\$508 per employee	-
Prescription Deductible	\$50	\$50	-
Prescription Copay	\$15/\$50/\$70	\$15/\$50/\$70	-
Deductible	\$3,000/6,000 \$7,500/15,000	\$3,000/6,000 \$7,500/15,000	-
Voluntary Pharmacy Benefits Program		Optional	-

Street Maintenance Fund Summary of Revenues & Expenditures FY 2021-2022 Budget

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Street Maintenance Fee	\$4,473,528	\$5,343,810	\$5,371,900	\$5,371,900
Contribution from DCOA	997,483	2,000,000	4,028,590	2,000,000
Miscellaneous Revenue	26,612	1,580	1,190	820
Transfers in	1,181,105	1,040,900	1,040,900	1,040,900
Total Revenue	\$6,678,728	\$8,386,290	\$10,442,580	\$8,413,620
EXPENDITURES				
Maintenance	\$503,992	\$1,040,900	\$930,900	\$1,040,900
Other Services & Charges	-	-	110,000	-
Transfers to Capital Outlay Fund	6,996,697	8,000,000	8,250,000	8,320,260
Total Expenditures	\$7,500,689	\$9,040,900	\$9,290,900	\$9,361,160
Net Revenues Over (Under) Expenditures	\$(821,961)	\$(654,610)	\$1,151,680	\$(947,540)
Beginning Fund Balance	3,105,929	3,432,909	2,283,968	3,435,648
Ending Fund Balance	\$2,283,968	\$2,778,299	\$3,435,648	\$2,488,108

Fire Apparatus Fund Summary of Revenues & Expenditures FY 2021-2022 Budget

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Transfers in General Fund	\$1,109,000	\$1,100,000	\$1,100,000	\$1,100,000
Contributions	100,385	-	-	-
Interest	21,015	1,670	1,000	500
Total Revenue	\$1,230,400	\$1,101,670	\$1,101,000	\$1,100,500
EXPENDITURES				
Fire Apparatus	\$1,892,495	\$1,356,000	\$2,490,110	\$84,610
Total Expenditures	\$1,892,495	\$1,356,000	\$2,490,110	\$84,610
Net Revenues Over (Under) Expenditures	\$(662,095)	\$(254,330)	\$(1,389,110)	\$1,015,890
Beginning Fund Balance	3,451,579	829,044	2,789,483	1,400,373
Ending Fund Balance	\$2,789,483	\$574,714	\$1,400,373	\$2,416,263

Police Apparatus Fund Summary of Revenues & Expenditures FY 2021-2022 Budget

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Transfers in General Fund	-	-	-	\$1,100,000
Contributions	-	-	-	311,000
Total Revenue	-	-	-	\$1,411,000
EXPENDITURES				
Police Apparatus	-	-	-	\$780,950
Total Expenditures	-	-	-	\$780,950
Net Revenues Over (Under) Expenditures	-	-	-	\$630,050
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	-	-	-	\$630,050

Notes: The Police Apparatus Fund is presented for illustration purposes only. The funding source has not been included in the proposed 2022 budgets. A tax rate increase of \$.0176 per \$100 would be needed to fund \$1,100,000.

Minor Improvement Fund Summary of Revenues & Expenditures FY 2021-2022 Budget

	Actual 2019-2020	Approved 2020-2021	Revised 2020-2021	Proposed 2021-2022
REVENUE				
Transfers from General Fund	\$3,904,330	-	\$12,837,910	621,231
Transfers from Other Funds	2,522,076	-	43,623	-
Interest income	31,342	-	2,326	1,800
Total Revenue	6,457,748	-	\$12,883,859	623,031
EXPENDITURES				
	\$3,460,549	\$272,870	\$3,352,395	\$3,115,000
Net Revenues Over (Under) Expenditures	\$2,997,199	\$(272,870)	\$9,531,464	\$(2,491,969)
Beginning Fund Balance	2,497,207	3,273,440	5,494,406	15,025,870
Ending Fund Balance	\$5,494,406	\$3,000,570	\$15,025,870	\$12,533,901

All Other Funds
 Other items to be aware of...

- The fleet replacement fund will purchase vehicle replacements as follows: \$1,694,200 for General Fund, \$1,500,200 for Water & Sewer Fund, \$45,000 for the Airport Fund, \$2,130,000 for the Solid Waste Services Fund, and \$82,000 for Stormwater Services Fund. This totals \$5,457,400. All purchases exceeding \$50,000 will require Council approval, and all will meet Council's adopted vehicle replacement policy.
- The American Rescue Plan Act (ARPA) will provide federal funds of \$10,727,981 in FY 2021 and \$10,727,981 in FY 2022 to fight the COVID-19 pandemic and stimulate the economy. The allowable use of these funds is still under interim guidance and final guidance will be issued at a later date. These funds have not been included in the proposed budgets.

DISCUSSION

Council and staff discussed the proposed PD apparatus fund. City Manager Hanna clarified that this was something Council expressed a desire to see several years ago and it would be a separate fund, just like the Fire apparatus fund, that would handle small capital equipment needs, like vests, radios, software, etc. Chief Marcus Dudley spoke about the need for the fund and how they could have used it already, had it been in place. Councilmember Price suggested to go ahead and put in seed money for this account during this budget cycle to get it up and running. The consensus of Council is that this is a needed fund and that it should be funded.

Council questioned how some departments were restructured in this process. City Manager Hanna stated that since the budget document hadn't changed in a very long time, it was time to update everything. Departments have been broken down into programs to better show revenues in and out of each one, in order to be more transparent with where the money is going. Also, some of the departments have been changed to align better with the language in the City Charter. For example, Community Services is now Parks and Recreation, since that is what the Charter calls it.

Council questioned the increase in employee health insurance premiums and how we compare to other employers. City Manager Hanna stated that we still have very competitive health insurance rates. We have a healthy fund balance in the self-insurance fund and are heading in the right direction.

Council questioned why the proposed pay increase for Civil Service employees will be in effect on October 1st, but non-civil service employees will not receive theirs until January 1st. City Manager Hanna stated that it was doable if that is Council's wishes, but that it would entail transferring money out of the Minor Improvement Fund to the General Fund in order to offset the cost. It was the consensus of Council to make this equitable and provide all employee raises on October 1st. Councilmember Beard abstained from this discussion.

SPECIAL CONSIDERATIONS

3. Discussion: Receive a Report and Hold a Discussion and Public Hearing on an Employee Vaccine Incentive Program

Robert Hanna, City Manager, presented the item. City Manager Hanna recently issued an administrative directive incentivizing employees to get vaccinated for COVID-19, by giving them 40 hours of paid time off, if they receive the vaccine before a certain date. Council wished to discuss this before the program going through, since there were some complaints. City Manager Hanna came up with four options that could potentially be implemented: doing nothing, using a lottery system and including those who have already been vaccinated, giving cash (ARPA funds would be used) or providing paid time off.

Annette Lerma, Health Director, spoke about the current state of COVID-19 in Abilene and the State. It was her advice that any kind of an incentive can potentially help slow the spread down and she does recommend implementing something.

Council discussed the various options at length. A few councilmembers expressed their desire to include all vaccinated employees to make it more fair. City Manager Hanna clarified that we could not provide some of these benefits to those who have already been vaccinated, if we were going to use ARPA funds to do that. ARPA funds do not allow for that. But our ultimate goal is to target those who are on the fence about being vaccinated.

It was the consensus of Council that the City Manager have staff prepare some kind of a program with incentive mechanisms to present to Council at a later date.

Mayor Williams opened the public hearing. The following addressed Council:

- David Swart – stated that some think that this will be more like a flu shot and everyone will have to get vaccinated yearly. He thinks it should be a personal choice to get a vaccine, not a bribe, and people who have gotten vaccinated are still getting sick anyway.

With no other speakers coming forward, the public hearing was closed.

This item was for discussion only. No votes or action were taken at this time.

At 10:40 a.m. Mayor Williams recessed into a short break. The meeting resumed at 10:49 a.m.

4. Discussion: Receive a Report and Hold a Discussion and Public Hearing on Potable Water Supply Resiliency Requirements

Rodney Taylor, Director of Water Utilities, presented the item. This item is in response to the February 2021 Winter storm event and Council's desire to see options on resiliency at the Council Retreat in March. The City is currently at a 99.95% effective rate over the last 10 years.

Mr. Taylor introduced Lucy Dunn with Enprotec, Hibbs & Todd, who presented their research into increasing Abilene's resiliency. The TCEQ will be implementing requirements that every city must follow in order to decrease the chances of something like what happened in February happening again. As Abilene currently stands, EHT thinks that we are in compliance with these new changes. Ms. Dunn did present Council with a few options to increase the resiliency rating: standby power generators, microgrids, and engine-driven pumps. They identified 14 critical facilities within the city and a cost breakdown of three different options to provide backup to all or some of those facilities.

Council discussed the various options at length, including switching one of the water treatment plants to a different energy provider like Taylor Electric, and how any of these changes could have helped the situation in February.

Mayor Williams opened the public hearing. The following addressed Council:

- David Swart – thinks that 99.95% effective is really good and you can't always plan for everything. He thinks just the cost for this presentation alone was probably a lot and we should just stick with what we have. Mr. Swart stated that in his opinion, the only option worth exploring would be switching to two different utility providers like AEP and Taylor.

With no other speakers coming forward, the public hearing was closed.

It was the consensus of Council to see what the TCEQ says about our current resiliency before moving forward on this and to see what our option would be for using some kind of federal money to help with this.

This item was for discussion only. No votes or action were taken at this time.

ORDINANCES

5. Consider on First Reading - Ordinance Approving Revised 2020-2021 Budget

Mayor Williams opened the public hearing. With no speakers coming forward, the public hearing was closed.

Mayor Pro-tem McAlister moved to approve the item as presented. Councilmember Price seconded the motion; motion carried.

AYES (7): Mayor Williams, Mayor Pro-tem McAlister, Deputy Mayor Pro-tem Craver, and Councilmembers Price, Beard, Albus and Hurt
NAYS (0): None

Councilmember Beard had conflicts and abstained from voting on accounts 5025 - Child Advocacy Center, 5070 - Victim Advocacy, and 6060 – Aviation and Airport Operating Fund. A Conflict of Interest Affidavit was filled out before the meeting and filed with the City Secretary's office.

6. Consider on First Reading - Proposed 2021-2022 Budget

Mayor Williams opened the public hearing. The following addressed Council:

- David Swart – urged Council to keep the budget for senior services the same, and use that money to offset other expenses in that area. Urged those listening to call the Mayor's office to complain about it.

With no other speakers coming forward, the public hearing was closed.

Mayor Williams moved to approve the item as presented, with changing the raises for non-civil service employees to go into effect on October 1st, using money from the General Fund and MIP fund, and also using money from the MIP fund to seed the police apparatus fund. Councilmember Hurt seconded the motion; motion carried.

AYES (7): Mayor Williams, Mayor Pro-tem McAlister, Deputy Mayor Pro-tem Craver, and Councilmembers Price, Beard, Albus and Hurt
NAYS (0): None

Councilmember Beard had conflicts and abstained from voting on accounts 5025 - Child Advocacy Center, 5070 - Victim Advocacy, 6060 – Aviation and Airport Operating Fund, and anything regarding raises for non-civil service employees. A Conflict of Interest Affidavit was filled out before the meeting and filed with the City Secretary's office.

7. Consider on First Reading - Ordinance Setting Tax Levy

Mayor Williams opened the public hearing. The following addressed Council:

- David Swart – urged Council to keep the current tax rate and use that money to set the wheels in motion for a new fire station. He stated that it takes a long time to get those kinds of things started and he thinks by doing this now, we can get something the public really needs.

With no other speakers coming forward, the public hearing was closed.

Councilmember McAlister moved to keep the tax rate at the current level. There was no second. Motion died.

After discussion, Councilmember McAlister moved again to keep the tax rate at the current level. Councilmember Albus seconded the motion. Motion failed.

AYES (3): Mayor Pro-tem McAlister, Deputy Mayor Pro-tem Craver, and Councilmember Albus
NAYS (4): Mayor Williams, and Councilmember Price, Beard and Hurt

Councilmember Price moved to approve the item as presented, setting the tax rate at \$0.7851. Mayor Williams seconded the motion. Motion carried.

AYES (6): Mayor Williams, Mayor Pro-tem McAlister, Deputy Mayor Pro-tem Craver, and Councilmembers Price, Beard and Hurt
NAYS (1): Councilmember Albus

8. Consider on First Reading - Ordinance adopting fees and charges for FY 2021-2022

Mayor Williams opened the public hearing. With no speakers coming forward, the public hearing was closed.

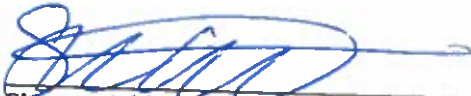
Councilmember Hurt moved to approve the item with the modifications discussed during the meeting. Deputy Mayor Pro-tem Craver seconded the motion; motion carried

AYES (7): Mayor Williams, Mayor Pro-tem McAlister, Deputy Mayor Pro-tem Craver, and Councilmembers Price, Beard, Albus and Hurt
NAYS (0): None

ADJOURNMENT

Because the budget workshop was completed and scheduled ordinances adopted at first reading, the public was informed there was no need to meet on Wednesday, July 28th, or during the regular City Council meeting on Thursday, July 29th for the budget.

The meeting adjourned at 11:41 a.m.


Shawna Atkinson
City Secretary


Anthony Williams
Mayor

Minutes approved on: August 12, 2021