

SPECIAL SESSION, SEPTEMBER 25, 2014, 5:30 P.M.

The Mayor and City Council met in Special Session on Thursday, September 25, 2014 at 5:30 p.m. for the second and final Public Hearing on the proposed budget for FY 2014/2015 with the following members present: Mayor Diaz, Council Members Robinson, Lee, Garcia and Gonzales; City Manager Squyres, City Attorney DeFoyd and City Secretary Raines. Council Member Rivas absent.

Mayor Diaz stated this meeting was the second and final Public Hearing on the proposed budget for FY 2014/2015 and turned the floor over to City Manager Squyres.

City Manager Squyres went over the proposed budget summary for General Fund stating that the anticipated income was \$5,081,588 and we also had tax funds dedicated to go to our Interest and Sinking Fund which pays the debt or what we refer to as the bond payment of \$481,302 making a total of \$5,562,890 General fund income for the year.

He went over general fund expenditures by department, stating that it was a total of \$4,932,594 for all departments and the difference between our income and expenditures this year in general fund was \$148,994. He stated that we already knew of some expenses that we would be putting into that which we would be asking the council to use some of those funds, foundation repair at city hall along with several things they had expressed needing in the recreation department.

City Manager stated that on the income side in the Water Fund or Enterprise Fund which was a stand alone fund which supplied water, sewer and garbage pickup and that income was \$2,849,231 and he went over the expenditures by department stating that total projected expenditures were \$2,847,550 leaving income less expenditures at \$1,681.00. He stated that we were in the black in that department and were not anticipating the proposal of any amendments to the Water Fund.

He went over the summary for the Debt Service Fund or Interest and Sinking Fund and we see that same \$481,302 dollars and that was our bond payment and we had just as much being taken from taxes as the payment so it was a wash.

Mr. Squyres stated that we had a couple of interesting things this year, that we saw a pretty significant change in our insurance, our current insurance policy did not meet the Affordable Care Act standards and we would have had to change it next year and because of that we took a new policy which is the best plan that our current carrier offers for small organizations so we went from a PPO with a 90/10 plan to a PPO with a 80/20 plan and

with the council deciding to make that move saved the city right at \$184,000 a year and discussed the saving this would be for the employees who carry their families as well. He stated that was the biggest line item change in the budget this year and we did have one other significant increase and that was our Worker's Compensation and part of that was due to the two significant losses we have had which stay on your record for three years from the time of loss and we had a 51% increase on that item.

He stated that we were going to be doing some training about injury prevention, etc. to try to negate that by the end of the three years.

There were no questions from the council.

Public Comments:

Robert Hernandez, 10245 Chadwick, ask about the \$2.00 charge for EMS on the water bill and what department did it go to and was it considered revenue for that department.

Mr. Squyres advised that any revenue taken in by the city went into general fund, that it didn't go directly to any department, it was revenue generated by that department and referred to a chart that he had provided at one of the budget workshops showing what revenue was generated by each department.

Mr. Hernandez stated that he noticed that we had a cell phone tower on our water tower and ask if that was several companies or just one company and was advised that it was two companies. Mr. Hernandez ask if the city had ever considered allowing the water tower to be used for advertisement to generate revenue.

Mr. Hernandez ask what were the plans for the truck sitting at the fire station, had they considered selling it to raise revenue.

Mr. Squyres stated that it probably would not raise much revenue, that he and Kyle were looking at it now and were going to move it to the barn to see if they could repair it, that it had a starter problem. He advised that the truck was a Korean war vintage truck so they were talking to the Federal Administration that has those to see if we could do a little trade and upgrade to something newer that could be put back into service.

Mr. Hernandez ask if when our police officers go to testify in court were they paid their regularly hourly salary or was that overtime and how did that affect the budget.

Mr. Squyres advised that they were paid, that we tried to limit overtime where we could but he was sure that at times overtime was required for that.

Ms. Dee Maner stated that she was probably going to ask questions that had already been answered because she hadn't been to any of the hearings but she had spoke with Mr. Robinson about the need for door to door recycling and she was wondering if that was addressed in the budget, as they well know, the State spends millions of dollars trying to educate our children to recycle and we have no way to recycle anything except newspaper and she would love for us to look into recycling and discussed a study that she had done on it and if we went to a one day a week garbage pickup that would cover the cost and everyone says we can't do that but they were wrong because if you recycled you garbage would go down to almost nothing because she does it herself and she just wondered if it had been addressed.

Council Member Robinson advised that it was not addressed in this budget, that we had a trash contractor that we were going to be looking at in the near future and to him that would be the time to address it and have meetings to let the people know that was what we were going to try to do and get input from them, that he had talked to some people and advised them how we do it and ask them to run him some numbers so we would have some idea of what we were looking at.

Ms. Maner stated that she would love to do anything she could to help with it.

Mayor Diaz adjourned the public hearing at 6:49 p.m..

Respectfully submitted,

A handwritten signature in cursive script that reads "Joyce Raines".

Joyce Raines
City Secretary