

CITY OF HORSESHOE BAY

CITY COUNCIL WORKSHOP

July 7, 2008

The Council of the City of Horseshoe Bay held a Public Meeting to conduct a Budget Workshop at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, July 7, 2008, in accordance with duly posted notice of said meeting. Mayor Bob Lambert called the meeting to order at 9:00 a.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor
James E. Babcock, Mayor Pro Tem
John Bird, Alderman
Claudia Haydon, Alderwoman
Richard Rantzow, Alderman
Jeff Robinson, Alderman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Bob Lambert called the budget workshop to order at 9:00 a.m. with a quorum present.
2. Convene Budget Workshop: City Manager, Stan Farmer addressed the Council telling them the budget as presented today is a working document. He stated the City has asked for quotes on the health insurance renewal from three companies due to anticipated increases in premiums. Each department head then went over their portion of the budget and capital projects for FY 2008/2009.

Administration Manager, Toni Vanderburg stated she has a telephone system upgrade and office furniture in her portion of the capital expenditures draft budget; however she believes there are funds remaining in this year's budget to cover the phone system. There is a possibility she will leave this amount in the budget for general equipment replacement. The chairs in the Administration department are several years old and need upgrading and this is in the capital expense budget as well. Alderman Babcock asked about the possibility of additional space needed in City Hall and whether something should be in the budget for an architect. Mr. Farmer said the Utilities Manager has moved his office to the Central Water Plant Administration building and that freed up needed space in City Hall and he does not feel anything needs to be included in the budget this year.

Eric Winter, Development Services Manager, said his department has seen a significant increase in building inspections and he proposed adding one position to his department for a Building Inspector. This work is currently done by contract. If the position is added the employee will also handle compliance inspections. Mr. Winter stated the work load is already enough to fill next year. Mr. Babcock requested he rework the permit and inspection fees of his department in order to generate revenue to cover all expenses including employee costs.

Police Chief, Bill Lane stated his department is seeing an increase in activities with more misdemeanors but fewer felonies. They currently have five patrol cars and they are driven approximately 30,000 to 35,000 miles per year with a life expectancy is 4 years. He believes the change from Crown Victorias to Expeditions was a good one due to the fact they should have a longer life expectancy which will offset the lower gas mileage. The Council expressed concern over the rising gas prices and recommended increasing his proposed budget line item for fuel from \$59,000 to \$70,000. Chief Lane said last year Council agreed to add two positions in FY 07/08 and one additional position per year to the police department for four years; however he is not requesting any additional personnel this year.

Fire Chief, Jim Fiero said the Fire Department has applied for a SAFER grant to pay for additional personnel. Council decided to budget matching funds from the General Fund contingency line item in the event the grant is approved. Last year one additional position was added October 1, 2007 and there was money in the budget to add two additional personnel at mid-year; however City Manager Farmer suggested part-time firefighters could be utilized to fill the anticipated 200 vacant shifts due to personnel training, vacations, etc. This is currently in the early stages of implementation. Mayor Lambert said he would also like to see the part-time firefighter program be developed further. Chief Fiero also proposed the approved position of Assistant Fire Chief be filled by one of the current lieutenants and the vacated lieutenant position could be filled by one of the current firefighters. The Assistant Fire Chief would still be available during working hours to assist with firefighting duties. Council asked for a presentation by Chief Fiero on the Assistant Chief position. These numbers are included in the proposed budget. The Council recommended increasing the fire protection gear and uniforms line items to sufficiently cover the needs of the part time firefighters.

3. The meeting was adjourned for a recess at 10:58 a.m. and was reconvened at 11:07 a.m. at which time City Manager Stan Farmer addressed the Council regarding the Utilities Department budget. He proposed making the Animal Control position full time due to the increased demand of the job and use two Field Utility personnel to read meters. He added the cost to customers for solid waste service will increase by the \$1.14, which is the amount of Allied Waste's increase to the City. The pilot Automated Meter Reading (AMR) system is in the Capital Expense budget; however, the Council asked to be consulted before commitments were made for these funds.

Mayor Lambert stated the report from the consultant regarding the merit program for wages should be ready by the second budget workshop August 19. Council also discussed the possibility of a one time stipend or converting to a four day work week to help employees with the increase in fuel costs. No decision was made regarding this suggestion.

Mayor Lambert advised the Council that they would need to set the preliminary tax rate at Tuesday's Council meeting. The City has received preliminary tax information from the Llano and Burnet Appraisal Districts and this amount will be adjusted downward through the appeal process. The preliminary taxable value as of January 1, 2008 is \$1,444,000,000. Mayor Lambert suggested a tax rate of \$0.35/100 be considered. Council unanimously agreed on this amount. Based on this conclusion the final tax rate can be \$0.35/\$100 or lower.

4. Adjournment: There being no further discussion, a motion was made, seconded, and passed to adjourn the meeting at 1:21 p.m.

