

**SPECIAL CALLED MEETING  
City Council  
August 11, 2020**

The City Council of the City of Brownwood, Texas, met in a Special Called Meeting on Tuesday, August 11, 2020, at 4:00 p.m., at the Adams Street Community Center, Auditorium, 511 E. Adams, Brownwood, Texas, with the following members present:

<b>Stephen E. Haynes</b>	:	<b>Mayor</b>
<b>H. D. Jones</b>	:	<b>Councilman – Ward 1</b>
<b>Ed McMillian</b>	:	<b>Councilman – Ward 2</b>
<b>Larry Mathis</b>	:	<b>Councilman – Ward 3</b>
<b>Draco Miller</b>	:	<b>Councilman – Ward 4</b>
<b>Walker Willey</b>	:	<b>Councilman – Ward 5</b>
<b>Tim Airheart</b>	:	<b>Asst. City Manager Public Works</b>
<b>Emily Crawford</b>	:	<b>City Manager</b>
<b>Walter Middleton</b>	:	<b>Finance Director</b>
<b>Melanie Larose</b>	:	<b>Asst. Finance Director</b>
<b>Christi Wynn</b>	:	<b>City Secretary</b>

with no members, absent constituting a quorum of the City Council.

**CALL TO ORDER:** Mayor Haynes called the meeting to order.

**BUDGET WORK SESSION:**

Mrs. Crawford went over the factors affecting the 20/21 budget.

**REVENUE:**

Property Tax: We are proposing a decrease in the property tax rate from \$.7869 per \$100 valuation to \$.7448. This is the lowest tax rate since 1996. It is a reduction of 4.21¢ or 5.4%. The proposed rate is the No-New-Revenue tax rate (the old effective tax rate) which means we are not increasing our tax revenue over the prior year. We will not be required to hold any public hearings on the tax rate. A residence valued at \$108,795 (average residential value this year) would see their City property tax go from \$856 to \$810 per year.

Sales Tax: Because of the uncertainties related to the COVID-19 crisis, we are not projecting any increases in the sales tax budget and have built in a small cushion for potential reductions. We have set the FY 20/21 budget at \$5,671,000 which is a decrease of \$34,358 over FY 19/20.

Water Revenue – Consumption Rate: There are no increases being proposed to the water consumption rate even though the BCWID increased our wholesale treated water rate by 3%. This added \$46,650 in cost that we are absorbing into the current budget. To project consumption revenue for the next fiscal year, we used a five-year average. The proposed

water revenue budget is 3.6% higher than the FY 19/20 budget or \$218,790 because of increased consumption.

Base Rate: No increases are being proposed.

Sewer Rate: No increases are being proposed.

Sanitation Revenue: No increases are being proposed.

Landfill Gate Rate: No increases are being proposed.

Landfill Revenue: The FY 20/21 budget includes \$305,000 for guaranteed buybacks of an articulated dump truck and a wheel loader.

#### **EXPENSES:**

Pay Raises: No pay raises are being proposed.

Meet & Confer: No negotiations took place at the request of the Associations.

Bonus: The FY 20/21 budget includes \$215,000 to go toward a one-time bonus for all city employees.

Fleet Replacement: Phase 3 of the Enterprise fleet replacement program will replace 20 vehicles in the current year, including 4 Tahoe police vehicles and 16 in the white fleet. The budget will increase by \$133,331 for the lease payments with \$40,000 coming back in from the sale of old vehicles.

Police: The FY 20/21 budget includes several significant changes from the prior year. These are as follows:

- 1) The bonds on the Joint Law Enforcement Center (JLEC), which we co-fund with Brown County, will pay off in September 2020. This will save \$240,000 to the FY 20/21 budget.
- 2) The contract with Brown County for the funding of the JLEC included a provision for the City to provide central dispatching services for the County in return for the County providing jail space for City misdemeanor prisoners. This provision will not be renewed. The City will pay the County \$38,325 per year for dedicated jail space.
- 3) A new Central Dispatch agreement will provide for a cost sharing agreement with Brown County, Early, and Bangs, for the costs associated with central dispatch including payroll, benefits, capital, and other costs. This will move those costs and the funding out of the Police Department into a new joint venture fund.
- 4) Revenue items totaling \$230,000 for cost-sharing arrangements, for 911 call-takers and School Resource Officers have been reclassified as reimbursements rather than revenue. This reduces the total General Fund revenue and reduces the Police Department budget correspondingly.
- 5) A major radio infrastructure and capital replacement project added \$153,000 to the budget for debt service and annual service fees. This is a joint venture and shared expense between Brown County, Early, and Bangs.

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Community Subsidies: The City share of the cost for providing the Senior Citizens program (\$203,149 for FY 20/21) has been budgeted in the Community Subsidy account. This is being moved to Community Facilities to more accurately reflect the nature of the expense as providing a service funded jointly with Brown County, rather than a subsidy for an independent program.

Street: The Street Rehab budget was increased from \$240,000 to \$300,000.

Public Works: The City Engineer position has been eliminated from the budget. The professional services required from this position will be contracted instead.

Budget Amendments: The budget process began with Department Head requests, which resulted in a beginning deficit of \$947,838. After meetings, with Department Heads, expenditure requests were cut by \$1,134,885 and revenue was adjusted downwards by \$187,047. This resulted in a balanced budget.

Budget Totals: The proposed FY 20/21 budget is \$36,088,926. This is a reduction of \$191,942 from the FY 19/20 budget of \$36,280,868. The budget is being reduced by .53%.

Assistant Finance Director, Melanie Larose, went over the summary budget, and tax rate history.

Street Department Plan:

Assistant City Manager of Public Works, Tim Airheart, discussed a reorganization plan for the Street Department. His recommendation was to cut two positions, focus on street maintenance, and re-assign three people to become a concrete crew to do minor sidewalk and curb and gutter repair. Under this option, the department would still be able to operate a seal coat crew. Major construction projects such as Duckhorn Town Ranch and Milam Drive would be contracted. This option includes a 5% pay increase due to changes in job requirements and increased workload. This option allows for budget funds to be re-allocated to increase the street maintenance and construction budget. It gives us the most flexibility in the event we choose to go back to constructing roads. It also provides for a concrete crew that will enable the department to repair small sections of curb and gutter, sidewalks, and handicap ramps which are desperately needed in Downtown and older parts of town. Mr. Airheart stated that this plan could allow seven miles of seal coat to be done per year and would allow a ten-year plan for all streets to receive seal coat. There is currently one vacant position. This plan would eliminate one current position, but we would give opportunities to transfer to another department, if available.

Airport Plan:

Mr. Airheart went over an Airport Reorganization plan with a goal to reduce the overall Airport budget through reductions in personnel and hours of operation. Mr. Airheart discussed the following: One part-time Service Person position that is currently vacant will be eliminated. One part-time Service Person position will be moved to Development Services. The shedding of the 455.51-acre Airport infield will be taken over by Development Services. Airport staff will continue to mow around buildings, the airport

entrance, and Smith-Blagg road. The Airport has enough staff and equipment to continue mowing these areas. The Airport tractor and the payments will be transferred to Development Services. The Batwing mower will remain at the Airport as it is too large to mow city right-of-ways. The Airport had been operating from 7:00 a.m. until 8:00 p.m. daily. Effective August 3, hours were changed to 7:00 a.m. until 6:00 p.m. Monday through Friday and 7:00 a.m. until 3:00 p.m. on weekends. Mr. Airheart discussed the benefits to include: A reduction of salaries at the Airport of \$17,696. A reduced fuel cost of \$5,100 for mowing. Further reduction of capital by transferring of the tractor note payment of \$11,672 to Development Services. The Development Services tractor currently has a bad piston and will need to be replaced. The engine has been replaced already and parts are hard to find. This will save the City \$60,000 for a replacement tractor. By consolidating the right-of-way mowing to one department, it will streamline the process. A reduction in hours at the Airport will mean employees' hours will overlap. This will allow greater flexibility for management to get projects completed quickly. We anticipate savings in overtime, but do not know until we operate under the new hours for some time. FedEx and UPS are aware of the changes and have agreed to work with the Airport Manager.

Public Works Department Plan:

Mr. Airheart went over a Public Works Department Reorganization with a goal to streamline and reduce the overall Public Works budget through reductions in personnel cost. Mr. Airheart discussed the following: The position of City Engineer is vacant. We posted the job for a few months but did not receive any acceptable applicants. The department has included in its budget \$25,000 for outside engineering costs associated with plan review and stamping work performed by staff. The savings will amount to \$122,781 minus the \$25,000 budgeted for an outside engineer or \$97,781. The Human Resources receptionist position was vacated, and the HR Director determined that he did not need to replace this position. However, handling the incoming calls was not manageable by one person. Lisa Collins was moved to the first floor and will keep her original duties, providing administrative support to Public Works and the Planning and Zoning Secretary. The estimated savings to HR is \$23,000. Mr. Airheart has moved into the former City Engineer's office to supervise the engineering staff and provide easier access to the other departments he supervises. The total savings for these items are \$120,781.

Police Department Changes:

City Manager Crawford went over the significant changes to the Police Department Budget to include: Removing the joint dispatch place holder taken from JLEC payments to County. Removing payroll and benefit costs for all 16 dispatchers to move them to a joint venture fund. Adding the City's share of costs for dispatcher payroll in the new fund, this would be transferred from PD to the new fund. Reclassify Brownwood Independent School District subsidy from revenue for their share of the School Resource Officers (SRO's) as a negative expense. Add bond payments estimate for the new radio project. Add LCRA annual services fees for the new radio project.

Enterprise Fleet Program:

Mr. Airheart discussed the Enterprise replace vehicle program. This will be the third year for replacements. We will need two more years to completely replace all of our fleet.

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New Logo:

Mrs. Crawford spoke about the expenses of the new logo. There is a line item in the Council's budget for uniforms, shirts, and vehicle wraps to be completed. Business cards and letterhead can be ordered from individual budgets.

Senior Citizens Center Expansion:

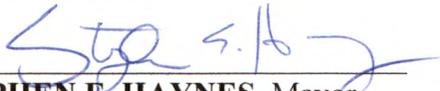
Mrs. Crawford stated that due to the savings to the Senior Citizens budget because of COVID grant funds, there is an excess of \$85,000 in their budget. The Director of the Senior Citizens Program, Angie Dees, requested the funds be used for an expansion of the building so that it does not have to be budgeted through the annual budget.

Employee Bonus:

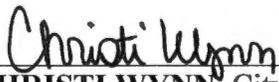
Mrs. Crawford discussed giving employees a bonus. There is \$215,000 budgeted for this item. There was discussion about how to distribute the funds, either through a tiered process or across the board increases. Mayor Haynes stated that he felt that should be an administrative decision.

**ADJOURNMENT:**

Mrs. Crawford announced that we will meet again on August 13<sup>th</sup>, at 6:00 p.m. to have another budget workshop. Mayor Haynes declared the meeting adjourned.

  
STEPHEN E. HAYNES, Mayor

**ATTEST:**

  
CHRISTI WYNN, City Secretary