

**CITY OF INGLESIDE
MINUTES
SPECIAL CITY COUNCIL BUDGET WORKSHOP
AUGUST 29, 2016
6:00 P.M.**

1. Call meeting to order

The meeting was called to order at 6:02 p.m. with Mayor Pro-Tem Oscar Adame presiding. Council Members present: Mayor Pro-Tem Oscar Adame and Council Members Ben Tucker, Bill Underbrink, Dennis Knippa, and Steve Diehl. Council Members absent: Mayor Luis Lamas and Council Member John Schack. Staff present: Acting City Manager Florencio Pena, Finance Director Paul Baen, and City Secretary Kimberly Sampson. There were 2 guests.

2. Presentation by Staff of the 2016-17 Annual Budget (Operating and Capital) reflecting City Council direction at budget workshops and further consideration and actions with regards to the proposed 2016-17 Annual Budget.

Acting City Manager Florencio Pena provided a summary of revisions to the draft FY 2016/2017 Budget to include items requested by Council and Staff. This draft includes a 2.5% cost of living increase and an ad valorem tax rate of \$0.6025/\$100 value. The cumulative changes produce a deficiency of \$206,118 that can either be drawn down from fund balances or the Council can make adjustments to the budgeted amounts to provide create a net surplus.

Motions to make adjustments to the draft budget were as follows:

Council Member Underbrink made a motion to remove the suggested new Drainage Department staff member; and was seconded by Council Member Tucker. The motion was approved unanimously.

Council Member Diehl made a motion to remove all adjustments for a potential City Engineer (staff, office equipment, assessment, and reduction of annual engineering fees) to be reviewed again at mid-year; and was seconded by Council Member Underbrink. The motion was approved unanimously.

Council Member Diehl made a motion to set up a Street Reconstruction Fund to be funded by (1) a reduction of the proposed Council Contingency Funds by \$100,000 (leaving \$90,000 for Council Contingency) and (2) the net margin of the Solid Waste Revenues/Expenses by approximately \$150,000; and was seconded by Council Member Underbrink. The motion was approved unanimously.

Council Member Underbrink made a motion to draw down a balance of \$500,000 from the anticipated end of year balance by \$500,000 for the newly created Street Reconstruction Fund and was seconded by Council Member Diehl. After discussion that this would show a deficit balance of the proposed budget, Council Member Underbrink withdrew his motion.

Council Member Underbrink made a motion directing the staff to bring back a budget adjustment (September 13, 2016) to use \$500,000 of the current FY 2015/2016 Capital Funds to establish the newly created Street Reconstruction Fund; and was seconded by Council Member Diehl. The motion was approved unanimously.

Mayor Pro-Tem Adame recessed the meeting for a short break at 8:00 p.m.

Mayor Pro-Tem Adame reconvened the meeting at 8:13 p.m.

Council Member Underbrink made a motion to remove the Capital Items from the FY 2016/2017 budget draft and that these items be reconsidered during the mid-year review; and was seconded by Council Member Diehl. The motion was approved unanimously.

Council Member Underbrink made a motion directing staff to bring back to Council a Resolution to adopt a Purchasing Policy that includes a maximum City Manager approval of \$10,000. The motion died for lack of a second.

Council Member Underbrink made a motion directing staff to bring back to Council a Resolution to adopt a Purchasing Policy that includes a maximum City Manager approval of \$25,000; and was seconded by Council Member Diehl. The motion was approved unanimously.

Council Member Knippa made a motion to remove the additional Detective position from the proposed Police budget and was seconded by Council Member Tucker. The motion was approved unanimously.

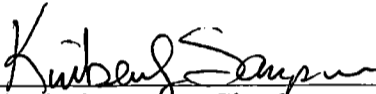
Mr. Pena reminded the Council of the First Public Hearing of August 30, 2016; Second Public Hearing of September 6, 2016; and the proposed adoption of the FY 2016/2017 budget scheduled for September 13, 2016. Changes to the budget can be made anytime during this process.

3. Adjourn


There being no further business, the meeting was adjourned at 9:10 p.m.

ATTEST:

APPROVED:



Kimberly Sampson, City Secretary



Mayor Pro-Tem Oscar Adame