

MINUTES OF SPECIAL  
CITY COUNCIL MEETING HELD  
AUGUST 15, 2019

The City Council of Olmos Park, Texas held a special meeting on August 15, 2019 commencing at 5:00 p.m. in the Council Chambers at City Hall. Mayor Ronald Hornberger presided and Council members present were, Juliana Dusek, Erin Harrison, Kenyon McDonald, Sharon Plant and Deanna Rickabaugh. Staff present was City Manager, Celia DeLeon; City Secretary, Diane Gonzales; Police Chief, Rene Valenciano; Fire Chief, Michael Goodreau and Public Works Director, Gilbert DeLeon. Also present was CPA, Cynthia Barr.

Mayor Hornberger called the meeting to order at 5:02 p.m. and determined a quorum was present.

Mayor Hornberger wanted to thank Kenyon McDonald for filling in for him since he was out since the end of May. He also wanted to thank the City Manager for going beyond of her scope of work for the last three months.

Citizens to be heard: This time is provided for citizens to address the Council on issues and concerns. No action can or will be taken on issues raised under this portion of the meeting. Please state your name and address for the record and limit your remarks to a period not to exceed three minutes.

There were no citizens to be heard.

Discussion on FY2020 Budget, the current Olmos Park fee schedule and 2019 Tax Rate and set Public Hearing dates on the proposed Tax Rate and Public Hearing date for Municipal Fiscal Year 2020 Budget; take possible action

City Manager DeLeon stated our Accountant, Cynthia Barr is here to assist with the budget. A revised Proposed FY2020 Budget was handed out because this is the first year, the tax freeze goes into effect and the Effective Tax Rate calculation on the worksheet was inflated. The tax rate calculation worksheet provided only the 2018 tax freeze eligible amounts and did not include the 2019 figures. Bexar County acknowledged the first year of the tax freeze the effective tax rate is usually inflated. They said they had the same problem with another city last year so that is why we received the \$0.59 effective tax rate in comparison to last year's tax rate of \$0.42. After discussions with Bexar County Appraisal District, City Attorney and our Financial Advisor, The City Manager proposed a tax rate of \$0.43. The revised budget Council received today includes the \$0.43 rather than the \$0.59 on the first draft budget.

Councilwoman Rickabaugh moved to accept the proposed budget with the Effective Tax Rate of \$0.434363, with the Maintenance and Operation rate of \$0.345241 and I&S rate of \$0.089122 Councilwoman Plant seconded the motion.

The vote in favor of the motion was unanimous

City Manager DeLeon stated we will have a FY202 Budget public hearing at the September regular meeting.

Tax Rate Information:

The City has received the 2019 valuations of \$519,096.715 with senior freeze taxable of \$207,945.987.

Mayor Hornberger stated approximately 30% of 2018 total evaluation are subject to the tax freeze.

City Manager DeLeon stated \$5,332,570 is the frozen property value with the senior tax freeze. Based on the 2019 valuations that were received in July and this **proposed** M&O rate \$0.345241 will generate \$1,792,135 in revenue. With the senior freeze taxable valuation amount the revenue will be \$868,887, for a total revenue of \$2,661,022. Due to the tax freeze our Financial Advisor determined that we lost approximately \$18,663 in revenue this year.

The **Proposed Tax Rate:**

M&O= \$0.345241  
I&S= \$0.089122  
Total = \$0.434363

Councilwoman Plant asked is the rollback rate still correct?

City Manager DeLeon stated yes and this rate **will not** require two public hearings.

City Manager stated Bexar County provided the **Effective Tax Rate (ETR)** which is the total tax rate needed to raise the same amount of property tax revenue from the same properties in both the 2018 tax year and the 2019 tax year:

M&O= \$0.502726  
I&S= \$0.089122  
Total = \$0.591848

This rate **will not** require two public hearings. However, anything above this rate will require two public hearings.

However, last year's senior taxable values that qualified for a tax limitation are excluded from this year's calculations. Next year, they will use this year's senior taxable values that qualified for a limitation which will give us a more solid effective tax rate. The outcome is the ETR above is inflated and it is unnecessary to go this high on our rate, therefore we will not use this ETR.

The **Rollback Tax Rate** which is the highest rate the City may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate is:

M&O= \$0.539182  
I&S= \$0.089122  
Total = \$0.628304

The effective tax rate is two portions one is the maintenance and operations and the second is the I&S portion of the rate is to pay your debt and the bonds will be paid off on August 2021. The M&O rate will generate \$2,798,877. This is \$189,243 more revenue than the ETR will generate. This rate **will** require two public hearings and the Tax Freeze revenue will not change \$868,887.

Councilwoman Plant recommended moving \$100,000 from the General Fund to the Sewer Fund. There is not enough money in the account to take care of what we are going to have to do.

City Manager DeLeon stated she will ask the auditors and if can transfer GF surplus funds into the Sewer account, if so, it will come back as a budget amendment.

**City Engineer's Infrastructure Maintenance Recommendations:**

City Manager DeLeon stated she has included in this budget the following:

- Street maintenance projected costs are \$288,390 to be paid from Capital funds \$189,000 and Special Fund (street repairs) \$100,000.
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- Clean and Inspect 1 mile of sewer line projected costs are \$68,810, the costs to be paid from Sewer Funds.
- Sewer Point Repairs projected costs are \$72,000 to be paid from Sewer Funds \$72,000.
- All costs listed above include engineering fees.
- Street and Drainage Study \$6,000 to be paid from the General Fund.
- Storm Water Program is a TECQ Program and \$20,000 is to be paid from the General Fund, this is on-going annual cost.

#### Medical

City Manager DeLeon stated Councilwoman Plant, Mayor Pro Tem McDonald, City Secretary and herself sat in a meeting with our Insurance Brooker and the renewal rates decreased 3.2%. The City covers the employee's premium costs at 100% for medical (the higher deductible) and dental, as they have since 1999.

The committee's recommendation is that we accept our provider's renewal for medical coverage and change the dental, life insurance and vision to MetLife to take advantage of the bundling savings.

#### TMRS:

City Manager DeLeon stated the Municipal rate contribution is 3.82%.

#### GENERAL FUND #10

City Manager DeLeon stated there were no significant changes or increases.

#### Court 2 employees

No special requests and no significant changes or increases.

#### Police Department: 14 employees

City Manager stated we have a surplus this year in the General Fund of approximately \$539,758 and like we did last year we allocated a lot of the surplus to buy equipment that the departments are requesting. The Police Department is asking for the following:

- 2019 PURCHASE: a new patrol vehicle \$49,000 (turn-key). This item is being purchased this year with the GF surplus funds.
- 2019 PURCHASE: replace the current body cameras for a cost of approximately \$5k. This item is being purchased this year with GF surplus funds.

- 2019 PURCHASE: and additional \$14,000 on uniform line item for body armor and the current body armor they use only stop a hand gun and will not stop a rifle so they need to upgrade the body armor. This item is being purchased this year with the GF surplus funds.
- 2019 PURCHASE: upgrade the detention cell camera \$4,500 and this will be stored on the cloud. This item is being purchased this year with GF surplus funds.
- 2019 PURCHASE: replace two computers for \$3,065 that are running on Windows 2007 and need to be upgraded and miscellaneous equipment \$1,750 is GPS equipment for the vehicle. This item is being purchased this year with GF surplus funds.

Councilwoman Plant stated the car that the Police Department is trading in the trade in revenue should go back in vehicle reserves.

Fire Department: 13 employees

- 2019 PURCHASE: Fire Department flooring needs to be striped and refinished at a cost of \$7,000.

City Manager stated the Fire Department is going to do the majority of the work. They need to clean out the gout in between the seams and will do all the cleaning up so the company will just come in and do the work. This item is being purchased this year with the GF funds.

- 2019 TRANSFERS: allocating \$10k in Fire Reserves Mandates – bunker gear and 50k in Fire Truck Reserve for a future truck. This item is being purchased this year with the GF surplus funds.

Councilwoman Plant asked are we putting any more money into our Emergency Account this year?

City Manager DeLeon stated no, the current balance is \$750,000.

Councilwoman Plant recommended adding another \$50,000 for a catastrophic event to keep us operating. We are over the recommended amount now but we need to have a reserve.

Public Works Department: 6 employees

- 2019 PURCHASE: Public Works Department has requested a new pick-up truck in the amount of \$35,000 with a trade in of the current pick-up truck.

The City Manager stated we have a bidding war between different dealers and her recommendation is the vendor who the Police Chief does business with Jordan Ford with the Patrol Cars and they brought in the lowest bid of \$26,443.00. This item is being purchased this year with the GF surplus funds.

Councilwoman Plant stated as far as the trade in goes we will take the truck down to Jordan Ford with the maintenance records. There is also a black truck that was a confiscated vehicle that the Police Department seized and the City has been using it for several years and Gilbert DeLeon uses it from time to time. She talked to one of her friends who worked at a dealership and stated this one may get auctioned at \$1,200 because it has so many miles on it. The Public Works truck only has about 90,000 miles on it and the interior is not great but he would buy it for

\$5,000, which means at auction he would probably get about \$7,000 for it. She recommended having the Police Chief to see if Jordan Ford will give us the same amount on a trade in, if not to sell it out right.

Gilbert DeLeon stated it has approximately 66,000 miles and is a 2007.

City Manager has already instructed them that we will not take less than \$5,000.

Councilwoman Plant stated the Police Chief was going to check to see if they will add a bed liner and recommends changing the \$35,000 to an even \$27,000 to purchase the new truck.

Councilwoman Plant asked would the white truck be something that we could keep and the Building Official could use it. She asked Gilbert DeLeon can all your employees drive the vehicles?

City Manager DeLeon stated the Building Official is driving his own vehicle by choice to do inspections.

Gilbert DeLeon stated yes.

Councilwoman Plant asked does our insurance company check their driving record?

City Manager DeLeon stated we do annual checks all employees' driver's license records.

Councilwoman Plant stated she thinks it is better to have a primary driver and a back-up driver.

City Manager DeLeon stated she thinks reducing the number of employees who drive the truck will cause a burden for Public Works because they have so many things going on at one time and we need to have people ready to go.

The consensus of the Council is to purchase the 2019 Ford pickup truck from Jordan Ford at a cost of \$27,000 and to keep the current Public Works 2007 pick-up truck.

#### Administrative/Court: 5 employees

2019 PURCHASE: the installation of an electronic device for automatic door opener at city hall as approved by City Council at the cost of \$3,900 and will be installed on Monday. This item is being purchased this year with the GF surplus funds.

2020 PURCHASE: Installation of a generator at City Hall for severe weather events. City Manager stated City Hall needs to have an air conditioned or heated place for our residents to use while we have a power outage. This will allow them to use the facilities for recharging cell phones and use the restroom facilities as needed. Plus, our Police Department is located in City Hall and they need power, if we have a power outage. Fire Chief Goodreau has done a great deal of research and has come back with two bids that are approximately \$70,000.00 and we are trying to determine which one is the best fit for us. We would place the generator in the back area in the alley between City Hall and Mrs. Sherman's home. It is a silent generator and will run on natural gas. This is a turn-key installation and a Buy Board approved purchase therefore no need to go out for bids.

Councilwoman Dusek asked when we have extreme weather, where do residents go?

City Manager DeLeon stated the last power outage some residents went to the Fire Station because they have a generator and had power.

#### PERSONNEL PAGE

City Manager DeLeon stated she has included the opportunity of a 2% merit raise based on performance reviews.

Councilwoman Rickabaugh asked is the only change we are making is the \$27,000 for the Public Works truck?

City Manager DeLeon stated yes and also move the \$100,000 to the Sewer Fund and move the \$50,000 to the Emergency Reserve Fund which will need budget amendments and those will be on the September agenda.

FY2019 Budget is projected to have a "surplus" of \$539,758 at year end in the General Fund #10. Some items on this draft FY2020 Budget were allocated to the Capital Fund in FY2019 to purchase Capital items or placed in the Reserve fund for later use. After these allocations were made the new projected GF surplus is \$258,530.

The following FY2019 Budget Amendments need to be approved by the City Council to move forward with the FY2019 purchases listed below.

#### ITEMS IN GENERAL/CAPITAL FUNDS:

Patrol Vehicle \$49,000	10-700-551
Criminal Investigation Police Body cameras \$5,000	10-700-520
Criminal Investigation Police detention cell camera \$4,500	10-700-520
Public Works truck \$35,000	10-900-551
Public Works Uniforms \$14,000	10-700-518
Building and Grounds FD strip floors \$7,000	10-400-524
Building and Grounds City Hall electronic door \$3,900	10-400-524
Police computer \$3,065	10-700-521
Police Misc. equipment \$1,750	10-700-519

#### TRANSFERS INTO RESERVE FUNDS:

Transfer money into the FD Mandates Reserve Fund \$10,000	10-800-570
Transfer money into the Admin Tech, for new server \$15,000	10-500-582
Transfer money into the FD Fire Truck Reserve Fund \$50,000	10-800-565
Transfer money into the Building Repairs Reserve Fund \$50,000	10-500-583
Transfer money into the Reserve Fund for Police vehicle \$30,000	10-700-556

#### Discussion and approval of the following FY2019 Budget amendments:

Increase expense Reserve Building Repair # 10-500-583 from \$0 to \$50,000.

Increase revenue Transfer In Admin General Expenses #20-300-500 from \$233,822 to \$283,822.

Increase expense Reserve PD Vehicles & Equipment #10-700-556 from \$0 to \$30,000.

Increase revenue Transfer In Police Reserve #20-300-520 from \$22,902 to \$52,902.

Increase expense Reserve Fire Mandates #10-800-570 from \$0 to \$10,000

Increase Transfer In Reserve Fire Mandates #20-300-530 from \$52,802 to \$62,802.

Increase expense Reserve Fire Vehicle Truck #10-800-565 from \$0 to \$50,000

Increase Transfer In Reserve Fire Truck #20-300-530 from \$422,095 to \$472,095.

Increase expense Reserve Admin Tech #10-500-582 from \$0 to \$15,000.

Increase Transfer in Reserve Admin Tech #20-300-500 from \$7,661 to \$22,661.

Increase expense in Patrol Vehicle #10-700-551 from \$0 to \$49,000.  
Increase expense in PW Vehicles #10-900-551 from \$0 to \$35,000.  
Increase expense in Criminal Investigation #10-700-520 from \$3,000 to \$12,500.  
Increase expense in Uniforms #10-700-518 from \$5,000 to \$20,000.  
Increase expense in Building and Grounds #10-400-524 from \$12,500 to \$23,400.  
Increase expense in Police Computer #10-700-521 from \$0 to \$3,065.  
Increase expense in Police Misc. Equipment #10-700-519 from \$6,340 to \$8,275

Councilwoman Duesk stated the number of apartments in Olmos Park is 36 but the garbage cost study shows 39.

Councilwoman Plant moved to:

Increase expense Reserve Building Repair # 10-500-583 from \$0 to \$50,000.  
Increase revenue Transfer In Admin General Expenses #20-300-500 from \$233,822 to \$283,822.  
Increase expense Reserve PD Vehicles & Equipment #10-700-556 from \$0 to \$30,000.  
Increase revenue Transfer In Police Reserve #20-300-520 from \$22,902 to \$52,902.  
Increase expense Reserve Fire Mandates #10-800-570 from \$0 to \$10,000  
Increase Transfer In Reserve Fire Mandates #20-300-530 from \$52,802 to \$62,802.  
Increase expense Reserve Fire Vehicle Truck #10-800-565 from \$0 to \$50,000  
Increase Transfer In Reserve Fire Truck #20-300-530 from \$422,095 to \$472,095.  
Increase expense Reserve Admin Tech #10-500-582 from \$0 to \$15,000.  
Increase Transfer in Reserve Admin Tech #20-300-500 from \$7,661 to \$22,661.  
Increase expense in Patrol Vehicle #10-700-551 from \$0 to \$49,000.  
Increase expense in PW Vehicles #10-900-551 from \$0 to \$27,000.  
Increase expense in Criminal Investigation #10-700-520 from \$3,000 to \$12,500.  
Increase expense in Uniforms #10-700-518 from \$5,000 to \$20,000.  
Increase expense in Building and Grounds #10-400-524 from \$12,500 to \$23,400.  
Increase expense in Police Computer #10-700-521 from \$0 to \$3,065.  
Increase expense in Police Misc. Equipment #10-700-519 from \$6,340 to \$8,275.  
Transfer an additional \$50,000 from excess into the Emergency Fund that has a current balance of \$750,000.  
Transfer pending consultation with the Auditors \$100,000 into the Sewer Fund that currently has a balance of \$244,330.  
Councilwoman Rickabaugh seconded the motion.  
The vote in favor of the motion was unanimous.

City Manager DeLeon stated our fees are outdated and has compared our fees to other cities and will propose changes at the September meeting with an ordinance. Plus, we will also discuss the garbage study and possible fees associated with this service.

There was no further business and the meeting was adjourned at 6:00 p.m.

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Ronald Hornberger  
Mayor

ATTEST:

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Diane Gonzales  
City Secretary