

Budget Workshop Meeting Minutes

September 13, 2022

1. **Call to Order @ 6:30 pm**
2. **Pledge of Allegiance/Invocation**
 - a. The United States Flag
 - b. The Texas state flag: "*Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.*"
3. **Roll Call- All Present**
4. **Conflict of Interest Statement - None**
5. **Discussion**
 - a. Discussion shall be limited to evaluation of current budgets and of items pertinent to establishing budgets for the City of Bevil Oaks for fiscal year 2022-2023. The City will receive input from private persons and entities including by not limited to its engineering firm, legal counsel, accountant, personnel with specific information related to the proposed budget.
 - **Councilman Merendino-** asks why we are doing another budget meeting
 - **Charolette Yeates-** There were some questions about a few things since the last meeting.
 - **Councilwoman Mitchell –** The public works department is an independent department
 - **Charlette Yeates-** Anything that is water or sewer is taken out of the public works account
 - **Councilwoman Mitchell-** This needs to be an independent department.
 - **Charolette Yeates-** What is the revenue for this department
 - **Councilwoman Mitchell -** The mowing contract would come out of a different account. Ordinance enforcement is a different department
 - **Charolette Yeates-** We don't need a different fund account
 - **Councilwoman Mitchell-** States that she would like to see a separate account for the public works department
 - **Charolette Yeates-** We don't need another account for that. If the council wants to set up another account for the public works department, then they can, however, that will be an additional cost to Edgar Kiker & Cross
 - **Councilwoman Mitchell-** Suggests opening an account so the funds are easier to track the expenses
 - **Charolette Yeates-** If the franchise fees are going to be redirected into another account, a resolution will have to be made. You don't have to have a separate fund to keep track of the expenses
 - **Councilwoman Mitchell-** It would be easier to the naked eye to have a separate fund. It seems like there is a lot of money going into the general fund.

- **Charolette Yeates**- If you have a separate fund for that and have a certain amount of money for that department, you are limiting your use of those funds
- **Councilwoman Mitchell**- What are the restricted funds? We have a resolution that restricts the insurance money.
- **Charolette Yeates** - The road fund are restricted funds
- **Councilwoman Mitchell** - Is there a way to move the \$75,000 that we received from FEMA to the corrected account for the road grant
- **Charolette Yeates** - The money for the grant is not in the road account. Suggests that her and Cheri go over the grant money that she is speaking about. If you want a separate fund, the revenue needs to be designated.
- **Councilwoman Mitchell** - Suggests that she doesn't want to pull funds out to buy a tractor, if we can't afford to drop the user fee by \$5
- **Charolette Yeates** - Those are two different sides
- **Councilwoman Mitchell** - Can we do away with the mowing contract and the current office position that we do not have an employee working right now.
- **Charolette Yeates** - If you are not charging the residents a fee, then you don't have the funds to cover the revenue
- **Councilman Merendino** - Can we replace the line for mowing?
- **Charolette Yeates** - You can't have revenue if you don't have something coming in
- **Councilwoman Mitchell & Councilman Merendino** - suggests that the accounts be renamed
- **Charolette Yeates**- yes, they can be renamed
- **Councilman Merendino** - It will still be done by us, but it won't be called maintenance ground
- **Mayor Emmons** - The employee is still employed through the City
- **Councilwoman Mitchell** - Suggests that the position from the employee be eliminated
- **Mayor Emmons** - The employee is on medical leave
- **Resident**- you can't do away with the position while she is on medical leave. If she filled out the medical leave forms, you can't do away with the position or fire her.
- **Charolette Yeates** - What do you suggest the pay be for the public work employee make?
- **Councilwoman Mitchell** - \$15/hr
- **Charolette Yeates** - Asks how the Council wants gas/oil to be labeled as in the budget
- **Councilman Emmons** - Can we label it as miscellaneous expenses
- **Charolette Yeates** - How do you want the funds to be paid
- **Councilman Mullins** - It has to be a 50/50 split

- **Council discusses how the funds should be paid out**
- **Charolette Yeates** - It will all be paid out of the general fund, then at the end of the month, it will be separated to split the difference.
- **Charolette Yeates** - What are y'all wanting to budget for the mower
- **Mayor Emmons** - Would we need a mower and a tractor
- **Councilwoman Mitchell** - Can we use the ARPA funds to fund this department
- **Mayor Emmons** - That question would need to be asked and get an answer in writing
- **Charolette Yeates** - Would \$50,000 cover the mower and the tractor
- **Councilman Merendino** - Yes, that would cover it
- **Mayor Emmons** - with the attachments?
- **Councilman Merendino** - You can go through Kabota and it's cheaper to buy the mower and tractor
- **Mayor Emmons** - What other things will we need to purchase?
- **Councilman Emmons**- Possibly a radio because you can't leave someone without a means of communication working outside
- **Mayor Emmons** - asks Councilman Merendino how much fuel it took him to mow everything when he did the mowing contract with the City?
- **Councilman Merendino** - probably around \$25 for the season
- **Councilman Merendino** - asks what the cell phone costs
- **Mayor Emmons** - For the City employees
- **Charolette Yeates** - Asks if there is anything else that needs to be changed for Public Works
- **Councilman Mullins** - won't some of the costs for the maintenance be cut by doing stuff in house through the Public maintenance department
- **Councilman Merendino** - Why are the attorney fees \$6,000, he doesn't see spending this much on an attorney.
- **Charolette Yeates** - The City does need an attorney for all sorts of things. A lot of cities have their attorney on a retainer.
- **Councilman Merendino** - states that the Council will start getting the attorney bills in the packets to see what the costs are for.
- **Councilwoman Mitchell** - The restricted funds for the insurance.

- **Charolette Yeates** - going by the resolution that was passed, all the insurance funds are to be spent on the City Hall and Civic Center. If the City hall and civic center are going to be rehabilitated, you would still want those funds restricted.
- **Charolette Yeates** - goes over what some of the line items that are on the budget.
- **Councilman Merendino** - Is there a way to get the money out of the restricted funds

- **Charolette Yeates** - A resolution must be passed to move the money out of the restricted funds
- **Councilman Merendino** - If a resolution is passed then the money, can be moved to the general account
- **Councilman Mullins** – Asks Councilman Merendino why he wants to move the funds?
- **Councilman Merendino** - There was talk about spending money on all sorts of things, those restricted funds, could help pay for that.
- **Charolette Yeates**- mentions that we have enough to pay off the water meters.
- **Councilman Merendino** - What will it take to pay off the user fee
- **Charolette Yeates** - It will take \$1.5 million to pay off the user fee.
- **Councilwoman Mitchell** - Can we reduce the user fee when the meters are paid off
- **Charolette Yeates** - the water meters are not the same thing as the user fee.
- **Councilwoman Mitchell** – Is there a line item for the late fee?
- **Charolette Yeates** - yes. The City has a fee schedule that needs to be looked at before fees can be changed.
- **Charolette Yeates** - the user fee is used to pay the bond. When the meters are paid off, that's \$24,000 that can be taken off the bond payment.
- **Charolette Yeates** - Suggests that Council discusses paying off the water meters in the October meeting. If it is approved, then those funds can be used to make a payment on the bond.
- **Councilman Mullins** - Didn't we figure that the amount that was needed to pay the debt service was \$25 user fee
- **Charolette Yeates** - yes
- **Charolette Yeates** - There is money in public works there needs to be transferred to the general account due to bills that have been paid strictly out of the general fund instead of splitting it.
- **Councilman Merendino** - isn't it required by the government that we have a certain amount kept in the account for operation
- **Charolette Yeates** - the City doesn't have that. It's recommended that you kept at least a year of operational funds in the account. States that she can look into lowering the user fee in October.
- **Councilwoman Mitchell** - the water meters are a yearly payment? If we pay it off early can we get some interest back?
- **Charolette Yeates** - You can look into transferring some of the money that is in the operating account into the TexPool account so it can incur some interest.

- **Mayor Emmons** - What is the TexPool account for?
- **Charolette Yeates** - It is the emergency fund

6. **Adjourn Meeting- M/M/2/C- Councilman Emmons/Councilman Mullins @ 8:24 pm**

Barbara Emmons

Mayor Emmons, Mayor

Attest: *Doug Mullins*

City Secretary, Doug Mullins