

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Budget Work Session Meeting on Tuesday July 13, 2021 at 10:00 am with Mayor Anthony Groves presiding in person. Council Members present were Jane Huffman, Jeffrey Sutton, Jay May, Larry Land and Missi Elliston. City staff present were City Manager Dennis Jobe, Deputy City Manager Erin Corbell, Public Works Director Steven Miller, Finance Director Lisa McElrath, Fire Chief Lloyd Perrin, Police Chief Steve Thomas, Captain Mike Hudson, and City Secretary Tina Keys.

1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM

Mayor Pro-tem Huffman called the meeting to order at 10:00 a.m. Council quorum was certified. Mayor Groves entered the meeting at 10:07 after a quorum was certified.

2. Review/Discuss:

Revenue Sources:

Utility Rates – Lisa McElrath said we need to raise Gas rate .50 cents to meet operational demands. Current sales at current rates will not cover operational costs plus capital maintenance needs. That's the only utility rate change recommendation and that assumption was placed in the draft budget so the revenues reflected includes \$48,000 in new revenues from the recommended Gas rate increase. Council Member May asked, regarding the increase, how much will that increase for the average citizen. Lisa McElrath referred Council to page 12 under tab E which reflects estimated increase amounts. Staff is not requesting any other increases on any other utilities.

New Property Tax Law

Fund Balance Reserve Policy – Lisa McElrath reviewed the current policy for reserves. They are for unexpected issues. She feels it is important to hold onto those funds.

Police Fleet Vehicle Replacement progress – Appendix J – the budget book shows a brief summary. The City will purchase two vehicles in FY 21.

3. Present: Budget Summaries Tab

Draft Budget Summary – Lisa McElrath said this report tells the impact of the draft budget. It reflects keeping property tax at the same level as it is now. Council Member May said he feels like we should look at increasing costs to County. The County is now getting CARES (Coronavirus Aid, Relief, and Economic Security) funds and part of that should be for EMS. Council Member Huffman said Council needs to come up with a dollar figure and be prepared. Council Member Elliston said she feels like we should be informing citizens. Lisa McElrath said the County got \$775,000 this year and they will get that \$775,000 next year as part of the ARPA funds. Council Member Huffman asked if the money is limited as to what it can be used for. Lisa said they are limited the same as we are. McElrath said we asked Chief Perrin to produce call numbers. We are still running about 20% of our calls are out in the County with Fire and EMS which is about \$342,000 to \$366,000 figuring 20% of the cost of fire/EMS together. People in the City should not be paying for fire protection in the county. Mayor Groves said he thinks we should give them the cost, the percentage of calls in the county and the amount they need to pay for the services. Council Member Huffman said we even took fire out of the figures since volunteers help in both the City and the County. Lisa McElrath said we need to go off the contract that we have with the County. Council Member Huffman said let's start this now and give them the actual figures. Lisa said if a business doesn't pay for its service, then they can't provide the service. Council Member Elliston said again, we need to keep our citizens informed. Council Member Huffman said we need to have a town hall meeting to let people know

what's going on. They need to understand. Mayor Groves proposed tabling the item and he and Dennis and Lloyd will get numbers together.

Lisa McElrath said revenue sources are detailed in the budget books. It tells how much money the City has and in what fund the City has those funds. She pointed out that there are not enough funds in the general fund to support expenditures so we need to transfer funds out of the electric fund into the general fund.

Fund Balance Adequacy policy was reviewed.

Council took a break at 11:38 p.m. and resumed session at 12:36

4. Discuss:

Organizational Chart, Personnel & Payroll – Appendix – Tab B, C – Lisa McElrath asked Council to review Organizational Chart. Council Member Elliston said she would like to look at some of the superintendent salaries and see if we can increase them. Council Member May asked about the part time person at the golf course. Council Member Huffman said she recalled that Mark's wife was supposed to be offered a full-time position. Dennis Jobe said he didn't recall that Mark's wife was supposed to be given that position. Council Member Huffman said there are typically no range balls available, or the range is closed because people are out picking up balls. Council Member May said there wasn't even a sufficient number of balls for the tournament. He said the manpower is not there to take care of it. Lisa McElrath said there is a supplemental request for a full-time employee for the golf course and it will be discussed further when we get to the supplementals. Council Member Huffman asked about different insurance options. Dennis Jobe explained that you have to hire a broker to negotiate with the insurance companies. Council Member Huffman said we need to look at different options. Lisa McElrath and Dennis Jobe said they are looking. Council Member Elliston would like any decision regarding insurance be brought to Council before anything is done. Lisa McElrath explained that insurance companies are paying out more than what we're paying to them because of high claim costs. Jobe agreed that it's a frustrating process. Council Member Huffman wants to make sure they see some options. She wants numbers. Jobe said whatever broker is picked tomorrow will be at the next Council meeting. Lisa McElrath said we did have different options as requested for last year and we will bring packages back to Council for a final decision. Lisa said she is hoping Council will voice to the broker what they are expecting. She again said the loss ratio is what the problem is. Council Member Elliston asked if we ever fight unemployment claims and Jobe said yes, H. R. does that. Council Member Elliston said we need to make sure we document everything so we can fight claims and have backup reasons for termination.

Budget Base Supplement Decisions – Appendix – Tab E - Lisa McElrath explained these decisions are already in the base budget and went over requests with Council. Steven Miller explained the utility pole replacement process is in place and moving forward. He also said the old lights are not energy efficient and are being phased out. The industry as a whole is transitioning to LED.

Council took a break at 1:51 and resumed session at 2:07 p.m.

Council Member Huffman said another advantage to having insurance being cheaper, the cost to add families is cheaper. Mayor Groves said items will be presented in the proposed budget.

Supplemental Decision Requests – Appendix Book -

Utility Funds – Steven Miller supports the gas superintendent getting a raise. Erin Corbell explained that we don't give merit-based raises. We give employees that have worked one year or more, and is not on probation a 3% rate increase each year. Mayor Groves said you can, for example, give a 1% longevity but then give people merit raises also. Council Member Sutton said he's ok with the 3% increase across the board. Council is ok with the step grade plan. The Gas Company superintendent salary will be brought back. Council Member Elliston said she thinks he should be bumped up to \$28.38 per hour and then get the 3% overall raise. Lisa McElrath said she will put that

in the proposed budget.

Electric Fund:

Tree Trimming – Steven Miller reviewed request with Council. A majority of Council approved

Mapping – Steven Miller explained. A majority of Council approved

Water Sewer:

Engineering & surveying service for Luhr Subdivision – The money accumulated in the water & sewer fund should be spent on something everyone agrees on. Steven Miller explained that they were looking at new water lines. Mayor Groves asked how many households it would involve. The parcel count for the Luhr Subdivision is 467 parcels or lots. Steven will get the information. The majority of Council was in favor of the request.

Add 1 FT employee – Steven Miller reviewed. Council Member Huffman asked if we can take the two part time positions and make it one full time position. It's a cost savings if it would meet the needs. Steven would like to speak with the superintendent. Item will be tabled until Thursday.

Solid Waste:

Install 8' Trash Fence – Mayor Groves would support building a practice fence and see how it goes before spending all of the money. Council agreed.

General and Special Funds:

Replace 1998 Wildland truck – This truck is mainly used in the County. Chief Perrin said he would rather get rid of it than keep it. Dennis Jobe said the City gives \$27,000 to the volunteer fire department. The County gives zero. The City has not received a request for funds from the volunteer fire department for this year. Council Member Huffman doesn't think we should keep maintaining a brush truck for the county. Council voted not to approve

Purchasing Command Vehicle – Council Member Huffman asked Chief Perrin if he will be needing another ambulance or vehicle next year. Lisa McElrath said the next one would be in 2025, after this one that is being requested for this year. Council Member Huffman said she would rather get the Tahoe from the PD that they were going to trade in, and use that for now and look at it at another time. Chief Thomas said they got the 2 trucks ordered last year, this year, they got nothing, so they won't really have one to give away. Council voted not to purchase a command vehicle at this time.

Install asphalt pads for RV sites – Mayor Groves asked where they would be. Erin Corbell said right now he's focusing on the section over by the swim area. Mayor Groves recommended to approve but he would like to see a map. Council was in favor.

Purchase Jon Boat – Council would rather put money into improvements into the lake rather than the lake. Request was not approved.

Full time employee for Golf Course – Mayor Groves said from previous discussions, there are tasks at the golf course that are not getting done that can generate revenue. Council Member Huffman said there was supposed to be another full-time position at the pro shop. Council is approving hiring a full time and doing away with the part time on the golf course and adding a part time, seasonal to the pro shop.

Add one FT employee to PPM – Council was in favor.

Session was adjourned at 4:07 p.m.

Larry Land and Missi Elliston. City staff present were City Manager Dennis Jobe, Deputy City Manager Erin Corbell, Public Works Director Steven Miller, Finance Director Lisa McElrath, Fire Chief Lloyd Perrin, Police Chief Steve Thomas, Captain Mike Hudson, and City Secretary Tina Keys. Also in attendance was Jim Griffin.

Mayor Groves called the meeting to order at 10:03 a.m. Council quorum was certified.

Council Member Elliston said she was thinking about the volunteer fire issue. Council Member Elliston said we're going to put their budget in our base budget. Lisa McElrath said she would never advocate that. She went on to say, we're giving public money to an entity that's separate from the City. It's not an issue if they present a request. Council Member Elliston asked if they could submit a blanket request that's good for every year. Council Member Huffman said she remembers a discussion from last year about why we supplement them with money. They save us a lot. Lisa McElrath said it's not a matter of if they save us money, it's an accountability issue. She said they set up a separate checking account with the money we give them. Last time she checked, they had about \$15,000 in that account. They do provide data to show how they spend that money. Council Member Elliston asked where the \$27,000 figure comes from. Lisa said that's how much they request. They can ask for whatever figure they want and it will go to council for approval. Council Member Huffman thinks we should reconsider and explain the importance for the budget request every year. Council Member Huffman said the amount of money they spend on equipment, fire truck for example, we use their equipment which saves us money. Also, their personnel show up and assist the City which saves us money on personnel cost. Council Member Huffman said they need to submit the request, but we should give them the money this year and make it clear moving forward that if we don't get a request, then they won't get it. Lisa McElrath said we've done it year after year. They know they need to give us the request. Council Member Elliston said maybe we give them more time. We go ahead and put in the figure today, then make them get us the request before we print the final budget. If they don't submit the request, then it will come out. Council Member Huffman feels we should continue to give them the money if they meet the requirements. Chief Perrin agrees they are an asset, but he also understands where Lisa is coming from. Council Member Elliston again said they're an asset. Lisa said she still has a very hard time giving money to an entity without any accountability. McElrath agreed we can go ahead and put the \$24,000 (last year's contribution) in the budget and that's fine, but with a deadline that they would need to turn in the request no later than end of day Monday, July 19th. Council was in favor of putting the \$24,000 in the budget. Chief Perrin said would suggest giving Booster 8 to another department. Council Member Huffman said offer to BVFD to them first and let them know if they don't take it, then it will be offered to one of the other departments in the county. And if they don't want it, then we put it up to auction.

Budget / Requests from other Agencies – Appendix – Tab P – Lisa McElrath asked council look at the request from the appraisal district. The amount requested is in the base budget already. The EDC turned in their budget. Erin Corbell explained that the EDC gets a portion of sales tax collected by the City of Brady. The board did approve to pay for a parks master plan for the City of Brady. They budgeted \$20,000 for that. And another \$50,000 for cleanup projects throughout the community. There would need to be job creation tied to the cleanup. Council Member Huffman asked if the City has received any COVID/ARPA funds. Lisa McElrath said yes, \$320,000 in FY 21. We haven't received ARPA money yet, but we got info last week how we can get the money. We could expect to see funds some time after August 2nd. The amount the City is able to receive is \$1,313,760 which will be sent in two payments. Half will be delivered in August, and the other half next August. There are specific directives for those funds such as water sewer, broadband, help with premium pay for employees directly assisting with COVID. Council Member Huffman said is worried about the fine print. They aren't giving us money with no strings attached. We need to be very careful. We need to really look at the fine print. Mayor Groves agreed as did the Finance Director. She will give council a copy of the paperwork. McElrath feels we need to hire administrator to make sure we meet all requirements. We can refuse the money. We have that option. We need the response in to them by August 2nd. The Chamber is another entity we give money to. We have a contract in which 95% of our hotel motel tax money is given to them. And then they distribute it. Erin Corbell said Taylor Hoffpauir, chamber

president, will come to Council in November and present to Council. Council Member Elliston asked what we do with the 5%. Erin said this year we did the murals. They're talking about a downtown concert series.

Council took a break at 10:54 and resumed at 11:12

Lisa McElrath referred Council to tab K – Grant programs – These are in our base budget. She reviewed ongoing grant programs for airport and Seniors. Steven Miller discussed a grant with the Texas Department of Agriculture. He asked Council if they want to keep the application active with Grant Works. Mayor Groves said there are so many things the Ag folks came back with that has to be done before you get the money. There are so many grants that aren't worth the effort of all you have to do. Mayor Groves said they do a great sales pitch, but sometimes when it comes down to the paperwork, it's not so wonderful. Miller said a lot of it is handled by our administrator, GrantWorks. We can allow the application to stay active or withdraw it. Miller thinks we should move forward. It will allow a sewer line to get fixed. We're doing the N. Davidson grant already.

Fee Schedule – Appendix – Tab H – Council discussed a specific deposit for using the kitchen at the Civic Center. Council Member Huffman suggested if they don't pay the deposit, the kitchen will not be accessible and said we may need an additional agreement for them to sign if they are using the kitchen. Council Member Huffman also said she thinks we need to raise the deposit overall and if there is no damage, they get their deposit back. She doesn't think we can say they can't use the kitchen.

Regarding the Aquatics Center, Erin Corbell said school reopening and 3-a-days are coming up to where we will only have 3 lifeguards in August. Erin suggested we only open the pool May and June. Council Member Huffman asked if we can still have private parties in August with 3 lifeguards. Erin said the lifeguards are required to have a 15 minute break every hour. Council Member Elliston said it doesn't make sense to spend all the money to maintain the pool when it's only open 2 months out of the year. Council Member Huffman said we have to figure out something so it can be open in August. Mayor Groves asked the staff to figure out how to stay open in August. Erin Corbell said maybe we can be open for parties but let it be known that there will not be a lifeguard available. It would be "swim at your own risk". Council Member Huffman asked if we can change the hours that the pool is open so the lifeguards will be available. Council Member Land agreed the pool needs to be open as much as we possibly can.

Golf Course – Council Member Huffman mentioned the fee schedule says youth - \$4 per day, but she remembered that if you're on the golf team, you don't have to pay. But that's not being enforced. They're being charged. Lisa McElrath asked if the golf coach could give staff a list of who is on the team, and we could forward it to the golf course management. Council Member Land asked if they are giving twilight discounts. People have said they're having to pay the full amount. Maybe they don't know about the twilight rate. Council Member Land said he had to remind them one time. Council Member Land suggested posting the fees to where it's visible to everyone. Lisa said she thought we might have adopted an ordinance or resolution stating the kids on the golf team don't have to pay. She will check. The fee schedule might not include all the details and we might need to refresh our staff. Mayor Groves said it should be written some place. Mayor Groves said we can put it in the fee schedule or reference the ordinance. Lisa thinks we should put it on the fee schedule.

Council Member Elliston asked if we still do the free dump day, and if so, do we do it once a year? Lisa McElrath said she doesn't know. It's not on an ordinance. Council just decides. Erin Corbell said we do it once a year. Lisa McElrath said it's at the discretion of the superintendent. Council Member Elliston said she gets complaints that the dump is only open certain times and thinks we should extend the hours even a day or two during the free dump month.

Chief Thomas said we need to add the security fee to the fee schedule under police services.

Council Member Huffman asked Steven Miller to remind the tree company they have guidelines to follow on how they are to trim the trees.

Council recessed for lunch at 12:15 and resumed at 1:02.

Lise McElrath reviewed the decisions that were discussed at the previous work session.
Replace wildland truck – council said no. when decision is made, it will come back to council

General Fund:

Asphalt at RV sites at the lake was approved, hire one full time employee at the golf course but we are taking out 2 part time positions at a net of \$13,460 cost.

Mayor Groves asked about seasonal part time folks being hired. Erin Corbell said were looking at adding them at mid-year budget. Mayor Groves said he would prefer to add the part time person into the budget now rather than mid-year. It was agreed to add a seasonal part time person.

Add one full time person to PPM was approved.

Add a command vehicle was not approved.

\$75,160 is the total plus the \$24,000 for the volunteer fire department. We end up being a few / two days short on the 90-day reserves that was agreed on, so we would have to transfer more money from the electric fund, if needed. Council has 2 years to correct any reserve short-fall.

Electric fund:

Council approved tree trimming and visual inspection. We could transfer more from the electric fund into the general fund to bring the general fund back up to the 90-day reserves. Council was in favor

Water fund:

Approved surveying and engineering for Luhr subdivision and adding an additional full-time employee and eliminating 2 seasonal positions. The budget money for the seasonal positions will be released.

Gas fund:

Adjusted payroll requests. Figures would bring reserves to 2 days below minimum. The shortfall would need to be brought back up within 2 years. Council was ok with that.

Fund 60:

Solid waste request was denied.

Dennis Jobe wanted to go back regarding insurance. He informed Council that brokers came in and they choose Higginbothams out of Brownwood. The Higginbotham broker will come Tuesday 7/20 to talk to Council

Chief Thomas talked about his evidence tech position. It's budgeted for, but it's vacant. He said we could turn that position into a part time position and would be more of a receptionist and take the wage that the previous evidence tech was getting and give it to Krystal once she passes all of her classes. He is requesting increasing Krystal's salary and give her the title of evidence tech as well. But the part time position would free Krystal from answering the phones. Krystal will go to \$17.05 and the part time person will start at \$10.00. Chief said the part time person would be dealing with sensitive information and would like for the part time person to start out more than the \$10 starting point.

Council took a break at 1:48 p.m. and resumed at 1:59. Council Member Huffman suggested Krystal keep doing what she's doing now and hire a new police officer. Chief said with the help from S.O., there are always at least 2 officers on the road at one time. Council Member Huffman said we need two police officers on patrol at all time. Chief will get figures to add an additional police officer and bring them to council at the Tuesday 7/20/21 work session.

5. Plan:

Future Work Sessions and dates / topics: Council will meet at 3:00 on Tuesday, July 20th.

6. Discuss Process and Announcements

There was no discussion.

7. ADJOURNMENT

There being no further business, the mayor adjourned the meeting at 2:32 p.m.


Mayor Anthony W. Groves

Attest: 
Tina Keys, City Secretary