

**SPECIAL CALLED MEETING
City Council
July 20, 2021**

The City Council of the City of Brownwood, Texas, met in a Special Called Meeting on Tuesday, July 20, 2021, at 4:00 p.m., at Brownwood City Hall, Upstairs Breakroom, 501 Center Avenue, Brownwood, Texas, with the following members present:

Stephen E. Haynes	:	Mayor
H. D. Jones	:	Councilman – Ward 1
Ed McMillian	:	Councilman – Ward 2
Melody Nowowiczski Larry Mathis	:	Councilman – Ward 3
Draco Miller	:	Councilman – Ward 4
Walker Willey	:	Councilman – Ward 5
Emily Crawford	:	City Manager
Melanie Larose	:	Finance Director
Marshal McIntosh	:	Deputy City Manager
Leah Thomas	:	Asst. Finance Director
Henry Wied	:	Public Works Director
Christi Wynn	:	City Secretary

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

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

BUDGET WORK SESSION:

Finance Director, Melanie Larose, went over the following:

	2020	2021	CHANGE
Total tax rate (per \$100 of value)	\$ 0.7448	\$ 0.7342	- 1.06¢ or - 1.42%
Average homestead taxable value	\$ 108,795	\$ 126,628	+ 16.39%
Tax on average homestead	\$ 810.31	\$ 929.70	+ \$119.39 or + 14.73%
Total tax levy on all properties	\$ 7,133,549	\$ 7,260,960	+ \$127,411 or +1.79%

She stated that the total tax levy will be adjusted because she just received the updated numbers today.

Mrs. Larose went over the budget totals stating that the budget will increase by .23% or \$84,319 and a total budget of \$36,173,245. The breakdown by fund shows the General Fund with a net deficit of (\$301,161); the Utility Fund with a net surplus of \$456,392; the Sanitation Fund with a net deficit of (\$93,547); and the Airport Fund with a net deficit of (\$61,684). A pie chart of Budget Revenue shows the General Fund at 49%; Utility Fund at 29%; and the Sanitation Fund at 17%. The Budgeted Expenses pie chart shows General Fund at 57%; Utility Fund at 24%; and the Sanitation Fund at 14%.

The following information was discussed:

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REVENUE:

Property Tax: We are proposing a decrease in the property tax rate from \$.7448 per \$100 valuation to \$.7342. It is a reduction of 1.06¢ or 1.42%. The proposed rate is the second consecutive year we have toward the tax rate. A residence valued at \$126,628 (average residential value this year) would see their city property tax go from \$943 to \$929 per year.

Sales Tax: Year-to-date, sales tax revenue has exceeded the budget by 12.9% or \$543,323. We are budgeting for a reduction in sales tax in 2021/2022 from the actual sales tax projected in 2020/2021. The budget increase is 9.3%. We do not anticipate a downturn in the economy; we simply want to be conservative to ensure the upward trend is sustainable.

Water Revenue – Consumption Rate: We are proposing an increase in the water consumption rate due to Brown County Water Improvement District's increase in the wholesale rate over the past two years. BCWID increased the wholesale rate by 3.4% in 2020 that the City absorbed. The 2021 rate increase is 1.8%. The proposed water rate is \$2.41, or 1.3% increase to cover the increased cost of water. The average residential customer will see an increase of 30¢ per month. To project consumption revenue for next fiscal year, we used a five-year average. The proposed budget is 3.04% higher than the FY 20/21 budget or \$194,009.

Base Rate: No increases are being proposed.

Tap Fees: We are recommending an increase to the water and sewer tap fees to address the increased cost of meters and supplies. The proposed fee for water taps is going up by \$100. For a ¾" tap, it will be \$600; for a 1" tap, it will be \$700.

Sewer Revenue: The proposed fee for sewer taps is going up by \$100. For a 4" tap, it will be \$500; for a 6" tap, it will be \$600.

Sanitation Revenue: No increases are being proposed.

Landfill Gate Rate: No increases are being proposed.

EXPENSES:

Pay Raises: A pay raise for non-civil service employees is budgeted at 3% of total payroll and benefits, or \$294,545. The pay raise will be merit-based and will be distributed accordingly.

Meet & Confer: Civil service pay adjustments are based upon getting Brownwood employees to the average pay of nine comparable cities. For Fire, the increase ranges from 0-3% or \$35,573. Additionally, a new firefighter will be added at a cost of \$64,350. For Police, the pay increase is 3.5% or \$80,157 and education pay of \$16,229.

Fleet Replacement: Year four of the Enterprise fleet replacement program will replace 11 vehicles, including four police vehicles and seven in the white fleet. The budget will increase by \$95,000 for the lease payments.

Fire Engine: A new front-line fire engine costing \$550,000 will replace a 21-year-old engine. The ladder truck will be paying off in 2021, and the note payment for the new engine will be less than the ladder truck. There is a net decrease of \$99,866 in Fire Department capital from last year.

Park Improvements: Several Parks Improvements are in the budget, including the refurbishment of Wiggins Park swimming pool at \$150,000. Also included are two new backstops (location to be determined), completion of fencing for Mayes Park, a merry-go-round for Trigg Park, and a multipurpose wall for Wiggins Park. These smaller improvements are \$37,000.

Downtown: Improvements to Downtown streetscaping , lighting, landscaping, and public art is budgeted at \$18,000.

Budget Adjustments: The budget process began with Department Head requests, which resulted in a beginning deficit of \$356,463. After meetings, with Department Heads, expenditure requests were cut by \$358,595 and revenue estimates were cut by \$2,132. This resulted in a balanced budget.

Budget Totals: The proposed FY 21/22 budget is \$36,173,245. This is an increase of \$84,319 from the FY 20/21 budget of \$36,088,926. The budget is being increased by .23%.

Landfill:

There was discussion about adding a line in the fee ordinance for wind turbine blades. We will require them to be cut down to 4' sections and cut in half if we receive them. Mr. Wied suggested the fee of \$1,000 to \$1,200 per ton.

Community Service Subsidies:

Council discussed the subsidy list and the amounts given to each entity.

Library – no change in subsidy. They requested through Council representative, Melody Nowowiejski, for library staff to receive pay increases and requested a new roof. Council discussed the amount of subsidy the City of Brownwood provides verses the other entities. Council suggested the library ask the other entities to help with their request.

A low cost spay and neuter program was discussed.

Council noticed that the Arts Council gives additional funds to a couple of entities that we already give to. It was discussed that those amounts be removed from the Arts Council subsidy and given to the entities directly.

Greenleaf Cemetery requested the City pay their payroll and other expenses totaling \$257,603. Brownwood Municipal Development District purchased a newly renovated house in their Event Center project and is willing to donate it to Greenleaf Cemetery to be used as a new office. The house was purchased for \$65,000. A quote was received for

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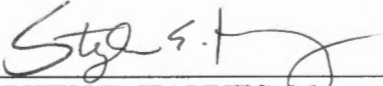
moving the house at \$16,000. We will also provide sewer and water connections. Greenleaf Cemetery will be responsible for retrofitting an ADA restroom.

It was requested for the removal of the Public Welfare Board (GSFP) from the list of subsidies (-4,800) and an addition of the Brown County Home Solutions in an amount of \$5,000 because of their instrumental help during the winter freeze with housing.

A finalized list will be presented at the next budget meeting.

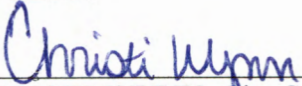
ADJOURNMENT:

Mrs. Crawford announced that there will be an additional budget meeting on July 22nd, at 5:00 p.m. Mayor Haynes declared the meeting adjourned.



STEPHEN E. HAYNES, Mayor

ATTEST:



CHRISTI WYNN, City Secretary