

CITY OF COFFEE CITY
MINUTES OF CITY COUNCIL BUDGET MEETING
May 14, 2019

Call to Order.

The City Council of Coffee City, Texas, convened in regular session on May 14, 2019 at City Hall - Court Room, 7019 Pleasant Ridge Road, Coffee City, Texas. The following City Officials were present:

GeoJan Wright, Mayor	Douglas Davis, City Secretary
Phil Rutledge, Mayor Pro-Tem	Shellena Bivens, Municipal Court Judge
Don Weaver, Alderman	Chris Moore, Fire Chief - Absent
Riley Standifer, Alderman	Frank Serrato, Police Chief
Terry Cooper, Alderman	
Pam Drost, Alderman	

Quorum

1) Call to Order.

The meeting was called to order at 2:00 pm.

2) Roll Call and announce if quorum is present.

The roll was called by the city secretary. A quorum was present.

3) Discuss the Budget and Plan for the Fiscal Year 2020

The Mayor stated that the purpose of the meeting was to discuss the budget for fiscal year 2019-2020. The Mayor stated that the first packet titled "Coffee City Budget 2019-2020" and stated that it should say "Coffee City Budget 2018-2019". She stated that it shows a projection of expenditures and income through the end of budget year 2019. The Mayor stated that the next packet was the figures that had been proposed for the 2019-2020 budget. She went on to say that these were figures that Pam, Phil, and the Mayor had worked on. The Mayor stated that you could see at the bottom the deficit, and that this packet could be used as the councils working copy. She stated that the next thing, in the packet, was a trial balance sheet from April 30, 2019 for the council to use to identify areas of question. The Mayor stated that the next item was the court proposed budget. The next one is the Fire Chiefs request for expenses, and the final one was for the police department. The Mayor asked Councilman Rutledge if he would proceed with the budget meeting, since this was her first budget meeting. Councilman Rutledge stated that there were no totals on any of the requests. Councilman Rutledge stated that they were going to start with income and if there were any questions they could be discussed. When the category of Court Income was reached, Councilperson Drost stated that the income from nCourt would go away. Councilman Rutledge stated that the income decrease from nCourt should carry over to show an increase in the NetData income. On the income from franchise fees for TVEC the Mayor Pro-Tem suggested that the projection be increased to \$13,000.00 due to an increase in homes and families in the area. Interest income showed to be \$0.00, the Mayor stated that was a mistake, and should be at \$1,000.00. Mayor Pro-Tem Rutledge stated that the total income would be \$663,050.00.

Expenses:

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Mayor Pro-Tem Rutledge stated that all of the funds available had been taken to zero. Councilperson Drost stated "because this was last years budget and those were the amounts that we decided last year to use. I don't know if we are going to decide to use any available fund money for this year or not." If we do we will. Mayor Pro-Tem Rutledge stated that the sheet that he was sent showed some numbers. The Mayor stated "yes, and the reason that you had got that copy is because that is what we had worked in trying to look at the discrepancies. Mayor Pro-Tem Rutledge said that there was a shortfall of \$32,700.00. On expense item "Accounting & Audits" Mayor Pro-Tem Rutledge why \$12,000.00. Councilperson Drost stated that for the past few years we had used Morgan LaGrone's firm and that had been the price of the audit. She went on to state that she had looked into two others, and the first one was going to be around \$13,000.00 and the other firm was even more. Mayor Pro-Tem Rutledge stated that "Advertising was \$500. The Mayor stated that that had been reduced based on the money spent in the prior year. Mayor Pro-Tem suggested that advertising be left at \$0.00. The council decided to leave the "Auto Expense Regular" at \$10,000.00. "Bank Charges" was left at \$500.00.

Fire Department Request:

Mayor Pro-Tem asked if any of the fire departments request were covered by the county. Councilperson Drost stated that the fire department gets around \$10,000.00 from the county. Mayor Pro-Tem Rutledge asked if the requested amount was above what the fire department gets from the county. Councilperson Drost stated that that was what he was requesting from the city. The Mayor stated that she did ask for a copy of the expenditures as they were used from the fire department and police department to insure that the money was being spent for what it had been assigned. Councilperson Drost stated that you could get that information from QuickBooks. The Mayor stated that she thought that it would be good to ask the Fire Chief for a breakdown of his expenses each month. Mayor Pro-Tem Rutledge stated that the fire department had spent \$11,000.00 this year, and are asking for \$13,700.00 verses \$18,900 last year, and that he did not have a problem with that. A person in the audience asked Councilperson Drost if the fire department used city funds to purchase the drone, and how much was the drone? Councilperson Drost stated that the drone was not purchased through city funds. Mayor Pro-Tem stated that the fire department was using the drone a lot, and it has been used for search efforts. Mayor Pro-Tem stated that he understood the person's question, but that this was a budget meeting. Mayor Pro-Tem asked that the question be brought up in a regular meeting.

Computer Expense:

The Mayor stated that there was a breakdown for computer expenses. The Mayor asked if the computer budget was for the city as a whole. The City Secretary answered yes. The Mayor asked if the request were to upgrade the security platforms. The City Secretary stated that the upgrades were a requirement of CJIS. Officer Kirkham asked why the Windows 10 pro program was not on the list. The City Secretary stated that it would be purchased in this years budget. Mayor Pro-Tem Rutledge asked what CJIS was. Officer Kirkham explained that it was "Criminal Justice Information System", it is set up by the FBI where our files have to be locked down from the prying public. He went on to explain that CJIS says that you can't use old software, and that the cheapest option would be to use the Microsoft Office 365, along with Windows 10 Pro. Mayor Pro-Tem Rutledge asked if there was a cost for CJIS itself? Officer

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Kirkham stated that there was not a cost for CJIS. Mayor Pro-Tem Rutledge suggested that we leave the "Computer Expense at \$6,000.00.

Continuing Education:

Police - \$2,000.00

City – Councilperson Drost stated that part of expenditure if fiscal year 2019 was for a flood plain management class. The budget for the city will remain at \$500.00

Contract Labor:

The Mayor stated that she felt contract labor should be for things like temporary help, cleaning services, mowing, etc... Judge Bivens stated that the person that does the mowing had approached her a few month prior, and he was asking for more money. She stated that he mows a lot more for the city than he does for the business center and he is asking for \$185.00 up from \$100.00. Mayor Pro-Tem stated "No, we will find somebody else". Councilperson Drost stated that she knew that he was concerned about asking for an increase because he did not want to loose us as a customer. The Mayor stated that she would like to have a discussion with the person, before putting it out for bid. Councilperson Drost suggested that we pay him \$200.00 per month. The council agreed to leave the expense at \$2,400.00 for mowing. The Mayor asked Judge Bivens if she could ask Pedro Gonzalez (the mowing person) come up and sign a new contract with the city that specifies the amount to be paid each month.

Court Cost:

Mayor Pro-Tem stated that last year court cost was budgeted \$189,000.00. The Mayor stated that through April the total expenditures for the court were \$146,000.00, and the projected was \$175,000.00. The Mayor asked Judge Bivens if she believed we would see an increase of \$4,000.00. The Judge stated that she was looking for about \$4,000.00 in increase. Mayor Pro-Tem Rutledge stated that the expenses went from \$189,000.00 last year to \$206,600.00 this year. He also stated that due to the job the police department is doing, the increase sounded reasonable. Councilperson Drost asked Judge Bivens how she felt with the court cost estimates. The Judge responded that she felt good with them.

Dues & Subscriptions:

Mayor Pro-Tem Rutledge stated that they had budgeted \$2,000.00 and had spent \$1,300.00 this year. The Mayor stated that she had some questions. What do dues & subscriptions pay for? The City Secretary stated that the dues and subscriptions covered our QuickBooks Payroll, our yearly renewal of QuickBooks, etc. Councilperson Drost stated that it also covered our subscription to TML. The City Secretary stated for the court, dues & subscriptions cover dues to the Municipal Court association. Mayor Pro-Tem Rutledge stated that the court had their own category.

EDC Sales Tax Payment:

Mayor Pro-Tem Rutledge stated that the income was \$56,000.00 and the expense was \$56,000.00.

Election Expense:

Mayor Pro-Tem stated that the projected expense was \$8,100.00 and that we had spent \$7,600.00 last year. He stated that if Berryville did not have an election, then our bill goes up.

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Gasoline – Fire:

Mayor Pro-Tem stated that \$10,000.00 was requested. Mayor Wright stated that was included in his request. Mayor Pro-Tem Rutledge stated that thus far this year, only \$5,000.00 had been spent. Mayor Pro-Tem Rutledge asked if anyone thought that we should lower the request. No one asked to lower the expense.

Gasoline – Police:

Mayor Pro-Tem Rutledge stated that the police were requesting \$12,000.00 and that they were at \$7,440.00 for the year. Chief Serrato stated that they were originally wanting \$15,000.00 but they did not want to short change their self. He stated that the reason that they were asking for \$17,000.00 is because they only had one vehicle in service last year. He stated that a lot of the classes they were required to take were some distance from Coffee City. Mayor Pro-Tem Rutledge stated that they may need to discuss that. He went on to state that perhaps they should rent a car, and leave the police car in service. Mayor Pro-Tem asked what percentage of the time the police department was running even two vehicles. Chief Serrato stated that with the new schedule it would probably be more than three weeks out of the month. Mayor Pro-Tem asked the police chief if he had a new schedule. The police chief responded that he did for next month, but not for this month. Mayor Pro-Tem asked if got an answer for what percentage of time. Officer Welch stated that the schedule varies depending on if they are called out. Chief Serrato asked where the money for renting a car would come from. Mayor Pro-Tem Rutledge responded that it would have to come out of continuing education and travel. Chief Serrato stated that they only had \$2,000.00 allocated for that, and some classes cost \$299.00. Mayor Pro-Tem stated that we could come back to the issue because we are going to be looking at the fund balance to cover expenses. The Mayor stated that the police department was budgeted for \$12,000.00 can you do with \$15,000.00. The Chief Serrato said that they could do \$15,000.00.

Health Insurance:

Mayor Pro-Tem Rutledge stated that we are spending \$2,600.00 a month in health insurance.

Liability Insurance:

Mayor Pro-Tem Rutledge stated that under liability they budgeted 23,000.00, and agreed that the budgeted amount for fiscal year 2020 should be \$26,000.00.

City Website:

Mayor Pro-Tem Rutledge stated asked what that covered. The City Secretary stated that it was the cost of hosting fees, and domain name registration.

Internet CCCC:

The City Secretary stated that was for the cable service, and internet access for the community center.

Legal Fees:

We are budgeting \$ 2,500.00 in the 2020 fiscal year. Mayor Pro-Tem Rutledge stated that he suggested to leave the Legal Fees at \$2,500.00.

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Office Supplies & Expenses:

Budget for Office Supplies to \$4,000.00

Payroll Taxes:

We are projected at \$13,000.00 for this year, and is currently at \$11,000.00 through April. Mayor Pro-Tem Rutledge suggested to budget \$14,000.00 for fiscal year 2020.

Police Office Supplies:

Councilperson Drost stated that they are requesting \$2,000.00. The council budgeted \$2,000.00 for fiscal year 2020.

Police Equipment and Gear – Office Supplies:

The police department requested \$6,000.00 for fiscal year 2020. Mayor Pro-Tem Rutledge asked if there was a breakdown of what the \$6,000.00 was for. Councilperson Drost stated that she did not think it had ever been broken down. Mayor Pro-Tem Rutledge stated that the reason he was asking the question was because one of the things that had been talked about was new ticket writers. He asked if that was included in the \$6,000.00 request? Councilperson Drost stated that they were going to use this years budget to make those purchases. Mayor Pro-Tem Rutledge asked if that was going to be enough. Mayor Wright stated that they had a balance left of \$3,700.00. The Mayor asked the police department if there was a breakdown of what gear they were going to be purchasing. Mayor Pro-Tem Rutledge stated that the council had to approve the expenditures. He went on to state that they would need Wi-Fi in the cars to use the new system. Councilperson Drost stated that for three devices through Verizon the monthly cost would be \$150.00 per month, the thermal print rolls would be \$50.00, and that the other things would be taken out of this years budget. Mayor Pro-Tem Rutledge stated that we have all gone through the process before, and in the past not all of the systems worked together. Officer Kirkham stated that he had done the research and that it had already been written up. Councilperson Drost stated that there will be a court cost at some time for NetData to pull information from the police software. Officer Kirkham stated that the cost for the pull would start right away, and that the push from the police software would start in 25 months. Mayor Pro-Tem Rutledge asked the difference between a pull, and a push. Officer Kirkham stated that the pull would be on the courts side, and the push would be on the police departments side. The Mayor stated that Officer Kirkham has done a very good presentation which will be presented. Mayor Pro-Tem Rutledge stated that at this point they were going to leave the proposed budget amount at \$6,000.00.

Police Uniform and Badges:

Mayor Pro-Tem Rutledge stated that they are requesting \$3,000.00 but they have spent almost \$5,000.00 this year. Officer Kirkham stated that he thought that the \$3,000.00 would be enough for the fiscal year 2020 budget.

Police Ammunition:

The police department requested \$1,500.00 for the fiscal year 2020 down from last years \$2,000.00.

Postage:

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Mayor Pro-Tem Rutledge stated that he did not have a problem with the \$250.00 request for postage in the 2020 fiscal year budget.

Repairs & Maintenance City Hall:

Mayor Pro-Tem Rutledge stated that he believed that the budget for repairs should be left at \$10,000.00 for fiscal year 2020.

Repairs and Maintenance Community Center:

Mayor Pro-Tem Rutledge stated that he would leave the budget at \$1,500.00 for fiscal year 2020. Mayor Pro-Tem Rutledge suggested that we contact Cole A/C and get a price for a maintenance contract for the community center.

Security Fund Expense and the Tech Fund is a wash.

Salaries:

Budgeted \$170,000.00. Councilperson Drost stated that they should replace Lorena. Mayor Pro-Tem Rutledge stated that he would make the assumption that we would. Councilperson Drost stated that the reason she brought it up was because last night at the city council meeting, it was brought up that we hire a part time receptionist, not a court clerk. She went on to say that she personally did not think we needed a receptionist, because we have a phone system to direct the calls. The judge stated that Mayor Pro-Tem Rutledge and Councilperson Drost stated that we needed a receptionist, so that is what we hired for. She went on to stated that she saw the potential for the person hired to be a court clerk, and 8 months later she was sent to clerk school. Councilperson Drost stated that if you kept the salaries the same it comes to \$178,000.00 and with a 3% increase it would be \$183,500.00. The Mayor suggested budgeting for \$184,000.00.

Special Events Expense

Mayor Pro-Tem Rutledge stated that it was an offset as is the Technology Fund Expense.

Telephone Landlines:

Mayor Pro-Tem Rutledge stated that the budgeted amount of \$8,500.00

Cell Phones:

Mayor Pro-Tem Rutledge stated that \$4,500.00 would be budgeted.

Electric – City Hall:

Mayor Pro-Tem Rutledge stated that we are currently at \$5,000.00 so he suggested to budget for \$6,500.

Electric – Community Center:

Mayor Pro-Tem Rutledge stated that he agreed with the \$3,800.00 for the community center.

Propane:

The projected budget is for \$1,500.00 reduced from \$2,000.00

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Street Lights:

Budget for \$4,500.00 for fiscal year 2020.

Mayor Pro-Tem Rutledge stated that we were \$58,500.00 short. Councilperson Drost stated that it bothered her that our expenses were more than her income. The Mayor proposed that we go back to each department and see what we are over for each department. Then ask the departments to go back through and see what can be reduced.

The suggestion was made to take the following from Available Fund Balance.

Payroll: From Available Fund Balance will be \$6,000.00

Volunteer Fire department : From Available Fund Balance will be \$23,700.00

Computer Expenses: from Available Fund Balance will be \$5,000.00

Repairs and Maintenance City Hall expense from Available Fund Balance will be \$10,000.00

Police Equipment and Gear from Available Fund Balance will be \$13,600.00

4) Adjournment.

Councilperson Drost made a motion to adjourn. Councilman Cooper seconded the motion. A vote was taken and was unanimous.

ATTEST:

Pam Drost, Mayor

Douglas Davis, City Secretary