

CITY OF CASTLE HILLS  
CITY COUNCIL SPECIAL MEETING  
MINUTES OF JULY 19, 2011

A special meeting of the City Council of the City of Castle Hills was held at 6:00 p.m. on Tuesday, July 19, 2010, in the Community Room at the City of Castle Hills, 209 Lemonwood Drive, Castle Hills, Texas, 78213 to consider the following agenda:

The attendance roster was signed by Suzanne Riley and William Beuhler.

I. OPENING

- A. QUORUM - Present and composing a quorum of the City Council were Mayor Pro-Tem Tom Davis, Douglas Gregory, Steve McGuire, Tim Howell, and Marcella Huff. Mayor Bruce Smiley-Kaliff was absent.

Staff present was City Manager Michael Steele, Assistant City Manager Rita Hoyl, City Secretary Linda Gill, Court Administrator Wendy Reyes, and Public Works Director Rick Harada.

II. ANNOUNCEMENTS - None

III. REPORTS - None

IV. BUDGET WORKSHOP

PRESENTATION AND DISCUSSION OF THE PRELIMINARY FY 2012 BUDGET FOR THE CITY OF CASTLE HILLS.

Mayor Pro-Tem Davis called the meeting to order at 6:00 p.m. He said the purpose of the workshop is to go over the budget expenses for the Administrative, Court, and Public Works departments. He said later the city manager will present a balanced budget that includes the income, which won't be available until the effective tax rate is known.

Mr. Steele again stated that the council was looking at a bare bones budget, which is less than last year that reflects what is needed to run the departments. He told the council members that this workshop is their chance to question the department heads about their proposed expenses and what they are comprised of. He indicated that he told department heads to figure their budgets with no expectation of increased revenue. Mr. Steele added that every single department is either on

budget or under budget so far this year. Ms. Hoyl said the amount under budget this year is \$143,000.00 based on total revenue, less total expenditures.

Court Administrator Wendy Reyes went through her budget expenses, explaining line item changes to the council. She said she gave herself a raise based on what she was told when she took over the court administration several years ago. She said she came up with the salary by comparing surrounding city court salaries and the volume of cases they handle. She also gave the deputy court clerk a 2% cost of living raise. She allotted a small amount for part time help to be hired and trained in anticipation of the deputy court clerk's upcoming retirement. She took the warrant officer out of the budget due to the city hiring an outside collector for warrants and lowered the amount of court tax based on expected revenue. She continued through all line items and answered questions from council members.

Council member Huff questioned whether the decision to raise salaries was based on experience and education.

Public Director Harada presented the budgets for both the Streets and Sanitation Departments. He noted an increase in gas, oil, and tire expense for the Streets Department, but said he decreased uniform expense from \$3,800.00 to \$2,500.00 because that amount has never been exceeded in past years. Under the Sanitation Department, Mr. Harada said he increased maintenance on equipment from \$10,000.00 to \$15,000.00 due to the age of the Sanitation trucks and anticipated repairs that will be needed. He dropped uniform expense from \$4,100.00 to \$3,500.00, which he doesn't think will be exceeded. Mr. Harada briefly explained the difference between the line items for Animal Control and Kennel Care. He said the Animal Control expense is for supplies, equipment, pet donations to other shelters, and incidental costs of the shelter. He said the Kennel Care cost is for an employee who comes in on holidays and weekends to care for the animals.

The city manager went over the Administration budget, noting that salaries were increased due to adding another full time person and a cost of living increase of 2% for everyone but himself. He added that part time salaries were cut in half. He proceeded to explain changes in each line item. He concluded by inviting questions from the council.

Councilman Howell clarified that it was not a council directive that the tax rate would not be raised or that they would cut their way back to a zero balance budget and do away with services, plans, or even promises that happened in the past. He said that would not be a good thing. Councilman McGuire responded that there is no preconceived notion or position of Council.

Councilman Davis commented that 80% of the budget is personnel. He said Castle Hills does not have the tax base of Shavano Park or Alamo Heights, and never will. He said that, to balance the budget, they would have to look at whether the burden of cuts would be on the employees or on the people who share city services. He questioned whether the citizens want those services and are willing to pay for those services. He said they may have to look at those services.

Mr. Howell said that he hoped the employees who were in attendance last night took with them the fact that they are very important to the city, and there are other avenues that can be searched to balance the budget.

Mr. Steele said that, when the tax rate comes in next week, they will have another meeting to discuss how the budget is impacted. He will ask department heads to take a second look at their figures, if necessary.

V. ADJOURNMENT

After brief discussion among council members, the meeting adjourned at 6:50 p.m.

These Minutes were approved on the 9<sup>th</sup> day of August, 2011.

APPROVED:

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Bruce Smiley-Kaliff, Mayor

ATTEST:

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Linda Gill, City Secretary