

CITY OF CASTLE HILLS
SPECIAL CITY COUNCIL MEETING
MINUTES OF SEPTEMBER 2, 2008

The City Council of the City of Castle Hills convened at 5:00 p.m. on the 2nd day of September, 2008, in the Community Room at the City of Castle Hills, 209 Lemonwood Drive, Castle Hills, Texas.

I. OPENING

QUORUM - Present and composing a quorum of the City Council were Mayor Marcy Harper, Douglas Gregory, Marcella Huff, Tom Davis, Bruce Smiley and Tim Howell.

Staff present was City Manager Mike Rietz, Assistant City Manager Rita Hoyl, Police Chief Donny Davis, Fire Chief Jerry Riedel, Public Works Director Rick Harada, and City Secretary Linda Gill.

II. ANNOUNCEMENTS – None

III. REPORTS – None

IV. BUDGET WORKSHOP

City Manager Rietz gave a brief summary of changes to the budget that were discussed in the last council meeting. He indicated that \$10,000.00 was moved from the City Hall Improvements account to the Monument Signs account. He said he increased the EMS Fees to San Antonio to \$238,000.00. He commented that he and Chief Riedel were seeking a quote from the private ambulance company that serves Balcones Heights.

He noted a change to the Fire-Future Vehicle Purchase under Capital Expenditures. He lowered the amount to \$50,000.00 from \$62,000.00 due to the sale of the pumper truck for \$37,200.00.

Mr. Rietz explained that he had estimated a 10% increase in the employee health insurance premiums. He said the policies will have higher deductibles in order to keep the cost increase at the 10% amount. He mentioned that the council wanted to discuss employee salaries. He suggested that raises could be looked at later, but he included a 3% cost of living increase in the proposed budget. He said that a recommendation would be presented at the September 9th council meeting regarding employee insurance.

Mayor Harper proposed using the Oak Wilt Fund and giving employees a 4 1/2 to 5 percent increase. She remarked that city employees need a boost from the council. She pointed out that the insurance deductibles are going up too. She said that another workshop could be held in October regarding salary increases. The consensus of the council was that a two-hour workshop would be needed to give them adequate time to study salary and benefits. The mayor recommended

having it in October. That would give Mr. Rietz time to get with other cities and compare salaries and benefits. But, she said they could give the cost of living raises now.

Council member Huff remarked that taking funds from other places in the budget would only help this year. She indicated that the council should look at revenues that might support salary increases. Councilman Gregory commented that sales tax has been flat. The mayor said that home values are not going up, which hurts the ad valorem tax revenue.

Mayor Harper said that she wants a new monument sign at Travertine to dress it up. It looks terrible right now.

Councilman Gregory said that he wanted to eliminate the \$25,000.00 in City Hall Improvements. Council member Smiley agreed.

Mr. Rietz explained that Capital Expenditures are 25% higher than last year due to the lease payments on the new fire truck.

Councilman Gregory commented on the cost of the city's newsletter and post cards. Mayor Harper said she would like to do one twice a year, rather than four times a year. Council member Huff commented that the newsletter is very important because it sells the city. Councilman Smiley suggested doing an electronic newsletter. Council members concurred that many citizens do not have computers. Discussion followed regarding the possibility of doing both electronic and hard copy newsletters. Mr. Rietz said there can be two lists of citizens, one for electronic and one for hard copy newsletters.

Discussion turned to uniform expenses and equipment lease payments. Mr. Rietz said that uniform expense has gone up like everything else. He indicated that the increase in equipment lease payments was due to the new Xerox machine.

General discussion followed. No action was taken.

V. ADJOURNMENT

Mayor Harper adjourned the meeting at 6:02 p.m.

These minutes were approved on the 9th day of September, 2008.

APPROVED:

Marcy Harper, Mayor

ATTEST:

Linda Gill, City Secretary