

**LOCKHART CITY COUNCIL  
BUDGET WORKSHOP**

**AUGUST 12, 2008**

**6:30 P.M.**

**Council present:**

Mayor Pro-Tem Frank Estrada  
Councilmember Kenny Roland  
Councilmember Richard Wieland

Mayor James Bertram  
Councilmember Paul Gomez  
Councilmember Lew White

**Council absent:**

Councilmember Richard Banks

**Staff present:**

Vance Rodgers, City Manager  
Jeff Hinson, Finance Director  
Sandra Mauldin, Economic Dev. Dir.  
Jerry Doyle, Fire Chief

Connie Ortiz, City Secretary  
Raymond DeLeon, Water/Wastewater Super.  
Sean Kelley, Water Department

**Citizens/Visitors Addressing the Council:** None.

**ITEM 1. CALL TO ORDER.**

Mayor James Bertram called the special meeting/budget workshop to order on this date at 6:40 p.m.

**ITEM 2. CITIZENS/VISITORS COMMENTS.**

Mayor Bertram requested citizens to address the Council. There were none.

**ITEM 3-A. DISCUSS TAX RATE. TAKE RECORD VOTE, IF MOTION PASSES SCHEDULE AND ANNOUNCE DATE AND TIME OF PUBLIC HEARINGS ON PROPOSED TAX RATE.**

Mr. Hinson provided information about the calculation of the effective tax rate.

Councilmember Gomez made a motion to set the tax rate at \$0.7090 per \$100 valuation. Councilmember Roland seconded. The motion carried by a vote of 6-0.

Mr. Hinson stated that public hearings would not be required to be set since the Council voted to set the tax rate at the effective rate.

**ITEM 3-B. PRESENTATION AND WORKSHOP REGARDING THE FISCAL YEAR 2008-2009 BUDGET.**

Mr. Rodgers stated that since the Council voted to adopt the effective rate, the proposed budget was balanced.

Mr. Hinson provided information about the following:

- Analysis about the fund balance for the major funds.
- Information regarding the unrestricted estimated ending fund balance.

**ITEM 3-C. DISCUSSION AND/OR ACTION REGARDING TENTATIVE BUDGET AND TAX RATE ADOPTION CALENDAR FOR FISCAL YEAR 2008-2009, IF NECESSARY.**

There was no discussion regarding the calendar.

**ITEM 3-D. DISCUSSION REGARDING MAINTENANCE AND OPERATING AND CAPITAL BUDGETS AND FUNDING.**

There was discussion regarding the capital budgets and funding.

**CAPITAL IMPROVEMENT BOND AND CERTIFICATES OF OBLIGATION (CO)**

Mr. Hinson provided information about several issues regarding a proposed capital improvement bond and certificates of obligation:

- fire station number two (\$1,250,000)
- second new fire truck (\$270,000)
- street reconstruction (\$2,000,000)
- street construction equipment (\$ 270,000) Transfer to future CO
- drainage improvements (\$1,025,000)
- new animal shelter and land (\$390,000)
- City Hall addition (\$540,000)
- renovations to the Masonic building (elevator) (\$425,000)
- sidewalks (\$500,000)
- new convention center (\$5,200,000)

Total for a proposed bond and in the amount of \$11,630,000

- Explanation regarding funding scenario of proposed capital projects and purchases.
- Discussion regarding a chart that outlines the debt service tax.
- Proposed payments for the bond for preliminary capital purchases.
- Discussion regarding the hotel tax fund that has been collected for the last four quarters.

Mr. Hinson explained the process that the bonds would be funded. There was discussion regarding equipment that could be purchased through the bond.

Mr. Rodgers provided information about the following:

- Equipment financing package of capital purchases for the fiscal year 2008-2009.
- Funding scenario for proposed capital projects and purchases with recommended time frames for consideration by Council.

Mr. Rodgers stated that the proposed bond election had been tentatively scheduled to be taken to the voters in 2009 but he was recommending to wait on the vote until November 2009 for the Bond Issue and if approved by the voters, the proposal was to issue the bonds in the Spring of 2010, and issue the certificates of obligation after January 2009. He and Mr. Hinson explained the benefits of keeping the proposed calendar for new debt to around \$ 9.95 million.

**FIRE DEPARTMENT**

Chief Doyle provided information about the following:

- Discussion regarding the necessity of a new second fire station. There was discussion regarding building a bay to house the new fire truck at the EMS substation on Highway 142 instead of building a second fire station.

- Discussion regarding the capital purchases needed for the Fire Department to increase the City's Insurance Service Office ratings, which would include additional personnel and a fire truck with a ladder.
- Discussion regarding the possible necessity of a brush truck.
- Discussion regarding the areas that the Fire Department uses for training.
- Decision to take out the new station at this point and consider putting new truck and two firefighters at the West EMS site.

#### ANIMAL SHELTER

Mr. Rodgers provided information about the following:

- Purchase of property for a new animal shelter and how grant funds would be used.
- Considering requesting that Caldwell County assist in funding the payments on the Animal Shelter.

#### PARKS

Mayor Bertram requested that funds be allocated for lighting at the mixed use complex at Maple Street Park. There was discussion regarding the lighting at several parks throughout the city.

#### CONVENTION CENTER

Mr. Rodgers explained the costs associated with the proposed convention center that would include additional staff to manage and schedule use of it.

There was discussion regarding staff seeking information about a certificate of obligation for smaller capital item purchases.

#### CITY HALL RENOVATION

There was discussion regarding waiting to budget the renovation until the 2009-2010 budget which would be included in the proposed bond election..

#### MASONIC BUILDING/ELEVATOR

There was discussion regarding structural elements to renovate the second and third floors of the Masonic building. Mr. Rodgers explained that the structural analysis should be finished soon and that confirmation of the amount of money needed would be available at that time.

There was discussion regarding removing some of the items from being funded through the bond and funding it in a certificate of obligation since the new fire station had been pulled. Councilmember White stated that he felt the City Hall annex and renovations should be done under the certificate of obligation. The consensus of the Council was to add the City Hall annex and renovations to a certificate of obligation.

By a majority, the consensus of the Council was to add the following to the certificate of obligation list:

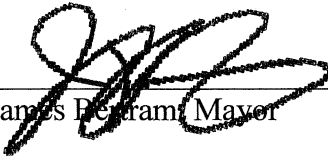
- City Hall renovation and Annex.
- Sidewalk projects.
- Masonic building renovation to 2<sup>nd</sup> and 3<sup>rd</sup> floors and the installation of an elevator.
- Fire truck and building only for new fire truck if necessary.

**ITEM 4. ADJOURNMENT.**

Councilmember Wieland made a motion to adjourn the meeting. Councilmember Roland seconded.  
The motion carried by a vote of 6-0. The meeting was adjourned at 8:21 p.m.

PASSED and APPROVED this the 2<sup>nd</sup> day of September 2008.

CITY OF LOCKHART

  
\_\_\_\_\_  
James Beagram, Mayor

ATTEST:

  
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Connie Ortiz, TRMC, City Secretary

