

The City Council of the City of Columbus, Texas met in special session on Tuesday, August 24, 2010 at 6:30 p.m., in the Council Chambers of City Hall located at 605 Spring St., Columbus, Texas, with the following present:

Mayor	-	Dwain Dungen
Mayor Pro Tem	-	Curtiss Schonenberg
Councilman	-	Charles Richardson
Councilman	-	John Axel
Councilman	-	Bruce Tesch
Councilman	-	Chuck Rankin
City Manager	-	Donald Warschak
City Secretary	-	Cathy Ezell

Other City Staff present included:

Police Chief	-	Danny Jackson
Utilities Superintendent	-	Wayne Karstadt
Public Works Supervisor	-	Michael Poncik
Fire Chief	-	Walter Glaeser

1. Call to Order.

Mayor Dwain Dungen called the meeting to order at 6:30 pm.

2. Pledge of Allegiance and Invocation.

Mayor Dungen led the Pledge of Allegiance and Invocation.

3. Citizen's Presentations and Comments.¹

Fire Chief Glaeser stated that the Fire Department needed to replace bunker gear this year and that the budget cut that was made to Wearing Apparel would not cover the cost of the gear that needed to be replaced. He stated that they needed to replace ten (10) to twelve (12) sets of bunker gear. He also stated that the budget reduction in Schools/Seminars could cause issues if they had more people who could attend the training this year than they have had in the past because it costs about \$1,000 per person to attend the training. He stated that they would need \$10,000 in Wearing Apparel to cover the replacement of the bunker gear and \$5,000 in Schools/Seminars.

Mr. Dusty Dittamar asked how the budget was determined and if the department heads are contacted for input.

City Manager Donald Warschak stated that the amounts that were budgeted in the past were used to determine the budget. He also stated that the expenditures had been reviewed at one meeting and then at another meeting budget reductions were made throughout the General Fund based on what was spent versus what was budgeted.

4. Discussion of Budget Workshop

Mr. Dwight Mazac stated that the budget process was new to the three representatives present from the Fire Department. He also stated that he understood the needs of the City of Columbus and the current economic conditions. He stated that they will look at the Fire Department budget and work to reallocate funds to help fund the request to increase the Fire Department Wearing Apparel and Schools/Seminars. He will get with City Manager Donald Warschak and City Secretary Cathy Ezell with the results.

Councilman Rankin stated in the review being done by the Fire Department that they need to keep in mind the actual expenditures to the budget. He also stated the Fire Department knows better where adjustments can be made.

Mr. Mazac asked what would happen if something unexpectedly occurred and more funds were required.

Mayor Dungen stated that an adjustment could be made if necessary.

City Secretary Cathy Ezell stated that Council was given an analysis of water and sewer base rate increases and that at this time there were no changes to the revenue in the Utility Fund. She then went through the proposed cuts to the Utility Fund.

Councilman Rankin asked if the amount of the Chemical Reduction in the Water Department could be reduced further. Donald Warschak and Cathy Ezell stated that the amount of chemicals used is based upon the water pumped and the reduction was based on the difference in the two previous years.

Councilman Rankin asked about the amount for Maintenance Other. It was reduced to \$3,000 when the amount spent was less. Councilman Schonenberg stated that he would recommend reducing that line item to \$1,000.

Councilman Rankin and Council Schonenberg questioned the increase in Maintenance Equipment in the Sewer Department. Donald Warschak stated that the increase was to perform maintenance on the SCADA system and the Chlorinator system. Councilman Axel asked how long has the system been in place. Donald Warschak stated three (3) years. Councilman Rankin asked staff to obtain a more precise cost for maintenance.

Councilman Schonenberg asked about the Regulatory/Permitting account in the Sewer Department and how it could be up one year and down the next and being budgeted over the current years projected amount. Cathy Ezell stated that permitting fees are set by TCEQ and can vary. Mayor Dungen stated that there could be a biannual permit. Cathy Ezell stated that there could have been a timing issue in the past as to paying the permit fees.

Councilman Rankin asked staff to recheck the amount budgeted for the utilities in the Sewer Department because it was projected to go over budget this year.

Councilman Schonenberg asked about the Supplies General account in the Gas Department and it going over budget the past two years and projecting a reduced budget versus expenditures. Donald Warschak stated that this was due to the gas meters that had to be purchased for the new commercial construction in the previous two years and that next year the City of Columbus was not anticipating any new commercial construction.

Cathy Ezell then went over the ending fund balance that was being projected for the General Fund. She explained that when budgeting you would like revenues to exceed or equal expenditures but sometimes that is just not possible and in that case you would look at what is in fund balance. She recommended that 20% of operating expenditures be held in fund balance. She stated that if you left in the capital expenditures that had not been cut you would have a reserve of 18%; and if you took out the capital expenditures that were not paid for by other funds, the grant and equipment funds, that you would have a reserve of 20%. She stated that last year the budget was approved with having 11% in reserve.

Mayor Dungen stated that if you had more than the 20% in fund balance that would be used to fund your one-time capital items.

Council discussed increasing the revenue projection for sales tax and putting funds back into the Code Enforcement Department for the Demolition of Abandoned Property account.

Mayor and Council agreed to leave the capital items in the budget but not expend the funds until the end of the year and only if the funds were available.

Councilman Rankin stated that if you looked at the fund balance of the Utility Fund the fund balance could absorb the shortfall as it did in the General Fund and not raise the utility rates at this time.

Mayor Dungen asked staff to reevaluate the revenue projections in Hotel Occupancy Tax Fund since the revenues were up this year.

Councilman Rankin asked staff to work with the Chamber to create a plan for spending the Hotel Occupancy Tax funds.

A Budget Workshop was scheduled for Tuesday, August 31, 2010.

5. Items from Councilmembers.²

Councilman Richardson – no comment.

Councilman Axel – no comment.

Councilman Schonenberg – no comment.

Councilman Tesch – no comment.

Councilman Rankin – no comment.


Mayor Dungen – no comment.

6. Announcements.

There were no announcements.

7. Adjournment.

The mayor adjourned the meeting at 7:35 p.m.



Mayor, Dwain K. Dungen

ATTEST:



Cathy Ezell, City Secretary

¹During this agenda item, citizens may comment for the record on items, which are not on the agenda. However, the Council may not participate in discussion or deliberation on any item that is not on the agenda. Citizens may request that a topic be added to a future agenda.

Citizens who wish to comment on a posted agenda item may do so when that item is addressed by the Mayor. Citizen's comments are limited to five minutes.

²Limited to statements. Issues raised by councilmembers under this item cannot be deliberated by Council. The Open Meetings Act does not allow Council to deliberate items that don't appear on the agenda.