



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Meeting Minutes City Council

Thursday, June 14, 2018

4:00 PM

City Council Chambers

630 E Hopkins - Budget Workshop #2

I. Call To Order

With a quorum present, the budget workshop meeting of the San Marcos City Council was called to order by Mayor Thomaides at 4:00 p.m. Thursday, June 14, 2018 in the City Council Chambers, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Council Member Derrick was absent due to illness.

Present: 6 - Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Deputy Mayor Pro Tem Scott Gregson, Council Member Jane Hughson, Mayor John Thomaides and Council Member Ed Mihalkanin

Absent: 1 - Council Member Melissa Derrick

PRESENTATIONS

1. Receive a Staff presentation and hold discussion regarding the preliminary Fiscal Year 2018-2019 Budget, and provide direction to Staff.

Heather Hurlbert, Director of Finance, provided the Council with a brief overview of the evening. She began by reviewing the San Marcos Regional Airport revenue and expenses. Mrs. Hurlbert indicated that they have submitted \$350,000 of requests, but \$100,000 for the City Owned Facility Repairs and Maintenance is in the Capital Improvements Plan (CIP).

Mrs. Adriana Cruz, President of the Greater San Marcos Partnership, provided the Council with a presentation. Council requested that Mrs. Cruz provide the City Manager with a report of all mentions within publications from the past year.

Mrs. Hurlbert moved on to the Hotel Motel Tax Fund revenue and programs. She indicated that revenue forecast for FY18 is trending lower than expected and they are anticipating a shortfall of around \$350,000. She did not have a revenue forecast for FY19.

Discussion was held regarding the Mural Program. Discussion was held regarding reducing the Tanger Marketing Program from \$150,000 if any cuts needed to be made, and not increasing it by \$50,000 as requested. No consensus or direction was provided at this time. Discussion was held regarding the possibility of making cuts across the board.

Mrs. Hurlbert presented the Water Wastewater Fund revenue and expenses. She provided that fund balance maintained at 25%, revenue stabilization fund is fully funded and debt coverage is at 1.27 times coverage. Mrs. Hurlbert provided that the total budgeted revenue is \$43.2M and total budgeted expenses is \$42.6M. Mrs. Hurlbert then reviewed the expense recommendations, and provided that the total of recurring expenses is \$225,100. The total of one-time expenses is \$56,000, and the total of capital expenses is \$293,000.

Mrs. Hurlbert presented the Electric Fund revenue and expenses. She reported that there is not recommendation for a rate increase for the electric fund. She provided that the fund is fully funded and debt coverage exceeds 1.2 times coverage. Mrs. Hurlbert provided the expense recommendations. The total of recurring expenses is \$139,500 and the total of one-time expenses is \$303,000. Mrs. Hurlbert provided the total capital expenses of \$565,800.

Mrs. Hurlbert reviewed the budget timeline for the remainder of the budget process.

No additional direction was provided.

III. Question and Answer Session with Press and Public.

None.

IV. Adjournment.

Mayor Thomaides adjourned the San Marcos City Council budget workshop at 5:38 p.m.

Jamie Lee Case, TRMC, City Clerk

John Thomaides, Mayor