



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Meeting Minutes City Council

Wednesday, February 13, 2019

4:00 PM

City Council Chambers

630 E. Hopkins - Budget Policy Workshop

I. Call To Order

With a quorum present, the Budget Policy Workshop of the San Marcos City Council was called to order by Mayor Hughson at 4:07p.m. Wednesday, February 13, 2019, in the City Council Chambers, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Present: 7 - Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Council Member Melissa Derrick, Mayor Jane Hughson, Council Member Ed Mihalkanin, Council Member Joca Marquez and Council Member Mark Rockeymoore

1. Receive a Staff presentation and hold discussion regarding the Fiscal Year 2019-2020 Budget Policy for the City of San Marcos, and provide direction to the City Manager.

Bert Lumbreras, City Manager provided a brief introduction to the Budget Policy discussion and introduced Heather Hulbert, Finance Director and Melissa Neel, Assistant Finance Director.

Ms. Hurlbert and Ms. Neel provided the presentation with detailed information regarding budget development outlining the following:

1. Set strategic initiatives for the coming year
2. Formulate policy statement to guide City Manager during budget preparation
3. Deliver proposed budget of all general budget items by fund type
4. Deliver budgeted programs, revenues, and expenditure philosophy
5. Deliver budget capacity and trends

The timeline of all meetings proposed or scheduled this year include the following:

February 13th - Budget Policy Workshop

March 5th Adoption of Budget Policy at Regular City Council Meeting

May 7th Work Session

June 26th-27th Budget Workshops

August 1 Budget Workshop

August 20th -1st reading of Tax Rate

September 3rd -1st reading of Budget adoption and 2nd reading on tax rate

September 17th - 2nd reading of Budget Adoption

2019 Strategic Initiatives were discussed and include Workforce Development, Workforce Housing, Multi Model Transportation, Downtown Vitalization, and City facilities.

Ms. Neel provided the General Fund Revenue forecast assumptions regarding property tax, operating capacity generated by bond revenue, and Sales tax. Council consensus is to not increase property tax and to keep money in reserves from the operating capacity generated by bond revenue. Council has requested that staff provide additional information in the form of a memo regarding Operating capacity generated by bond revenue.

Ms. Neel provided the current initiatives in process and the policies impacting revenue and fund allocation which include:

- 1. User fee policy (council consensus to keep as is)**
- 2. City Special Events Policy**
- 3. Social Services & Youth Initiatives Policy**

Council provided consensus to keep the user fee policy as is and requested that staff send out social services funding via email and the forum with research comparing our funding with other cities. Council would like the Youth Initiatives Policy to remain on hold until additional information is received. Council would like to know what the focus is and need information from the Commission on Children and Youth and does not want to do funding until we hear back from them. A needs assessment was discussed and Council does not want to take money of the Social Services funding to complete this assessment.

Council provided direction on the following policy considerations:

- 1. Strategic Initiatives**
- 2. Increase Live Outcomes**
- 3. Fund Balance - maintain balance of 25%**
- 4. HB/SB2 Rollback Rate**
- 5. Maintenance Funding**
- 6. Meet & Confer**
- 7. Merit Increase**
- 8. Health Insurance**

9. Transit Operations**10. Staffing needs****11. Parking Management****12. CIP Capacity****13. Over 65 Property Tax Freeze - do not freeze or implement but provide further direction after Legislature meets this year****14. Economic Development Reserve - utilize 800k and use towards initiatives****15. Other considerations**

Discussion was held regarding the Best Buy Call Center. Council requested the revenue be set aside for one time usage and new initiatives.

III. Adjournment.

Mayor Hughson adjourned the Budget Policy Workshop of the San Marcos City Council at 6:52 p.m.

Tammy Cook, TRMC, Deputy City Clerk

Jane Hughson, Mayor