

## WOODWAY CITY COUNCIL MINUTES

Budget Work Session – July 24, 2023

The Woodway City Council met in a work session in the Donald J. Baker Council Chambers at Woodway City Hall, 922 Estates Drive, Woodway, Texas on Monday, July 24, 2023, at 4:00 p.m. The following individuals were in attendance:

Mayor:	Amine Qourzal
Mayor Pro Tem:	John W. Williams
Councilmembers:	David Russell, Storey Cook, Janell Gilman and David Keyston
Absent:	Gayle Avant
City Manager:	Shawn Oubre
City Secretary:	Donna Barkley
Other City Staff:	Brenda Hernandez, John Norman and Khalil El-Halabi
Contract Staff:	None

Mayor Qourzal called the work session to order at 4:02 p.m. This work session was held for the purpose of discussing the 2023/2024 proposed annual budget. As it was a work session only, no action was taken. The regular City Council meeting that was rescheduled from earlier this month is scheduled for 5:30 p.m. after this work session. The mayor stated that he would ask for citizen input after the City Manager provides his opening comments. He also stated that he would like to take a break around 5:00 p.m. before the regular meeting starts at 5:30 p.m.

Dr. Oubre provided that this proposed budget was the work of staff continuing projects and processes, and communication with some citizens about their desires to have certain things done in the City. Since this was proposed, we have received updated information that will help firm up some of the numbers.

Dr. Oubre provided information on the following:

- Whitehall parking lot at Whitehall Park
- Reader Board Upgrade (paid out of hotel/motel funds)
- Request from Public Safety to raise fire pay
- Request from Nancy Goebel, Parks & Recreation Commission Member that you have been provided
- We are in the stages of being considered for a TxDOT sidewalk improvement grant which would be around the Woodway Elementary School. This would create a walkability through the neighborhood and parents walking their children to school. Our component of match on this would be \$262,000.00.
- An outstanding agreement between the City of Woodway, City of Waco and Lehigh Cement Plant. This was approved by a previous council. The reason is that there will be some ground storage tanks built in the City of Woodway through the City of Waco. It was originally Lehigh property.
- Final numbers from Blue Cross and Blue Shield medical and dental
- One new position for HR Manager
- Increase to sewer around 8 and 9%
- Automatic garbage increase of 8.5% per contract

- Looking at a water rate increase to pay for the needs within the water department in the capital outlay or capital equipment request
- The Chief and the City Manager are currently working on a call-out/stand-by compensation package. This is something new to the City but we don't have the numbers yet.

Mayor Qourzal asked the Council if they had any quick questions for the City Manager? Councilmember Keyston asked about what the increase in the water subscription would be? Dr. Oubre stated that this is not at the base rate but we are looking at about twenty cents per bracket depending on what capital equipment or capital outlay the Council approves for the enterprise fund. He also questioned why there would be a need for an increase if there was a surplus in the water/sewer fund? Ms. Hernandez, Finance Director explained that we are counting on a surplus every year in the enterprise fund, but we then transfer that to future capital utility projects which funds the projects that are provided on the back page of the budget. She also stated that we need to make a profit in order to continue to replace these water lines. There were additional questions asked and answered regarding the water/sewer fund, expenditures in the general fund and surplus in the general fund.

There was discussion regarding the layout of the proposed budget.

Mayor Qourzal opened the floor for citizen comments:

- Donald R. Ham, citizen – Looking at the budget and hopes that the City is doing things correctly.
- Dwain Moss, citizen – He thinks it is doable to lower the tax rate and that there is too much money in surplus.
- Phillip Reeder, citizen – Please bring relief to the Woodway property owners by reducing the ad valorem property taxes.
- Bill Swartz, citizen – In favor of City purchasing a street sweeper
- Blane McCormick, citizen – In favor of industrial street sweepers
- Lynn Strang, citizen – Opposed to the City purchasing a street sweeper and adding an HR Manager position
- Richard Hess, citizen – Questioning why the City is proposing a street sweeper for a City this size. Perhaps we can borrow a street sweeper at a reasonable cost per hour or per day. He understands that the City of Bellmead has a street sweeper they would be willing to loan Woodway as needed.
- Richard Maker, citizen – He thinks the City has an expenditure problem.
- Linda McGregor, citizen – Understands that any type of budget is hard to balance and please everyone. Feels that one of things that she hears from people that have moved to this area is that they appreciate the lower tax rate. She also added that she thinks this is one of the things that makes Woodway great.
- Dwain Moss, citizen – Not asking Council to change one thing, but the money is there. We have had a 50% increase in the market value in the last three years. Greater than the last ten years put together. Sales tax is a lot bigger part of the budget than it was a few years ago.

Mayor Qourzal opened the floor for Council to discuss.

There were questions and concerns regarding the proposed budget. Ms. Hernandez stated that the budget that was prepared was in compliance with the ordinances. As in the past twenty years, it included the General Fund Departments, Utility Fund, Expected Revenues, Expected Expenditures and Tourism Fund.

Councilmember Russell thinks there are ways of spending down the surplus and maybe there are some things not needed, such as the street sweeper.

Councilmembers Russell and Keyston would like to see the proposed budget with more detail and information.

Councilmember Russell would like to see proposed pay increases reversed to a 3% COLA and 5% merit.

Councilmember Russell also stated that he believes the Council should be shooting for a 37 or 37 ½ cent tax rate, if he understands the numbers correctly, he said it would be around \$160,000. According to his calculation, this would cut approximately \$500,000 off the total amount.

Dr. Oubre stated that we appreciate these comments to reconstruct the budget, but he wanted to give credit to Ms. Hernandez for working very hard in preparing these numbers in a clean, easy to use in reference material versus create a document that you would have to sort through and dig for the information. Ms. Hernandez has followed the past practice as she was taught by the former Finance Director and didn't receive any interim comments between the last proposed budget and this one. If the Council wants to subscribe to software packages like Robinson, Hewitt and other cities have, we can explore that method.

Mayor Qourzal stated that he wanted to take some heat off the staff because they have taken a few blows. He scheduled this meeting and did so to have the opportunity to have multiple meetings. Even though we don't have the tax roll, he scheduled this to have preliminary discussions.

There were additional questions asked and answered regarding the Carleen Bright Arboretum being in the General Fund.

There was brief discussion on Capital Outlay & Equipment Replacement & Capital Projects.

At the conclusion of the meeting, Mayor Qourzal adjourned the work session at 5:04 p.m.

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Donna Barkley, City Secretary

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Amine Qourzal, Mayor