

MINUTES - CITY OF BEAUMONT

W.L. Pate, Jr., At-Large
Dr. Alan B. Coleman, Mayor Pro Tem
Audwin Samuel, Ward III
Tyrone E. Cooper, City Attorney

BECKY AMES, MAYOR
CITY COUNCIL MEETING
August 5, 2014
Kyle Hayes, City Manager

Gethrel Wright, At-Large
Michael D. Getz, Ward II
Jamie Smith, Ward IV
Tina Broussard, City Clerk

The City Council of the City of Beaumont, Texas, met in a regular session on **August 5, 2014**, at the City Hall Council Chambers, 801 Main Street, Beaumont, Texas, at 1:30 p.m. to consider the following:

OPENING

- * Invocation Pledge of Allegiance Roll Call
- * Presentations and Recognition
- * Public Comment: Persons may speak on scheduled agenda items No. 1/Consent Agenda
- * Consent Agenda

Mayor Ames called the council meeting to order at 1:30 p.m.

Pastor "Big Jim" Salles of West End Baptist Church gave the invocation and led the Pledge of Allegiance. Roll call was made by Tina Broussard, City Clerk.

Present at the meeting were Mayor Ames, Councilmembers Getz, Pate and Samuel. Absent: Mayor Pro Tem Coleman and Councilmembers Wright and Smith. Also present were Kyle Hayes, City Manager; Tyrone Cooper, City Attorney; Tina Broussard, City Clerk.

Mayor Pro Tem Coleman was absent due to death in his family.

Councilmember Wright was out of City.

Councilmember Smith was absent due to work.

Proclamations, Presentations, Recognitions

"Pioneering Women Celebrating the 19th Amendment Day" - August 7, 2014 - Proclamation read by Mayor Ames; accepted by Helen Francis, Vice President and other members

Public Comment: Persons may speak on scheduled agenda items No.1/Consent Agenda.

None

CONSENT AGENDA

- * Approval of minutes - July 29, 2014

* Confirmation of committee appointments - **None**

Councilmember Samuel moved to approve the Consent Agenda. Councilmember Pate seconded the motion.

AYES: MAYOR AMES, COUNCILMEMBERS GETZ, PATE AND SAMUEL

NAYS: NONE

MOTION PASSED

GENERAL BUSINESS

1. Consider an ordinance amending the FY 2014 Budget.

In accordance with Article VI of the City Charter, the City Manager shall strictly enforce the provisions of the budget as specified in the ordinance adopting the budget. He shall not authorize or approve any expenditure unless an appropriation has been made in the budget ordinance adopting the budget, and there is an available unencumbered balance of the appropriation sufficient to pay the liability to be incurred. Approving the proposed amendments will ensure that expenditures are within the approved budget.

The details of the amendments are as follows:

The Employee Benefits Fund has experienced approximately \$1,000,000 more in claims on the City's health insurance plans than was expected in the FY 2014 Budget due to several large medical claims. As a result, additional funds are needed in order to pay for the current year expenditures and to stabilize the fund for the next fiscal year. Transfers of \$1,500,000 from the General Fund, \$395,400 from the Fleet Fund, and \$16,200 from the Hotel Occupancy Tax Fund to the Employee Benefits Fund are being proposed.

In addition to the above mentioned transfer of \$1,500,000, a transfer of \$100,000 from the General Fund to the Henry Homberg Golf Course Fund is proposed in order to shore up the fund balance for the next fiscal year.

An amendment is proposed in the Henry Homberg Golf Course Fund to appropriate additional maintenance expenditures incurred while improving the golf course during this fiscal year. Although there is sufficient additional revenue to cover the additional appropriation of \$20,000, a transfer from the General Fund is proposed in FY 2014 to increase the fund balance to approximately \$187,800 in preparation of the next fiscal year.

The proposed amendment in the Hotel Occupancy Tax Fund includes \$16,200 being transferred to the Employee Benefits Fund as mentioned on page one and an additional \$25,000 is needed to cover additional expenditures relating to contractual obligations not anticipated at the time the FY 2014 Budget was adopted.

The FY 2014 Budget estimated an ending fund balance of \$1,253,260 in the Fleet Fund. This fund is one of four Internal Service funds used by the City. Such funds are funded by charging user fees to the other funds of the City that use their services. Internal Service funds by definition have no need for excess fund balance. Thus, it is proposed that \$395,400 of excess fund balance be shifted to the Employee Benefits Fund to cover the underestimated service charges for health claims as mentioned on page one and another \$364,000 of excess fund balance to the Capital Reserve Fund for future fleet purchases.

In November 2013, the City issued 2004 General Obligation Refunding Bonds. The refunding was not appropriated in the FY 2014 Budget because the timeline and amount were not known at the time the budget was prepared. As seen in the table below, revenues are less than expenditures in the original budget for FY 2014 as well as the amended budget, but there is sufficient fund balance to pay the difference.

The Municipal Transit Fund is expected to exceed budgeted expenditures by \$325,000 due to an increase in labor costs such as overtime due to employee turnover and an increase in liability insurance premiums. There is sufficient fund balance to cover this appropriation.

The Capital Reserve Fund is receiving a transfer of \$364,000 from the Fleet Fund to be used for future fleet purchases.

Councilmember Pate moved to **ADOPT AN ORDINANCE ENTITLED AN ORDINANCE AMENDING THE FISCAL BUDGET OF THE CITY OF BEAUMONT FOR THE FISCAL YEAR 2014 TO APPROPRIATE ADDITIONAL EXPENDITURES AND REVENUES IN THE EMPLOYEE BENEFITS FUND, HENRY HOMBERG GOLF COURSE FUND, AND DEBT SERVICE FUND; TO APPROPRIATE ADDITIONAL EXPENDITURES IN THE GENERAL FUND, HOTEL OCCUPANCY TAX FUND, FLEET FUND, AND MUNICIPAL TRANSIT FUND; AND TO APPROPRIATE ADDITIONAL REVENUE TO THE CAPITAL RESERVE FUND; PROVIDING SEVERABILITY; AND PROVIDING FOR REPEAL.** Councilmember Getz seconded the motion.

AYES: MAYOR AMES, COUNCILMEMBERS GETZ, PATE AND SAMUEL

NAYS: NONE

MOTION PASSED

Ordinance 14 – 037

COUNCILMEMBER COMMENTS

COUNCILMEMBER SMITH - ABSENT

COUNCILMEMBER SAMUEL - CONDOLENCES TO THE LOUIS McINTOSH FAMILY AS WELL AS TO KENT JOHNS ON THE LOSS OF HIS WIFE

COUNCILMEMBER PATE - CONDOLENCES TO THE McINTOSH, JOHNS AND DuBOIS FAMILIES, STATED THAT TODAY IS ELECTION DAY, IT'S A SPECIAL ELECTION TO REPLACE SENATOR TOMMIE WILLIAMS, ENCOURAGED EVERYONE TO GET OUT AND VOTE

COUNCILMEMBER WRIGHT - ABSENT

COUNCILMEMBER GETZ -

EXPRESSED CONDOLENCES TO THOSE FAMILIES THAT HAVE LOST LOVED ONES

MAYOR PRO TEM COLEMAN -

ABSENT

CITY ATTORNEY COOPER -

NONE

CITY MANAGER HAYES -

NONE

MAYOR AMES -

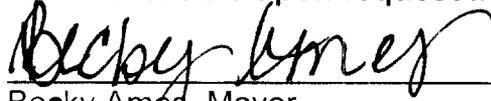
NONE

Public Comments (Persons are limited to three minutes)

None

With there being no Executive Session, Council adjourned at 2:08 p.m.

Audio available upon request in the City Clerk's Office.



Becky Ames, Mayor



Tina Broussard, City Clerk

