

CITY OF HUNTSVILLE, TEXAS

Russell Humphrey, Mayor

Jon Strong, Ward 4, 2023 Chairman
Karen Denman, At-Large Position 2
Vicki McKenzie, At-Large Position 3
Pat Graham, At-Large Position 4



CITY COUNCIL FINANCE COMMITTEE AGENDA

TUESDAY, AUGUST 6, 2024, 8:30 AM

Huntsville City Hall, 1220 11th Street, Huntsville, Texas, 77340

Persons with disabilities who plan to attend this meeting and may need auxiliary aids or services are requested to contact the City Secretary's office (936.291.5413) two working days prior to the meeting for appropriate arrangements.

1 CALL TO ORDER

2 DISCUSSION/CONSIDERATION

The Finance Committee will hear presentations, discuss, and may consider recommendations to the City Council on the following items.

- a** Minutes of the July 2, 2024 Finance Committee meeting
Steve Ritter, Finance Director
- b** Discussion of proposed Budget Amendments
Steve Ritter, Finance Director
- c** Discussion of possible property tax rates for FY 24-25
Aron Kulhavy, City Manager
Steve Ritter, Finance Director

3 ADJOURNMENT

CERTIFICATE

I do hereby certify that the above notice was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.HuntsvilleTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING: August 2, 2024

TIME OF POSTING: 11:00 a.m.

TAKEN DOWN:

Sharon Schultz

Sharon Schultz, Deputy City Secretary



CITY COUNCIL FINANCE COMMITTEE AGENDA
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8/6/2024

Agenda Item Number: 2.a.

Agenda Item: Minutes of the July 2, 2024 Finance Committee meeting

Initiating Department/Presenter: Finance

Presenter: Steve Ritter, Finance Director

Discussion: Discussion and approval of the minutes of the July 2, 2024 Finance Committee meeting.
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Financial Implications:

Associated Information:



CITY COUNCIL FINANCE COMMITTEE AGENDA

8/6/2024

Agenda Item Number: 2.b.

Agenda Item: Discussion of proposed Budget Amendments

Initiating Department/Presenter: Finance

Presenter:
Steve Ritter, Finance Director

Discussion: Discussion of proposed Budget Amendments.

Financial Implications:

Associated Information:

1. BAs 8.6.24 Finance Committee

Budget Amendments FY 23-24

Finance Committee - August 6, 2024

Exhibit A
pg 1 of 2

Increase: Transfer to CIP - from Police & Fire constr. projs. CIP	\$ 280,223
Increase: Police Bldg - post construction repairs needed - CIP	\$ 100,000
Increase: Fire Stn. #2 - post construction repairs needed - CIP	\$ 100,000
Increase: Library HVAC replacement - CIP (a transfer to this project)	\$ 80,223

Explanation:	The Fund for the Police Headquarters and Fire Station #2 CIP projects has \$280,223 of monies still in the Fund after everything has been paid for (the \$280,223 amount includes an estimated \$5,200 of interest earnings to be received for July 2024). This \$280,223 balance is the result of interest earnings to the projects throughout the life of the projects. Both the Police Headquarters building and Fire Station #2 have various fixes needed post construction completion (both buildings have been in use for approximately 2 years now). This BA is requesting the use of \$100,000 each to use for various repairs to each of the buildings along with \$80,223 of the remaining unused interest to be used towards the cost of replacing the HVAC system at the Library which based on bids received needs a budget of \$350,000 (see other funding sources for the Library HVAC replacement in BAs following).
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Increase: Utility Fund - Bank/Paying Agent Fees (expense)	\$ 46,000
Increase: Utility Fund - Card Processing Fees (revenue)	\$ 46,000

Explanation:	Year to date (through 7/31/24) Card Processing Fees revenues exceed budget by roughly \$35,000 and year to date Bank/Paying Agent Fees expenses exceed budget by roughly \$20,000. This budget amendment will cover the current overage and anticipated expenses through September 30, 2024 (the end of the current fiscal year).
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Increase: Huntsville Beautification Special Revenue Fund - Transfer to General Fd.	\$ 21,500
Increase: General Fund - Transfers from Huntsville Beautification	\$ 21,500
Increase: General Fund - Parks Maintenance Expenditures	\$ 21,500

Explanation:	The Huntsville Beautification Special Revenue Fund has not had any programs or expenditures for many fiscal years now. The Fund has some remaining monies that can be used by Parks. Staff is requesting the remaining monies in the Huntsville Beautification Fund be transferred to the General Fund for Parks to be able to use these funds which would be in line with beautification of the City. Transferring the funds will allow staff to close out the Huntsville Beautification Special Revenue Fund.
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Decrease: Street CIP - Unallocated Budget	\$ 267,897
Increase: Library HVAC replacement - CIP (a transfer to this project)	\$ 177,277
Increase: Transfer to General Fund	\$ 90,620

Explanation:	Based on bids received for replacing the HVAC system at the Library a budget of \$350,000 is needed. \$80,223 is being requested from remaining monies from the new Police and Fire Buildings CIP projects (see the first BA in this group of 6 BAs). The \$177,277 is being requested here from Street CIP Unallocated Budget. The other sources (see the next BA) are from other General CIP projects either completed and still having left over budget or not yet completed but not needing the original full budgeted amount but still being able to finish the project. The \$90,620 to the General Fund is not designated for use. It will assist in getting General Fund's Unallocated Reserve balance to the 25% required amount.
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Exhibit A
pg. 2 of 2

Increase: Library HVAC replacement - CIP	\$	92,500
Decrease: Parks Master Plan - CIP	\$	34,000
Decrease: Parks Trail Lighting ET Park - CIP	\$	28,500
Decrease: ET Park Improvements 21-22 - CIP	\$	30,000

Explanation:	Based on bids received for replacing the HVAC system at the Library a budget of \$350,000 is needed. \$80,223 is being requested from remaining monies from the new Police and Fire Buildings CIP projects (see the first BA in this group of 4 BAs). Another \$177,277 is being requested from Street CIP Unallocated Budget (see the previous BA in this group of BAs). The other sources here are from other General CIP projects either completed and still having left over budget or not yet completed but not needing the original full budgeted amount but still being able to finish the project.
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Increase: HOME/NSP Special Revenue Fund - Transfers to General Fund	\$	69,020
Increase: General Fund - Transfers from HOME/NSP SRF	\$	69,020

Explanation:	The HOME/NSP Special Revenue Fund has not had any activity other than some interest earnings since Fiscal Year 13 - 14. The Fund was created to account for transactions for housing construction costs and the related grant reimbursements from the 04 - 05 fiscal year through the 13 - 14 fiscal year. Remaining monies in this fund relate to grant reimbursements for administrative costs for city staff operating the grants. This budget amendment will move the monies for the administrative costs to the General Fund (where the staff was actually paid from) and will close out this Special Revenue Fund. Moving these funds to the General Fund will help restore the General Fund's Unallocated Reserves to the 25% required amount.
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CITY COUNCIL FINANCE COMMITTEE AGENDA
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8/6/2024

Agenda Item Number: 2.c.

Agenda Item: Discussion of possible property tax rates for FY 24-25
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Initiating Department/Presenter: Finance

Presenter:

Aron Kulhavy, City Manager Steve Ritter, Finance Director
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Discussion: Discussion of possible property tax rates for FY 24-25

Financial Implications:

Associated Information:
