

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, SEPTEMBER 17, 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** Approve minutes of the September 3, 2024 Finance Committee meeting
Steve Ritter, Finance Director
- b** Discussion of proposed budget amendments.
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: September 13, 2024

Sharon Schultz

TIME OF POSTING: 11:45 a.m.

Sharon Schultz, Deputy City Secretary

TAKEN DOWN:



CITY COUNCIL FINANCE COMMITTEE AGENDA

9/17/2024

Agenda Item Number: 2.a.

Agenda Item: Approve minutes of the September 3, 2024 Finance Committee meeting

Initiating Department/Presenter: Finance

Presenter:
Steve Ritter, Finance Director

Discussion: Approve minutes of the September 3, 2024 Finance Committee meeting

Financial Implications:

Associated Information:

1. Fin Comm Minutes 09.03.2024

Finance Committee Minutes

September 3, 2024

Members Present: Jon Strong, Karen Denman, Vicki McKenzie

Staff Present: Aron Kulhavy, Steve Ritter, Kathlie Jeng-Bulloch

The agenda items discussed were:

- Approved the minutes from the August 20, 2024, meeting.
- Steve discussed the budget amendments that will be presented to the full City Council at tonight's meeting.
- Public Improvement Fees were discussed. Councilmember Strong wanted this item to be on the agenda to discuss the possibility of hiring a new city engineer to assist with the water and wastewater modeling that outside engineering firms were doing. Kathlie stated that they "should" have reports back from outside firms within three weeks. Councilmember Strong stated that he and probably other council members are getting "beaten up" by developers on the modeling report not being done timely. Councilmember McKenzie suggested that engineering look at the form submitted by developers and that maybe some modifications need to be done to the form that is submitted. The Public Improvement fees were discussed briefly, and it was agreed that option 2 fees were the recommended fees by the Finance Committee.



CITY COUNCIL FINANCE COMMITTEE AGENDA

9/17/2024

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 for 9.17.24 Fin Comm mtg.

Budget Amendments FY 23-24

Finance Committee - September 17, 2024

Exhibit A

Source	Life to Date (through 8/31/24) interest earnings from bond proceeds	\$	1,620,000
Increase	Service Center CIP	\$	98,000
Increase	City Hall CIP	\$	1,522,000

Explanation:	Interest earnings life-to-date on the bond proceeds from the 2020 General Obligation bonds issued for construction costs for the new Service Center and City Hall facilities is around \$1,620,000. The remaining budget balance for the Service Center CIP is approximately \$687,000. Additional costs to be charged to Construction for the Service Center are around \$210,000 in Change Orders and somewhere around \$575,000 for the demolition of the old Service Center building and construction of the new parking lot (bids have not been requested for this work as the old Service Center building is still needed until the new City Hall is completed and the Engineering and Community Development departments can move from the old Service Center building). Total anticipated additional costs to complete the Service Center CIP is \$785,000; this requires an additional \$98,000 of budget for the project. Currently the City Hall CIP has a remaining budget of approximately \$472,000. It is anticipated the actual cost to complete the project will be close to \$1,444,000 including Furniture, Fixtures & Equipment (FF&E); with FF&E being around \$972,000. The "excess" of the \$1,522,000 over the anticipated \$1,444,000 actual costs in the amount of \$78,000 can cover Change Orders or if not needed could be transferred to other projects (with Council approval) or transferred to the General Fund (also with Council approval). Future interest earnings may be requested to cover projects costs if these Budget Amendments are not sufficient for actual costs through completion of the projects.
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Increase	Drainage Fees Revenue	\$	1,316,000
Increase	Drainage Maintenance Division - all operational costs	\$	295,600
Increase	Drainage Fund - Debt Service	\$	1,020,400
Decrease	Utility Fund - Drainage Maint. Div. - all operational costs	\$	295,600

Explanation:	These budget amendments will provide for the Revenues and Expenditures for the Stormwater Sewer/Drainage Maintenance Fund that Council approved creation of at their September 17, 2024 meeting. The revenue amount is per information provided in the Public Hearing agenda item of Council's September 3, 2024 meeting. Drainage Maintenance Division costs are equal to what was budgeted in the Utility Fund for FY 24-25 (the costs are being taken out of the Utility Fund and moved to the Stormwater Sewer/Drainage Maintenance Fund). The Debt Service costs are based on the difference in the total revenues of \$1,316,000 and the Drainage Maintenance Division operational costs of \$295,600. It is estimated the City could issue approximately \$13,500,000 in debt for drainage/storm sewer projects with \$1,020,400 available for Debt Service.
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