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, NOVEMBER 5, 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 the minutes of the October 1, 2024 Finance Committee meeting.

b Discussion of proposed budget amendments
Steve Ritter, Finance Director

c Discussion of possible purchase of a new Ladder Fire Truck and possible use of Fund Balance of the Equipment Replacement Fund to make the purchase
Greg Mathis, Fire Chief
Steve Ritter, Finance Director
Sam Masiel, Assistant City Manager

d Drainage Projects Discussion
Kathlie Jeng-Bulloch, City Engineer

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:November 1,2024

Kristy Doll

Kristy Doll, City Secretary

TIME OF POSTING:11:00 a.m.
TAKEN DOWN:

CITY COUNCIL FINANCE COMMITTEE AGENDA

11/5/2024

Agenda Item Number: 2.a.

Agenda Item: Approve the minutes of the October 1, 2024 Finance Committee meeting.

Initiating Department/Presenter: Finance

Presenter:

Discussion:

Financial Implications:

Associated Information:

1. Fin Comm Minutes 10.01.2024

Finance Committee Minutes

October 1, 2024

Members Present: Jon Strong, Karen Denman, Vicki McKenzie, and Pat Granham

Staff Present: Aron Kulhavy, Steve Ritter

The agenda items discussed were:

- Approved the minutes from the September 17, 2024, meeting.

- Steve discussed the budget amendment that will be presented to the full City Council at tonight's meeting on 10.01.2024.

CITY COUNCIL FINANCE COMMITTEE AGENDA

11/5/2024

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 - PEB Trust for retiree RHS funding
2. Carry Overs from FY 2024 to FY 2025 FINAL
3. BA - FEMA grant funds requisition assistance
4. BA- Disaster Funds
5. BA-Public Works Sewer Line Project
6. BA - Solid Waste - Hazardous Waste grant

Budget Amendments FY 23-24
Finance Committee - November 5, 2024

Exhibit A

Increase:	General Fund - Streets - Salaries & Benefits	$	1,765
Increase:	General Fund - Building Maintenance - Salaries & Benefits	$	7,269
Increase:	General Fund - Police Dept - Salaries & Benefits	$	1,116
Increase:	General Fund - Transfer from PEB Trust	$	10,150
Increase:	PEB Trust Fund - Payment to RHS	$	10,150
Increase:	PEB Trust Fund - Transfer to General Fund	$	10,150

Explanation:	City Policy includes provision for paying 2/3 of unused Sick Leave into a Retiree Health Savings account for an employee who is retiring and will be receiving TMRS retirement payments and who is less than 65 years of age at their retirement date. The policy was implemented in the 17-18 fiscal year effective January 1, 2018. There were 3 employees in the 23-24 fiscal year that qualified to receive this benefit. Intent of the Policy is to use PEB Trust funds to pay for this retirement benefit of paying 2/3 of unused Sick Leave into an RHS for qualifying employees retiring. The PEB Trust was created to offset OPEB Liability and eventually pay for various retiree benefits such as this 2/3 Sick Leave.

Budget Amendments FY 24-25
Fin. Comm. - November 5,2024

Explanation:	Supply chain issues and shortages of all kinds of inventories in general have impacted the City being able to complete purchases of all kinds of goods and services. Due to these issues that the City has no control over there are various purchases of goods and services in FY 23-24 that could not be completed. The following purchases listed which were budgeted for in FY 23-24 are being requested to be "rolled" to the FY 24-25 Budget. The "source" of funds for these "rolled" purchases is Unallocated Reserves/Fund Balances of the applicable Funds. In that the purchases were budgeted for in FY 23-24 but were not able to be fully completed this will have generated Unallocated Reserves/Fund Balance.		
Increase:	General Fund -Numerus Divisions	$	1,299,562
Decrease:	General Fund -Unallocated Reserve	$	1,299,562
Increase:	Utility Fund -numerus Divisions	$	265,032
Decrease:	Utility Fund -Unallocated Reserve	$	265,032
Increase:	Solid Waste Fund- Public Works	$	58,140
Decrease:	Solid Waste Fund -Unallocated Reserve	$	58,140
Increase:	Arts &Visitor Center -SRF	$	22,100
Decrease:	Arts & Visitios Center SRF-Fund Balance	$	22,100
Increase:	Capital Equipment Fund -	$	923,313
Decrease:	Capital Equipment Fund-Fund Balance	$	923,313
Increase:	Computer Equipment Fund -	$	24,316
Decrease:	Computer Equipment Fund-Fund Balance	$	24,316

Budget Amendments FY 24-25
Finance Committee - November 5, 2024

Exhibit A

Increase:	Utility Fund-Disaster Materials/Supplies	$	100,000
Increase:	Utility Fund - Grant Revenues	$	75,000
Decrease	Utility Fund - Future Appropriations	$	25,000

Explanation:	The Contract with Stuart Consulting was approved on September 3rd, to assist with DR-4781 FEMA Public Assistance Coordination and Grant Management. The amount approved was a not to exceed amount of $100,000. These expenditures may reimbursable by FEMA. This amount was not budgeted during the 2024-2025 budget process.

Budget Amendments FY 24-25
Finance Committee - November 5, 2024

Exhibit A

Increase:	Utility Fund-Disaster Materials/Supplies	$	235,000
Increase:	Utility Fund - Grant Revenues	$	235,000

Explanation:	The City experienced damage to our infrastructure due to storm events that occurred in April and May of 2024. Some of the repair damages to the infrastructure that occurred did not completed in FY 2024. That said, FEMA will reimburse the City for 75% of the damages directly related to storm damage. This amount was not budgeted during the 2024-2025 budget process.

Budget Amendments FY 24-25
Finance Committee -November 5, 2024

Exhibit A

Increase	WasteWater Collection -Purchased Services/Contract	$	210,000

Explanation:	This sewer line project will extend from the Corner of Normal Park (near Peach Tree Street) to Mize Street, then to the end of Paul Knox Road. We will be pipe bursting approximately 719' of 8" sewer line upsizing it to 12" . We will also have a 36' section of 10" that will also be upsized to 12". We will be replacing two brick manholes and one fiberglass manhole with concrete manholes lined with an epoxy or polymeric coating. This will increase the downstream capacity for the Peach Tree area as well as the line that connects to Roadhouse.The Utility Fund's unallocated reserves on September 30, 2024, total approximately $9.2 million, while the required minimum balance for the Utility Fund is $8,539,000. The Utility Fund's Unallocated Reserves balance after this proposed use (if approved) will be approximately $491,00 over the 25% required reserve balance of $8,539,000. A budget amendment is needed for FY 24-25 to make the purchase

	Budget Amendments FY 24-25 Finance Committee - November 5, 2024		
Exhibit A	Increase:	Solid Waste - Grant Revenue	$ 24,700
	Increase:	Solid Waste - Recycling -Purchase Services and Contracts	$ 24,700
	Explanation:	Solid Waste was awarded a grant from H-GAC in the amount of $24,700 to hold a collection event for the City residents to collect household hazardous waste.	

CITY COUNCIL FINANCE COMMITTEE AGENDA

11/5/2024

Agenda Item Number: 2.c.

Agenda Item: Discussion of possible purchase of a new Ladder Fire Truck and possible use of Fund Balance of the Equipment Replacement Fund to make the purchase

Initiating Department/Presenter: Finance

Presenter:
Greg Mathis, Fire Chief
Steve Ritter, Finance Director
Sam Masiel, Assistant City Manager

Discussion: Discussion of possible purchase of a new Ladder Fire Truck and possible use of Fund Balance of the Equipment Replacement Fund to make the purchase.

Financial Implications:

Associated Information:

CITY COUNCIL FINANCE COMMITTEE AGENDA

11/5/2024

Agenda Item Number: 2.d.

Agenda Item: Drainage Projects Discussion

Initiating Department/Presenter: Engineering

Presenter:
Kathlie Jeng-Bulloch, City Engineer

Discussion: Drainage Projects Discussion

Financial Implications:

Associated Information: