



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
forward.cctexas.com

Meeting Minutes

City Council Workshop Session

Wednesday, September 13, 2017

2:00 PM

City Council Chambers

Public Notice - - ITEMS ON THIS AGENDA ARE FOR COUNCIL'S INFORMATIONAL PURPOSES ONLY. COUNCIL MAY GIVE DIRECTION TO THE CITY MANAGER, BUT NO OTHER ACTION WILL BE TAKEN AND NO PUBLIC COMMENT WILL BE SOLICITED.

THE USE OF CELLULAR PHONES AND SOUND ACTIVATED PAGERS ARE PROHIBITED IN THE COUNCIL CHAMBERS DURING MEETINGS OF THE CITY COUNCIL.

A. Mayor Joe McComb to call the meeting to order.

Mayor McComb called the meeting to order at 2:05 p.m.

B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.

City Secretary Rebecca L. Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers:

City Manager Margie C. Rose, City Attorney Miles Risley, and City Secretary Rebecca L. Huerta.

Present 9 - Mayor Joe McComb, Council Member Rudy Garza, Council Member Paulette Guajardo, Council Member Michael Hunter, Council Member Debbie Lindsey-Opel, Council Member Ben Molina, Council Member Lucy Rubio, Council Member Greg Smith, and Council Member Carolyn Vaughn

Council Member Molina arrived at 2:07 p.m.

C. BRIEFINGS TO CITY COUNCIL:

1. Proposed FY2017-2018 Budget Workshop - General Fund, Internal Service Funds, Debt Service Funds, Enterprise Funds and Special Revenue Funds

Mayor McComb referred to Item 1. Council Member Guajardo presented council members with solar-powered head lamps from Watts of Love; and discussed the Texas Ambulance Supplemental Payment Program (TASPP) as a

revenue source to fund 15 additional firefighters for Fire Station 18.

Council members and staff discussed the following topics: the budgetary and financial implications of TASPP funding; the reliability of TASPP monies as a consistent funding source; once hired, the need for a commitment to fund the additional firefighters whether TASPP monies are available or not; a presentation from the Corpus Christi Professional Firefighters' Association; raising taxes to fund additional firefighters should TASPP monies no longer be available; that the approximately \$1.6 million in TASPP funding is for 10 months; that TASPP funding is associated with non-payment for ambulance services; and when further discussion and/or action should be taken by the City Council regarding funding additional firefighters with TASPP funding.

City Manager Rose provided a summary of the upcoming advertisement, public hearing dates and action dates associated with setting a property tax rate and the potential effect of city council member absences during the special city council meeting scheduled for September 28, 2017.

Director of Management, Budget & Strategic Initiatives Eddie Houlihan provided a summary of Internal Services Funds, including: mission and mission elements; departments; number of employees, revenues and total expenditures by department; projected change in fund balance and FY 2018 decision packages.

Director of Engineering Services Jeff Edmonds, Director of Facilities and Property Management Edgar Leonard, Assistant Director of Financial Services for Purchasing Kim Baker, Director of Information Technology Belinda Mercado, and Director of Human Resources (Health Benefits) Steven Viera each presented information on the following topics: mission and mission elements; key services and related full-time equivalents (FTEs); efficiencies achieved in FY 2017 and planned in FY 2018; number of employees; total revenues; and expenditures.

Following Mr. Edmonds presentation, the following items were discussed in response to questions from council members: reasons/justifications for in-versus out-sourcing of certain engineering functions; the overall increase in Engineering Department expenditures from FY 2017 to FY 2018; filling FTE positions versus contracting out; that the budget presented accounts for internal costs, but does not include contract-employees; the number of contract-employees this fiscal year versus last fiscal year; actual versus budgeted FTEs; filling key positions in Engineering; the number of internal engineers that are necessary; a request to see the trend in contract-employees over previous fiscal years; a desire to see net changes; lack of clarity in the budget, as presented; a desire to have budget details; providing city council with greater budget detail; a desire to see the net effect of changes in the budget in lieu of detailed or summarized budget information; a suggestion that city staff populate city councils' screens on the dais with detailed budget information, if needed during the meeting; and a directive from City Manager Rose that staff who have yet to make presentations focus on the differences between FY 2017 and FY 2018.

Following Mr. Leonard's presentation, the following items were discussed in response to questions from council members: the planned facility assessment and the need for a corresponding action plan; that the facility assessment is

being contracted out due to inadequate internal resources; the number of technicians and total number of employees in the department; that the customer (City department) pays for materials, but labor costs are already paid for via allocation; the City manages approximately 2.5 million square feet of space; and the job functions of custodians and technicians.

Following Ms. Baker's presentation, the following items were discussed in response to questions from council members: contract administration training will be created and performed using in-house resources; the need for proper management when proposed expenditures exceed revenues in FY 2018; bar coding inventory; and management of Print Shop functions outside the Communications Department.

Following Mr. Davis' presentation, the following items were discussed in response to questions from council members: personnel costs; what comprises the Operating portion of the budget; the amount expended on outside repairs; projected trend in outside repair costs over the next few fiscal years; the number of equipment mechanics budgeted and employed; an explanation of allocations; and the reasons for the increase in FY 2017 versus FY 2018 allocations.

Mayor McComb called for a recess at 4:04 p.m. Mayor McComb reconvened the Council meeting at 4:19 p.m.

Following Ms. Mercado's presentation, the following items were discussed in response to questions from council members: the change in the allocation methodology used by the Information Technology (IT) Department; an explanation of the previous and current allocation methodologies; the one-time rebate to departments of \$1.5 million from the IT Department's fund balance; that the IT Department's fund balance is a result of revenues exceeding expenses in past fiscal years; and that a reduction in the IT Department's FTEs is anticipated over the next few years due to Infor being cloud-based.

Following Mr. Viera's presentation, the following items were discussed in response to questions from council members: the need for the new benefit consultant to identify cost-saving measures; the percent of increase in proposed revenues, from FY 2017 to FY 2018, that is funded by Fire, Police and Civilian employees; that under the terms of the collective bargaining contract, the City pays 100% of employee-only health insurance premiums for Fire and Police personnel; that Civilian personnel pay a portion of employee-only premiums and receive a much lesser health insurance benefit than do Police and Fire personnel; due to collective bargaining agreements, there are no changes being made to Police and Fire health insurance coverage; the impact of recent catastrophic claims; due to collective bargaining agreements with Police and Fire, the cost-saving measure of a high-deductible plan can only be implemented with civilian employees; 100% of the premium for dental insurance is paid by employees; basic, supplemental and optional life insurance is available to employees; the City pays 100% of the premium for basic life for City employees; eliminating the City-paid premium for basic life insurance and its potential negative impact on hiring and retaining City employees; rebuilding the Health Insurance fund balance; and that executive staff, non-executive civilian employees and Fire/Police personnel receive a basic life insurance benefit of \$50,000, \$10,000 and 1 times their annual salary, respectively.

D. ADJOURNMENT

Mayor McComb discussed timely submission of Hurricane Harvey-related expenses in order to meet FEMA-related reimbursement deadlines.

The meeting was adjourned at 5:06 p.m.