



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

City Council Workshop Session

Thursday, March 28, 2019

9:00 AM

City Council Chambers

FY 2019 Budget Workshop

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 9:01 a.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:

Interim City Manager Keith Selman, City Attorney Miles K. Risley and City Secretary Rebecca L. Huerta.

Present 9 - Mayor Joe McComb, Council Member Roland Barrera, Council Member Rudy Garza, Council Member Paulette Guajardo, Council Member Gil Hernandez, Council Member Michael Hunter, Council Member Ben Molina, Council Member Everett Roy, and Council Member Greg Smith

C. BRIEFINGS TO CITY COUNCIL:

1. Review and discussion on Financial Budgetary Policies

Mayor McComb referred to Item 1.

Director of Management and Budget Eddie Houlihan reviewed each section of Resolution 031547, Amending Financial Budgetary Policies Adopted by Resolution 0331240 and Providing Financial Policy Direction on Preparation of the Annual Budgets.

Council members and staff discussed the following topics related to the

Financial Policy: effects on City's bond rating; fund balances; Fund Balance Policy; General Liability Funds; Workers' Compensation Fund; Enterprise Funds; and the Debt Service Reserve Fund.

Director Houlihan presented staff's recommended changes to the City's Financial Policy and council members and staff discussed the following related topics: monies dedicated to streets; the impact of the 2-cent increase approved by voters; the Fire Retirement Fund; the benefits and drawbacks of using zero-based budgeting; and which funds are required to use zero-based budgeting.

A council member presented his recommended changes to the City's Financial Policy and council members and staff discussed the following related topics: charging expenditures to the correct line item; budget transfers; the importance of reserves/contingency funds, as illustrated by the recent Hurricane Harvey.

2. Review and discussion on Capital Improvement Plan Financial Policies and Budget

Mayor McComb referred to Item 2.

Director of Management and Budget Eddie Houlihan presented information on the following topics: funding; debt policy and budget administration and development.

Council members and staff discussed the following topics: the Capital Improvement Project (CIP) submission procedure; evaluation and ranking of CIPs by a committee; scoring and prioritization of CIPs; whether General and Enterprise Funds are included; CIP versus non-CIP items; adding Return-On-Investment (ROI) to the scoring criteria; what constitutes a CIP; the useful life of CIPs in relation to the life of associated debt; requirements to qualify for CIP status; capital asset versus capital project; capitalization of operating assets; facility asset analysis; maintaining a "wish list"/database of projects to pursue as debt falls off; and the Future Water Supply Fund.

D. ADJOURNMENT

The meeting was adjourned at 10:45 a.m.