

CITY OF LAKEWAY CITY COUNCIL
Minutes of Special Session
Monday, September 13, 2010, at 2:00 p.m.
Lakeway City Hall, 1102 Lohmans Crossing, Lakeway, Texas 78734

1. **Establish Quorum and Call to Order.** Present: Mayor Dave DeOme and Councilmembers Joe Bain, Bruce Harris, Alan Tye and Dennis Wallace. Mayor Pro Tem Dee Ann Burns-Farrell and Councilmember Dave Taylor were absent.

2. **Fiscal Year 2011 BUDGET WORK SESSION:**

- City Manager Steve Jones gave a presentation on the Special Revenue Funds and Proprietary Funds included in the proposed FY2010 Budget.

The Special Revenue Funds are:

Child Safety Fund, which may be used for school crossing guards and is funded by additional Court fees;

Court Building Security Fund, which may be used for court bailiffs and is funded by additional Court fees;

Court Technology Fund, which may be used for technology-related expenditures for the municipal court and is funded by additional Court fees;

Juvenile Case Manager's Fund, which provides funding for a part time Juvenile Case Manager and is funded by additional Court fees;

LEOSE Fund, which is a grant from the Governor's office for law enforcement training;

Parkland Fund, which is funded by fees paid by developers and earmarked for acquisition and development of parkland;

Parkland-Highlands Fund, which is funded by the Highlands developer and earmarked for development of parkland and park facilities within the Highlands subdivision;

Road Tax Fund, which is used for road maintenance and funded by sales tax revenues; and,

Capital Reserve Fund, which is funded by transfers from the General Revenue fund and interest income.

The only Proprietary Fund held by the city is the **Solid Waste Fund**, which pays for one full time accounts manager and is funded by fees charged to residents for the collection of trash and recycling.

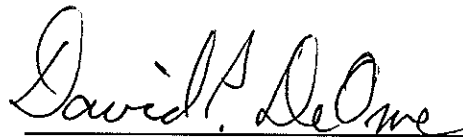
The next item presented for discussion was the use of the surplus in the FY 2010 Budget, amounting to approximately \$252,000.

- Council discussion/action – Regarding the Special Revenue and Proprietary funds, most of the discussion centered on the Parkland Fund, which has a current balance of approximately \$831,000. Mayor DeOme requested that there be further discussion on the use of these funds. After some discussion, it was agreed that Council will wait to consider possible plans presented to them by the Parks and Recreation Committee for future use of these funds, which are designated primarily for park space.

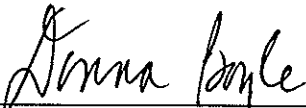
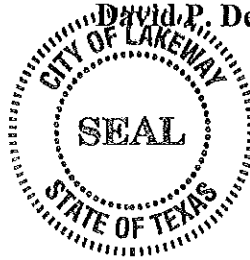
Councilmember Tye suggested that raising the fees charged to developers may be in order.

Mayor DeOme began the discussion of the surplus use by recommending that the money be transferred into Capital Reserve Fund to address infrastructure issues in the future. Councilmember Wallace suggested that the money help alleviate the costs of dependant health insurance coverage for employees which will increase by 40% in October, 2010. Councilmember Bain requested that the tax rate be lowered to last year's rate, eliminating the surplus. **Councilmember Bain moved to reduce the 2010 tax rate to the extent that the FY 2010 surplus allows. Councilmember Tye seconded the motion, and it failed by a vote of 2-3. After further discussion of the matter, Councilmember Harris moved to transfer half of the surplus to the Capital Reserve Fund and to use the remainder to reduce the 2010 tax rate. Councilmember Bain seconded the motion, and it passed by unanimous vote, approved 5-0.**

3. Meeting Adjourned at 4:00 p.m.



David P. DeOme, Mayor



Donna Boyle, City Secretary