

**State of Texas  
County of Bexar  
City of San Antonio**



**DRAFT**

**Meeting Minutes**

**City Council B Session**

City Hall Complex  
114 W. Commerce  
San Antonio, Texas 78205

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**Wednesday, February 12, 2014**

**2:00 PM**

**Municipal Plaza Building**

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The City Council of San Antonio convened in the “B” Room of the Municipal Plaza Building at 2:00 pm with the following Councilmembers present: Bernal, Taylor, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier, Gallagher, and Mayor Castro.

City Clerk Leticia M. Vacek announced that Mayor Castro was en route to the meeting and Mayor Pro Tem Viagran presided over the meeting until he arrived.

1. Briefing, discussion of City Council direction and possible action on investment priorities for the FY 2015 and FY 2016 Human and Workforce Development Services Consolidated Funding Process. [Gloria Hurtado, Assistant City Manager; Melody Woosley, Director, Human Services]

Melody Woosley presented the results of the Consolidated Funding Survey submitted by the City Council. She reported that in regard to requiring a 20% Program Match; the result was unanimous to implement same. She stated that 7 of the 11 City Councilmembers were in favor of: 1) Setting a minimum \$50,000 Funding Allocation; and 2) Limiting an agency or program to five years of funding. She noted that there should be additional discussion regarding same. She indicated that 9 of 11 Councilmembers were in support of designating funding to City Departments in the amount of \$622,000 from CDBG and the General Fund. She reported that 8 of 11 Councilmembers were in favor of redirecting \$1.23 Million to

East Point or other City Priorities. Staff recommended that the implementation of same with further discussion on other City Priorities.

Ms. Woosley reported that the result was unanimous in support of designating \$5.60 Million to Haven for Hope. She stated that there should be additional discussion in regard to designating \$2.5 Million to the Independent School Districts for After School Funding as only 6 of 11 Councilmembers were in favor of same. She noted that they would focus funding for Senior Services Programs to support City Senior Centers since 9 of 11 Councilmembers voted in support of same. She added that 10 of 11 Councilmembers voted in favor of transferring funding of the administrative services for the Volunteer Income Tax Assistance (VITA) in the amount of \$176,000 to the Department of Human Services.

Ms. Woosley further reported that the results were unanimous in support of redirecting Early Childhood Funding for Professional Development and Quality Initiatives in the amount of \$700,000. She stated that 9 of 11 Councilmembers were supportive of implementing an Anti-Lobbying Policy and Communication Blackout Period and that staff would work on strengthening the existing policy to include same. She outlined the projected funding levels for FY 2015 Human and Workforce Services and the Request for Proposals (RFP) Scope of Service. She noted that the RFP would be released on March 3, 2014 and the City Council would approve the contracts during the Budget Process in September.

Mayor Pro Tem Viagran thanked staff for the presentation.

Councilmember Saldaña asked if funding for the VITA Program had decreased. Ms. Woosley replied that the funding had remained the same but various sites had dropped out. She noted that Miller's Pond would be serviced by a mobile team due to the inconvenience of the site.

Councilmember Krier asked if there was a way to encourage agencies to submit proposals to address Abstinence Education. Ms. Woosley stated that they would specify At-Risk Behavior Prevention Services to include Abstinence under the Scope of Work for the Community Safety Net Category. Councilmember Krier asked of coordination between the Economic Development Foundation (EDF) and the RFP Economic Competitiveness Category. Mr. Rene Dominguez replied that there was not any direct coordination with the EDF but have included them as part of the Review Committee.

Councilmember Nirenberg asked of the funding for Haven for Hope. Ms. Woosley replied that the \$6.4 Million designated to Haven for Hope was included in the \$9.3 Million total for the Family Well Being Category. She stated that \$2.9 Million would remain for agencies to compete for. Councilmember Nirenberg asked of Café Commerce. Mr.

Dominguez replied that the Café Commerce Concept did not include Job Training Programs and would be dedicated toward Technical Assistance. Councilmember Nirenberg spoke of the importance of Domestic Violence and Family Well Being Programs.

Councilmember Bernal spoke of the need to review the City's Job Training Programs and funding for same. He stated that they should review the possibility of funding a small piece or partial component of a program to help small agencies become self-sustaining.

Mayor Pro Tem Viagran asked of the blackout period. Ms. Woosley replied that it would begin in March after the RFP was released. Mayor Pro Tem Viagran asked if staff was reviewing the consolidation of programs and duplication of services. Ms. Woosley replied that they had done so with the funding for Early Childhood Education and were reallocating those funds. Mr. Dominguez added that they would be doing the same for the Economic Competitiveness Category.

Councilmember Krier asked of the After School Funding. Ms. Woosley replied that After School Programs were overseen by the Parks and Recreation Department and had been transitioned to the Department of Human Services as a Contract Model eight years ago. She stated that the programs were operated by the Independent School Districts (ISDs) and that is why they were recommending designating the funds directly to the ISDs. Councilmember Krier asked of Senior Transportation Services. Ms. Woosley replied that Senior Transportation Services were provided to attend the Senior Centers or for Doctor Appointments.

Councilmember Gonzales expressed concern that the process was rushed and stated that it would have an effect on her constituents that use the services.

Councilmember Gallagher expressed support for the Anti-Lobbying Policy and Communication Blackout Period.

Mayor Castro entered the meeting at this time.

Councilmember Viagran asked of the funding for Senior Nutrition Sites. Ms. Woosley replied that they would like for Respondents to provide services other than just nutrition at the various Senior Centers.

Mayor Castro noted several Senior Centers that have closed and asked of the impact to the Budget. Ms. Woosley replied that their Grant Funding had been reduced, therefore; had reduced the number of meals that could be provided. She indicated that half of the Seniors that were displaced had moved to other sites while some opted to receive Homebound Meals. Mayor Castro thanked staff for the presentation.

2. A briefing on the City's current financial management policies and practices and recommendations on proposed updates to these financial management policies. [Ben Gorzell, Chief Financial Officer]

Ben Gorzell presented a briefing on the City's Financial Policies. He spoke of the city's efforts on transparency and highlighted the Budget and Finance Web Page that provides public access to Budget Documents, Annual Financial Reports, Forecast Documents, and Quarterly Financial Reports. He noted that the Texas Comptroller Leadership Circle recognizes local governments meeting a high standard for Financial Transparency Online. He reported that the City of San Antonio had annually received the Gold Award since it was implemented in 2011. He mentioned that in 2013, the State Comptroller launched [tellttruthtexas.org](http://tellttruthtexas.org) with the intent to introduce more transparency into the spending and debt of Texas Local Governments. He provided a snapshot of comparative data taken from the State Comptroller Debt Transparency Website.

Mr. Gorzell reported that the city had a \$2.3 Billion Annual Consolidated Budget and provided an overview of the Outstanding Debt as of September 30, 2013. He stated that under the City Charter, Property Tax Supported Debt could not exceed 10% of Total Valuation. He noted that the State Constitution and City Charter stipulated that Ad Valorem Taxes may not exceed \$2.50 for each \$100 of Valuation. He indicated that Municipal Bonds were issued to finance needed City Infrastructure. He added that the interest amount paid on City-Issued Debt was impacted by market conditions on the date of issuance and a credit analysis was performed by the three Major Rating Agencies. He highlighted the Rating Agency Scales and current ratings of all City Debt by Category.

Mr. Gorzell stated that in 2013, Moody's and Standard & Poors revised their criteria for General Obligation Bonds. He noted that Moody's new criteria places more emphasis on City Debt and Pensions and less on the local economy. He indicated that Standard & Poors new criteria includes a more quantitative and transparent approach to benefit potential investors. He presented the General Obligation Ratings for the Top 10 Largest Cities and the projected financial impact of rating levels on \$1 Billion of Debt.

Mr. Gorzell spoke of the Budget Adoption Process in which a Five-Year Financial Forecast and Two-Year General Fund Budget Plan are presented. He stated that they provide a Monthly Financial Report to the City Manager and Quarterly Financial Report to the City Council. He mentioned the Comprehensive Annual Financial Report (CAFR) and the External Financial Audit conducted by a Certified Public Accounting Firm. He stated that the Budgeted Reserve Policy was set at 9% of the General Fund Appropriations. He indicated that they performed Comprehensive Long-Term Financial Planning as well as

maintained and updated the Debt Plans. He reported that there was no projected increase in the Debt Service Tax Rate of 21.15 cents. He recommended that a Contingency Reserve be established for the General Fund and that a Reserve be established for the Capital Budget. He further recommended that the Budgeted Reserve be increased and that Internal Service Fund Deficits be addressed in a reasonable period of time. He added that staff would analyze the General Fund Balance to establish recommended targets, a proposed Budget Reserve Level, and funding options.

Councilmember Viagran referenced the \$107.8 Million available General Fund Balance in 2008 and asked what was occurring during that time. Mr. Gorzell replied that the city had received a greater amount of revenue during that year and that staff was able to reduce expenditures.

Councilmember Nirenberg spoke of the importance of Debt Management and Bond Ratings. He asked of the recommendation to establish a Contingency Reserve for the General Fund. Mr. Gorzell replied that the Contingency Reserve Fund would be used to address issues that arise during the year and was not meant to address the Fund Balance. Councilmember Nirenberg stated that he would like to ensure Council Approval of any expenditure from a Contingency Reserve Fund, if one should be created.

Councilmember Saldaña asked of the new General Accounting Standards Board (GASB) Requirement. Mr. Gorzell stated that it was not tied to the Debt Service and that the city would be reporting the Unfunded Liability on a Balance Sheet.

Councilmember Lopez asked of the Debt Service in the pie chart outlining the \$2.3 Billion Annual Consolidated Budget. Mr. Gorzell noted that the Debt Service was included in the 31% Restricted Funds.

Councilmember Krier asked if the CPS Energy and SAWS Debt was supported by their Ratepayers. Mr. Gorzell confirmed that the CPS Energy and SAWS Debt was pledged by their own revenue and independently rated by the Bond Rating Agencies. Councilmember Krier asked of the City Employees that do not participate in Social Security. Mr. Gorzell replied that Uniform Personnel did not contribute to Social Security. Councilmember Krier asked of the recommendation to manage crowd-out within the General Fund. Mr. Gorzell explained that there were parts of the General Fund that should not grow so fast that they begin to eliminate other core services such as Parks and Libraries.

Mayor Castro thanked staff for the presentation and asked of future projections. Mrs. Sculley stated that the city was getting more precise and providing better estimates on revenue. She noted that staff would present additional recommendations during the Six Plus Six Presentation in May.

Mayor Castro announced that the Executive Session would be addressed during the Council Meeting on February 13, 2014 following the business portion of the meeting. He recessed the meeting at 4:18 pm and announced that the meeting would resume at 6:00 pm for Citizens to be Heard.

- A. Deliberate the purchase, exchange, lease or value of real property and discuss related legal issues pursuant to Texas Government Code Sections 551.072 (real property) and 551.071 (consultation with attorney).

NOT ADDRESSED

- B. Deliberations regarding economic development negotiations and discuss related legal issues pursuant to Texas Government Code Sections 551.087 (economic development) and 551.071 (consultation with attorney).

NOT ADDRESSED

- C. Discuss legal issues related to Michael Cuellar v. City of San Antonio, pursuant to Texas Government Code Section 551.071 (consultation with attorney).

NOT ADDRESSED

### **CITIZENS TO BE HEARD**

Mayor Castro reconvened the meeting at 6:00 pm and called upon the citizens registered to speak.

Ralph Wagner expressed concern regarding the high cost of Licensing Fees for Artists. He requested that City Bus Routes be connected with Austin and San Marcos and that they operate on weekends.

Pancho Valdez stated that he was supportive of the Proposed Tip Integrity Act and asked the City Council to also support the Act.

Nazirite Ruben Flores Perez expressed gratitude and appreciation to Bexar County for raising \$7 Million for Our Lady of the Lake. He requested that maintenance around the location be addressed.

Theresa Berlanga spoke in favor of VIA Bus Routes and asked that they be better publicized. She stated that Camden Park was a good location for the Jazz Festival because it has free parking. She expressed concern with the new SAWS Computer Payment System.

Antonio Diaz spoke against Extended Incarceration for Misdemeanors and in favor of the Proposed Tip Integrity Act.

Dylan Daney, Rachel Melendes, and Alicia Torres representing Unite Here addressed the City Council in support of the Proposed Tip Integrity Act (Mi TIA). They presented a Video Clip from KSAT 12 regarding the issue. Mr. Daney added that tips were being withheld from the individuals that earned and deserved them. He stated that service charges should be provided to workers as a tip.

David Macias, Martha Maldonado, and Jaime Martinez representing the Hospitality Workers for Mi TIA addressed the City Council in favor of the Proposed Tip Integrity Act. Mr. Macias stated that he works at the Grand Hyatt and receives most of his income from tips. He noted that he would like to save for retirement and should be receiving his share of service charges and gratuities. Maria Soto expressed concern that she is not receiving her fair share of tips. She asked for support from the City Council for the Proposed Act. Mr. Martinez expressed concern that many tips are being wrongfully and fraudulently withheld from the rightful earners.

Reverend Kelly Allen, Andrea Figueroa, and Reverend Dale Tremper representing Community Supporters of Mi TIA addressed the City Council. Reverend Kelly Allen spoke in favor of the Proposed Tip Integrity Act and expressed concern with tips not reaching the intended employees. She stated that it was an issue of human dignity and requested support from the City Council.

Mayor Castro excused himself from the meeting at this time and Councilmember Bernal presided over the meeting.

Leon Masson stated that tips should be provided to the individuals performing the work. He expressed concern that he was refused medical care because of his Service Dog.

Maribel Perez also expressed concern that Mr. Leon Masson was discriminated against and refused Medical Care because of his Service Dog.

Mark Perez expressed concern regarding businesses storing hazardous chemicals without the proper permits. He spoke of the AGE Refinery and Stinson Airport Facilities and asked that City Ordinances be enforced.

Faris Hodge, Jr. submitted written testimony regarding the hospital needed on the East Side and the enrollment assistance being provided to Palo Alto College Students. He highlighted the National Campaign being conducted by Wireless Carriers to stop drivers from texting while driving. He stated that the Rock 'N Roll Marathon was a great success and recognized Chief Charles Hood for being appointed to the Board of Directors of the National Fallen Firefighters Foundation. He wrote that the Minimum Wage in Texas should be increased.

**ADJOURNMENT**

There being no further discussion, Councilmember Bernal adjourned the meeting at 6:45 pm.

APPROVED

JULIÁN CASTRO  
MAYOR

ATTEST:

LETICIA M. VACEK, TRMC/MMC  
CITY CLERK