

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, WILL BE HELD IN THE BASEMENT CONFERENCE ROOM OF THE CITY HALL FOR THE PURPOSE OF REVIEWING THE PROPOSED 1984-85 BUDGET.

9:00 a.m.

July 27, 30, 31, August 1, 2 & 3, 1984.

AGENDA

1. Call to Order.
2. Invocation.
3. Staff and City Council Workshop on Budget and Tax Levy for City of Abilene.
4. Ordinances:
  - a. Consideration on 1st Reading - Ordinance Approving Budget.
  - b. Consideration on 1st Reading - Ordinance Setting Tax Levy.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at City Hall in the City of Abilene, Texas, on the 24th day of July, 1984, at 9:00 a.m., within such time as required by law.

*Patricia A. Patton*

Patricia A. Patton  
City Secretary

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8:00 a.m.

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CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at City Hall in the City of Abilene, Texas, on the 26 day of July, 1984, at 5:00 p.m., within such time as required by law.

*Patricia A. Patton*

Patricia A. Patton  
City Secretary

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CITY COUNCIL BUDGET WORK SESSION  
JULY 27, 30, 31, AUGUST 1, & 2, 1984

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS,  
BASEMENT CONFERENCE ROOM

The City Council of the City of Abilene, Texas, met in annual budget work sessions on July 27, 30, 31, August 1 and 2, 1984, in the Basement Conference Room of City Hall. Mayor David Stubbeman was present and presiding with Councilman Julian Bridges, Councilwoman Billye Proctor-Shaw, Councilmen Walter E. Wheat, A. E. Fogle, Jr., Welton Robinson and Harold Nixon. Also present were Acting City Manager Curtis E. Hawk, Assistant City Manager Roy L. McDaniel, Director of Finance David M. Wright, Personnel Director Pamela D. Collins, and City Secretary Patricia Patton.

Acting City Manager Curtis Hawk presented the Council with the Proposed 1984-85 Budget and began the session with an introduction and general overview of its contents. He discussed the City's financial status; the revised 1983-84 budget; the proposed 1984-85 budget, touching on various major funds; tax rate; and future considerations.

BUDGET OVERVIEW

Highlights of the proposed 1984-85 budget include an additional payroll that will occur during 1984-85 adding approximately \$800,000 to the budget; the budget proposes no new programs, nor additional personnel except for six (6) new firefighters required by the Fire Department Manning Ordinance, therefore, providing for a total of 1,130 permanent, full-time employees; it proposes a seven (7%) percent general salary increase for all employees effective in October, 1984, and incorporates the stability pay and the step pay plan; organizational changes in the Community Development Department; a three (3%) percent increase in the Hotel/Motel Tax; reallocating all capital items from the operating budget to Revenue Sharing Fund, with minor exceptions for law book updates and Civic Center capital; allocating \$725,000 from Revenue Sharing funds toward the construction of an addition to the Police Facility, with a commitment of a similar amount from next year's Revenue Sharing funds to complete the project; a redistribution of the tax levy for the general fund from last year's thirty-seven (37¢) cents to forty (40¢) cents and the sinking fund from last year's eleven (11¢) cents to eight (8¢) cents; adding one penny to the tax levy for the additional six (6) firefighters increasing the total tax levy to forty-nine (49¢) cents.

Mr. Hawk emphasized that last year's budget, 1983-84, as proposed to the City Council would have provided sufficient revenue to continue the same level of services as the previous year; however, due to corrections to the tax roll for the loss of bank stock and other values, a fifty-three (53¢) tax rate would have been required to generate the equivalent revenue of the prior year's forty-eight (48¢) rate. The Council concerned about the impact of economic conditions upon the community, acted to leave the tax rate at the forty-eight (48¢) level; this plus loss in sales tax resulted in a decrease in current revenue available. The staff worked to maintain a continuity of services simply by attempting to do the same job with less money. Given these factors, the current 1983-84 budget will be in balance only because of the \$215,000 payment by United Cable Television as settlement for a franchise tax questions, a small growth in the sales tax, and hiring limitations imposed by management.

The proposed 1984-85 budget is predicated upon direction from the Council of no tax increase; no reduction in service; a pay increase for employees. The staff has attempted to follow those guidelines; however, the proposed budget does not provide the level of service or financing plan the staff would have proposed without the existing constraints. The proposed budget funds maintenance and operating costs necessary to provide existing services to citizens, but needed new programs and expanded programs required to continue the same level of services cannot be sustained. Workload factors are expected to continue to increase without the needed additional staffing capability to respond; therefore, Directors will be instructed to prioritize their services, especially those requiring emergency response.

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Furthermore, emphasis was placed on the realization that there are several "iffy" factors incorporated in the proposed budget and if those assumptions do not bear out, the only other source of revenue will be the Undesignated Fund Balance.

David Wright, Director of Finance, reviewed in detail with the Council all the financial summaries for all funds. General Fund operating expenditures are expected to be \$33,395,442 and will be covered by an estimated \$33,411,135 in revenues.

FINANCIAL  
SUMMARY REVIEW

The expected expenditures in the Water and Sewer Fund are \$13,510,115 of which \$11,254,660 is for operation, including capital outlay and \$2,255,455 for the principal and interest requirements on outstanding bonds. Total funds available are estimated to be \$16,178,761 which will leave an ending balance of \$2,668,646.

The plan of retiring bonds calls for building a surplus in the debt service fund and then begin drawing it down in 1985-86. This budget follows the plan and projects a balance at September 30, 1984, for the General Debt Service Fund of \$2,681,040. The plan for retiring the Water & Sewer Purpose Bonds calls for transfers from the Water & Sewer Operating Fund and this is reflected in the 1984-85 budget.

Mr. Wright then reviewed with the Council various revenue sources and gave a comparison on the monies received for 1981-82, 1982-83, 1983-84 and projected 1984-85. The resources reviewed were the hotel-motel tax; mixed beverage tax; refuse collection fees; building inspection permits and licenses; sales tax; and franchise tax.

REVENUE SOURCES  
REVIEWED

Mr. Richard Petree, Chief Appraiser, was present and discussed with the Council the estimated tax rate calculations, property values, and the effective tax rate, which is expected to be finalized on August 15th. He expressed that the bank values will be added to the net appraised value figures for the calculation of a tax rate. The Council discussed with Mr. Petree the problem of receiving accurate appraisals on homes and the relationship of the realtors to the home-owners and taxing authority.

CHIEF APPRAISER/  
EFFECTIVE TAX  
RATE

The tentative effective tax rate is estimated at 49.5¢ and is based upon an estimate of the interest rate of the bond issue, which is scheduled to be let on August 23.

The staff updated the Council on the residential refuse fee structure. Presently, there are two different fees -- one for manual refuse collection and one for the mechanised, side-loading system. When the side-loading system is fully implemented, the staff will bring a rate adjustment proposal to the Council to categorize everyone on the mechanized system. This would not necessarily change the revenue since the Refuse Division operates on a break-even basis. The rate proposal is anticipated to be brought to the Council during the Fall of 1984.

RESIDENTIAL  
REFUSE FEES

The staff proposed three different options that are available to the City Council in order to adopt a balanced budget and manipulating some areas and monies to accommodate the balanced budget.

OPTION I

- o No additional six firefighters;
- o 6% general salary increase;
- o Maintain 48¢ tax rate;

OPTION II

- o Hire six additional firefighters;
- o 7% general salary increase;
- o Maintain 48¢ tax rate; all with the following changes:

CHANGES:

\$50,000	-	Contract out Maxwell Golf Course, recover loss;
75,000	-	Move downtown digital file from revenue sharing to Reinvestment Zone budget;
90,000	-	Use additional bank stock money;
47,500	-	Use General Fund excess of revenue over expenditure;
<u>\$262,500</u>		

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OPTION III

\$262,500 - Make changes outlined in Option II;  
90,000 - Reduce salary increase to 6.5%;  
(313,100) - Fund top nine unfunded critical needs;  

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\$39,400

It was clarified that the Council has an unlimited amount of options available and the three proposed by the staff were proposed as a suggestion, based on the Council's directives for the budget as identified earlier.

The staff then reviewed with the Council all the unfunded programs for the proposed 1984-85 budget, for all funds, at a total cost of \$6,851,357. The top nine needs, considered critical needs by the staff, are as follows:

UNFUNDED PROGRAMS  
CRITICAL NEEDS

Two custodians for the Civic Center  
Maintenance worker for the Airport  
Registered Land Surveyor for Engineering  
Survey Crew Worker for Engineering  
Additional Sergeant for Police Department  
Three part-time summer helpers and equipment for Parks  
Two Zoo Keepers  
Two Animal Control Officers  
Ten year Retirement Vesting for all employees

Director of Finance David Wright reviewed with the Council the line item detail for each division, including personal services, supplies, maintenance, other services and charges, and capital outlay. Again, it was emphasized that all capital items have been moved to revenue sharing, except for some law book updates and the civic center capital.

DAY 2/7-30-84

LINE ITEM DIVISION  
DETAIL REVIEW

The Council was briefed on the City's step pay plan and stability pay, which are incorporated into the proposed budget. Some members of the Council specifically questioned whether the City has an established merit pay plan, however, it was explained that Abilene does not have a merit pay plan and that generally governmental entities have difficulty in establishing such a plan. Currently, employees are promoted by reason of reclassifying to another position that is provided for in the budget. Councilmen Bridges and Fogle stated they would like the staff to look at developing some type of pay to reward those employees that have good ideas and are productive to the whole organization. Also, that such a plan possibly be provided for in the budget and include some type of incentive reward for employees to increase productivity.

STEP PAY PLAN/  
STABILITY PAY/  
MERIT PAY

The cost of security at the Zoo was discussed in detail, including the cost of the contract for private security during all hours the Zoo is closed. The staff reviewed some past history on the security at the Zoo. It was determined that bidding the contract was much more cost effective. It helps prevent death to the animals and vandalism prior to an occurrence with the presence of security officers at the Zoo during the closed hours; it provides security personnel seven days a week without direct supervision; officers with direct access to radio contact; and decreases the risk from loss of valuable animals.

ZOO SECURITY

Councilman Wheat stated he would like the staff to look at the feasibility of providing the security at the Zoo with City staff.

Personnel Director Pamela Collins briefed the Council on the total number of permanent full-time positions for each Division in the proposed budget for a total of 1130, including the additional six firefighters.

PERSONNEL

City Attorney Harvey Cargill reviewed with the Council options available regarding the Fire Manning Ordinance. The ordinance states: "Be it ordained by the City Council. . . the minimum manning level for the Abilene Fire Department shall equal or surpass one and one-half

FIRE MANNING  
ORDINANCE

(1.5) full-time and fully paid, trained and certified, professional, fire suppression, civil service fire fighters per every one thousand (1,000) population of the City of Abilene, which population shall be officially determined, calculated and stipulated annually by the City of Abilene for purposes of this ordinance. . . ."

The budget ordinance before the City Council, Part 4, provides for the population of Abilene for fire manning purposes. Presently, the ordinance sets the population at 104,302. The fire manning ordinance is very vague as far as how the population is determined. Options available to the Council in determining the population are:

- o To use the 1980 census figures, including annexations, ~~and decreased by the population at Dyess Air Force Base (since Dyess has its own fully manned Fire Department)~~, for a population of 99,585;
- o To use current U. S. Census figures, which are 1982 figures plus growth, plus Dyess Air Force Base, for a population of 104,302, and thus requiring an additional six firefighters.

It was clarified to the Council that if the Council chooses to use the population figure of 99,585, they would not be amending the ordinance, rather just stipulating a method for determining and calculating the population for fire manning purposes.

The Council next reviewed the proposed Community Development Committee Recommendations for FY 1984-85 Community Development Block Grant funds, which are as follows:

DAY 3/7-31-84

COMMUNITY  
DEVELOPMENT  
FUNDING

<u>ACTIVITY</u>	<u>ORIGINAL REQUEST</u>	<u>RECOMMENDED FUNDING</u>
Community Development Program Administration	\$ 175,882	\$ 175,882
Housing Office Administration	225,800	179,036
Housing Assistance Program	225,000	225,000
Rehabilitation Grant/Loan		
Emergency Repair		
Smoke Detectors	5,000	5,000
Abilene Economic Development Company, Inc.	428,000	325,000
Administration/Revolving Loan Fund		
Meals on Wheels	55,000	55,000
Kitchen Renovation		
Community Action Program	15,000	15,000
Driver/Van for handicapped services		
Abilene Day Nursery	14,845	14,845
Playground equipment		
Special Populations Program	150,747	41,237
Staffing/van		
Mental Health/Mental Retardation	337,500	100,000
Facility		
Abilene North Girls Softball Association	75,000	50,000
Ballfield		
Cobb Recreation Center	210,000	75,000
Facility expansion for elderly services		
		<u>\$1,261,000</u>

PROPOSALS NOT RECOMMENDED:

Preservation Survey Update	\$ 30,000
South 12th Street Drainage	319,318
Woodson Cultural Center	100,000
Carver Gymnasium	750,000
	(Alternate - 475,000)
Carver Proerpty Acquisition Program	100,000

During the June 28, 1984, meeting, the Council considered each of the aforementioned recommendations during a public hearing and authorized the application for funds. Furthermore, the Council requested additional information regarding the activities and those proposals not recommended.

Staff presented the Council with maps designating the Goodlow Relocation Program and property that has been purchased by the City in past years and property that has yet to be purchased. The Community Services Department is working to create a plan to development the properties into something worthwhile, such as a park facility or softball field. However, the City does not own enough of the property that is contiguous to allow them to do something with the properties. Staff recommends the Council authorize the use of \$75,000, currently recommended by the Community Development Committee to the Cobb Recreation Center, to purchase the remainder of property in the Goodlow area during the next couple of years.

The Cobb Recreation Center facility expansion for elderly services project that was recommended to the Community Development Committee for funding in the original amount of \$210,000 was recommended an allocation of only \$75,000. The reason being the Committee felt the City could fund the difference in the proposed 1984-85 budget. However, staff feels, with the current budget restraints, it is unfeasible to fund the remaining cost for the facility in the proposed budget for 1984-85. It may be possible to fund the facility in the 1985-86 budget and that can be determined during that budgeting process. However, Community Development funds must be expended within two years, and at this point, it is certain that the \$75,000 would not be utilized until the 1985-86 budget process, if at all. Therefore, it is recommended that the \$75,000 be reallocated for the purchase of property in the Goodlow area.

Council Members questioned some of the activities in the funding proposal for grant funds, such as the Special Populations Program and Mental Health/Mental Retardation facility. Historical information was given on the request for the Special Populations Program and it was explained that it is not a duplication of services that the City currently is conducting.

Dr. Maney Flores, Chairman of the Community Development Committee, was present and spoke to the Council regarding the allocation of funds for Community Development. The Council commended Dr. Flores and his committee for the untiring efforts and time given to developing their recommendations.

Dr. Flores spoke to the Cobb Recreation Center request and stated that was one of the lower priority items and the \$75,000 was all the money left over after allocating funds to the top priority items. The Committee felt that any item that would help the aged, and lower-income citizens were more critical. He spoke to some of the items not recommended for funding. He stated he was not aware of the need to purchase the property in the Goodlow area at the time the recommendations were being compiled.

Dr. Flores spoke to the question regarding the duplication of services in the Special Populations Program. He mentioned that the original verbal request to the Committee was for approximately \$40,000. When the written request was submitted, it was increased to \$150,747 for a van and staff person for one year, then the program would be absorbed into the Mental Health/Mental Retardation Center. The initial request is for the van, with the staffing secondary. Mr. Russ Evans, Executive Director of the MH/MR Center provided further information on the request and explained that the requests are different but adjunctive uses with one another.

The Council made no decision at this time on the allocation of funds.

Mr. Russ Evans, Executive Director of the MH/MR Center, gave a presentation to the Council in regard to the City's participation and financial obligation to assist in funding the center in the proposed budget for an amount of \$70,000. He emphasized the appeal is not for the Center's needs, but rather for the needs of the mentally ill, emotionally disturbed, mentally retarded, and the other developmentally delayed citizens in the community. He discussed the budget for the MH/MR Center and stated that it is a very constrained budget this year, utilizing approximately \$40,000 of the reserve to achieve a balanced budget and not eliminate services. He spoke to the critical needs, such as an additional medical clinic for the chronic mentally ill,

MENTAL HEALTH/  
MENTAL RETARDATI  
CENTER

to provide a crisis stabilization unit, which the center is presently developing with no envisioned plan for the funding at this time. These are the types of critical needs that the Center can provide and that is the reason for the increased funding request.

Mr. Bob Grisham, member of the Board of Directors of the Abilene Council on Alcoholism, was present and briefed the Council on their request for increased funding in the amount of \$10,440. He briefly explained the operations of the Council on Alcoholism and the preventative treatment the agency provides to members of the community. The agency is funded by the United Way, City, County, and service fees that it generates. He spoke about the City's participation in the DWI School, whereby people convicted of DWI are probated upon a condition that they attend school. He discussed some of the other programs the agency created such as educational sessions for schools, and the City cooperative efforts in training supervisory personnel in early identification of employees with drinking problems in order to direct them to receive the help they need.

COUNCIL ON  
ALCOHOLISM

Mr. Grisham also presented a proposal to the Council for consideration whereby the agency's funds could be tied to the revenue generated by the mixed beverage tax. That philosophically, there is some relationship in the source of the mixed beverage tax and the problem of alcoholism and there is some logic in utilizing specific funds in this regard.

Mr. Bill Tindell, Geologist, representing the Chamber of Commerce and the Convention and Visitors Bureau spoke regarding the hotel-motel tax. He explained the economic value of the hotel-motel activities and the participation of the Abilene Convention and Visitors Bureau. He discussed the proposed increase in the tax from four (4%) percent to seven (7%) and supported the division of the increase one-half to the City and one-half to the Chamber of Commerce. He spoke to the competitive nature of the convention business and stated the increased budget would help when bidding on conventions for Abilene.

HOTEL-MOTEL  
OCCUPANCY TAX

Linda Higginbotham, Abilene Convention and Visitors Bureau, explained the bidding procedure used by the Bureau and the costs for rental of the Civic Center and chartered buses that the Bureau pays as part of the bid for a convention. The revenue generated by the increase in the hotel-motel tax would be utilized by the Bureau in increased services and sales and no additional staff would be needed. She added that salaries for the Bureau personnel are a concern, however, the Bureau feels that sales is the top priority. She gave a brief history on the Bureau and how bids on conventions are let two to three years in advance. It is vital that the Council realize the importance of the financial commitment and promise made to host these conventions far in advance and the limited budget with which the Bureau is currently operating.

Jimmy Morris, Jr., General Manager Kiva Inn of Abilene, spoke regarding the hotel-motel tax and gave statistics regarding the travel and tourism industry for the State of Texas. He commended the Convention Bureau for providing the services they do with the limited funds available to them. He stated that overall, the Hotel Motel Industry is opposed to tax increases in general, however, if the tax was going to be raised, as proposed, they would like to see the best and most effective use of those tax dollars by possibly an advertising campaign on behalf of the City of Abilene. Furthermore, that the Bureau have access to the Civic Center monies to utilize as credit for a payment on behalf of an upcoming convention. This would increase the usable budget of the Bureau without taking any of the new funds going to the Civic Center. He stated how competitive the bidding market is for conventions and that presently Abilene has very little bargaining power for those conventions due to the limited budget funds.

Mr. Richard Cox, owner and operator Abilene Emergency Medical Service, was present and spoke to the Council regarding the ambulance service. He discussed the second ambulance facility located on Industrial Blvd. which began operation in July, 1984 and the upgrading in the radio system from VHF to UHF. He spoke to the City's subsidy of \$12,500 per month which covers most service calls in Abilene and the uncollectables at approximately an eight (80%) percent collection rate.

EMERGENCY MEDICAL  
SERVICE/AMBULANCE



The Council discussed with Mr. Cox the collection procedures used by the Emergency Medical Service. He stressed that in his opinion, the Emergency Medical Service provides a public service and he will not deny anyone service. They attempt to work with individuals as much as possible in collecting fees, but there is a certain amount which is considered uncollectable.

Mr. Cox mentioned that some time in the near future, he will be returning to request a rate increase to the public at a small amount. He anticipates a request for basic rates which are currently \$65.00 to approximately \$75.00. The rates have not been raised for the past two years, however, justification for the increase involves an increase in medical expense. He has found that other communities, usually smaller than Abilene, charge higher rates and he began to review his rate structure and begin a gradual rate increase to bring them closer to the state average of approximately \$150. The staff encouraged Mr. Cox to begin bringing the rates gradually higher before they fell too far behind the average. He discussed the rate increase in relationship to Medicare.

The Council questioned the staff in regard to the subsidy paid by Taylor County for the ambulance. The staff responded that a calculation is made on a pro-rata basis for service calls and a request for funds is directed to the County Commissioners. Generally, the City receives approximately one half of what they had originally requested. Mr. McDaniel explained that about four or five years ago, the County was not contributing any funds, and through the years, with negotiations, the County has been increasing their participation. The County also participates with the City in services relating to fire services, health, animal control, and the bookmobile.

It was the consensus of the Council to continue to negotiate with the County to increase their participation in the subsidy since more and more calls for ambulance service are coming from the County area. The calculation for the subsidy may need to be adjusted.

Director of Finance David Wright reviewed with the Council the Revenue Sharing Proposed 1984-85 budget in detail and by division. The total proposed Revenue Sharing budget is \$1,863,594.

The Council discussed the contribution account which funds the outside funding requests to Mental Health/Mental Retardation and the Council on Alcoholism. The proposed budget reflects the increased requested amount for both agencies. MH-MR requested \$70,000 for 1984-85 and the approved amount for 1983-84 was \$50,000. Council on Alcoholism requested \$10,440 for 1984-85 and the approved amount for 1983-84 was 9,000. The Council discussed that MH-MR will be receiving funds from two different areas--this contribution account and from the Community Development budget. The Council expressed that they understand the needs of the Center are realistic but find it difficult to approve funding at a level higher than 1983-84 with the financial constraints on the City. The consensus was similar for the Council on Alcoholism. Therefore, both agencies will be funded at the current levels.

DAY 4/8-1-84

OUTSIDE FUNDING  
REQUESTS

The Council next considered the professional services account which funds those professional services used by the entire organization. The consensus was to approve funding as follows:

PROFESSIONAL  
SERVICES ACCOUN

Central Tax Authority - Appraisal	\$ 206,659
Central Tax Authority - Tax Collection	70,000
Ambulance Service	150,000
Chamber of Commerce	540,000
Soil Conservation District	1,500
Cost Allocation Plan	9,000
Rate Cases	100,000
Contingency	30,000

Funding for the Chamber of Commerce in the amount of \$540,000 includes raising the hotel-motel occupancy tax from four (4%) percent to seven (7%) percent and splitting the increased amount equally between the City and Chamber.

The Community Development budget was reviewed again. It was felt by some Council Members to approve the CD budget as recommended by the CD Committee and not to allocate \$75,000 from Cobb Recreation Center to property purchase in the Goodlow. Even though the Council cannot fund the remaining dollars for the Cobb center in the operating budget in 1984-85, possibly it can be a priority item in the 1985-86 budget. The CD Committee was commended for the arduous job they have done in developing a CD budget.

Councilwoman Proctor-Shaw expressed a strong concern regarding the extremely tight financial constraints for the City's operating budget and the relationship of CD funds to the budget. Specifically, that the Council allocates CD funds to organizations upon request in large amounts, and yet grasps for funds to operate the City organization. She proposed that maybe next year the Council look at some other method of handling the use of CD funds. Councilman Nixon agreed and further expressed that if another method is used in the future, that the Council look at the CD funds for priority projects for the entire City and allow the CD Committee to allocate the remaining funds to outside community agencies upon request. It was felt by the entire Council not to reallocate the CD funds from the recommended proposals of the CD Committee since it would defeat the purpose of the Committee. Councilman Bridges and Dr. Flores shared with the Council past experiences of the CD Committee and the original intent of the CD Committee; their role in listening to the community, and utilizing the Committee to hold numerous public hearings to receive input on the use of CD funds. Dr. Flores expressed that if the method of reviewing the use of CD funds is changed in the future by allowing the Council to first review the funds and passing the remainder to the CD Committee, it will have a large impact on the community. He stressed to the Council the tremendous time and effort involved in objectively listening and preparing a CD budget. He feels the community will not understand a change in allocating the CD budget unless it is thoroughly explained to them why a change is being made. The community feels these funds are available for them to utilize and therefore, they formally request them.

The Council discussed the Cobb Recreation Center and whether the CD funding of \$75,000 would help fund the facility expansion for elderly services, even though \$210,000 was requested. The staff responded that the remainder of the funding would have to come from the general operating budget and those funds are not available for 1984-85 and possibly will not be in 1985-86. If the \$75,000 were approved, it would require a future commitment to finish the expansion, since it will take two years to finish. The staff recommends the \$75,000 be utilized to purchase property in the Goodlow area and disseminated maps to the Council depicting the lots that would be purchased with the funds. Since the remaining funds for the elderly facility expansion are not available in the operating budget, it was felt by the staff that the \$75,000 could be better utilized for this property purchase. The staff also commended the work of Dr. Flores and the CD Committee. The staff reiterated that if the Council decides not to fund the property purchase in the Goodlow area in 1984-85, that a future commitment will need to be made. The Council is committed to finish that project, but it does not necessarily have to be in 1984-85.

Councilman Bridges proposed an additional alternative for the use of the \$75,000 CD funds in regard to the Cedar Creek project. The staff updated the Council on that project and reported that the engineers are receiving preliminary data showing that some of the bridges might not need replacing as originally anticipated, thereby saving some money. However, utilizing \$75,000 for the Cedar Creek project could be a viable alternative.

The Council agreed to tentatively approve the CD budget as recommended by the CD Committee.

The staff next reviewed proposed salary increases with the Council. Originally, the staff began with a nine (9%) percent increase for all employees. This was based on a comparison of other cities and Abilene area industries, what the City of Abilene has done in the past couple of years, and the CPI since January 1983. As the budget process began,

TENTATIVE  
APPROVAL OF  
CD BUDGET

SALARY INCREASE

funds were not available to finance the entire nine (9%) percent salary increase. The staff reached a balanced budget with a 48¢ tax rate and a six (6%) percent salary increase. However, the tax rate was raised to 49¢ to fund the additional firefighters and that allowed for a salary increase of seven (7%) percent. It was felt, in order to make the salaries competitive, it was necessary to recommend a seven (7%) percent salary increase for all employees.

Staff also reviewed a police salary comparison, base pay only, with a five-city survey. The comparison information was not obtained from the Police Pay Study that was previously presented to the Council by the Abilene Police Association. The comparison reflects the average salary for the five-city survey for recruit position and rank officers in April, 1982 and present. The data used is from the Texas Clearinghouse for Police and Fire Pay and Related Practices. Staff stated that the City is behind the survey average for recruit position by approximately 7.7% and for rank officers a range from 12.9% up to 15.2%. They discussed some of the per capita cost per year for operation of the police departments in the survey cities. Staff also reviewed the different additional pay that police officers receive, such as incentive and certification pay. Abilene does provide one of the best special pay practices than most other cities.

The Council had several concerns, such as attempting to bring Abilene's employee salaries in line with other cities within the financing capabilities of the City, considering what the salaries of the taxpayers are and what they can afford to pay, the uncertainty of what other cities are going to provide for their employees for 1984-85, and employee turnover. Staff feels a nine (9%) percent salary increase would be equitable and would like to recommend such to the Council, but they cannot do so with

a balanced budget and a 49¢ tax rate, therefore, seven (7%) percent is recommended. Council discussed the possibility of a Police Pay referendum and a concern on the legal limits of raising the tax rate above three (3%) percent. The Council also showed a concern in the salaries of professional staff, managerial, technical, etc., and would like to see some salary comparison with other cities that Abilene is competing with for personnel.

Mr. Hawk reviewed with the Council the unfunded programs for the proposed 1984-85 budget. Nine (9) of those items are categorized as critical needs as follows:

UNFUNDED PROGRA  
CRITICAL NEEDS

Two custodians for the Civic Center	\$ 26,799
Maintenance Worker/Airport	13,149
Registered Land Surveyor/Engineering	39,790
Survey Crew Worker/Engineering	4,230
Additional Sergeant/Police Department	27,645
(3) Part-time employees & equip./Parks	16,334
(2) Zoo Keepers/Zoo	27,930
(2) Animal Control Officers	53,223
(10) Year Retirement Vesting	<u>104,000</u>
	\$313,100

The Council discussed in detail each of the critical needs and the impact they would have on the budget. The remaining additional needs that are unfunded, but requested, were briefly reviewed and total approximately \$6,500,000. These are all requested programs and equipment that cannot be funded with the proposed, balanced budget at a 49¢ tax rate.

REVENUE  
SHARING  
FUNDING

The Council reviewed the revenue sharing budget and showed a concern with using revenue sharing funds for operating capital and not abiding by the established financial policies. Mr. McDaniel proposed that the cost of the additional payroll could be moved from the general operating budget to the revenue sharing budget since it falls within the guidelines of the financial policies. The additional payroll only occurs once every eleven years. Some Council Members were concerned that the City pays every other Friday instead of on the first and fifteenth of every month, thereby eliminating this additional payroll every eleven years. Staff discussed the philosophy behind paying employees every other Friday instead of the prior practice of paying on the first and fifteenth of each month.

It was proposed to move \$75,000 for the purchase of the downtown digital file for use in the Reinvestment Zone from revenue sharing to the Reinvestment Zone budget. The possibility was discussed of moving whatever is left in revenue sharing for 1983-84 for police equipment to the 1984-85 police facility project.

The proposed options of change for the budget were reviewed (as shown on page two). The Council discussed each item under consideration in detail. The debt service and tax levy were discussed and several members of the Council expressed their individual feelings regarding the tax rate and limitations in trying to reach a balanced budget at a .48¢ tax rate. Mr. McDaniel explained the necessity of trying to keep the tax rate at or near .48¢, .49¢, or .50¢ in order to keep some flexibility if the need ever arises in a given year without the threat of a tax roll back.

The Council pondered over all the available options and alternatives, and discussed the fire manning ordinance and impact to the tax rate.

Councilman Fogle moved to adopt a budget for fiscal year 1984-85 based upon a 48¢ tax rate and including the following:

ADOPT BUDGET  
48¢ tax rate  
motion FAILED

- . setting the population at 99,585;
- . 7% general salary increase for all employees;
- . increasing parking meter charges at the post office to 5¢;
- . funding MH/MR and Council on Alcoholism at the current levels;
- . move \$75,000 from revenue sharing to the Reinvestment Zone budget;
- . move cost of additional payroll to revenue sharing;
- . utilizing additional \$90,000 bank stock;
- . no additional firefighters;
- . move all capital from revenue sharing to the general fund; and
- . increase hotel/motel occupancy tax to 7%.

The motion FAILED for lack of a second. Some Council Members expressed a desire to find a way to fund the critical unfunded needs.

DAY 5/8-2-84

The Council recessed into executive session pursuant to Sec. 2g of the open meetings act to consider the evaluation and appointment of public officers. The Council reconvened from executive session and stated that it is necessary to discuss and evaluate appointed and public officers and the Council was presented with explanations with no vote taken in executive session. It was felt the executive session was necessary to complete the budgetary process.

Councilman Nixon moved to adopt the Proposed 1984-85 budget based on a 47¢ tax rate and including the following:

ADOPT BUDGET  
47¢ tax rate  
approved

- . setting the population at 99,585;
- . 7% general salary increase for all employees;
- . increasing parking meter charges at post office to 5¢;
- . utilizing additional \$90,000 bank stock;
- . no additional firefighters;
- . funding MH/MR and Council on Alcoholism at current levels;
- . move \$75,000 from revenue sharing to reinvestment zone budget;
- . set tax rate at .47¢;
- . move cost of additional payroll to revenue sharing;
- . move capital from revenue sharing to general fund;
- . use \$200,000 of health insurance reserve;
- . delay fire department telephone system at cost of \$58,000;
- . add the following employees:
  - 2 civic center custodians
  - maintenance worker at airport
  - registered land surveyer in engineering
  - survey crew worker in engineering;
  - additional sergeant in police department
  - 3 part-time workers in parks division
- . allow the staff to fund 5 microprocessors from other areas in the budget.

Councilman Robinson seconded the motion. Councilman Robinson offered an amendment to the motion to only add one civic center custodian. The amendment was not accepted. The motion carried as follows:

AYES: Councilmen Bridges, Wheat, Robinson and Nixon.

NAYS: Councilwoman Proctor-Shaw, Councilman Fogle and Mayor Stubbeman.

Councilman Fogle expressed his concern about a fixation on austerity and the rendering of services. He feels the Council is not meeting its objective not to reduce services. He shared some information from the March issue of the Texas Municipal League magazine which showed all Texas cities, their population and assessed property values. From that information calculations can be made on the cost per citizen per year to operate their city. In all the other cities in the top twenty-five, it costs more to render services provided than it costs for Abilene citizens. It disturbs him that the Council is eroding the opportunity to provide services and feels it will have an effect on the future of the City to render the needed services.

Councilman Bridges expressed his feelings on the motion and added he would like to fund all nine of the critical needs, but feels the Council must draw the line somewhere. He feels this is a good compromise.

Councilwoman Proctor-Shaw would favor realigning the figures in order to keep the tax rate at .48¢. She feels the Council is going to be handicapping future Councils by reducing the tax rate. She has a deep concern on the fact that the proposed budget is based on a lot of "iffy" items and if they do not materialize the Council may find itself in a poor financial situation.

The Council next considered the budget ordinance and made the appropriate changes in the document regarding the population and civil service positions to reflect the previous motion that carried.

Councilman Nixon moved to approve on first reading the revised budget figures for fiscal year 1983-84; and adopt a budget for fiscal year 1984-85 and set a public hearing for September 13, 1984. The motion was seconded by Councilman Robinson and the motion carried.

AYES: Councilman Bridges, Councilwoman Proctor-Shaw, Councilmen Wheat, Fogle, Robinson, Nixon and Mayor Stubbeman.

NAYS: None.

AN ORDINANCE APPROVING REVISED BUDGET FIGURES FOR FISCAL YEAR 1983-1984; APPROVING AND ADOPTING BUDGET FOR THE FISCAL YEAR OCTOBER 1, 1984, THROUGH SEPTEMBER 30, 1985, FOR THE CITY OF ABILENE; APPROPRIATING FUNDS; AND CALLING A PUBLIC HEARING.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, PROVIDING FOR THE AMENDMENT OF THE HOTEL AND MOTEL OCCUPANCY TAX ORDINANCE; PROVIDING FOR A PENALTY, SEVERABILITY CLAUSE, EFFECTIVE DATE AND CALLING A PUBLIC HEARING.

The Council next considered the tax levy ordinance and made the appropriate changes in the document regarding the tax rate to reflect the previous two motions.

Councilman Robinson moved to approve the tax levy ordinance for fiscal year 1984 and providing for the assessment and collection thereof and setting a public hearing for September 13, 1984. The motion was seconded by Councilman Wheat and the motion carried.

AYES: Councilmen Bridges, Wheat, Robinson, Nixon and Mayor Stubbeman.

NAYS: Councilwoman Proctor-Shaw, Councilman Fogle.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, APPROVING THE ASSESSMENT ROLL FOR 1984, LEVYING AN AD VALOREM TAX FOR THE CITY OF ABILENE, TEXAS, FOR THE YEAR 1984; PROVIDING FOR THE ASSESSMENT AND COLLECTION THEREOF; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE.

BUDGET-approve revised figures fy1983-84; adopt figures fy 1984-85; set public hear. 1st read. approved

TAX-Hotel-Motel Occupancy Tax amend to increase rate to 7%, set public hear., 1st read. approved

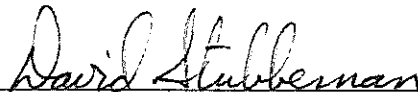
TAX-levy fy 1984 assessment & collection set public hearing 1st read. approved

The staff mentioned the necessity of utilizing the remaining amount of revenue sharing of approximately \$40,000 that was originally budgeted for police expenditures for the emergency repair of the City Hall roof. The Council gave a consensus that would be acceptable and the staff agreed to prepare a formal recommendation by the next regular Council meeting.

There being no further business, the meeting was adjourned on August 2, 1984.


Patricia Patton  
City Secretary



David Stubbeman  
Mayor