

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 CITY HALL FOR THE PURPOSE OF REVIEWING THE PROPOSED 1991-92 BUDGET.

1:30 p.m. July 22, 23, & 24, 1991

AGENDA

1. Call to Order.
2. Invocation.
3. Staff and City Council workshop on Budget and Tax Levy for the City of Abilene:
 - a. Staff Presentation
 - b. Review of General Fund
 - c. Review Water and Sewer Fund
 - d. Review Other Funds
 - e. Executive Session:
 1. Pending and Contemplated Litigation (See Notice for Executive Session, Litigation for listing subjects).
 2. Appointment and Evaluation of Public Officials (see Notice for Executive Session, Personnel for listing subjects).
4. Complete Budget Review
5. Ordinances & Resolutions:
 - a. Consider on First Reading - Ordinance Approving Revised 1990-91 Budget and Proposed 1991-92 Budget and Resolution approving refuse rate schedules.
 - b. Consider on First Reading - Ordinance Setting Tax Levy.

ADJOURN

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at City Hall of the City of Abilene, Texas, on the ____ day of July, 1991, at 5:00 o'clock p.m.

Jo Moore, CMC
City Secretary

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0011:

BUDGET WORK SESSION
JULY 22 & 23, 1991

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

Day 1 - July 22
1:30 p.m.

The City Council of the City of Abilene, Texas, met in a budget work session on July 22 and 23, 1991, in the Basement Conference Room of City Hall. The July 24 session was canceled with the budget work being completed on July 23. Mayor Gary D. McCaleb was present and presiding with Councilman Paul R. Vasquez, Councilwoman Betty Ray, Councilmen Bill Terry, Jimmy McNeil and Councilwoman Liz Herrera. Also present were City Manager Jim C. Blagg, Assistant City Manager Roy McDaniel, Director of Finance David M. Wright, Assistant Director of Finance Chris Taylor, City Secretary Jo Moore, and Assistant to the City Manager Debra Guerra. Councilman Jack Grable was absent July 22, but was present July 23.

The Council convened at 1:30 p.m. on July 22, 1991.

Mayor McCaleb commented on all Council members having prepared at least one budget; and stated his appreciation to staff on the information submitted.

City Manager Jim Blagg introduced the session by giving a slide presentation of the services provided by the City entitled "Together We Make A Difference". Mr. Blagg proposed a \$37,412,510 FY budget after the presentation, which is a 4.4% increase over the revised budget for the current year. He presented a summary of budget revenues and expenses, which would raise the tax rate by 7.68 cents above the effective tax rate. Mr. Blagg reviewed what the 64.28 cent tax rate impact would be to property owners and the additional money it would mean to the City.

David Wright, Director of Finance, reviewed the effective tax rate and the impact it has on Abilene citizens.

City Council options are to:

- . Increase the tax rate above the effective tax rate (\$.01=\$201,000)
- . Selected fee increases=\$118,600
- . Refuse rate increase (\$.50=\$181,590)
- . 10% refuse increase on commercial = \$171,600
- . Some combinations of the above options

Mayor McCaleb questioned if the criteria on vehicles could be reviewed and changed in order to use vehicles longer. Mr. Wright stated that is currently being done.

The City Council discussed the equipment replacement fund: \$2.1 million in General Fund equipment will be paid out of equipment replacement fund; \$1.3 million is the Proposed 1992 equipment charges budgeted in the General Fund to go into equipment replacement fund. Also discussed was the General Fund Capital Outlay and the General Fund Unfunded Capital Items (those items not in proposed budget)

Roy McDaniel, Assistant City Manager, briefed the Council on the Water & Sewer Fund, stating that it is doing well, profit is being made.

Mike Morrison, Director of Community & Economic Development, briefed the City Council on some of the functions of the Abilene Preservation League, and that hopefully the capacity of the Preservation League would be increased to do housing for possible funding.

The Parks Improvements and condemnation and rehabilitation programs were discussed.

Mayor McCaleb recessed the Council into executive session in accordance with State Law, Section 2e and 2g of the Open Meetings Act, and to seek the advice of the City Attorney with respect to pending and contemplated litigation and to consider the appointment and evaluation of public officials.

The Council reconvened from executive session and reported no action taken. There being no further business, the meeting adjourned at 5:00 p.m.

July 23, 1991

The Council convened at 1:30 p.m. David Wright, Director of Finance, reviewed the certified tax roll, stating it is not final, but would be used for calculating the effective tax rate. He stated it is down \$1.1 million from the last roll. He then briefed the Council on changes in the rate due to the new tax roll.

City Manager Jim Blagg further reviewed the Housing and other funds, stating federal grants were the primary funding.

Roy McDaniel, Assistant City Manager, reviewed the self insurance fund.

Mike Morrison, Director of Community and Economic Development, briefed the City Council on the following:

- . . . Abilene Industrial Foundation
- . . . Small Business Development Center
- . . . Special Programs Reserve
- . . . Business Assistance
- . . . Development Finance Program
- . . . Abilene Regional Business & Education Center
- . . . General Administration
- . . . Hangar #4 Renovation
- . . . Prison Facility

Following all reviews, Mayor McCaleb stated if the Council had no objections, he would like to present an alternate General Fund budget plan for the Council's consideration. The Mayor expressed the Council's concerns of overburdening property taxes; and their realization that generating revenue is limited.

Mayor McCaleb suggested the following as a way of reducing the property tax burden for a total of \$946,690:

- . . . a \$630,000 reduction in the equipment replacement fund charges
- . . . adoption of user fee increases - \$118,600
- . . . additional \$.50 rate to residential refuse fee for a total of \$181,590 (\$1.00 total increase, \$6.60 per month)
- . . . remove \$9,000 re-roofing Animal Control shelter
- . . . reduce \$5,000 employee training program
- . . . reduce \$2,500 Wellness & City Manager's Roundtable programs

Mayor McCaleb stated for the record his concern about keeping the equipment replacement fund a vital functioning fund. The Mayor further proposed that an equity transfer of \$250,000 from the undesignated fund balance into equipment replacement be made. This is only a one year solution, and the Mayor stated he would not favor or suggest doing this next year.

The Mayor also suggested if the current FY 90-91 budget balance, as a result of more funds from sales taxes is better, then the first \$9,000 will go to the animal control roofing project. If the funds exceed \$9,000, some will go to honor the City's part of multi-government funding request for Cultural Affairs in the amount of \$37,500 contingent on other entities contribution. All remaining funds will go into the equipment replacement fund - if there is any above the \$37,500 and \$9,000. Personnel is not being expanded in the General Fund. This proposal represents +2.99 cents above the effective tax rate. The effective rate now is 56.63 cents.

Approval of the proposal would require a public hearing August 8 on the proposed tax levy ordinance. Another public hearing on the budget ordinance would be held August 22 as required and adoption of both the budget and tax ordinances will occur at that meeting.

Councilman McNeil stated he does not want a tax increase, but feels the City is moving forward and has a lot of good things going for it, he feels it would be disastrous to step backward.

Mayor McCaleb stated the Council recognizes their responsibility to the citizens to keep the City financially strong. The Council agreed that keeping the City clean is a top priority.

Councilman McNeil moved to approve on first reading the revised 1990-91 budget as amended, the proposed budget for FY 1991-92 as amended; and to approve on first reading the tax levy ordinance setting the tax rate at 59.62. Public Hearings on the tax levy ordinance and budget ordinance will be held at 9 a.m. August 8 and 22 as required. The motion was seconded by Councilwoman Herrera and the motion carried.

AYES: Councilman Vasquez, Councilwoman Ray, Councilmen Grable, Terry, McNeil, Councilwoman Herrera, and Mayor McCaleb.

NAYS: None.

AN ORDINANCE APPROVING REVISED BUDGET FIGURES FOR FISCAL YEAR 1990-1991; APPROVING AND ADOPTING BUDGET FOR THE FISCAL YEAR OCTOBER 1, 1991, THROUGH SEPTEMBER 30, 1992, FOR THE CITY OF ABILENE; APPROPRIATING FUNDS; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith; CALLING A PUBLIC HEARING.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, APPROVING THE ASSESSMENT ROLL FOR 1991, LEVYING AN AD VALOREM TAX FOR THE CITY OF ABILENE, TEXAS, FOR THE YEAR 1991; PROVIDING FOR THE ASSESSMENT AND COLLECTION THEREOF; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith; PROVIDING AN EFFECTIVE DATE.

Mayor McCaleb and the Council expressed their appreciation to the staff. There being no further business, the meeting was adjourned at 3:15 p.m.


Jo Moore
City Secretary


Gary D. McCaleb
Mayor