

**BUDGET WORKSESSION  
JULY 22, 2008, 1:30 p.m.**

**CITY COUNCIL OF THE CITY OF ABILENE, TEXAS,  
CITY COUNCIL CHAMBERS OF CITY HALL**

The City Council of the City of Abilene, Texas, met in a Special Meeting to conduct a budget worksession at 1:30 p.m. on July 22, 2008 in the City Council Chambers of City Hall. Mayor Norm Archibald was present and presiding with Councilmen Sam Chase, Joe Spano, Anthony Williams, Stormy Higgins, Robert O. Briley and Councilwoman Laura Moore. Also present were City Manager Larry D. Gilley, Interim Director of Finance Mindy Patterson, City Attorney Dan Santee, City Secretary Danette Dunlap, and various other members of staff.

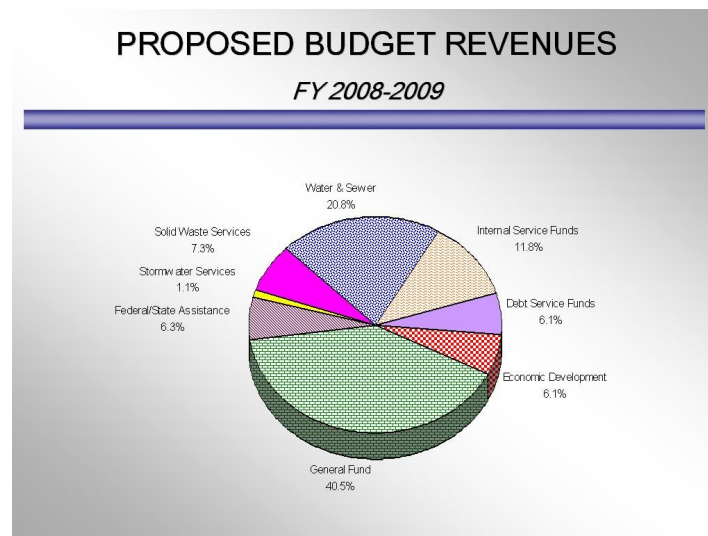
Mayor Archibald called the meeting to order.

Mayor Archibald gave the invocation and led the Pledge of Allegiance to the Flags of the United States of America and the State of Texas.

Mayor Archibald reviewed the expected schedule for the budget work sessions. The Mayor noted a budget work session is scheduled for tomorrow, Wednesday, July 23, 2008, at 8:30 a.m., and if needed July 24, 2008 at 1:30 a.m. The goals of the budget deliberations are to: 1) approve the Revised 2007-2008 Budget; 2) approve the Proposed 2008-2009 Budget; and 3) set the Tax Levy. The Mayor then asked Mr. Gilley to present the budget information.

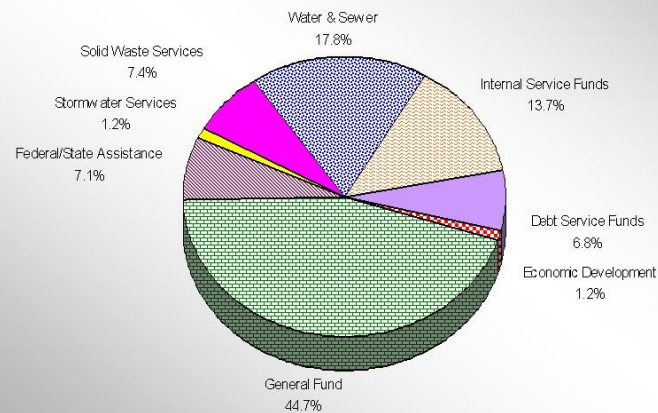
Mr. Gilley presented a video overview of the City departments and employees. Mr. Gilley thanked the staff for their countless hours spent on the budget process.

Mr. Gilley then reviewed charts, reflecting the percentage break down by departments, of the proposed Budget Expenditures/Revenues for Fiscal Year 2008-09 and General Fund information as follows:



## PROPOSED BUDGET EXPENDITURES

*FY 2008-2009*

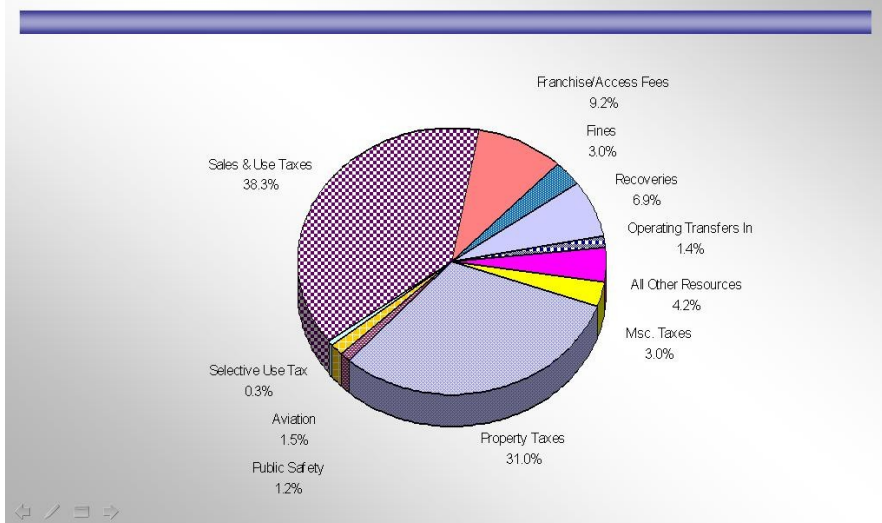


### FY 08 Approved to Revised Revenues - \$115,300

- Sales Tax = (\$214,610)
- Franchise Fees = \$262,130
- Licenses and Permits = \$15,990
- Interest Earnings = (\$177,000)
- Recoveries = \$91,320
- Miscellaneous Adjustments = \$57,470
- Donations – North Side Branch Library = \$350,000
- Solid Waste Transfer = (\$270,000)

## GENERAL FUND REVENUE BY CATEGORY

*FY 2008-2009*

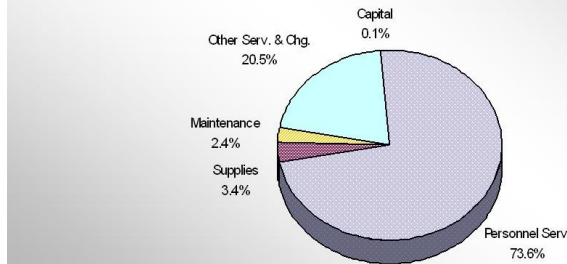


### **FY 09 Over FY 08 Revised Proposed Revenues - \$1,927,210**

- Property Taxes = \$1,416,780
- Sales Tax = \$771,720
- Franchise Fees = \$46,690
- Licenses & Permits and Charges for Services = \$555,970
- Donations-North Side Branch Library-Materials = (\$350,000)
- Friends of the Library Reimbursement - North Side Branch Library Rent = \$54,600
- Sale of Fixed Assets = (\$22,700)
- Recoveries = (\$75,250)
- Transfer from Solid Waste = (\$500,000)

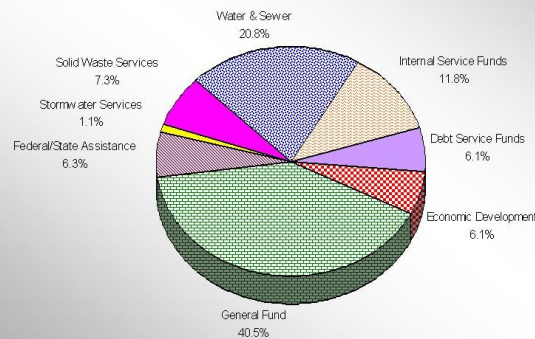
## GENERAL FUND EXPENDITURES BY CATEGORY

*FY 2008-2009*



## PROPOSED BUDGET REVENUES

*FY 2008-2009*



The FY09 budget proposes a General Fund decrease of \$46,080 (including transfers)  
 (.07% decrease over FY08 revised)  
 (2.8% increase over FY 08 without 27th pay period)

The expenditure changes are associated with the following:

### **Proposed Budget Changes**

- Decrease 27th Pay Period = (\$1,995,500)
- Non-Civil Service Compensation Plan = \$550,480
- Police and Fire Meet and Confer = \$1,510,800
- Decrease Non-Civil Service Termination Pay = (\$125,940)
- Decrease in Police and Fire Termination Pay = (\$60,880)
- Decrease in Police and Fire Overtime = (\$178,250)
- Decrease in Non-Civil Service Overtime = (\$34,550)
- Capital Purchased Revised 2008 = (\$94,450)

- Miscellaneous Adjustments = \$313,350
- Operating Transfers = (\$71,940)
- North Side Branch Library - Material = (\$350,000)
- North Side Branch Library - Rent = \$54,600
- Fuel = \$200,000
- Liability and Property Insurances = (\$39,800)
- Fire Ladder Truck Financing = \$276,000

## **SOLID WASTE SERVICES**

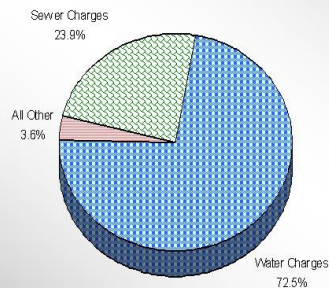
### **Proposed Fee Changes**

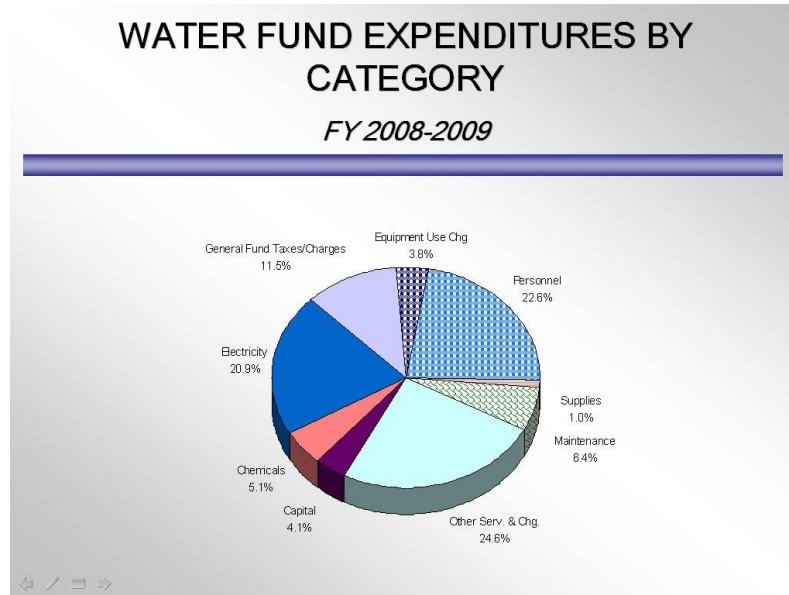
- Increase roll-off fees by \$10
- Increase haul fees by \$20
- Increase environmental fees by \$1.00 per month
- Increase residential collection fees by \$.75 per month
- Increase commercial flat rate fees by \$.50 per month

## **WATER UTILITY**

### **WATER FUND REVENUE BY CATEGORY**

*FY 2008-2009*





## MAJOR ISSUES

### Additional Issues & Initiatives

- **Self Insurance Fund**
- **Facilities Survey/Facilities Improvement Fund**
- **Technology Fund**
- **Financial Accounting and Payroll Software System**
- **Texas Municipal Retirement System (TMRS)**

Mr. Gilley concluded his presentation, stating that as required by City Charter he as City Manager is presenting for Council consideration the FY09 Proposed Budget.

Mr. Gilley and Council reviewed and discussed: 1) Growth of property tax values for this year; 2) recommendation of fee increases in Planning and Development; 3) across the board increase in salary adjustment for the following pay grades 15-44 a 4% increase 45-59 a 2% increase occurring on October 1; 4) Revenue estimates of sales tax compared to last year. Last year the estimate of sales tax for the budget process was 5%; for this year the estimate is 3% over last year actual; 5) 27<sup>th</sup> pay period occurs every 11 years and will be paid in this years budget; 6) pay plans have stayed ahead of the minimum wage increases that are coming into affect; and 7) 74% of city budget is salary.

Council and Staff discussion for the Revised 08 Budget included: 1) Planning and Development Services differences in revised 08 were due to department changes in staffing; 2) Municipal Court the approved part-time judge was not hired; 3) Legal – deleted one position in staffing and currently are one less in staff.

Council and Staff discussion of Unfunded needs included: 1) Police – 65 Digital Mobile Video Recorders including software \$330,000. Recorders that are currently in the cars are becoming

obsolete and parts are hard to find. The current recorders were received from the State a couple of years ago; 2) Fire – Paramedic Training Program \$682,220. This is the cost of bringing 24 EMT's to a paramedic level. This training would take 2 years to have the paramedics ready. Currently the Fire Department is arriving on the scene 2 minutes ahead of MetroCare; and 3) Software for Finance. The software would include Human Resource and Finance. The current vendor is working with the City to keep up the system we have now, which is being phased out.

Council and Staff discussion of fund balances and debt service: 1) 1.76cents raise in debt service taxes to repay voter approved improvements to the Streets and Park Improvements for Bonds passed in 2006; 2) Fleet Maintenance Fund Balance – this fund was established to allow the city to get to a place where they can purchase vehicles with cash and not have to go into debt to pay for them; 3) Storm Water Fund Balance; 4) request by City Manager that council consider reinstating the raises for Managers and above; and 5) what are the target fund balances on all funds.

Council asked that Staff bring back tomorrow information on Personnel Costs in comparison to the 10 sister cities, Senior Tax Freeze, Library opening on Sunday at main branch vs. branch openings.

Mayor Archibald stated the Budget Workshop will resume tomorrow, Wednesday, July 23rd at 8:30 a.m.

There being no further business, the meeting was adjourned at 4:52 p.m.

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Danette Dunlap  
City Secretary

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Norm Archibald  
Mayor