

**SPECIAL MEETING  
BUDGET WORKSESSION  
JULY 23, 2013, 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 work session at 1:30 p.m. on July 30, 2012 in the City Council Chambers of City Hall. Mayor Norm Archibald was present and presiding with Councilmen Shane Price, Joe Spano, Anthony Williams, Kyle McAlister, Robert O. Briley and Councilwoman Kellie Miller. Also present were City Manager Larry D. Gilley, Director of Finance Mindy Patterson, Assistant Director of Finance Mike Rains, City Attorney Dan Santee, City Secretary Danette Dunlap, and various other members of staff.

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 24, 2013, at 8:30 a.m., and at the Regular Council meeting on July 25<sup>th</sup>, if needed. The goals of the budget deliberations are to: 1) approve on first reading the Revised 2012-2013 Budget; 2) approve on first reading the Proposed FY 2013-2014 Budget; and 3) approve on first reading the ordinance setting the tax rate. The Mayor then asked Mr. Gilley to present the budget information.

Mr. Gilley gave a brief overview of the proposed 2013-2014 budget and the revised 2012-2013 budget.

**GENERAL FUND**

FY 14 projected fund balance  
\$20,794,058 or 3.2 months

Policy recommendation FY 14 fund balance  
\$19,778,068 or 3.00 months

\$1,015,991

The FY 13 revised expenditure budget proposes a General Fund increase of \$4,045,400 (5.3% above FY 13 approved)

- Municipal Pool Management = \$46,740
- Golf Course Water Allowance = \$40,000
- 2013 Capital Improvements Program = \$2,300,000
- Equipment Use Charges = \$161,870
- Demolition Projects = \$65,000
- Overtime = \$568,620
- Purchase Greyhound Building = \$227,880

- Aviation Grant Match = \$166,670

The FY 14 revenue budget proposes a General Fund increase of **\$1,632,560**  
(including transfers)

2.1% increase from FY 13 revised

- Property Taxes = \$1,378,760
- Sales Tax = \$605,660
- Franchise Fees = (\$157,660)

The FY 14 expenditure budget proposes a General Fund decrease of **(\$673,230)**  
(including transfers) 0.8% decrease from FY 13 revised

- Across the Board Compensation Adjustment (Effective January 2014) = \$995,000
- 2013 Capital Improvements Program = (\$2,300,000)
- Overtime = (\$581,420)
- Police Academy Classes 51 and 52 = \$914,130
- Fire Academy Class = \$527,070

## **WATER UTILITY FUND**

### ***Drought Response Project Financing and Rate Adjustments***

*Recommended Short Term Strategy (May 20, 2013)*

- *Reuse Option*
  - ✓ *Diverting water from Kirby into Cedar Creek (1 MGD)*
  - ✓ *Directing advanced treated wastewater into Fort Phantom Hill (7 MGD)*
- *Improvements to Hargesheimer WTP and Distribution System (6 MGD)*
- *Total Available Water Supply – 14 MGD*

### **Funding Recommendations**

*Proposing to issue TWO separate Certificates of Obligation.*

*Fall 2013 - \$65 Million (over 25 years)*

*Summer 2014 - \$16-26 Million (over 25 years)*

*Why TWO debt issues? The Projects are still under design; CMAR involvement*

Council and Staff discussion included: 1) Sales tax 2% estimated increase in the proposed budget. Council had concerns regarding the 2% increase and staff explained that they have researched this and are comfortable at this time; 2) Facilities Maintenance – has been reclassified from prior years; 3) Zoological Gardens increase – includes animal supplies/food and the new Caribbean Cove addition; 4) the cities bond debt; 5) keeping the tax rate at last year's rate and using the increase to

fund a unfunded item; 6) Fire apparatus fund – next purchase in 2014; and 7) CDBG and Home funds in the low mod areas.

After a short break council and staff discussion continued: 1) Chief of Police Stan Standridge briefed the council on the need for the department to add more officers; 2) # of 911 calls 13.44 % increase. Asking to move two part-time dispatchers to full time dispatchers; 3) calls for service ----- 291 calls where placed on hold for 57 seconds. There is a high turn-over in the dispatch office. Takes anywhere from 6 months to 1 year to train; and 4) Overtime for officers.

Council and Staff discussion on the Fire department included: 1) Fire Chief Ken Dozier briefed the council on staffing; 2) moving personnel from staffing positions to operations; 3) minimum staffing is 45 employees; 4) have 65 fire/paramedics currently – more officers are training; 5) Emergency Medical Dispatch – sending only the appropriate equipment for the calls; and 6) ISO rating and how staffing places a big part of the rating.

Council and Staff discussion on the Airport Operations staffing included: 1) Don Green Director of Aviation briefed the council; 2) Operations Officers – duties include fire rescue, runway and terminal inspections; and 3) the need to increase staffing.

Council and Staff discussion on the Stormwater Fund included: 1) showing a deficit in the budget line; 2) Stormwater includes – Street sweeping, Keep Abilene Beautiful, creek clean-up; 3) rates have not been changed since the creation of the fund in 2003; and 4) 22 employees in Stormwater.

Council and Staff discussion on the Self Insurance Fund included: 1) Ronnie Kidd Managing Director for Administration briefed the council on the Self Insurance Fund; 2) Health Insurance – running flat currently; 3) increase by 3% for both city employee and the city; 4) works comp – seeing a positive trend; 5) tracking lower than the national trend; 6) COACH – employee health clinic a positive for employees; 7) affordable care act – will be monitoring closely. Cities health insurance complies with the affordable care coverage; 8) part-time employees have been moved to only 29 hours, due to the fact that the affordable care act considers 30 hours as full time employees; 9) fund covers other than health – covers workers comp and property/liability coverage; and 10) city employees pay 60% of their health insurance plans.

Council announced that they would meet tomorrow July 24<sup>th</sup> @ 8:30 a.m. to continue discussion the budget. Items to be discussed tomorrow were: 1) Police staffing; 2) Transit funding; 3) salary raises for city employees; 4) animal services; and 5) Water projects along with water rates.

There being no further business, the meeting was adjourned at 4:30 p.m.

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Danette Dunlap  
City Secretary

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Norm Archibald  
Mayor