

**SPECIAL MEETING  
BUDGET WORKSESSION  
JULY 28, 2014, 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 28, 2014 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, Jay Hardaway 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, Tuesday, July 29, 2014, at 8:30 a.m., and July 30<sup>th</sup>, if needed. The goals of the budget deliberations are to: 1) approve on first reading the Revised 2013-2014 Budget; 2) approve on first reading the Proposed FY 2014-2015 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 2014-2015 budget and the revised 2013-2014 budget.

**GENERAL FUND**

FY 15 projected fund balance  
\$21,297,235 or 3.1 months

Policy recommendation FY 15  
fund balance  
\$20,463,345 or 3.00 months

\$833,890

The FY 14 revised expenditure budget proposes a General Fund increase of **\$500,130** (0.6% above FY 14 approved)

- Sales Tax = \$(925,580)
- Municipal Court Fines = \$178,900
- Franchise Fees = #331,620
- Zoo Society Reimbursements for Personnel = \$550,790

The FY 14 revised expenditure budget proposes a General Fund increase of **\$3,118,030** (3.9% above from FY 14 approved)

- Capital Improvement Program = \$2,350,000
- Technology Fund Charges = \$108,500
- Building Purchases = \$304,000
- Former Zoo Society Employees = \$550,790
- Public Health Transfer \$108,420
- Transit Fund Transfer (\$137,570)

The FY 15 revenue budget proposes a General Fund increase of \$2,060,430 (including transfers) 2.6 increase from FY 14 revised

- Property Taxes = \$1,271,660
- Sales Tax = \$602,310

The FY 15 expenditure budget proposes a General Fund decrease of (\$584,920) (including transfers) 0.7 decrease from FY 14 revised

- Across the Board Compensation Adjustment (Effective January 2015) = \$1,129,820
- Net Compensation Changes (Overtime, Termination, New Positions) = \$328,791
- Fire Academy Class = \$567,030
- Technology Fund Charges = \$368,480
- Capital Improvements Program = (\$2,350,000)
- FAA Match Funded by Capital Projects Funds = (\$960,810)
- Building Purchases = (\$304,000)
- 2007 Airport CO Funded by General Fund = \$258,850
- Transit Fund Transfer = \$134,230

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) Tax rate history; 3) fund balance and how it relates to the bond rating; 4) 27<sup>th</sup> pay period, money is being set aside; 5) Zoological employees have become City employees and the Zoological Society reimburses the city; 6) CDBG funds and ANI projects - \$150,000 will be used for an ANI project for sidewalks; 7) Operating Transfers Out include CityLink and Health; 8) Purchase of fire equipment and discussion of the hail damage at station 4; the close of Stevenson Pool and Ceaser Chavez building closing and the city employees from that center will go to other locations; and 9) E-billing for water bills has been active since 2011 – how do we get the word out so that more citizens can take advantage of this convenience.

After a short break council and staff discussion continued: 1) Civic Center – after the demolition of the buildings on the corner what are the plans for property. The City is working on a downtown hotel and there are not any defined plans as of yet; 2) Propose to move the difference in reserved funds for the 3 month operating fund and the 3.1 estimate of FY15 funds of \$833,890.

Suggested to move to street maintenance; 3) Self Insurance Fund regarding wellness activities to offset the health claims. The city receives reimbursement from Blue Cross Blue Shield for the activities that the city has for wellness activities; and 4) Vehicle replacement list and the city participates in an on-line auction site for the sale of vehicles.

Don Green Director of Aviation briefed the council 1) passenger facility charge is \$4.50; 2) 20% increase of enplanement; 3) conducting an internal survey to get a better feel for what is driving the increase; 4) \$8.7 million repair of Runway 17R/35L; and 5) rentals are up and the parking lot revenue is also up.

Council announced that they would meet tomorrow July 29<sup>th</sup> @ 8:30 a.m. to continue discussion the budget. Items to be discussed tomorrow are: 1) water and sewer fund.

There being no further business, the meeting was adjourned at 3:48 p.m.

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Danette Dunlap  
City Secretary

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Norm Archibald  
Mayor