



# City of Rowlett Meeting Minutes City Council

4000 Main Street  
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**City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6109 or write PO Box 99, Rowlett, Texas, 75030-0099, at least 48 hours in advance of the meeting.**

Monday, July 28, 2008

6:30 PM

Municipal Building - 4000 Main Street

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

## 1. CALL TO ORDER

*Mayor Harper called the meeting to order at 6:31 p.m.*

## 2. WORK SESSION ITEMS (6:30 P.M.)

### 2-A Presentation and discussion of the Fiscal Year 2008-2009 Proposed Budget.

*Mayor briefly made some comments regarding the budget process.*

- *Maintain City core services*
- *No tax increase*
- *All fund balances to maintain minimum reserves*
- *Seeking a change in accountability for construction projects*
- *Seek joint use of facilities in the region*
- *Review and update the Strategic Plan*

*George Harris, Interim City Manager presented the 2008 - 2009 Proposed Budget (16 slide PowerPoint presentation).*

*City of Rowlett  
2008-09 Proposed Budget  
Price of Government - Established by City Council*

<i>Adopted Budget FY 07-08</i>	<i>\$81,639,025</i>
<i>Projected Raises</i>	<i>857,244</i>
<i>Vendor Related Increases (passed on to consumer):</i>	
<i>NTMWD (water supplier)</i>	<i>319,204</i>
<i>Garland (sewer treatment contractor)</i>	<i>232,195</i>
<i>IESI (solid waste contractor)</i>	<i>259,839</i>
<i>Mandated Increases:</i>	
<i>TMRS (assumes 8 yr phase-in @ 9/12 first year)</i>	<i>115,859</i>
<i>Safety Equipment (State Law NFPA 1851)</i>	<i>28,280</i>
<i>Wireless Phase II 9-1-1</i>	<i>52,803</i>
<i>Total Cap</i>	<i>\$83,504,449</i>

*Price of Government  
Revenue Limitations*

Available Revenues - existing taxes and fees	\$79,451,442
Pass thru from Rate Increases (passed on to consumer):	
NTMWD (water supplier)	319,204
Garland (sewer treatment contractor)	232,195
IESI (solid waste contractor)	259,839
Total Available Revenues	<u>\$80,262,680</u>
Price of Gov't Cap	\$83,504,449

Note: Revenue limitations set the Price of Government for FY 2009.

*Price of Government  
Revenue Limitations*

- Revenues projected at \$80.3 million - not adequate to reach the cap this year.
- Proposed budget is \$3.2 million or 3.9% below the cap and \$1.9 million or 2.4% below the FY 2007-08 level.
- Biggest changes in revenues stem from reduced red light camera fines, sales taxes, culture and recreation fees, water and sewer sales, and transfers from other funds.

*Price of Government  
Challenges*

Due to Revenue Limitations, the biggest challenges were to absorb new costs increases as follows:

Raises	\$ 857,244
Health Insurance	231,628
Fuel, Utilities, etc.	311,274
Mandates	196,942
Total	\$1,597,088

*Outcome Allocation*

- Culture & Recreation ~ 8.3%
- Economic Development ~ 2.8%
- Environment ~ 31.4%
- Neighborhood Quality ~ 1.8%
- Public Safety ~ 24.7%
- Transportation ~ 19.3%
- High Performance Government ~ 11.5%

\$71,398,521 ~ Excludes transfers

*Proposed Outcome Allocation*

Budgeting for Outcomes - Total \$71,398,521 (The total is the combined budget excluding transfers)

- Culture & Recreation ~ \$5,961,690 (8%)
- Economic Development ~ \$2,018,006 (3%)
- Environment ~ \$22,434,099 (31%)
- Neighborhood Quality ~ \$1,287,893 (2%)
- Public Safety ~ \$17,666,979 (25%)
- Transportation ~ \$13,799,211 (19%)
- High Performance Government ~ \$8,230,643 (12%)

*Proposed Allocations*

Transfers	\$ 9,104,446
Total FY 2008-09	\$80,502,967
Total FY 2007-08	\$81,639,025
\$ Difference	-\$ 1,136,058

Mayor Harper questioned staff regarding the figures comparison; the figures are compared to the October 1st figures and not the budget amended figures.

#### 2008-09 Budget Summary

- The total Fiscal Year 2008-09 Proposed Budget is \$80.5 million.
- This is a decrease of \$1.2 million or 1.4% less than the FY 2008 Approved Budget of \$81.6 million.
- In total, a net reduction of 2 vacant full-time equivalent positions are proposed in FY 2009.

#### 2008-09 Reserves

- Total Ending Reserves for Fiscal Year 2008-09 are \$11.0 million or 15.5% of proposed expenditures.
- All funds meet their required reserve levels from the City's financial policies.

#### Employee Compensation

- Average salary increase of 4% across the board.
- Implementation and funding of the public safety step plan.

#### Property Tax Projection

#### Sales Tax

#### Policy Implications & Decision Points

- Debt service spiked in FY 07-08; therefore, 2.85 cents of the property tax shifts back to the General Fund.
- Proposed budget includes passing on "direct" costs increases from NTMWD, Garland and IESI. The impact to the average residential customer would be \$3.58 or 3.3% per month.

Deputy Mayor Pro Tem Maggiotto questioned staff regarding the \$0.0285 increase.

Staff stated some of the final numbers have been received from Dallas Central Appraisal District; the spike on the Luna Building was between \$400,000 - \$500,000; there was a scheduled drop in Debt Service which was approximately \$300,000; the Rockwall County Emergency Services Corporation had leftover bond proceeds that will be used to pay for next year; and the appraised values have increased.

Mayor Harper asked if the Rockwall County Appraisal figures have been received.

Staff answered in the negative.

Deputy Mayor Pro Tem Maggiotto asked if the budget presentation made to the Mayor's Leadership Team was changed with the change in figures presented from Friday to Monday.

Staff stated they were going by memory on Friday and the presentation has not changed.

- Proposed budget includes modifying the volume rate for municipal use to the amount charged by NTMWD saving the General Fund \$263,450 annually.

- General Fund includes a \$235,000 target in FY 2009 to come from eliminating vacant positions by evaluating each position that becomes vacant.
- There are 3 positions not included in the proposed budget that are projected to be revenue neutral that staff would like City Council to consider:
  - General Fund - Additional Traffic Officer
  - General Fund - Deputy City Marshal
  - Utility Fund - Maintenance Worker
- Consideration of other unfunded needs.

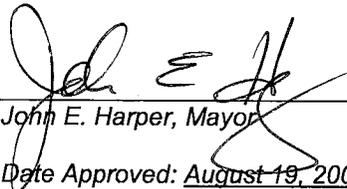
Mr. Harris commented on the "unfunded" items in the Proposed Budget.

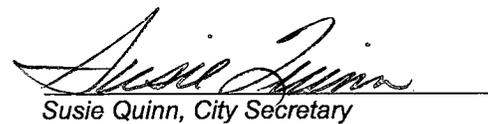
Council questioned staff regarding the unfunded additional custodian at the Community Centre; Festival of Freedom; Verizon fees; clarification on reading the "funded" and "unfunded" amounts, continuation of the March Cleanup Campaign; an ambulance for Fire Station #4; statistics for R.O.C.K.; more details for vehicle replacement, cost for operating a police motorcycle (training, officer and equipment outfitting, leasing information) and backup data; the citizen monthly newsletter; document imaging and records management; public safety personnel changes; the energy policy; and capital improvements.

Council stated the proposed budget is good; refining will be necessary; there will be a balanced budget that meets the core needs of the citizens without a tax increase; furthermore, the employees will receive a pay increase.

### 3. ADJOURNMENT

Mayor Harper adjourned the meeting at 8:26 p.m.

  
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John E. Harper, Mayor

  
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Susie Quinn, City Secretary

Date Approved: August 19, 2008