

CITY OF ENNIS COMMISSION WORKSHOP

MAY 5, 2014

6:00 P.M.

Mayor Thomas called the meeting to order at 6:05 p.m. on May 5, 2014, in the City Commission Chambers of the City of Ennis Municipal Building, 115 W. Brown Street, Ennis, Texas 75119.

PRESENT: Mayor Thomas, Commissioners Frazier, Haupt, Walker, and Holley, City Manager Ewings, City Attorney Wilson, Chief Erisman, Lieutenant Anthony, City Secretary Batchler and ED Coordinator Nelson. Commissioner Searcy joined the meeting at 6:10 p.m.

City Manager Ewings presented Mid-Year Budget Review and discussed FY 14-15 Budget as follows:

General Fund Current Year Revenue: Sales Tax Budgeted - \$2,269,180, Collections through March \$1,137,503, Projection - \$2,325,595 (+2%)

Property Tax Current Year Revenue: Budgeted - \$9,755,838 (includes I & S), Collections through March - \$6,204,603 (M & O), \$3,382,250 (I & S), Total - \$9,586,853 @ 98% Collections.

Overall 76% of budgeted revenues have been collected through March.

General Fund Current Year Expenditures: Budgeted - \$17,223,723 Expenditures through March \$9,784,863 @ 56.8% expended. Includes I & S @ 98% expended.

Water and Sewer Current Year Revenue: Water Revenue – Budgeted \$5,177,829, Collection through March \$2,337,990 @ 45% collected. Sewer Revenue – Budgeted \$2,407,486, Collection through March \$1,157,797 @ 48 % collected. Commission will be asked to consider a rate/cost allocation study.

Non budgeted expenses for FY 2013-2014 are Comprehensive Plan Update, Website Update, Software/Communication Updates, and a proposed Downtown Coordinator. Anticipated budget savings will cover costs, otherwise may require budget amendment. Fund balance is available to fund.

Fiscal Year 2014-2015 Budget. Fund balance will be available for one-time expenses. Minimal revenue growth is anticipated. At this time preliminary property values show a decrease. It is anticipated a 2% increase in sales tax revenue.

General Fund expenses are reoccurring expenses for Health Insurance with an anticipated increase costs due to high claim experience, fleet replacements, personnel salaries, lease-purchase agreements and the proposed Downtown Coordinator expense.

Public Safety: Proposed addition of four communications staffing (two per shift) to ensure adequate coverage for call volume. This may require 911 fee increases to fund.

Public Works: Sanitation rates of \$12.50 per month covers 80% of cost. Street pavement management program can be funded by sales tax. This would require voter approval to increase sales tax .25%. Fleet replacement program has been proposed.

Library: Roof repair or replacement has been proposed. Renovation and expansion plan to included additional space for children's programs, increased work space and increased digital offerings.

Parks and Recreation: Existing fields are in need of grading improvements, league agreements to be reviewed, requests for splash pad or park to be discussed with Parks Board.

Water and Sewer Fund: Cost of Service Study, meter replacement, capital investment and long term needs.

Sales Tax Election: The current sales tax rate is 7.75%. Proposed sales tax election: .25% toward street maintenance, .25% for Crime Prevention Control District. If approved by voters total sales tax would be at maximum allowed by State @ 8.25%. The increase would raise approximately \$600,000 per year to fund street improvements and may reduce reliance on bonded debt for street improvements. The increase would also provide approximately \$600,000 per year to fund Public Safety Facilities. The timing for the Sales Tax Election could be at the next uniform election date of November 4, 2014 and if approved, collection would start in January 2015. Prior to the election a Crime Prevention Control District must be created and board appointed if the Commission wishes to proceed with the election.

Conclusion: Focus on improving existing facilities, ensure fees, fines and transfers are adequate to reduce burden on property tax rate and complete the Comprehensive Plan update and consider funding of projects that are high priority for community.

Mayor Thomas adjourned the workshop at 6:54 p.m.

Donna Batchler, City Secretary

