

CITY OF ENNIS COMMISSION WORKSHOP

JULY 21, 2014

5:30 P.M.

Mayor Thomas called the meeting to order at 5:35 p.m. on July 21, 2014, in the City Commission Chambers of the City of Ennis Municipal Building, 115 W. Brown Street, Ennis, Texas 75119.

PRESENT: Mayor Thomas, Commissioners Salik, Frazier, Hackney, Walker, and Holley, City Manager Ewings, Chief Erisman, City Attorney Wilson, Captain Anthony, City Secretary Batchler, Fred Werner, Renee Mitchell, and ED Coordinator Nelson. Commissioner Searcy joined the meeting at 5:58 p.m.

City Manager Ewings presented the Proposed FY 2014-2015 Budget to the City Commission.

Budget Highlights: Maintain Current Tax Rate; Limited General Fund Revenue Growth; 15% Increase in Health Costs; Health and Building Fees to Increase; Separation of Special Funds.

GENERAL FUND REVENUES

History of Taxable Values: Yr. 2009 = \$1,245,060,563, Yr. 2010 = \$1,338,878,430, Yr. 2011= \$1,307,574,814, Yr. 2012= \$1,339,671,916, Yr. 2013= \$1,375,246,813, Yr. 2014= \$1,411,761,140 and Yr. 2015= \$1,410,087,870.

General Fund Property Tax Rate: Maintains current rate of 69.5 cents per \$100 valuation, Lowers available funds from General Fund due to increase debt payments:

	FY 13-14	FY 14-15
M & O Rate	44.9	42.8
I & S Rate	24.6	26.7
Total Rate	69.5	69.5

General Fund Sales Tax Revenue: \$2,997,560 2014-2015 projected collection.

General Fund Revenue Summary:

Property Tax	\$ 9,855,725 (includes I & S)
Sales Tax	\$ 2,997,560
Fees & Fines	\$ 3,080,671
Transfers (EDC & Utility)	\$ 865,274
TOTAL	\$16,799,230
LESS I&S	\$ 3,770,082
TOTAL GF	\$13,029,148

Removes special fund revenue: Sanitation, Hotel Occupancy Tax and Court Technology/Security Fund from General Fund to create Enterprise Funds.

GENERAL FUND EXPENDITURES

\$14,161,415 less I & S

15% increase in Health Insurance Premiums

Increase related to accounting procedure changes: Utilizes fund balance for one-time purchases totaling \$993,000 (Fleet replacement- sanitation truck, street sweeper: \$380,036), Library Roof - \$65,000, Field Grading - \$80,000, Comprehensive Plan - \$100,000, GIS Updates - \$28,000.

Administration total personnel cost included no longer split between funds. Downtown Coordinator to be added and the ED Coordinator will be moved to administration. Transfer from EDC and Utility to Administration.

Police Department adds two Public Safety Communication Specialist.

Fire Department funds 6 Driver Positions reclassifying existing positions.

General Fund Summary:

Beginning Fund Balance:	\$ 7,761,929
Projected Revenue	\$13,029,148
Expenditures	\$14,161,415
FY 15 Projected Fund Balance	\$ 6,629,662

Sanitation Fund: New enterprise fund proposes an 8% increase in sanitation rates. Residential - \$13.50 (current \$12.50), Commercial - \$16.32 (current \$15.00) Continues to rely on General Fund to balance:

Revenue	\$ 944,580
Expenditures	\$1,265,178

Transfer from General Fund = \$320,598, Sanitation Vehicle - \$161,521, 98-Gallon Containers for recycling - \$40,000, Operating Portion = \$119,077 from General Fund.

Recycling program currently suspended. Proposed to use 95-gallon containers, new vehicle would have tipper, cost recovery fee for participants \$2.00 per month.

UTILITY FUND

Cost of Services/Rate Study
Meter Replacement Program
Capital Investment

Expenditures \$8,225,641 Revenues \$8,386,790

Working capital less than 90 days. Reliance on fund balance.

	Water Rates		
	2013-2014	2014-15	Avg. Amount of Increase
Base Residential	22.50	22.50	0
Per 1,000 gal	3.00	3.00	
Base Commercial	22.50	22.50	0
Per 1,000 gal	3.00	3.00	

	Waste Water Rates		
Base Residential	17.00	22.41	
Per 1,000 gal	1.44 (2-5k)	1.90 (2-5k)	5.87/mo
Base Commercial	18.30	24.13	
Per 1,000 gal	1.55	2.40 (2-5k)	6.32/mo

UTILITY FUND BALANCE

Beginning Balance	\$2,123,175
Revenue	\$8,386,774
Expenditures	\$8,225,641
Fund Balance	\$2,284,308

SUMMARY OF ALL FUNDS

Beginning Fund Balance	\$10,591,452
Revenues	\$26,695,812
Expenditures	\$27,707,026

FY 15 Projected Fund Balance \$9,623,064

5 YEAR CAPITAL IMPROVEMENT PROGRAM

2014 Street Bond Program is underway. 2016 Street Bond Program, bonds will be sold to fund. Water/Wastewater Improvements will utilize unspent bond funds.

CONCLUSION

Focus on improving existing facilities. Ensure fees, fines and transfers are adequate to diversify revenue sources. Complete Comprehensive Plan update and consider funding of projects that are high priority for community.

EXECUTIVE SESSION

At 6:06 p.m. Mayor Thomas adjourned the meeting into Executive Session in accordance with the Texas Government Code, Ann. Section 551.087 Texas Open Meetings Act, deliberations regarding Economic Development Negotiations.

At 6:46 p.m. Mayor Thomas reconvened into Open Session and stated that no action will be taken and negotiations are to go forward.

Mayor Thomas adjourned the workshop at 6:49 p.m.

ATTEST:

Russell R. Thomas, Mayor

Donna Batchler, City Secretary

