

CITY OF OVILLA MINUTES
Monday, 01 August 2011
Special City Council Meeting & Budget Workshop
Fire Department Training Room
105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Vansyckle called the Special Council Meeting & Budget Workshop of the Ovilla City Council to order at 6:30 P.M. The following City Council Members were present:

Tom Leverentz	Mayor Pro-Tem, Place 1
James Wade	Council Member, Place 3
Doug Hunt	Council Member, Place 4
Richard Dormier	Council Member, Place 5

Absent: Michael Dickey Council Member, Place 2

Noted members were present, thus constituting a quorum.

City Administrator Randy Whiteman and various department-head staff members were also present.

Place 4 Hunt gave the Invocation.

Place 5 Dormier led the Pledge of Allegiance.

INDIVIDUAL CONSIDERATION:

ITEM 1. Discussion Only – Workshop and review of the proposed Fiscal Year 2011-2012 Budget.

City Accountant Sharon Jungman shared budget revisions requested by Council during the previous meeting. Council reviewed and discussed many segments of the budget:

1. Discussed CIP Water Lines
2. Discussed Impact Fees
3. Discussed the increased TRA contract fees
4. Reviewed current water rates and minimum increases/tiers to recoup city's cost
5. Reviewed Dallas Water Utilities water purchase increases
6. Discussed video and audio equipment for Council / meetings
7. Discussed the updating of CTY Connect
8. Discussed ESD requests for the future funding
9. Discussed Red Oak Creek drainage
10. Discussed future contingencies

The proposed/requested backhoe purchase listed under the Public Works department was deleted from the 2011-2012 Budget. Public Works Director Brad Piland asked Council to increase the repair/expense line item(s) for the older equipment since Council did not approve a new backhoe. An additional \$5,000 was added to that particular line item expense.

VOTE: Discussion Only, No Action.

ITEM 2. Discussion/Action – Consideration of a proposed tax rate for the Fiscal Year 2011-2012 and take a record vote.

City Administrator Randy Whiteman explained to Council that collections would be less than last year regardless of the three listed choices. The Ellis Appraisal District certified a 2011 taxable value of \$257,169,638 for the City, which is a decrease of \$8,546,849 under the taxable value of \$265,716,487. However, the City's decision to use \$115,000 in the Debt Fund Reserve Balance reduced the I&S Rate for 2011 to 0.1704 – a decrease under the 2010 I&S Rate of 0.2317. This

reduction of the I&S Rate created a situation where the Rollback Rate of 0.6638 is below the Effective Tax Rate of 0.6956. Additionally, in 2011, the tax base amount subject to a tax-ceiling freeze is \$46,360,995.

The financial impact was shown:

1. If Council proposes a rate that is the same rate as last year, (.6746) taxes will decrease \$45,245.
2. If Council proposes the Effective Tax Rate, (.6956) taxes will decrease \$2,129.
3. If Council proposes the rollback rate (.6638), taxes will decrease \$67,313.

Mayor Pro-Tem Leverentz made a motion that Council choose the rollback rate and hereby propose the 2012 property tax rate be a total of 0.6638 with a Maintenance and Operation Rate of 0.4934 and a Debt Rate of 0.1704.

Place 5 Dormier seconded the motion.

Mayor Vansyckle called for a record vote:

	<u>In Favor</u>	<u>Opposed</u>	<u>Absent</u>
Mayor Pro-Tem Leverentz	✓		
Place 2 Dickey			✓
Place 3 Wade		✓	
Place 4 Hunt	✓		
Place 5 Dormier	✓		

VOTE: The motion carried three in favor, one opposed and one noted absent.

ITEM 3. Discussion/Action – Consider and Schedule Dates for Two Public Hearings on the Proposed Tax Rate for Fiscal Year 2011-2012.

Based on the principles of the Truth-in-Taxation, the taxing unit (Ovilla) must publish for and schedule two public hearings only if the rate exceeds the effective rate or rollback rate. Based on the governing body's action of Item 2, this is not applicable or necessary.

VOTE: No action / no motion.

Adjournment

Mayor Pro-Tem Leverentz made a motion to adjourn the meeting of August 01, 2011 at 7:55 P.M.

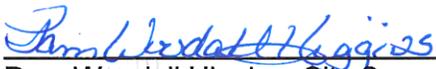
Place 5 Dormier seconded the motion.

VOTE: The motion carried unanimously.



 Bill Vansyckle, Mayor

ATTEST:



 Pam Woodall Higgins, City Secretary

Approved: September 26, 2011