

CITY OF OVILLA MINUTES
Wednesday, August 22, 2012
Special City Council Budget Workshop and Meeting
105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Leverentz called the Special Council Meeting of the Ovilla City Council to order at 6:35 p.m. The following City Council Members were present:

Ralph Hall	Council Member Place 1
Larry Stevenson	Council Member Place 2
David Griffin	Council Member Place 3
Doug Hunt	Council Member Place 4
Richard Dormier	Council Member Place 5/Mayor Pro-Tem

Mayor Leverentz noted present members thus constituting a quorum. City Administrator Randy Whiteman and various department-head staff members were also present.

Mayor ProTem Dormier gave the Invocation
PL2 Stevenson led the Pledge of Allegiance.

REGULAR AGENDA

- ITEM 1. Discussion Only** – Legal Counsel Ron MacFarlane will conduct a session on Open Meetings.
- ITEM 2. Discussion Only** – Review and discuss proposed Fiscal Year 2012-2013 Contract for fire protection services with Emergency Services District #2 and related personnel matters.
- ITEM 3. Discussion Only** – Review and discuss proposed Fiscal Year 2012-2013 Contract for fire protection services with Emergency Services District #4 and related personnel matters.

Mayor Leverentz announced that the Council reserves the right to meet in a closed session and stated that Council, City Administrator Rand Whiteman and the city's Legal Counsel Ron MacFarlane would adjourn to an Executive Session under Section 551.071, Consultation with Attorney regarding Items 1, 2 and 3. The noted individuals left for closed session at 6:37 p.m.

Mayor Leverentz announced the return to Regular Session at 8:02 p.m.
DISCUSSION ONLY. No Action on Items 1, 2 and 3.

- ITEM 4. Discussion Only** – Workshop and review of the proposed Fiscal Year 2012-2013 Budget.

City Accountant Sharon Jungman noted specific updates to the proposed budget as directed and/or changed from previous meetings:

1. Communication (dispatch) services increased.
2. Electricity charges were divided and classified in each department's budget (per meter) to properly charge by department.
3. Due to Ellis County's equipment problems, funds to the infrastructure (roads) line item were not completely expended. Seal coating on Red Oak Creek would begin within the next week. Brookwood Addition, Georgetown, Silver Spur recently had seal coating applied. Mayor

ProTem Dormier reiterated from previous meetings that he believed a separate line item for road projects should be created.

4. PL1 Hall confirmed the 90-days left in undesignated fund balance.
5. PL3 Griffin confirmed that he was in favor of the surveillance cameras and door buzzers listed on the supplemental for the upcoming fiscal year.
6. Council advised Chief Moon that it was doubtful a new officer position would be included in the police budget staffing.

City Accountant Sharon Jungman asked Council about refurbishing the parking lot. PW Director Brad Piland stated his crews could accomplish the job for about \$4,500 – \$4,800. Council approved staff to move forward with the parking lot now.

ITEM 5. Discussion/Action – Consideration of a proposed tax rate for the Fiscal Year 2012-2013 Budget and take a record vote.

The tax rate was described as split into two parts. The first part is the maintenance and operation rate or commonly referred to as the M & O rate. This rate is used to fund the day-to-day operations and is unrestricted revenue. This rate is set by Council.

The Second part is the debt rate or commonly referred to as the I & S rate. This rate is used to fund any bonds that have been issued by the City. This rate is set by the amount of debt the City is currently paying and is calculated by the Tax Office.

The Ellis Central Appraisal District Certified a 2012 taxable value of \$250,544,004 for the City of Ovilla, which is a decrease of \$1,742,327 under the 2011 taxable value of \$252,286,331.

However, the City's decision to use \$162,610 in Water and Sewer Revenues and \$36,873 in Debt Fund Balance reduced the I & S tax rate for 2012 to 0.1700 - a .0004 decrease under the 2011 I & S rate of 0.1704.

The reduction in the I & S tax rate created a situation where the I & S Rate coupled with the Effective M & O Rate is below the overall Effective Tax Rate of 0.669327.

FINANCIAL IMPACT:

1. If Council proposed a rate that is the same rate as last year, (.6746) taxes would decrease \$11,565.
2. If Council proposed the Effective Tax Rate, (.669327) taxes would increase \$2,282.
3. If Council proposed the recommended I & S Rate and the Effective M & O Rate for a combined (.6675) tax rate, taxes would decrease \$2,228.

PL1 Hall made a motion that the Council hereby proposed the FY2012-13 property tax rate to be a total of 0.6675 with a Maintenance and Operation rate of .4975 and a debt rate of .1700.

PL4 Hunt seconded the motion. **THIS MOTION REQUIRED A RECORD VOTE:**

Mayor ProTem Dormier **AYE**

PL1 Hall **AYE**

PL2 Stevenson **AYE**

PL3 Griffin **AYE**

PL4 Hunt **AYE**

VOTE: The motion carried 5-0.

*Tom Leverentz, Mayor
Ralph Hall, Place One
Larry Stevenson, Place Two*

2

*Doug Hunt, Place Four
David Griffin, Place Three
Richard Dormier, Place Five/Mayor ProTem*

ITEM 6. Discussion/Action – Consider and Schedule Dates for Two Public Hearings on the Proposed Tax Rate for Fiscal Year 2012-2013.

Based on the motion of the proposed tax rate listed under Item 5, no action was required on Item 6.
NO ACTION.

Adjournment

PL4 Hunt made the motion to adjourn the meeting of August 22, 2012, at 8:55 p.m.

PL2 Stevenson seconded the motion.

VOTE: The motion carried unanimously.


Thomas Leverentz, Mayor

ATTEST:


Pamela Woodall, City Secretary

Approved October 9, 2012

*** Executive Agenda sealed and filed separately.**