

CITY OF OVILLA MINUTES
Wednesday, August 07, 2013
Special City Council Meeting & Budget Workshop
105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Dormier called the Special Council Meeting of the Ovilla City Council to order at 5:38 p.m. The following City Council Members were present:

Ralph Hall	Council Member Place 1/Mayor Pro Tem
Larry Stevenson	Council Member Place 2
Doug Hunt	Council Member Place 4

Absent:	David Griffin	Council Member Place 3
	Dean Oberg	Council Member Place 5

Mayor Dormier noted present members, thus constituting a quorum. Various department-heads and staff were also present.

Mayor Dormier gave the Invocation and lead the recitation of the Pledge of Allegiance.

COMMENTS, PRESENTATIONS, REPORTS AND/OR APPOINTMENTS

◆ **Citizens Comments / Citizens Forum:**

I. None

REGULAR AGENDA

ITEM 1. DISCUSSION/ACTION – Receive presentation from Gary Hayden of Hayden Financial Partners to consider updates and renewal options, including requirements of the Affordable Care Act (ACA) for the city's group health and dental insurance coverage for the FY 2013-2014 Budget.

Mr. Gary Hayden, Hayden Financial Partners shared a brief background of his company, advising Council that his firm currently serviced 35 various groups in the North Central TX area, not necessarily municipalities. Hayden Financial was a full service firm that obtained quotes from all insurance providers. Mr. Hayden shared Ovilla's 3-year health insurance premium rate history and that the FY2013-2014 new premiums had increased about 22.3% but that they were not shockingly out of range from previous years:

FY2010-2011	\$511
FY2011-2012	\$540
FY2012-2013	\$453
New premiums FY2013-2014	\$551.

The new premiums carried the same benefit plan, but there were other plans less expensive with higher deductibles to consider if Council desired. *The Affordable Care Act*, effective January 2014, affected everyone dramatically. The premiums listed were for the employee only. Any dependent coverage was optional and placed on the financial burden of the employee and those dependent premiums had also increased considerably. PL4 Hunt suggested raising the deductible for lower premiums. Employee and/or dependent dental coverage, an optional benefit at the expense of the employee, had also increased.

There was no action on this item.

ITEM 2. DISCUSSION/ACTION – Workshop and review of the proposed Fiscal Year 2013-2014 Budget and discuss the preliminary determination of tax rate.

The City Administrator and Council discussed the tax rate noting a deficit of \$21,000 based on using the effective tax rate (ETR); meaning staff would need to lower their prospective proposed budgets enough to compensate for the shortfall of the \$21,000. The Ellis County Tax Office calculated this year's effective tax rate as 0.6807. Discussion followed with highlights of proposed budget changes from the July 24th Special Meeting and Budget Workshop, made by City Accountant Sharon Jungman as directed by Council and the City Administrator. Some of the most noted highlights in the general fund were from the increased health insurance premiums, and a reduction in Fund Balance in the amount of \$228,953 for a total rebuild of Cockrell Hill Road by Ellis County Precinct #4, approved in a previous Council Meeting.

Additional budget discussions included:

- The annual agreement for communication services for fire and police was increasing.
- A software package for tracking and reporting to assist code enforcement and animal control was not recommended for funding.
- The City Administrator responded to questions from certain Council members regarding a requested new staff position in the Police Department and the open Fire Chief's position. Ms Powell responded that she could not justify a new position in the Police Department, therefore did not recommend the funding. PL2 Stevenson stated he remembered from the previous budget meeting, that, not only did he request the proposed police staffing, but PL3 Griffin and PL5 Oberg did also. Ms Powell reiterated that she could not justify the funding this year.
- Ms Powell provided funding for a full time Fire Chief, effective at mid-year. The Fire Chief's position was received with mixed opinion from Council, most noting that Assistant Chief Brancato was doing a good job and had implemented an efficient program of coverage with certified professionals – and certainly, they (Council) did not want a full-time Fire Chief at the expense of the loosing current staff in the Fire Department (Assistant Chief Brancato and captains).
- Due to increased water rates from Dallas Water Utilities, the City Administrator recommended passing a .64-cent base water rate increase to the customer.
- Trinity River Authority (sewer treatment) fees increased.
- Miscellaneous transfers within the Debt Fund were made under the direction of the City Administrator.

The Council's recommendations were to fund 100% of the health premiums with the same benefit package. It was agreed that Council would meet again on August 21, 2013 at 5:30 p.m.

ADJOURNMENT

There being no further business, Mayor Dormier adjourned the meeting at 7:30 p.m.



Richard Dormier, Mayor

ATTEST:



Pamela Woodall, City Secretary



Approved September 09, 2013