

**CITY OF OVILLA MINUTES**  
**Wednesday, August 21, 2013**  
**Special City Council Meeting & Budget Workshop**  
**105 S. Cockrell Hill Road, Ovilla, TX 75154**

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Mayor Dormier called the Special Council Meeting of the Ovilla City Council to order at 5:33 p.m. The following City Council Members were present:

Ralph Hall	Council Member Place 1/Mayor Pro Tem
Larry Stevenson	Council Member Place 2
David Griffin	Council Member Place 3
Dean Oberg	Council Member Place 5

Absent      Doug Hunt      Council Member Place 4

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

PL2 Stevenson gave the Invocation

Mayor Dormier lead the recitation of the Pledge of Allegiance.

**COMMENTS, PRESENTATIONS, REPORTS AND/OR APPOINTMENTS**

◆ **Citizens Comments / Citizens Forum:**

I. None

**REGULAR AGENDA**

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

City Administrator Cyndy Powell advised Council that the Ellis County Tax Office notified staff that they (Ellis County) had made a rate calculation error. The error reduced the effective tax rate from .6807 to .6719. Once corrections were made, it resulted in a \$21,402 revenue shortage. Staff worked together reducing line items on individual departmental budgets to offset the deficiency.

PL3 Griffin asked about the additional staffing previously discussed for a police officer. While Chief Moon stated he did need an additional officer, City Administrator Ms Powell stated she could not justify the salary and benefits, especially now that Ovilla had to compensate for the calculation error. Budget adjustments from the previous workshop were reviewed with Ms Powell offering a summary with her recommendations:

- Increased health insurance premiums at 22.3%
- 2.5% fee increase from Dallas Water Utilities – to be passed onto the water customer at \$.64 on the base rate.
- Sales tax revenue increase of 11%
- Merits up to 3%
- Emergency Transport Services Contract increase of \$2100
- Police/Fire communications contract increase of \$4000
- Wastewater Treatment Contract with TRA increase of \$6000
- No approved supplemental requests from any department

The funding for a Fire Chief will be reviewed at mid-year. The position is still listed as an open/vacant position within the department.

PL3 Griffin made the motion that Council approves the adjustments for the proposed Fiscal Year 2013-2014 Budget, seconded by PL5 Oberg. Mayor Dormier asked for a record vote by announcement of AYE or NAY. Present Council announced AYE in favor. No oppositions, no abstentions.

**VOTE: The motion carried unanimously: 4-0.**

**ITEM 2. DISCUSSION/ACTION** – Consideration of a proposed tax rate for the Fiscal Year 2013-2014 Budget and take a record vote.

The Texas Constitution and Property Tax Code states that a taxing unit (City) must comply with certain steps in adopting their annual tax rates. The tax rate is split into two parts; the maintenance and operation (M&O) and the debt rate (I&S). The Ellis Central Appraisal District Certified a 2013 taxable value of \$225,595,174 for the City of Ovilla, which is a decrease of \$2,199,451 under the 2012 taxable value of \$227,794,625. The Ellis County Tax Office’s calculated and recommended debt rate for 2013 was 0.2112. However, the City Administrator’s recommendation (and approved by Council) to use \$123,600 in Water and Sewer Revenues and \$28,924 in Debt Fund Balance reduced the I&S rate for 2013 to 0.1700 which was the same I&S rate used for 2012.

The M&O tax rate was presented at .5019 and the debt rate at .1700; total new effective rate at .6719.

**FINANCIAL IMPACT:**

1. If Council proposed a rate that was the same rate as last year, (.6675) Ad Valorem Revenue would decrease \$32,103.
2. If Council proposed the Effective Tax Rate, (.6719) Ad Valorem Revenue would decrease by \$21,402.
3. If Council proposed the Rollback Rate, (.7521) Ad Valorem Revenue would increase by \$173,643.

**THIS MOTION REQUIRED A RECORD VOTE and  
REQUIRED LANGUAGE FOR MAKING THE MOTION**

Mayor Pro Tem Hall made the motion that Council proceed with the **Effective Rate (ETR)** and stated, **“I move that the Council hereby proposes the 2013 property tax rate be a total of 0.6719 with a Maintenance and Operation rate of .5019 and a debt rate of .1700,** seconded by PL2 Stevenson. Mayor Dormier took a record vote:

**RECORD VOTE:**

Mayor Pro Tem PLACE 1/HALL	<u>Aye</u>	PLACE 4/HUNT	<u>Absent</u>
PLACE 2/STEVENSON	<u>Aye</u>	PLACE 5/OBERG	<u>Aye</u>
PLACE 3/GRIFFIN	<u>Aye</u>		

**VOTE: The motion carried unanimously: 4-0.**

**ITEM 3. Discussion/Action** – Consider and Schedule Dates for Two Public Hearings on the Proposed Tax Rate for Fiscal Year 2013-2014.

Truth-in-Taxation states that two public hearings must be held by the entity if a tax increase is proposed. This was not applicable. PL3 Griffin made the motion that Council direct staff to proceed with the legal requirements for the adoption of the proposed tax rate and schedule the adoption of the ETR at the regularly

Richard Dormier, Mayor  
Ralph Hall, Place One  
Larry Stevenson, Place Two

Doug Hunt, Place Four  
David Griffin, Place Three  
Dean Oberg, Place Five

scheduled meeting on September 09, seconded by PL2 Stevenson. Mayor Dormier asked for a record vote by announcement of AYE or NAY. Present Council announced AYE in favor. No oppositions, no abstentions.  
**VOTE: The motion carried unanimously: 4-0.**

**REQUESTS FOR FUTURE AGENDA ITEMS**

- |                  |                |
|------------------|----------------|
| 1. PL1 Hall      | Nothing        |
| 2. PL2 Stevenson | Nothing        |
| 3. PL3 Griffin   | Nothing        |
| 4. PL4 Hunt      | Absent         |
| 5. PL5 Oberg     | Storm Shelters |

**ADJOURNMENT**

PL5 Oberg made the motion to adjourn the meeting, seconded by PL2 Stevenson. There being no further business, Mayor Dormier adjourned the meeting at 6.25 p.m.

Richard Dormier, Mayor

ATTEST:

Pamela Woodall, City Secretary

**Approved September 09, 2013**

