

**VERNON CITY COMMISSION
SPECIAL MEETING
AUGUST 6, 2013**

Mayor Jeff Bearden called the Special Meeting of the Vernon City Commission to order at 5:00 p.m. in the Commission Chambers, and a quorum was declared present.

Present: Mayor Jeff Bearden

Commissioners: Jimmy Dennis, Russell Brownlow, Travis Taylor and Pat Bryant.

Staff Present: City Manager Mitch Grant, Police Chief Tom Wilson, Public Works Director Bob Cochran, Community Development Director Monica Wilkinson, Finance Director Anne Garmon, Main Street Director Dan Kelleher, EMS Director Kade Long and City Secretary Linda Byers.

Mayor Bearden led the group in the Pledge of Allegiance to the U.S. and Texas flags, followed by the invocation.

BUDGET WORK SESSION

City Manager Grant explained that there is 3% less revenue in General Fund, and noted the following highlights of the presented balanced budget:

General Fund:

- Uses the same tax rate as last year which is lower than the effective tax rate.
- No cost of living increase for employees.
- Includes \$5,000 for a Lobbyist (To be moved from Legislative to Legal)
- Cutting of numerous capital requests:

- Streets – reduced seal coat costs by \$125,000

There was discussion about costs, the 7-year seal coat plan, and possibly diverting ¼% sales tax to road maintenance.

- Health – Mosquito Sprayer (lease Purchased)
- Fire – Cut pickup replacement and cabinet refinish. Adjusted salaries to realign salaries that were split between two departments. Includes replacement of SCBA Gear (\$50,000 less lease purchase financing \$40,000)
- Police – Cut all vehicle requests and camera purchases reduced by \$5,000. Does include replacement of computers and servers.

There was discussion of the cost of training new officers and the cost of maintaining old vehicles instead of replacing with new vehicles.

- Court – Prisoner support reduced by \$5,000 and Court tax paid reduced by \$26,000. Salaries need to be checked to make sure they include merit increases.
- Cemetery – Moved Cemetery Improvement expense to Perpetual Care (Street and Curbs \$40,000).

There was discussion about improvements of Site 23.

The Mayor declared a short recess at 6:55 pm. The Budget Workshop resumed at 7:06 pm.

- Aquatic Center – There was discussion of the entry fees and cost of year round maintenance.
- EMS Department - Replacement of one ambulance was included along with lease purchase financing.
- Fire/EMS Costs shares increased from other entities
- Parks – Allingham Park improvements for a walking path and fall material reduced by \$42,000. Adjusted salaries to realign salaries that were split between two departments.

There was discussion about funding and the Community Plan priorities.

- Finance - includes a new computer.
- Community Development – Substandard structure demolition cut by \$10,000. There was discussion about the fact that the remaining budget would not allow for destruction of any substandard structures.
- Special Items – Lions Club electrical moved to Parks.
- Main Street – Moved Façade and Physical Improvement Grant Program expenses to Fund 75.

Utility Fund:

- Revenue down 5.6%
- Utility Collections – Billing will change from cards to stuffed envelopes for bills. Cost would be \$5600 less lease purchase financing).
- Proposed a \$7 increase in water rates and a \$1 increase in Wastewater rates plus an undetermined increase in industrial rates to meet the new EPA Phosphorus Discharge rule.
- Increase of 4.7% to meet new EPA and TCEQ mandates that include EPA Testing (\$38,000), Nitrate Reduction (\$63,000), new lead rules (\$25,000), Phosphorus discharge (\$65,000), TCEQ testing increases (\$15,000), TCEQ Rules (\$13,000) totaling \$419,000.
- Funds included to \$80,000 for land/water acquisitions and \$30,000 for drilling new wells on our Winston Farm.
- There is no budget, but potential for wastewater reuse revenue.
- Funds to rehab the Wastewater Plant (\$330,000) were cut. Multi-year financing will be needed to accomplish the necessary rehab.

City Manager Grant explained the minor funds, their use and expenditures. Workers Comp costs were discussed including possible budget costs in the near future. There was also discussion of fund balances.

PROPOSAL TO ADOPT A TAX RATE

Commissioner Brownlow made the motion to approve placement of a proposal to adopt a tax rate of \$0.360778 per \$100 of assessed valuation on the agenda of the Regular City Commission Meeting on August 27, 2013.

Commissioner Taylor seconded that motion, which passed by unanimous vote.

ADJOURN

Commissioner Brownlow made the motion to adjourn the meeting at 8:45 p.m.

Commissioner Taylor seconded the motion, which passed by unanimous vote.



Jeff Bearden
Mayor

ATTEST:



Linda Byers
City Secretary