

**VERNON CITY COMMISSION
SPECIAL MEETING
AUGUST 5, 2014**

Mayor Joe Rogers called the Special Meeting of the Vernon City Commission to order at 5:30 p.m. in the Commission Chambers, and a quorum was declared present, with Commissioner Pat Bryant absent.

Present: Mayor Joe Rogers

Commissioners: Danny McMahan, Ruben Hinojosa, and Travis Taylor.

Staff Present: City Manager Mitch Grant, Municipal Prosecutor Jonathan Whittsit, Police Chief Tom Wilson, Fire Chief Kent Smead, Community Development Director Monica Wilkinson, Finance Director Anne Garmon, Main Street Director Dan Kelleher, and City Secretary Linda Byers.

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

BUDGET WORK SESSION

Mayor Rogers read a statement outlining budget goals to cut expenses and raise property taxes and water rates. He also addressed water issues.

Commissioner Taylor asked city staff to cut budgets by 6.5%, the same amount that they were proposing for a tax increase.

Commissioner Hinojosa and McMahan agreed that we cannot raise taxes without cutting spending.

City Manager Grant explained the effective tax rate calculations, current budgeted employee positions, the step & grade plan, the capital improvement "green sheets" fund included in the packet, and the projected ending balances in each.

Mr. Grant outlined the proposed budget which includes in General Fund a 6.4% tax increase, step and grade raises and COLA raises for Directors, and \$300,00 match for the paving grant. In the Utility Fund a 10% water rate increase is proposed as well as increases for the nitrate plant, transmission line repairs, and additional testing for water/sewer. The transfer to General Fund is \$740,000.

Following discussion, the directive from the Commission was to cut the inter-fund transfer by 50% and make budget cuts equal to the 6.4% tax increase before the August 14 Special Meeting. Mitch should work on program cuts.

PROPOSAL TO ADOPT A TAX RATE

Commissioner Taylor made the motion to place a proposal to adopt a tax rate of \$.380000 on the agenda of the Regular City Commission Meeting on August 26, 2014.

Commissioner Hinojosa seconded the motion. A recorded vote was taken with Commissioner McMahan, Commissioner Hinojosa, Commissioner Taylor and Mayor Rogers all voting aye. The motion passed.

SET DATES OF PUBLIC HEARINGS ON PROPOSED TAX RATE

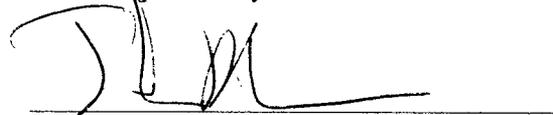
Commissioner Taylor made the motion to hold two public hearings on the proposed tax rates on August 14, 2014 and August 19, 2014 at 5:30 pm in City Hall.

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

ADJOURN

Commissioner McMahan made the motion to adjourn the meeting at 7:30 p.m.

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



Joe Rogers
Mayor

ATTEST:



Linda Byers
City Secretary