

**VERNON CITY COMMISSION
SPECIAL MEETING
AUGUST 4, 2015**

Mayor Joe Rogers called the Special Meeting of the Vernon City Commission to order at 5:30 pm at City Hall, and a quorum was declared present.

Present: Mayor Joe Rogers

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

Staff Present: City Manager Joe Jarosek, Fire Chief Kade Long, Police Chief Tom Wilson, Public Works Director Darell Kennon, Finance Director Anne Garmon, Community Development Director Monica Wilkinson, Municipal Judge Lori Adams and City Secretary Linda Byers.

Commissioner McMahan led the group in the Invocation followed by the Pledge of Allegiance to the U.S. and Texas flags.

FY 2015-2016 BUDGET WORK SESSION

City Manager Jarosek explained that administrative costs and transfers from Utility Fund to General Fund have been eliminated from this proposed budget for discussion purposes, and without these transfers, General Fund shows a projected \$1.5 million deficit and Utility Fund shows a \$2 million surplus. No ad valorem tax increase was included.

Expenditures reflect:

- No additional full-time positions, and this budget maintains eighty-eight employees and does not include funding for the step-and-grade merit increases.
- Employee health insurance budgeted cost of \$6659 per employee will create a projected deficit of \$220,000 in the Employee Benefit Trust Fund.
- Major items include \$225,000 for maintenance of streets.
- \$238,000 for the sewer treatment plant.
- \$109,000 for improvements to the water treatment/nitrate plant.
- Repayment of notes to Employee Benefit Trust Fund
- Repayment of a large workers compensation claim

There was discussion of the effective tax rate worksheet and the debt rate necessary to repay debt and build funds for capital improvements.

There was also discussion about how to base legitimate transfers between Enterprise Fund and General Fund. The consensus was to replace “in-lieu-of” transfers and justifiable administrative transfers as approved by the auditors back into the budget. It was also agreed to transfer the workers comp expense and the street maintenance costs.

Digital Recording on file

Following extensive discussion about the interest and sinking rate to be used when publishing the effective tax rate, the consensus was to publish the effective and roll back tax rates using a debt rate to fund 50% of the debt for 2015-2016.

Following discussion of the schedule for budget workshops and tax rate hearings, Mayor Rogers declared a recess at 6:35 pm.

The meeting resumed at 6:55 pm.

When the meeting resumed, individual department expenses in General Fund were discussed:
Street Department:

- Salary was increased to restore one position that was not replaced in 2014-2015.
- Additional funds for mowing was included.
- Hire of Equipment increased to rent a spray injection machine to fill potholes and a rotary broom for street maintenance.
- A new shredder in included.
- Increased costs for signs and barricades.
- Increased costs for materials.
- \$225,000 for seal coat on one-seventh of City streets.
- Increased costs for repairs on older vehicles.

Health Department has no significant change.

Garage Department did away with housekeeping costs.

Police Department:

- Fifty percent of the cost of new bulletproof vests will be reimbursed by the Federal Government.
- Replacement of two aging HVAC Units is included.
- It was noted that the contract with the Department of Public Safety should be reviewed and possible increases investigated.

Fire Department:

- Overtime increased due to required overtime for minimum staffing.
- Certification pay increased due to additional certification for Fire Marshall Certification.
- Extra labor is for reserve firefighters pay.
- Fire response expense is offset by revenue from new fee enacted in April.
- Machinery & Tools replaces the generator outside building (cost is split between Ambulance & Fire Departments).
- Instruments & Apparatus replaces SCBA bottles.

Cemetery - extra help will increase to \$16,000.

Digital Recording on file

Court:

- Overtime, extra help and longevity will reduce to \$.00.
- There was discussion about support of prisoners, which pays for jail time for persons who have warrants for unpaid fines.
- Technology Fund is for computer replacement.

Aquatics Center plans to replace chairs, tables and rescue tubes.

Ambulance:

- Discussion was to possibly move more personnel from Fire Department to Ambulance Department.
- Ambulance revenue and other additional revenue were discussed.
- Tools & Machinery includes half of the cost of generator plus an extra generator for ambulances.
- Overtime costs: There was discussion of ways to reduce overtime and see if full time replacement would be less expensive and using creative staffing with reserves and getting reserves certified.

Parks:

- Extra help for mowing increased to \$8,000.
- Machinery & Tools increased for a new riding mower.
- There was discussion of mowing versus chemical kill on tax properties. Public Works Director Kennon noted that they would spray things that cannot be mowed and continue mowing what they can.
- Funds were allocated for HVAC replacement at Orbison Clubhouse - \$8300.

Purchasing:

- A Purchase Order Module to the Incode Accounting System and availability to all departments is included in the amount of \$10,000.
- Travel Expense is for travel to one seminar for city secretary.

Finance:

- Special Services includes audit and consulting services costs.

Code Enforcement:

- Salary increase includes Animal Control Officer and an additional four hours for Community Development Director Wilkinson.
- Extra help for mowing is increased to \$10,000.
- Solid Waste Disposal for dilapidated structures is increased.
- There was discussion of the amount of free tonnage from Progressive Waste.

Special Services:

- Buildings increase is to paint trim around the Armory and fix the Warehouse fence.

Special Items:

- Special Services includes Laserfiche Software maintenance and website hosting
- Utility cost includes street lights.

Digital Recording on file

Main Street:

- Salary expenses will be moved to the Tourism budget.
- Mayor Rogers would like to see money for visible projects up to \$45,000. There was discussion of using Fund 75 funds (\$78,000) instead of expense in General Fund.

Following discussion of the August 11 Special Meeting, it was decided to set the time of the meeting at noon.

ADJOURN

The meeting was adjourned at 9:00 p.m.



Joe Rogers
Mayor

ATTEST:



Linda Byers
City Secretary