

**VERNON CITY COMMISSION
SPECIAL MEETING
JULY 12, 2016**

Mayor Joe Rogers called the Special Meeting of the Vernon City Commission to order at 6:30 p.m. in City Hall, and a quorum was declared present with Commissioner Guy Spears being absent.

Present: Mayor Joe Rogers

Commissioners: Ruben Hinojosa, Travis Taylor, and Britt Ferguson

Staff Present: City Manager Joseph Jarosek, Municipal Prosecutor Jonathan Whitsitt, Police Chief Tom Wilson, Finance Director Anne Garmon, Community Development Director Monica Wilkinson, Fire Chief J.J. Oznick, Public Works Director Darell Kennon, Tourism and Main Street Director Brandy McIntyre, Municipal Judge Lori Adams and City Secretary Linda Byers.

Mayor Rogers led the group in the Invocation and the Pledge of Allegiance to the U.S. and Texas flags.

CHARTER REVIEW COMMITTEE

Mayor Rogers appointed Tra Cardwell to the Charter Review Committee. Commissioner Hinojosa appointed George Daigle and Dina Neal. Commissioner Taylor appointed Kelly Couch. Commissioner Spears appointed Don Aydelott. Mayor Rogers and Commissioner Spears both volunteered to serve on the Charter Review Committee.

Prosecutor Whitsitt noted that the Committee will meet and discuss the amendments. Mr. Whitsitt will also act as a liaison with Municipal Code Corporation to review the proposed amendments.

Commissioner Taylor made the motion to appoint Charter Review Committee members Tra Cardwell, George Diagle, Dina Neal, Kelly Couch, Don Aydelott, Mayor Rogers and Commissioner Spears.

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

S&P BOND RATING AND REISSUANCE OF COMBINED SERIES 2016 BOND

City Manager Jarosek explained that the City bond rating was improved by the S&P Bond Rating Agency from "A-" to "A" due to the city's current favorable cash flow position, increased revenues and lower expenditures.

Digital Recording on file

This improved bond rating plus very favorable market conditions will provide total savings on Series 2016 Refunding Bonds of \$774,080 over the twenty year life of the bond and an annual savings of \$38,704.

INTERLOCAL COOPERATION AGREEMENT
RE-SALE OF PROPERTY ACQUIRED AT DELINQUENT TAX SALES

Community Development Director Wilkinson explained that this Interlocal Agreement and its process will forego taking each tax sale to every entity for approval. When the city is the trustee for tax property that is being sold, this agreement gives the city authority to approve the sale. It will make the sale of tax properties a more timely process.

Commissioner Hinojosa made the motion to approve Interlocal Cooperation Agreement for the re-sale of property acquired at delinquent tax sales.

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

FORGIVENESS OF TAX PENALTY AND INTEREST - PROPERTY OWNED BY BDC

City Manager Jarosek explained that the Business Development Corporation is seeking forgiveness of penalty and interest owed on the Osborne's warehouse property. The taxes will be paid, but the BDC seeks forgiveness of \$237.65 in penalty and interest.

Business Development Corporation representative Jan Bonner explained this property was a gift to the BDC and they did not receive the original tax bill.

Following discussion, Commissioner Taylor made the motion to approve forgiveness of tax penalty and interest on property owned by the Business Development Corporation.

Commissioner Hinojosa seconded the motion, which passed by a vote of 3-1, with Commissioner Ferguson voting against

ORDINANCE NO. 1691

AMENDING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2015, AND THROUGH SEPTEMBER 30, 2016, FOR THE CITY OF VERNON; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGETS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT; DECLARING AN EMERGENCY AND PROVIDING FOR AN EFFECTIVE DATE.

Digital Recording on file

City Manager Jarosek explained that:

- General Fund expenditures decreased from \$6,167,664 to \$5,922,409 and Fund Balance increased to \$294,399.
- Utility Fund expenditures decreased from \$7,266,122 to \$6,954,290, and Fund Balance increased to \$398,268.
- Total Budgeted expenditures decreased from \$16,344,149 to \$15,932,790, and Fund Balance increased to \$1,327,999.

Mr. Jarosek also explained that these figures will change slightly before second reading of the ordinance due to minor adjustments.

Following discussion, Commissioner Taylor made the motion to Approve Ordinance No. 1691 Amending FY 2015-2016 Budget.

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

FY 2016-2017 BUDGET WORKSHOP

City Manager Jarosek explained that columns will be added to the Budget Amendment spreadsheet that will include a two percent salary increase for all employees, ending the furlough at City Hall and street paving. Scenario B will include capital requests. These figures will be presented at the July 26 Regular City Commission meeting.

There was discussion of the city hall furlough as well as meeting dates on the proposed budget calendar.

EXECUTIVE SESSION - CONSULTATION WITH ATTORNEY

Commissioner Taylor made the motion to enter Executive Session – Government Code, Title 5, Chapter 551- Section 551.072 – Deliberation Concerning Real Property - Water at 7:23 pm.

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

RESUME REGULAR SESSION

Commissioner Hinojosa made the motion to resume regular session at 8:23 pm.

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


ACTION FOLLOWING EXECUTIVE SESSION

Prosecutor Whitsitt recommended no action at this time.

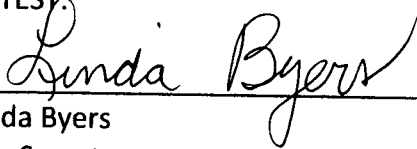
ADJOURN

Commissioner Hinojosa made the motion to adjourn the meeting at 8:24 p.m.

Commissioner Ferguson seconded the motion which passed by unanimous vote.



Joe Rogers
Mayor

ATTEST


Linda Byers
City Secretary