

THE CITY OF EASTLAND
CITY COMMISSION CALLED MEETING

August 7, 2019

EASTLAND, TEXAS §

EASTLAND, COUNTY §

The City Commission of the City of Eastland, Texas, met in Open Session at Eastland City Hall as scheduled, and notice was posted 72 hours in advance and prior to the meeting.

CITY COMMISSIONERS PRESENT:

Chairman	Larry Vernon
Commissioner	Cecil Funderburgh
Commissioner	Richard Rossander
Commissioner	Zac Darr
Commissioner	Ben McNabb

PERSONNEL PRESENT:

City Manager	Ron Duncan
Director of Finance	Leslie Zander
City Secretary	Roma Holley
Fire Chief	David Branch

I. MEETING CALLED TO ORDER

Chairman Larry Vernon called the meeting to order at 12:04 p.m.

II. INVOCATION AND PLEDGE OF ALLEGIANCE

Commissioner Ben McNabb offered the invocation and City Manager Ron Duncan led the Pledge of Allegiance.

III. PUBLIC COMMENT ON ANY SUBJECT NOT LISTED ON THIS
AGENDA (Limited to Five Minutes Per Speaker)

IV The Board of City Commissioners May Discuss and Take Action on the
Following Agenda Items:

1. Discuss Tax Rate and Take Record Vote

Chairman Larry Vernon announced this agenda item and turned the discussion over to the city manager. City Manager Ron Duncan introduced the proposed tax rate information and recommendations as follows:

Based on this year's figures, the effective tax rate determined by the Tax Appraisal District is .577595, the roll back rate is .623306 and the current tax rate is .595910. After careful analysis, he is proposing a tax rate of .60900 for the 2019 Ad Valorem Tax Rate. City Manager Duncan provided budgeting and tax base information for Fiscal Year 2019-2020 supporting the proposed rate. He reminded the City Commission the record vote is only a preliminary decision on the tax rate before the hearings and adoption of a tax rate by ordinance, which will take place as previously scheduled in the budgeting process

There was discussion with questions by Commissioner Zac Darr regarding the increase in taxes. City Manager Duncan advised this increase helps cover our cost of living increases and other improvements and protects our reserves. It also allows us to keep money available for special projects in the utility fund. He also restated the recommended rate is only a proposal and if there are deliberations later to change the rate, he will make changes. There was further discussion with input from the Commissioners, Finance Director and City Manager.

Commissioner Cecil Funderburgh made a motion, seconded by Commissioner Richard Rossander, to accept the proposed tax rate of .60900 as the record vote. Motion prevailed by the following vote:

Ayes: Commissioners Funderburgh, Darr, Rossander, McNabb, Vernon
 Nays: None
 Absent: None

V. Budget Workshop to Discuss Budget Draft for FY 2019-2020

City Manager Ron Duncan reviewed the budget draft and described proposed changes in the General Fund for each city department, including all capital requests. He also provided an overview for the Utility Fund. He advised that there is an increase in the General fund of just over \$74,000 and a decrease in the sewer fund.

Some of the highlights of the General Fund were explained:

- Mr. Duncan began with emphasizing the amount of property tax relief granted to the citizens of Eastland who reach 65 years of age and properly apply for the tax relief. The amount of “forgone property taxes” for the coming year via capping the senior citizens property tax at the effective tax rate totals \$179,350.
- It is also important to know that \$846,000 or nearly 22% of the General Fund is earmarked for purposes other than operating city departments.
- This year’s budget includes a modest 3% salary cost of living increase for our employees.
- The funding for the “pass through entities” such as the Crisis Center, Eastland Centennial Library, Senior Services and the Historic Preservation Board remains intact with the exception of a decrease of \$300 for the Youth Sports Advisory Board, which has been dormant for some time.
- Hotel/Motel Tax revenue remains steady and is predicted to remain positive for the coming year. The funding of pass through entities receiving Hotel/Motel Tax funding for the Chamber of Commerce remains the same as 2016-2017. The Eastland Community Foundation and Eastland Fine Arts remain unchanged as well. Special Events is funded at \$16,000 and Special Projects, which includes historic preservation and the Judge McCloud Museum, are funded at \$117, 500. This funding has proved vital in reviving our Courthouse Square and making badly needed repairs at the Majestic Theatre and other important structures.
- Our high deductible Health Insurance Plan has been a success. We were able to make many adjustments using savings determined based on our health insurance experience this year. The plan continues to allow our employees access to high quality health care and our costs remain below previous years.
- The EMS Cooperative rate for Ambulance Support for the cities of Cisco and Eastland remain at \$65,000. We anticipate no subsidy contribution changes for FY 2019-2020.

Municipal Court

Mr. Duncan said based on our law enforcement and continuing improvements in our Municipal Court, he remains confident in our projected revenue increase for this budget.

Police Department

- Regarding the School Resource Officer, we are continuing to share expenses for the first SRO 50/50 with EISD and the district will again fully fund the second SRO.
- The funding for the Mental Health Emergency Transport Officer will continue through the Texas Department of Health, as well as funds from the three cities: Eastland, Cisco and Ranger.

- The proposed budget continues funding for one full-time Animal Control Officer, while our Administrative Assistant for the Police Department is also a fully qualified Animal Control Officer.
- We have yet to fully use the Reserve Officer Program. However, we will continue to fund it at \$10,000.
- The Cooperative Dispatch Operation agreement remains the same for this budget year.
- **USDA Grant** – We have a significant USDA Grant proposal for this year. Taking advantage of end of year federal funds, we are applying for combined grants of \$148,553.50 for the coming year. These grants will include a new Police Vehicle, a new Fire Chief Command Vehicle and a City Manager’s Vehicle, as well as SCBA gear for the fire department and light bars for the Public Works vehicles. We estimate our match for the grant requests to be approximately \$37,138.38.

Fire Department

- The Eastland County’s Commissioner’s Court has increased funding for the Eastland Volunteer Fire Department at \$24,000.

Airport

- We will continue to use TxDOT Routine Airport Maintenance Program (RAMP) whenever possible to reduce our operating costs. This includes the annual maintenance contracts for AWOS, as well as the Elevator Maintenance Agreement.

Public Works

- The street repairs are funded at \$40,000 which should ensure that we have enough funding for basic maintenance.
- Capital Requests. The Public Works Director had two major recommendations. First, he requested new light bars for our response vehicles. His second request was for replacement of the wiring harness on the back-up power generator for the EEDI Business Park. We will fund the light bars through the USDA grant, as well as provide an excellent used vehicle from City Administration. However, we will absorb the cost of the wiring harness for operating funds on end of the year availability.
- Ball Field Improvements. Since we completed the installation of new lighting at the youth ball fields, our next step is to place the wiring in underground conduit. The goal is to be completed by FY 2021-2022.

UTILITY FUND OVERVIEW

We continue to fund the maintenance fund at approximately \$68,000 which is used for improvement projects. It is prudent that we use a conservative revenue estimate for the Utility Fund and it is recommended to increase the level over time.

Administration

- **This draft includes NO increase in Water Rates.** However, we may be forced into another rate decision in January. If the ECWSD raises the rates again we will have no choice but to raise the rates to make up the difference.
- **Sanitation:** This draft also contains NO increase in Garbage Collection Rates.

Mayor Vernon recessed the meeting from 12:46 pm to 12:49:pm for lunch.

City Manager Ron Duncan then explained the USDA Grant process. He stated that in order to take advantage of the 75/25 funding, we would need to split the requests into 3 separate grants. Two have

been submitted and the third will be submitted in the near future. Public hearings for the first two grants will take place at the commission meeting to be held August 29, 2019 at noon.

Mr. Duncan reiterated that the Utility Fund has been under considerable pressure the last three years due to extensive repairs in the water and sewer infrastructure while our revenues lagged due to three years of heavy rains, with lower water consumption. However, we believe with the last rate changes we put in place, we will restore our reserves to proper working order and ensure we maintain a solid fiscal position for the future. Mr. Duncan said he believes this budget offers our citizens the services they deserve, while keeping the cost of government within acceptable limits.

City Manager Duncan concluded his presentation with a review of the Capital Outlay requests. There was discussion and suggestions made for inclusions/exclusions of those items. The proposed budget will be prepared with any changes directed by the Commission and available at City Hall, and will also be available at the scheduled public hearings for the tax rate and budget.

VI. ADJOURNMENT

Commissioner Zac Darr made a motion, seconded by Commissioner Richard Rossander, to adjourn at 1:14 p.m. Motion passed unanimously.

APPROVED

Larry Vernon, Chairman
Board of City Commissioners

ATTEST

Roma Holley, City Secretary