

CITY OF SANGER, TEXAS

MINUTES: CITY COUNCIL WORK SESSION
July 17, 2017, 6:00 PM
502 Elm Street, Sanger, Texas

COUNCIL MEMBERS PRESENT: Mayor Thomas Muir, Councilman Bill Boutwell, Councilman Lee Allison, Councilman David Clark, Councilman Gary Bilyeu, Councilman Allen Chick

COUNCIL MEMBERS ABSENT: None

The Mayor and All Council Members Were Present Constituting a Quorum.

STAFF MEMBERS PRESENT: Mike Brice City Manager, Cheryl Price City Secretary

1. Call Meeting to Order.

The Meeting was called to order at 6:02 pm.

2. Budget Workshop.

City Manager Brice presented a summary of the 2017-18 Proposed Budget. He gave a quick update on property tax. There was brief discussion and questions on the property taxes. He noted we should have the figures on the property taxes nailed down by the next meeting. We received the Sales Tax information for July today. Last month it was down a little, this month it is back up. He summarized highlights in the General Fund. Total Budget in General Fund this year is \$6,325,000.00 Proposed Budget for next year is \$6,710,000.00. As mentioned in the last meeting there is \$150,000 allocated for implementation of the pay plan next year. We are looking at about a proposed \$100,000 fund balance at the end of the year. We usually end up with much more than that because we typically don't spend all of the money in the budget. The Enterprise Fund is a little tighter this year primarily because the debt service went from \$1.2 million last year, to \$1.572 million this year. That is the new debt we just sold which has increased from \$11,600,000 to \$12,100,000 this year. It also decreased our proposed year end fund balance down to about a \$35,000 increase. Again, we will end up with more than that, because we typically do not spend all of the funding we budget for expenditures. Internal Service Fund went from \$1.5 million to \$1.8 Million. That is basically because we created the Facilities Maintenance Department and put it in the Internal Service Fund so all of those monies for that, got pulled out of the General Fund and Enterprise Fund, and put into the Internal Services Fund. If you look you will see a decrease in the various departments because we pulled the money out to put into this one department fund for Facilities Maintenance and it includes items such as Property Maintenance, Electricity, Janitorial Services, etc. All of these items will be under one Department, Facilities Maintenance. There was brief discussion regarding the City Council Department Funds (10) and it was noted there are several things that come out of the City Council Budget such as Attorney Fees, Auditor, Demolition of the lumber yard, some travel and training, workers comp, etc. He summarized the Personnel Changes. He noted an addition of an additional Sergeant to the

Police Department; an additional Full-time Firefighter; and, converting two of the other Firefighter positions to Lieutenant Position which will give us a Lieutenant on each shift. This would give us four (4) firefighters on two of the shifts and five (5) on one shift. Add the Construction Inspector to Public Works, from Streets and hire a replacement for Streets, which will bring Streets back up to full strength. We are adding a third Plant Operator at the Wastewater Treatment Plant so there would be someone there seven days a week. There was discussion regarding the shifts for the Police Department and the School Resource Officer. It was noted that the school pays about 50% of the Salary for 12 months which does not include vehicle, equipment, etc. There was discussion with the school about getting another officer; however, it was noted that the City would need to be reimbursed 100% and this would be a decision for the new school administration. As far as equipment that is in the proposed budget; two patrol vehicles (replacement vehicles) for the Police Department along with five tasers (this will be the first round of tasers – they do not carry tasers right now). The Fire Department will propose purchase of a hydraulic self-loading cot. This would be our second one, we would have one on both ambulances – the first one is working very well – it saves a lot on back injuries - they are rated for up to 700 lb patients. We will replace one defibrillator (we replaced two last year) so all of our defibrillators will be the same brand again, same pads leads, materials, etc. In Parks, we will do the first round of web based irrigation control which will include Porter Park and the Downtown Park, and eventually we will be able to control all of the irrigation from anywhere at anytime. We will also be replacing part of the sidewalks in the downtown park; and, replacing the rest of them next year. Parks will be replacing their F-350 that is about 10 years old, which they use to get their crews around. In Streets, we are going refurbish a 1999 F-550 that was a brush pumper in the Fire Department - the motor (about 30,000 miles) and chassis is in pretty good shape. The bed and the equipment on it was rusted out. It won't be a truck they use every day, but they will be able to haul materials when they need to. He noted that someday the Acker Water Tower will get painted, the money that was there for it this year was used for the Nitrification Plan. The money is going back into the budget for next year. The Electric Service Truck which is a 550 with a bucket on it is about 10 years old and we will be replacing it at about \$140,000. That is where we are. Most of what we are doing is replacement, we are really not adding a lot. There was question regarding whether the old vehicles were auctioned; and, it was noted they were auctioned; however, what we get for them really depends on the market at the time. Sometimes we get more than we expect and sometimes less. Trucks like the Electric Vehicle bring more money, but an old Police Car not as much. He noted through questioning that you would see the net for these items in miscellaneous income in Enterprise or General Fund. He noted in the Internal Service Fund there is the \$30,000 to do some partial demolition on the Lumber Yard if that is what we want to do; in Finance, we have \$47,000 in there for the Automated Payment Kiosk which will replace the night drop and drive through window. He explained that customers would be able to make payments with checks, credit cards, cash, etc. The advantage would be that it is tied into our accounting system and as soon as it is deposited in, it logs the payment into the system. Utility Billing will not have to input the payments. The drive through will be where the Crepe Myrtles are on the side of the building. There is also money for Monument Signs; one for City Hall, one at the Church and one at Switzer would be the first three. Eventually we would like to have all of the buildings have the same look and feel. Some of the items on the horizon, not next year; but, as we grow we are going to need additional people which would require additional equipment and vehicles. Utilities for expansion of FM 455 and I-35 are going to be expensive and we need to be aware. There was additional

discussion regarding FM 455 and I-35; the expense and the enormous task of relocation of utilities, etc. At some point, we are going to have to replace our lead Fire Engine. We have had several developments that wanted 3 to 4 story buildings; however, we do not have anything that would reach the roof for a building of this type in the case of a fire. It is stifling growth. The closest vehicle is in Denton, 20 minutes away. It obviously would have to be a lease purchase. We are also going to have to have a third ambulance, which we will put into rotation. It will be a little more affordable because we have been doing a three-year lease, but keeping them four years in front line service, and then, putting them in secondary service for four years which gives us two years to work in the third ambulance. One of our pressing needs right now, with the additional personnel we are adding at the Police Department is, we are running out of room. We are going to have to find additional space for them. If you look at the entire list this is the most pressing. Sometime down the road 2021 or later we will also be looking at a new Fire Station and a new Library. The Library has been doing some planning on what the new Library needs to look like and there will be a presentation in September – it is important to note that it is about 5 years out, in the best-case scenario. We are still focusing on infrastructure improvements and in rehabilitation of streets, water, and sewer lines. There are a few more projects that we will be doing in this area. We are slowly adding employees to keep pace with growth. As we talked about it extensively last time, we want to make sure that if do have an economic downturn we can afford to keep the employees we hire. It is going to be a very busy year with the McReynolds Road and the Wastewater Treatment Plant Improvement Projects. Hopefully, we will have some extra money this year that we will not have to put toward McReynolds Road; and, we could do more street rehabilitation around the town. Councilman Boutwell asked if future budgets could include the improvements of specific roads with specific information such as dates of improvements, etc., and noted he needed this information for his constituents. City Manager Brice noted that we are putting \$450,000 towards Street rehabilitation next year; and, a majority of that may go to Plum because we will need a plan for a reliever for FM 455. Also, the Council is committed to putting 8 cents a year from property tax into a street rehabilitation. There was extensive discussion on street improvements, prioritization, and putting the road improvement information out to the public on the website and with press releases. Wrapping up, City Manager Brice noted that by the next meeting we will have the certified totals on the property tax and will be putting everything together and starting the process of the two public hearings and the last meeting in September will be the City Council's vote on the budget.

3. Overview of Items on Regular Agenda.

There were a few questions regarding the Disbursements on the Consent Agenda.

4. Adjourn.

The Work Session adjourned at 6:58 pm.