

MINUTES

BOARD OF COMMISSIONERS

The Board of Commissioners of the City of Burkburnett, Texas met in a special called meeting on Wednesday, July 31, 2019, at noon in the Council Chambers of the City Hall, 501 Sheppard Road, Burkburnett, Texas. The meeting was open to the public with notice being given in compliance with the Open Meetings Act. The following Commissioners were present:

Carl Law	Mayor
Marguerite Love	Mayor Pro-Tem
Josh Andrajack	Commissioner
Randy Brewster	Commissioner
Jeremy Duff	Commissioner
Ted Kwas	Commissioner
Bill Lindenborn	Commissioner

Others present were Lawrence Cutrone, City Manager; Fred Tillman, Chief of Police, Rod Ryalls, Fire Chief; Brent Battista, Director of Parks and Recreation; Richard Gordon, Executive Director of Burkburnett Development Corporation/Director of Planning; Trish Holley, Director of Administration; Mike Whaley, Director of Public Works; and Margie Poole, City Clerk.

ITEM 1. Mayor Law called the meeting to order at noon.

ITEM 2. Commissioner Lindenborn gave the invocation.

ITEM 3. Commissioner Duff led the Pledge of Allegiance.

ITEM 4. Discuss and take any action necessary on the Fiscal Year 2020 budget.

Lawrence Cutrone, City Manager, addressed the Mayor and Commissioners and presented the proposed Fiscal Year (FY) 2020 Budget - Water Fund Review. After highlighting historical and projected data, Mr. Cutrone presented the anticipated water and sewer revenue and expenses with current rates of \$4,159,425 (zero net). Mr. Cutrone then reviewed the Capital Improvement Plan (CIP) and Operations and Maintenance (O&M) increase requests proposed in this FY 2020 budget:

(CIP): gym equipment package, remote sewer camera, WWTP outfall line replacement (leak)
(O&M): water license incentive pay, manhole rehab, WWTP maintenance

Mr. Cutrone confirmed that the projected budget of \$4,159,425 included the CIP and O&M proposed increases. Mr. Cutrone reviewed the decision points: Proposed Consumption Rate of 272 million gallons; Water and Sewer Rates, with the recommendation to keep the current rate structure, and Capital Requests and O&M Increases, with the recommendation to approve these items.

After a brief refreshment break, the meeting resumed at 1:05 p.m. Mr. Cutrone transitioned into a review of the FY 2020 Budget - General Fund (GF) Review, giving an overview of General Fund revenue and expenses. Commissioner Ted Kwas joined the meeting at 1:13 p.m.

Mr. Cutrone provided the Commissioners the FY 2020 Certified Property Tax Revenues totaling \$2,516,112.85 at the current tax rate of 0.725509. Sales tax revenues are estimated to be \$1,420,308.77, with an estimated total revenue to the General Fund of \$5,555,311, with estimated expenditures of \$5,555,311, resulting in a zero balance budget for FY 2020.

Mr. Cutrone then shared with the Commissioners the FY 2020 General Fund proposed CIP and O&M requests at the current tax rate:

(CIP): radios & cameras (PD), roof & siding repair (library), covered parking (FD), LOC payment for the golf course, Amphitheater sound & video systems, strategic plan (city)

(O&M): executive management assistant (city), radio system (PD), camera server maintenance (PD), ammunition (PD), training (PD), park maintenance, IT support (library), Friendship Festival (city)

Recognizing that many of these requests are for the Police Department, Mr. Cutrone asked Chief Fred Tillman to give a summary of these requests, including the benefits of additional training for the police force. There was a clarification to the ammunition budget item noting that it would be used to purchase \$9K weapons (CIP) and any remaining budget funds used to purchase ammunition (O&M) at \$5K. Mr. Cutrone stated that all these items discussed are funded through the Current Tax Rate. Using the Effective Tax Rate and funding these items would result in a revenue loss of \$125,676, resulting in the need to remove many of the proposed CIP and O&M requests.

Mr. Cutrone presented to the Commissioners an optional opportunity of funding the Volunteer Fire Department (VFD) project at \$405,600. Fire Chief Rod Ryalls described the proposed project, involving the demo/renovation of the old Police Station to suit the current and future needs for the VFD. Discussion included the need for a facilities/feasibility study.

Mr. Cutrone reviewed the decision points: Proposed Tax Rate, recommending the Current Tax Rate to fund the CIP and O&M Increase Requests, and using \$1,410,000 as the Anticipated Sales Tax Revenue.

Mr. Cutrone then transitioned to review the BFAC, Solid Waste, Storm and Other Funds for FY 2020. As projected, the BFAC will show an anticipated loss of \$34,481. Solid waste (Waste Connections) passed on a 1.39% CPI. As such, Mr. Cutrone recommended to pass this increase on to the consumer, except senior citizens. Commissioner Andrajack suggested opting out of the 5-year renewal (185 days in advance notice required), still receive a proposal but receive other proposals as well.

In summary, there has been no rate increase to the Stormwater Fund since 2007, and the city has numerous stormwater projects to be completed for the mitigation of property damage, and the health and safety of the community. The current stormwater rate is \$1.50 per Single Family Living Unit Equivalent of 3500 sq.ft. (SFLUE), which would generate \$81,050 in net revenue for FY 2020. Mr. Cutrone recommended raising the rate to \$3.00 per SFLUE (below state average), which would generate \$173,500 in net revenue for FY 2020, raising funds for stormwater projects. Mr. Cutrone then updated the Commissioners regarding a potential project request received for Kramer/Preston Road, showing a need to increase stormwater rate. Mr. Cutrone then presented

summaries for TIF, HOT, Debt Totals, and Emergency Reserves. Mr. Cutrone reviewed the decision points: BFAC Rate Struction, with the recommendation to keep the current rate; Solid Waste Rate, with the recommendation to pass on Waste Connections CPI Rate, and Stormwater Rate, with the recommendation for a rate increase to keep pace with project demands. The Commissioners then discussed the rate increase – \$3, \$4 or \$5 – with the agreement reached on \$4.00 per SFLUE for the Stormwater Fund.

Mr. Cutrone then transitioned to review the Employee Retention Plan, including health plan, stability pay (no change), and merit pay (proposing a one-time increase from 3% to 4.5% for frontline employees). Mr. Cutrone then reviewed the decision points: Health Plan (already preapproved); Merit Pay, with the recommendation for the one-time increase to 4.5% for frontline employees; and Stability Pay (no change).

Commissioner Andrajack made a motion, seconded by Commissioner Lindenborn to be presented and adopt a budget with the current tax rate, passing on the increase in the Solid Waste cost, increasing the monthly stormwater fee to \$4.00 per SFLUE, and including in the budget the capital improvement projects as presented. Motion carried unanimously.

ITEM 5. Lawrence Cutrone thanked the staff for all the help received in creating this budget. Mr. Cutrone thanked the Commissioners for all their dedication to the city by making these important decisions.

ITEM 6. There were no additional comments from the Commissioners.

ITEM 7. Motion made by Mayor Pro-Tem Love, seconded by Commissioner Duff to adjourn. Motion carried unanimously, and the meeting adjourned at 3:14 p.m.

Carl Law, Mayor

ATTEST:

Margie Poole, City Clerk