



Wylie City Council

Minutes

Special Called Work Session

Thursday, July 13, 2017 – 6:00 p.m.
Wylie Municipal Complex – Council Chambers
300 Country Club Road, Bldg. 100
Wylie, TX 75098

CALL TO ORDER

Announce the presence of a Quorum.

Mayor Eric Hogue called the meeting to order at 6:00 p.m. The following City Council members were present: Mayor pro tem Keith Stephens, Councilwoman Diane Culver, Councilman Jeff Forrester, Councilwoman Candy Arrington, and Councilman David Dahl. Councilman Timothy Wallis was absent.

Staff present were: City Manager, Mindy Manson; Assistant City Manager, Chris Holsted; Fire Chief, Brent Parker; City Engineer, Tim Porter; Human Resource Director, Lety Yanez; Wylie Economic Development Director, Sam Satterwhite; Police Chief, Anthony Henderson; Communications Specialist, Judy Truesdell; Public Services Director, Mike Sferra; Finance Director, Linda Bantz; Library Director, Rachel Orozco; Interim City Secretary, Stephanie Storm, and various support staff.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Pro Tem Stephens gave the Invocation and Councilwoman Culver led the Pledge of Allegiance.

Mayor Hogue convened into work session at 6:05 p.m.

WORK SESSION

- **FY 2017-2018 Budget Discussion and Department Presentations to Council** (*L. Bantz, Finance Director*)

The following departments provided presentations for City Council regarding their FY 2017/2018 proposed budget, including expenditures and revenues. Additionally the departments provided accomplishments completed in FY 2016/17 and objectives for the new FY 2017/18 budget. Staff answered questions regarding line items within their FY 2017/2018 budget.

Public Services (Utility Admin/Water/Wastewater/Streets/Parks/Rec Center/Sr. Rec Center/Brown House/Bart Peddicord)
WEDC
Engineering

Mayor Hogue asked City Manager Manson how much was cut out of the proposed budget from the time staff requested it until current day; Manson reported about 2 million dollars from the General Fund. Mayor Hogue clarified that Manson is proposing is a 2 cent tax rate decrease. Manson reported that the increase in the ad valorem is about 2.5 million dollars and about 1.2 million is new construction so the balance is a result of the increased values on existing properties. Mayor Hogue clarified that the city pays roughly 8 million dollars each year towards debt in which the citizens voted for in 2005. Mayor Pro Tem Stephens asked if they approve the budget as submitted it leaves the excess fund balance at 35.5%, is there a reason why we need the excess fund balance over 10% of what our policy requires. Manson stated she is recommending that the excess fund balance over 30% be set aside and put towards the Public Safety Building remodel. Manson reported that our Bond Ratings went up this year and one of the things that the rating agencies talked about was our healthy fund balance. The City went back to the financial advisors and asked what do you recommend for a healthy fund balance and they recommended 30%. Mayor Hogue asked how much debt the City currently has. Councilwoman Culver asked what would happen if we dropped below the 30% and our bond ratings went down. Manson replied that the primary impact is interest rates. Finance Director Linda Bantz reported that our principal and interest total for property tax supported debt is about 91.7 million dollars and will be paid off around 2028. Councilwoman Arrington confirmed in regard to the tax rate that the equivalent of 2 cents is approximately just under \$50 annually for the average homeowner based on the estimated home value of \$237,000, but to the City it is about \$700,000 and if Council doubles that rate decrease then it would be over a 1.5 million dollar cut to the City budget but less than \$100 to each homeowner, and we are still uncertain to the public safety building future. Councilman Stephens asked how far the council can lower the tax rate before it starts affecting the budget. Manson stated that the two cent decrease is a balanced budget; anything past that then ELS requests began getting cut. A four cent decrease would result in no staffing requests and a little bit of equipment. A five cent decrease would cut the base budget.

Manson stated Police, Animal Control, City Secretary, City Manager, and City Council department presentations and the Utility, 4B, and Hotel/Motel Fund will all be discussed on Tuesday, the 18th.

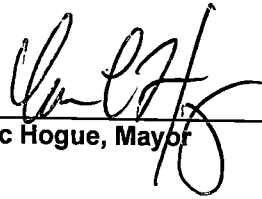
Citizen Matthew Porter spoke in regard to the proposed budget and the tax rate.

RECONVENE INTO REGULAR SESSION

Mayor Hogue reconvened into Regular Session at 9:06 p.m.

ADJOURNMENT

A motion was made by Mayor pro tem Stephens, seconded Councilman Forrester to adjourn the meeting at 9:07 p.m. A vote was taken and the motion passed 6-0 with Councilman Wallis absent.


Eric Hogue, Mayor

ATTEST:


Carole Ehrlich, City Secretary

