TOWN COUNCIL
MEETING MINUTES
AUGUST 20, 2019

The Town Council met in regular session on Tuesday, August 20, 2019 at 6:00 p.m. at 372 Town Place, Fairview, Texas. Those present were Mayor Henry Lessner; Mayor Pro Tem Ricardo Doi; Councilmembers Charlie Henkle, Cynthia Brugge, Tony Mattei and Ken Logsdon. Councilmember Roland Feldman was absent. Staff present included Town Manager, Julie Couch; Town Engineer, James Chancellor; Human Resource Director, Judy Webster; Planning Manager, Israel Roberts; Interim EDC Manager, Dave Quinn; Fire Chief, Jeff Bell; CFO, Steven Ventura; Public Works Manager, Aron Holmgren; Assistant to the Town Manager, Adam Wilbourn and Town Secretary, Tenitrus Bethel.

Mayor Lessner called the meeting to order at 5:00 p.m. and declared a quorum was present.

At 5:00 p.m., the Council then adjourned into executive session regarding a consult with legal counsel, property acquisition, personnel and economic development negotiations.

At 6:05 p.m., Mayor Lessner reconvened back into regular session.

PUBLIC HEARING – PROPOSED FISCAL YEAR 2019-20 PROPERTY TAX RATE:
Mr. Ventura gave a presentation on agenda item 1, conduct second public hearing regarding the fiscal year 2019-20 proposed tax rate.

Mr. Ventura stated the proposed budget is based upon the current tax rate of $0.349709 per $100 and while the property tax rate remains the same, property tax revenue increased due to growth and increased property values. He stated the current and proposed tax rate of $0.349709, per $100 property valuation, exceeds the effective tax rate of $0.347156. He indicated that $0.232733 of the $0.349709 is for maintenance and operations (M&O) and $0.116976 is for interest and sinking (I&S).

Mr. Ventura stated that due to the Town exceeding the effective rate state law requires Council to hold two public hearings for the proposed tax rate, of which this is the second hearing. He stated the appropriate legal notices were published in the Allen American and on the Town website.

Mr. Ventura stated the assessed valuation of the Town has increased to $2.026 billion from last year's $1.938 billion, which is an increase of approximately 4 percent. He stated the average home value in the Town increased by approximately 3.9 percent from $520,479 last year to $541,564.

Mr. Ventura stated the next steps would be to adopt the end of year estimates for fiscal year 2018-19 along with any budget adjustments, adopt the fiscal year 2019-20 proposed budget and to adopt and ratify the fiscal year 2019-20 tax rate which is done by ordinance. He stated the meeting date for the adoption and ratification is set for Tuesday, September 17.

Mayor Lessner opened the public hearing.

Porter Hull, 1001 Briardale Ct, inquired about the proposed budget.
John Harkins, 411 Oak Ridge Dr, inquired about budget expenditures.

Mayor Lessner closed the public hearing.

PUBLIC HEARING – PROPOSED FISCAL YEAR 2019-20 BUDGET: Mr. Ventura gave a presentation on agenda item 2, conduct public hearing regarding the Fiscal Year 2019-20 proposed budget.

Mr. Ventura gave a presentation on the proposed fiscal year 2019-20 budget. Mr. Ventura reviewed and discussed the proposed and revised 2018-19 fiscal year budget, the proposed fiscal year 2019-20 budget, funds, revenues and expenditures. He stated the difference in general fund revenue between the proposed and effective rate is a difference of approximately $50,000.

Mayor Lessner asked for additional detail related to the non-departmental budget and salary increases. Mr. Ventura provided additional detail related to the non-departmental budget. Ms. Couch stated at the beginning of the fiscal year all of the salary increases for the general fund are included in non-departmental and as they distributed, they are then funded into each of the departments.

The Council and staff had an extended discussion related to this topic.

Councilmember Brugge inquired about fire and police staffing. Mr. Ventura reviewed the staffing plans for the police and fire departments.

The Council and staff had an extended discussion related to police and fire staffing.

Mr. Ventura reviewed the general fund balance and expenditures. He stated the Town policy requires a minimum fund balance of 25% or 90 days and the proposed fund balance for fiscal year 2019-20 is 54%.

Councilmember Mattei inquired about the cause of the estimated year end increase. Mr. Ventura reviewed the estimated and actual year end totals.

The Council and staff had an extended discussion related to this item.

Councilmember Brugge discussed her proposal to amend water rates.

The Council had an extended discussion related to this item.

Mr. Ventura continued his presentation and the water rate structure. He stated the proposed rate increase from NTMWD is 2.4 percent and the proposed sewer rate increase of 6 percent. He stated on an estimated bill of 10,000 gallons the water rate would increase by $1.52 and sewer would increase by $5.81.

Mr. Ventura reviewed fund revenues, expenses, investments and transfers.

The Council and staff had an extended discussion related to this item.

Mr. Ventura reviewed the solid waste and recycling rates. He stated the rate increase for solid waste and recycling is 3%, as provided by the contract with Republic.

Mr. Ventura stated Tuesday, September 17 is the date set to adopt the budget, tax rate, amendments and end of year estimates; a time has not yet been set.

Mayor Lessner opened the public hearing.

Leland Payne, 398 Park Village, expressed his thoughts related to the Town newsletter.

Mayor Lessner closed the public hearing.

Councilmember Logsdon departed the meeting.

DISCUSS PROPOSED FISCAL YEAR 2019-20 BUDGET: Ms. Couch introduced agenda item 3, discuss the proposed Fiscal Year 2019-20 budget and take any necessary action.

Ms. Couch stated at the last meeting there were questions related to salary increases and the manner in which increases were determined and how the 3% compare to the current market. She stated in reviewing the national and comparative city data the range is 3 – 3.3 percent and the proposed increase is 3 percent merit increase.

Councilmember Mattei asked if similar population sized towns were utilized for the wage comparative data. Ms. Couch stated when the classification compensation plan was created twelve cities were selected; of those it is a combination of larger cities that are direct competitors to the Town and others that are in the metroplex that are demographically similar.

This Council and staff and an extended discussion related to this item.

Ms. Couch discussed the salary survey and market adjustments. She stated a majority of the resources will be utilized in the public safety and public works departments as these departments have the greatest fluctuation in salaries.

Councilmember Mattei inquired if exit interviews are completed to determine staff turnover. Ms. Couch stated exit interviews are not a requirement.

The Council and staff had an extended discussion related to this item.

Mayor Lessner discussed the option of selecting the effective tax rate. He indicated the effective rate of 0.347156 will require a reduction of $51,000 from the proposed budget.

Ms. Couch discussed the proposed adjustments. She stated $15,000 was earmarked in the proposed budget to create a strategic plan for the fire department per the recommendation in the consultant report. She stated after having discussions with Chief Bell the proposed options were to not fund the strategic plan this year or to engage a university to undertake the strategic plan as a capstone project utilizing student resources. She stated staff recommends reducing the funding from $15,000 to $2,000. She stated another recommendation is to adjust the proposed transfer

amount from the general fund to the new vehicle replacement fund from $50,000 to $12,000. There was general support for consideration of the effective tax rate.

The Council had an extended discussion related to this item.

Henry discussed Allen Community Outreach event and table sponsorship for $1,500.00. The funds will come from the EDC fund. Council members indicated support for the sponsorship.

Mayor Lessner discussed the McKinney Airport runway extension. The Council decided to postpone voting on this item until the August 22 meeting.

Mayor Lessner adjourned the meeting at 7:55 p.m.

Henry Lessner, Mayor

Tenitrus Bethel, Town Secretary