

City of Pilot Point, Texas

Minutes of the June 8, 2019

City Council Special Meeting

The City Council of the City of Pilot Point, Texas met on this date at 8:00 a.m. for a Special City Council meeting. City Council members present were Mayor Shea Dane-Patterson, Jim Porter, Whitney Delcourt, Matt McIlravy, Ronald Petty, and Andy Singleton. City Staff members present were City Manager Alan Guard, Librarian Wendy Turner, Development Services Director John Taylor, Public Works Director Trent Vandagriff, Police Chief Tim Conner, and City Secretary Alice Holloway.

AGENDA

A. ROLL CALL/CALL TO ORDER

Mayor Dane-Patterson announced a quorum at 8:09 a.m. and called the meeting to order.

B. REGULAR AGENDA

1. Budget Workshop

City Manager Alan Guard presented a presentation on the FY 2020 General fund and the FY 2020 Utility Fund Budget.

The following were discussed during the FY 2020 GF Budget portion:

- Overview of Revenues and Expenditures for 2018
- Total Revenue for 2018 - \$3,640,373
- Total Expenditures for 2018 - \$3,793,720
- Ending Undesignated Fund Balance for 2018 - \$902,097
- Fund balance as a percentage - 24.0%
- Total GF Fund Balance - \$1,019,992

Mayor Dane-Patterson asked if we overspent on the budget. City Manager Guard answered yes.

- Budgeted Revenue for 2019 - \$3,983,657
- Budgeted Expenditures for 2019 - \$3,888,528
- Net Change from Budget - \$95,129
- Projected Revenue for 2019 - \$3,835,156
- Projected Expenditures \$3,863,028
- Net Change in fund Balance for 2019 (\$27,872)
- Est. Unassigned Fund Balance for 2019 - \$874,225
- Fund Balance as a Percentage for 2019 - 23.0%
- Staff will be working one on one and as a group to eliminate the deficit for FY 2019 and attempt to increase GF reserves

City Manager Guard stated that he is guessing that the taxable value for 2019 be a little under \$300,000,000.

- On average taxable values, since 2012, the average home increased 44.1%.
- Property values went up 44% and tax levied went up 16%

City Manager Guard stated that the City needs to talk to EDC about being a bigger contributor to the Parks and to Main St.

City Manager Guard stated that no raises are in the budget this year for any employee. Mr. Guard stated that last year, employees only received a 2% cola raise. No other raises were given out other than police and fire employees phase 2 of raises was given.

City Manager Guard stated that the full year of Texas Municipal Retirement System is at 6%. In addition, there are no new GF positions except for three additional firefighter

positions if the Safer Grant is awarded. the next in the budget for the Safer Grant is \$41,600.

Funding Priorities discussed are:

- \$3.00 come off utility bills (Councilmember Petty)
- How to get storm water out of sewer system
- Drainage education
- More SRO's for PPISD
- More sidewalks (Councilmember Singleton)
- Quiet Zone
- Salary increases (Councilmember Porter)
- Street Maintenance
- Police strategies (City Manager Guard)

The following were discussed during the FY 2020 Utility Fund Budget portion:

- Overview of Revenues and Expenditures
- Budgeted Revenue for 2019 - \$2,850,079
- Projected Revenue for 2019 - \$2,767,879
- Budgeted Expense for 2019 - \$2,748,758
- Projected Expense for 2019 - \$2,761,258
- Budgeted Surplus for 2019 - \$101,321
- Projected surplus for 2019 - \$6,621
- Lower revenues due to fewer homes built, so fewer water/sewer taps
- On the expense side - Insurance repairs
- No increase in budget for 2020
- Continue higher level in certifications/licenses for 2020
- Debt payment increase due to CO Sales -Sewer Plant Expansion for 2020
- Capital Equipment needs for 2020 is three sewer pumps for a total of \$27,000
- Pay as you go projects for 2020 includes manhole rehabilitation at \$40,000 per year and Hydrastop vales at \$20,000 per year.
- Proposed capital projects include water line replacement and sewer line replacement, both at \$250,000 each. In addition, each \$1,000,000 of debt equals to \$75,000 per year of debt payment for 20 years at 4% interest.

City Manager Guard presented the proposed water rates:

- 2018 increase was 12% - Total revenue \$1,073,874
- 2019 increase was 12% - Total revenue \$1,346,219
- 2020 increase proposal at 12% -Total revenue \$1,685,928
- 2021 increase proposal at 10% - Total revenue \$1,872,968
- 2022 increase proposal at 10% - Total revenue \$2,080,557
- 2023 increase proposal at 4% - Total revenue \$2,184,883

City Manager Guard presented the proposed sewer rates:

- 2018 increase was 12% - Total revenue \$757,486
- 2019 increase was 12% - Total revenue \$946,172
- 2020 increase proposal at 12% -Total revenue \$1,180,600
- 2021 increase proposal at 10% - Total revenue \$1,311,158
- 2022 increase proposal at 10% - Total revenue \$1,456,022
- 2023 increase proposal at 4% - Total revenue \$1,528,561

City Manager Guard presented the proposed stormwater fees:

- 2018 Rates per month - Residential \$3.00 - Commercial \$15.00
- 2019 Rates per month - Residential \$3.00 - Commercial \$15.00
- 2020 Rates per month - Residential \$4.00 - Commercial \$20.00
- 2021 Rates per month - Residential \$4.00 - Commercial \$20.00
- 2022 Rates per month - Residential \$5.00 - Commercial \$25.00

Funding priorities discussed are:

- Manhole plan (Mayor Dane-Patterson)
- Park Plan (Alan Guard)

City Manager Guard stated that the next budget workshop will be held on Saturday, June 22, 2019.

C. ADJOURN

Councilmember Petty moved to adjourn at 10:29 a.m. Councilmember Singleton seconded the motion. The motion passed unanimously.



Shea Dane-Patterson, Mayor

ATTEST:



Alice Holloway, City Secretary

Approved July 8, 2019