

City of Meadowlakes
City Council Called Meeting Minutes
August 12, 2010

I. CALL TO ORDER AND QUORUM DETERMINATION:

Mayor Don Williams called the meeting to order at 5:00 p.m. declaring that the required quorum was present at the Meadowlakes Municipal Building in Totten Hall, 177 Broadmoor, Meadowlakes, Texas. Council members present were Rusty Crawford, Christine Forsyth, Franzella Jones, Bill Pickard and Mike Tepper. Also present were City Manager Johnnie Thompson and City Secretary Linda Wendling. The City Treasurer, Eileen Harrison, was not in attendance.

II. DISCUSSION OF CITY BUDGET FOR FISCAL YEAR 2011:

A. Action/discussion of FY2011 proposed budget, incorporating discussion(s) from budget workshop

Mayor Williams introduced this item by stating that the council met at 10:00 a.m. earlier today for a workshop that was open to the public, a lot of work had been done by Mr. Thompson and Mrs. Harrison in preparation of the budget which was reviewed very closely and that the council needs to take action on the proposed budget today in order to deliver it to the City Secretary who will hold it for thirty (30) days to allow for public review.

B. Action/discussion on FY2011 Budget and Council Action to Adopt

a. Action/discussion on establishing time, place and location of public hearing with regards to adoption of fiscal year 2011 budget

Due to the quick turnaround from the budget hearing to the called meeting Mr. Thompson stated that a more refined budget will be provided before tomorrow. Mr. Thompson highlighted the changes that were made, outlining the total combined operating expenses, loss budgeted for the year, review of the reserves, individual fund balances, anticipated net loss and anticipated fund balance. Audience and council discussion ensued. Mr. Thompson responded to each question as posed and continued by reviewing Public Works Department's (PWD) total revenues, total operational expenses, transfer to debt service, total expenses, net loss for the year, uncommitted fund balance and the anticipated fund balance for the end of the year. Council discussion ensued. Mr. Thompson reviewed the bonded debts, the bonded debt total expenditures, and the Recreation and Country Club (RCC) lease purchase debt expenditures and related fund information. Mr. Thompson also highlighted the RCC fund, outlined its total income, total expenditures, net gain and provided explanation of that funds' totals. Council discussion ensued. Mr. Thompson stated that he will provide a cleaner copy tomorrow which will include a cover letter explaining each fund amount. For the audience members Mr. Thompson provided additional detail in relation to the PWD's expenditures, budget figures and the funds recent major purchases. Mr. Thompson then highlighted the general fund noting several items that are under consideration such as improvements to City Hall, phone system upgrades, possible acquisition of an adjacent lot, video taping of council sessions and an additional bulletin board. Council discussion ensued. Mayor Williams reminded the audience that the City Secretary will have this budget for thirty (30) days before approval of the final budget. Council discussion ensued. Mr. Thompson gave the total

combined budget revenues, expenditures and a combined net total budget loss for all funds. Councilmember Pickard made a motion to accept the proposed budget as presented. Councilmember Jones seconded the motion. The motion carried by unanimous vote.

b. Action/discussion on establishing a proposed ad valorem tax rate for 2011 and establishing the time, place and location of public hearings and date to establish said tax rate.

Mayor Williams stated that this item was also discussed in great detail in the budget workshop earlier today. Mr. Thompson provided explanation highlighting that the existing rate for fiscal year 2010 is .299 cents per 100 evaluations and the effective rate that we are recommending is .2995. Mr. Thompson stated that if that rate is adopted it will generate \$3,587.00 in additional revenues. Mr. Thompson noted that this is slightly different than how we adopted in the past because we are separately outlining the maintenance and operations tax as well as a debt service tax which will, in combination of both, total the .2995 proposed rate. The proposed debt service rate is .1498 cents per \$100 evaluations, maintenance and operations tax is recommended at .1497 per \$100 evaluations for a total of .2995 per \$100 evaluations. Mr. Thompson stated that this is strictly a proposed rate; we may not exceed this rate but we may always lower it, and by setting it at this effective rate we will not be required to have additional hearings regarding setting of the tax rate. Council and audience discussion ensued and Mr. Thompson outlined the motion required. Council discussion continued. Councilmember Tepper made a motion to accept the proposed effective tax rate at a debt rate of .1498 and a maintenance and operation rate of .1497 for a total of .2995 tax rate. Councilmember Crawford seconded the motion. The motion carried by unanimous vote.

III. NEW BUSINESS

A. Action/discussion - appointment to fill vacant position(s) on the Public Facilities Board- Williams

Mayor Williams introduced this item by stating that on Monday, August 9th, Mr. Charles Burlison and Ms. Paige Lechler provided letters of resignation from the PFC board. Mr. Williams thanked both of them for the service they provided; stating that they each have their own particular reasons for leaving, and their service is appreciated. Mayor Williams continued that we are now two (2) members short for the PFC board. Mayor Williams stated he would like community involvement with these future appointments as he does not wish to be involved in the selection, he has met with Patti Wray of the PFC twice to discuss this in detail, and has appointed a committee to recommend candidates to fill the vacancies, with one (1) representative from different City entities to sit as the committee. Mayor Williams stated that the committee members would include Councilmember Rusty Crawford on behalf of the City and be the committee chairman, Ms. Patti Wray to represent the Public Facilities Corporation and Mr. Alton Fields to represent the Meadowlakes Property Owners Association. Mayor Williams further stated that during the September council meeting the committee will come before council to make its recommendation. Council and audience discussion ensued.

