

**MINUTES OF A SPECIAL CALLED MEETING
OF THE
EULESS CITY COUNCIL**

SEPTEMBER 3, 2013

CALL TO ORDER

A Special Called meeting of the Euless City Council was called to order by Mayor Mary Lib Saleh at 7:00 p.m. on Tuesday, September 3, 2013, in the Council Chambers at Euless City Hall, 201 North Ector Drive, Euless, Texas.

Those present included Mayor Mary Lib Saleh, Mayor Pro Tem Leon Hogg, Council Members Tim Stinneford, Linda Martin, Linda Eilenfeldt, and Perry Bynum. Council Member Glenn Porterfield was not present.

STAFF MEMBERS PRESENT

City Manager Gary McKamie
Deputy City Manager Loretta Getchell
Assistant City Manager Chris Barker
City Secretary Kim Sutter
Finance Director Janina Jewell

VISITORS

Darl Easton	Dick Girouard	Warren Wilson
Bruce German	Jay Jenson	
Barbara Girouard	Bully Martinez	

The invocation was given by Council Member Perry Bynum.

The Pledge of Allegiance was led by Council Member Tim Stinneford.

**ITEM NO. 1. RESPONSE TO BUDGET PUBLIC HEARING QUESTIONS AND
COMMENTS**

Deputy City Manager Loretta Getchell responded to a question raised at the August 27, 2013, budget public hearing related to the Actual Beginning Fund Balance for FY2007-2008 of \$54,491,094 as contained in the FY 2009-2010 budget document compared to the Actual Beginning Fund Balance for the same Fiscal Year as included in the FY2010-2011 budget of \$52,920,487. She explained that the difference is due to a change in the format of the budget document as a result of a decision to not include fiduciary funds as a part of the budget.

Ms. Getchell explained that fiduciary funds are funds that the City is holding for the benefit of others and are not available to be spent by the City. In this case, the \$1,945,414 represented the Dallas Star Escrow. The decision was made to remove this fund from the budget presentation in FY2011 since these resources are not available to be spent. In

order to maintain consistency in the comparison to prior years, the same amount was removed from the prior year columns as well. Additionally, she advised that two other smaller items contributed to the change: 1) Year End Journal Entry made during the audit period to clear an inter-fund loan in the amount of \$374,817. This resulted in an additional \$374,817 in car rental fund balance; and 2) the remaining \$10 was due to rounding.

In closing, she presented the following summary of the changes and stated that changes in methodology do occur from time to time and when that happens, prior periods may be restated.

Actual Beginning Fund Balance FY 2007-08	
As presented in FY 2009-2010 Final Budget (For Comparison Purposes)	
As presented in FY 2010-2011 Final Budget (For Comparison Purposes)	
Beginning Fund Balance FY2007-08 (As presented in FY2009-2010 Budget)	\$54,491,094
Adjustments:	
Dallas Stars Escrow Fund Excluded (Fiduciary Fund – Not City Assets)	(\$1,945,414)
Car Rental Fund Balance Increase (Year End Adjustment – Period 13 JE to clear Inter-fund Loan)	\$ 374,817
Rounding	<u>(\$ 10)</u>
Beginning Fund Balance FY2007-08 (As presented in FY2010-2011 Budget)	\$52,920,487

City Manager Gary McKamie pointed out that the modifications do not reflect an accounting mistake or error.

Darl Easton, 1005 Fayette Drive, Euless, requested that an addendum be added to the budget document to address the accounting differences.

In addition, Mr. Easton expressed his opposition as to how project DR0000 is listed in the budget, specifically as a Priority A - Funded Project, and added that the scope of the project is not defined. He stated that he felt the project does not meet the city's definition of a Funded Project and should be included in some other category within the budget.

Council Member Tim Stinneford responded that there is not a definitive scope of the project other than a known drainage issue in a specific area of the City. He added that the \$10 million (Developer contribution of \$6 million and a future bond sale of \$4 million) included in the budget document is simply an estimate and no funds have been allocated toward the project.

City Manager McKamie responded that the project is related to Boyd Branch Improvements, and this entry is included in an effort to be forthcoming in identifying future projects that will have to be completed at some point in time. He reiterated that no funds have been budgeted for the project; however, including the project in the budget gives the City Council the opportunity to take action should a development opportunity arise. The City is of the opinion that improving the capacity to handle larger storm water events is the responsibility of the property owner(s); however, the city may have some expenses related to the improvements.

Mayor Saleh responded that the City Council has discussed this project for years and are aware of the scope of the project as well as the needs of the City.

ITEM NO. 2. HELD PUBLIC HEARING FOR PROPOSED TAX RATE

Mayor Saleh opened the public hearing at 7:31 p.m.

Finance Director Jewell presented the proposal to adopt an ad valorem tax rate of \$0.4700 per \$100 valuation for tax year 2013, adding that the tax rate has remained unchanged since FY 2008.

Finance Director Jewell advised that the total estimated operating revenue for FY 2014 is \$33,901,762. She presented and reviewed information related to the taxable valuations history, tax rate history, tax rate components, tax rate impact (including senior citizens), as well as combined proposed tax rates for all Euless taxing entities, including the school districts, college district, hospital district and Tarrant County. Additionally, she presented the effective tax rate comparison by year going back to FY 2007-2008.

Mayor Saleh asked to hear from any proponents followed by opponents of the proposed tax rate.

Darl Easton, 1005 Fayette Drive, Euless, stated that he felt the overall tax rate was fair. He referred to a slide presented at a prior budget public hearing and requested consideration be given to depict what percentage of an individual's property tax supports each city service.

There being no additional proponents or opponents wishing to speak, Mayor Saleh closed the public hearing at 7:42 p.m.

ITEM NO. 3. ANNOUNCED THE DATE, TIME AND PLACE OF VOTE ON TAX RATE

Mayor Saleh announced that the vote on the tax rate will take place on Tuesday, September 10, 2013, at 7:00 p.m. in the City Council Chambers, 201 N. Ector Drive, Euless, Texas.

ITEM NO. 4. ADJOURN

The meeting was adjourned at 7:42 p.m.

APPROVED:

Mary Lib Saleh
Mayor

ATTEST:

Kim Sutter, TRMC
City Secretary