

STATE OF TEXAS
COUNTY OF FALLS
CITY OF MARLIN

On this the 16th day of September 2014, the City Council of the City of Marlin, Texas convened in a SPECIAL CALLED MEETING, at 5:30pm, the same being open to the public and having been posted as prescribed in Local Government Code, Section 551.041 with the following members present to wit:

ELECTED OFFICIALS

Mayor Elizabeth Nelson
Mayor Pro-Tem Henderson
Rose Morin
Cecil Sparks - Absent
Billie Jean Scaggs
Tommy Tate
Douglas Porter

STAFF

Richard Fletcher, Interim City Manager
Sandra Herring, City Secretary

1. Call to Order by Mayor Nelson @ 5:30pm.
2. Roll Call by Sandra Herring.
3. Certify Posting in accordance with State Law by Sandra Herring.
4. Invocation & Pledge by Dick Fletcher and Tommy Tate.
5. Discussion and action on award for Automated Meter Reading Project funded from Texas Water Development Board (TWDB) Drinking Water State Revolving Fund (DWSRF) loan and grant money.

Mr. Fletcher indicated that all scouring sheets from the committee members have not been received and KSA is needing those to complete their recommendation.

No action taken on this item.

6. Public Hearing on 2014-2015 City of Marlin Budget.

@ 5:52pm

- a. Speak in favor.

Arthur Allen, Northridge Ln., support the city and in favor of proposed budget.

Greg Wollforth, 201 Live Oak, support the city and new budget.

- b. Speak in opposition.

Paula Kluck, 217 Country Club Dr., no tax increase, annexation, Williams street streetlights, bad vehicle maintenance, boil order, no changes, dogs at large, accountability.

Rev. Waylon Sias, 909 Coleman St., against increasing tax rate and budget.

Hoagie Karels, 129 Post Office, don't cut library by 50%.

c. Questions by Council.

Council asked Mr. Fletcher is see how this would effect the library accreditation.

d. Close Public Hearing @ 6:41pm.

7. Discussion and action on 2014-2015 City of Marlin Budget.

Budget address read by Mr. Fletcher:

Budgeting for a city is always troublesome. Marlin's budget process has been more difficult this year due to the amount of pent-up needs and wants that have been unmet in previous years.....no pay increases for personnel in several years, no new police vehicles in seven years, aging equipment and infrastructure and on and on.

In previous years the General Fund has been heavily subsidized by the Utility Fund to the extent that needed repairs and improvements to the water and sewer systems have been deferred. Further, just meeting the debt service for the water and sewer systems has taken all of the dedicated debt service funds plus the dedicated water rehab funds. This upcoming year the dependence on the Utility Fund has been heavily reduced in order to release more funds for the upkeep and operation of the utilities. Additionally, an approximate 9% increase in water revenue is proposed in order to cover debt service without depleting the water rehab fund.

In place of the utility fund transfers, ad valorem taxes are proposed to increase from the current 67.5 cents per hundred dollar valuation to 77.5 cents in order to balance the General Fund. Due to the technicalities in the state law governing ad valorem taxation, that ten cent increase must be stated as a twenty-eight point five (28.5%) increase (from 67.5 to 77.5 is actually a 15% increase). Debt service is protected from the rollback calculation, therefore when debt is paid off, that portion of the revenue is taken into account when the next year's calculations are done. Since a part of the tax-supported debt was paid off under the current budget, Marlin finds itself in the unusual position of having a rollback rate less than the effective rate. The effective rate is that rate that will raise the same amount of money as the previous year on the same properties and typically the rollback rate is roughly eight percent more than the effective rate.

The proposed budget provides for a continuation of a paid Fire Department but at a somewhat reduced level compared to the current year. Eleven full time fire fighters were in the budget at the start of the current fiscal year. That number was reduced to nine during the year through attrition. Seven firefighters are proposed for next year, two per shift plus the Chief. Overtime will be minimized by having the Chief filling shifts when and as needed for sick days, vacations and so forth. As a salaried employee, the Chief will be able to manage his hours by taking days off within the pay period to balance his total duty time.

The Police Department staffing is projected at 18.5 full time equivalents (FTE). One currently vacant position in the Utility Department formerly held by a part time Animal Control person is being transferred to the Police Department to provide full time animal control services. One additional Dispatch position is being added to cut

down on overtime requirements. Otherwise, the number of police personnel remains the same. Capital improvement funds in the amount of \$40,000 have been budgeted to provide for the lease/purchase of new police units. Matching funds are being sought from the United States Department of Agriculture (USDA) to assist in this endeavor. If approved, the USDA funds will increase the number of units that can be replaced.

A current vacant position in the Street Department and another vacant position in the Water Utility Department have been eliminated to fund a Public Works Director position. It is envisioned that this individual would be a working supervisor state-licensed for water and sewer maintenance who would oversee the outside activities of the water, sewer and street departments. This position would be funded half from the General Fund and half from the Utility Fund. Although already short-handed, the field crews will be relieved of many meter reading duties when the new meter program is implemented. All City personnel would receive a two percent cost of living increase, the first raise in some time.

Great strides have been made during the past year in reduction of various monthly recurring costs. Four electric meters and a host of guard (rent) lights that the city had been paying for on the grounds of the Falls County Youth Fair have been transferred out of the city's name as provided in the lease of that property signed some years ago. Two light meters serving the Texas Department of Transportation's now removed signal lights have been disconnected. Eleven phone lines serving the various city offices have been cut off with the remaining lines pooled to serve the offices. In this budget the sixteen cell phones provided to various employees are planned to be cut in half by providing the outside work forces with two-way radios in their vehicles. The City already has the Federal Communications Commission (FCC) license and a sufficient number of radios on hand. Installation will be primarily by in-house personnel under the supervision of an FCC-licensed individual. Attempts will be made to obtain a more economical rate plan to further reduce monthly costs for the remaining phones.

The City must concentrate its limited resources on providing basic services: water, sewer, sanitation, streets and public safety. The library requested \$52,000, a 28% increase in its funding but this budget only provides \$20,000, a 50% decrease. Substantial funds are still being expended on parks and recreation facilities. Just mowing the multiple facilities runs in the tens of thousands of dollars per year. The city still has numerous electric meters turned on at facilities where the lighting is unused or unusable. This category includes the softball field at City Park, various metered lighting at City Park, Tennis Courts, M. L. King Park and so forth. There are also "porta-potties" at various locations throughout the city that constitute a monthly on-going expense. This budget envisions that many of those electric meters will be turned off and those porta-potties removed. It is no longer feasible for the city to provide staffing for every special event, especially those occurring on weekends which incur overtime. In short, as the City's Auditor said, "There are some services being provided that are no longer providable".

The City of Marlin is blessed with a great location and a storied past. The future depends on controlling non-essential costs and services in order to stabilize the basics. Growth will never come until the basic services are stable and dependable. First and foremost, this budget allows the water and sewer fund to retain more of the necessary funds to maintain and repair its facilities, a common sense measure but also one required by the bond covenants that financed the improvements. Steps must continue to reach a sustainable level of operations, one not dependent on deferred maintenance, hit or miss grants, borrowed money or sleight of hand. Income to the General Fund must be adequate to fund Police, Fire, Streets, Administration, Code Enforcement, Animal Control and other non-revenue producing activities. Rates paid for Water, Sewer and Solid Waste must be adequate to pay for the capital costs, maintenance and operations and depreciation of those systems. This budget does not reach that ideal, but is a step in the right direction.

I want to interject at this time my deep appreciation to the men and women who serve on the Marlin City Council. These dedicated individuals hold an important position of public trust as the elected representative of their precinct but, at the same time, must also weigh all decisions made in the light of the greater good for all of Marlin, a difficult job indeed.

8. Public Hearing on 2014 Tax Rate of .77500.

@ 6:44pm

e. Speak in favor.

Arthur Allen, Northridge Ln., support the city and in favor of tax increase.

Linda Scott, 213 Country Club, in favor but only a fix, other ways to increase funding, qualified people in qualified positions.

f. Speak in opposition.

Eddie Ellis, 114 FM 147, licensed accountant and put more thought into tax increase.

Steve Johnson, 709 Harter, against tax increase, no need to bag trash, need street sign in south Marlin.

Craig Garrison, 606 N. Hwy Business 6, against tax increase, no improvement, no services, poor water, problems are decades old, no call for better water conditions, city to have own 911.

g. Questions by Council.

Mayor Pro-Tem Henderson said he was here to do what the citizens wanted him to do. Council continued discussion on the issue of raising the tax rate and debt service rate. Not using rehab funds for debt service payments and not draining the water fund to support the general fund. Making cuts to personnel and other expenses to meet the true needs.

h. Close Public Hearing @ 7:13pm.

11. Future Agenda Items.

Auto Read meter System, 2nd reading of Probationers, Library contract and contract with Chamber of Commerce.

12. Adjourn.

Mayor ProTem Henderson made motion to adjourn.

Councilmember Sparks seconded this motion and the motion carried as follows:

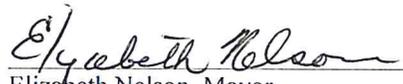
AYES: Councilmember Morin, Mayor Pro-Tem Henderson, Councilmember Scaggs, Councilmember Porter, Councilmember Tate , Mayor Nelson

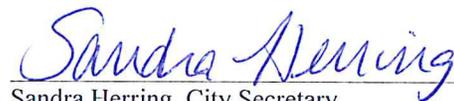
NAYS: None.

ABSENT: Councilmember Sparks.

PASSED AND APPROVED ON THIS THE 14TH DAY OF OCTOBER, 2014.




Elizabeth Nelson, Mayor


Sandra Herring, City Secretary