

MINUTES OF SPECIAL MEETING
OF SEPTEMBER 9, 2003
CITY COUNCIL OF THE CITY OF MEADOWS PLACE, TEXAS

The special meeting of the Meadows Place City Council was called to order at 7:00 p.m. by Mayor Mark McGrath at Meadows Place City Hall, One Troyan Drive, Meadows Place, Texas, with notice of said meeting giving the time, place, date and subject thereof having been posted as prescribed by Article 6252-17, V.T.A.C.S. with the following members present and in attendance:

Mayor: Mark McGrath

Aldermen: Terry Henley
Charles Jessup
Joe McCann
David Piwonka
Leen Zellers

thus constituting a quorum.

Mayor McGrath deferred his comments to the Public Hearing parts of this meeting.

There were no audience or council comments at this time.

Mayor McGrath then opened the Public Hearing on the proposed city budget for fiscal year 2003-2004. He noted that council has held numerous budget workshop meetings since the end of June. He then summarized the high points of the budget. Concerning revenues, he said tax values in the city have risen 6% this past year. He is proposing the city keep the same tax rate of \$0.73 per \$100.00 valuation that has been levied since 1997. The effective tax rate as published in the Fort Bend Sun indicated the average increase per house would be \$230. This equates to an increase of 33%. By law, the most a city can increase tax rates is 10%. Keeping the \$0.73 tax rate will mean homeowners on average will pay 6% more in ad valorem taxes this year than they did last year. Overall the city will realize approximately \$50,000.00 additional revenues from ad valorem taxes if the tax rate remains the same. The budget reflects approximately the same revenues to be realized from sales taxes next year. License and permits is projected to increase by \$30,000.00 due to the proposed Senior Village project and proposed renovations to the Park Place facility. Revenues from fines and forfeitures are also expected to increase.

Discussing expenses, Mayor McGrath said most employees will receive a 3% increase while some, mainly police officers, will see additional amounts to make their salaries comparable with police departments in surrounding cities. Retirement benefits will be increased from 5% to 7% also. Medical insurance rates increased only 4% and not double digit amounts as in the past. A new phone system is needed in City Hall and an amount was budgeted for that. A new Public Works truck was budgeted for but no new police vehicles as two new police vehicles were just purchased from the '02-'03 budget. Discussing the water/sewer budget, expenses were increased to reflect anticipated tap connection fees from new development. On the expense side, it is anticipated \$25,000 to \$35,000 will be saved with a proposal to add to the current contract with ECO Resources. Currently ECO reads our meters and does repairs and maintenance to our water and sewer lines. The new contract will allow them to run our wastewater treatment plant and three water wells. This contract will be on the September 23rd agenda.

Bottom line on the budget shows \$3.7 million in anticipated revenues and \$3,665,000.00 in expenses for a net revenue gain of \$55,000.

Alderman Zellers commended Mayor McGrath with the excellent job he did holding costs down for the city. Mayor McGrath said he appreciated the on going interest council shows with the city's department heads.

There were no further comments from council and none from the audience. Alderman McCann made a motion to close the public hearing on the budget. Alderman Piwonka seconded the motion which carried unanimously.

Mayor McGrath then opened the public hearing on the proposal to increase total tax revenues from properties on the tax roll for calendar year 2003. He explained that, based on the 6% increase in property values, he was proposing the same tax rate as last year, \$0.73 per \$100.00 valuation. Of this amount, \$0.467 will be for maintenance and operation of the city and \$0.263 will go to the debt service fund to pay the principal and interest on the city's outstanding bonds. There was no further discussion on the tax rate and no comments from the audience. Alderman Zellers made a motion to close the public hearing on the tax rate. Alderman Henley seconded the motion which carried unanimously.

Mayor McGrath noted that at their regular meeting on September 23, 2003, council will formally vote on adopting the budget and tax rate. They will also approve the Meadows Economic Development Corporation budget for 2003-2004.

There being no further business to consider, Alderman Piwonka made a motion, seconded by Alderman Henley to adjourn the meeting. With unanimous approval the meeting was adjourned at 7:19 p.m.

Elaine Herff, City Secretary