

MINUTES OF PUBLIC HEARING
OF SEPTEMBER 22, 2004
CITY COUNCIL OF THE CITY OF MEADOWS PLACE, TEXAS

The public hearing of the Meadows Place City Council was called to order at 7:05 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: Charles Jessup
Joe McCann
David Piwonka

and the following absent:

Aldermen: Terry Henley
Leen Zellers

thus constituting a quorum.

There were no audience comments however, Mayor McGrath noted that Councilmember Henley was attending another meeting this evening related to his position with the Texas Municipal League.

Mayor McGrath received Council's consensus to address both agenda items four and five together. He then declared the Public Hearing on proposed Budget for fiscal year 2004-2005 and the Public Hearing on a proposal to increase total tax revenues from properties on the tax roll for calendar year 2004 officially open.

Mayor McGrath noted council has met in many workshop sessions since June. On the overall basis, the value of taxable properties in Meadows Place for the tax year 2004 remained flat. Also, this spring Council doubled the exemption for residents over 65 and disabled. The budget projects sales taxes to remain at this year's level too.

The budget does not take into consideration anticipated sales taxes from approximately 6,000 square feet of retail space planned for Meadows Place Senior Village. The first building in this project is scheduled to open this November. Nor does it take into consideration sales taxes to be realized when CVS Pharmacy opens, possibly in February of 2005.

On the expense side, the city has historically given employees an annual 3% raise. This year only a 2% raise is budgeted for. Employee pension costs are increasing 10%. Two new police vehicles and \$50,000 in extraordinary repairs to mechanical equipment at the sewage treatment plant are also budgeted for. One Public Works employee will also be laid off. Even so, the budget was still about \$150,000 in the negative. Mayor McGrath said he was therefore proposing a three cent increase in the tax rate (from \$0.73 to \$0.76) as well as a 7% increase in water and sewer rates. The 3 cent tax rate will increase the tax bill on the average residence by about \$52.68. The 7% water/sewer increase will raise a minimum bill by \$1.82.

In the General Fund, revenues total \$3,245,000 – a 3.1% increase over last year. Expenses total \$3,238,000 – a 5.2% increase over last year. On the Debt Service side, revenues are budgeted at \$608,000 and expenses at \$615,000. This is basically a break even budget.

Mayor McGrath asked for any comments from the audience. Mr. Ralph Allen questioned why Mayor McGrath said the increase in property values was stagnant

when his property value increased by 10%. Mayor McGrath said while average property values increased by about 3%, over all the total taxable value of properties in Meadows Place increased by less than 2%. Part of this is due to the increased over 65 and disabled exemptions given this spring.

Councilmember Jessup asked if the purchase of two new police vehicles this year puts us back on track with the purchase and retiring of police vehicles. Mayor McGrath said yes. Councilmember Jessup also asked if the laid off employee would be replaced once the financial situation recovered. Mayor McGrath said the situation would be monitored. The city is entering into a slow time for lawn maintenance and we believe we can do without that person in the short term.

Councilmember Piwonka thanked Mayor McGrath for all the work on the budget noting he appreciated the effort put forth putting together a budget when times are tough. Mayor McGrath said it was a tough budget to put together but, on the positive side, there are several good commercial projects planned for the immediate future that should help out next year. The city's goal in the long term is to continue to build our commercial base and help relieve the burden on our tax payers.

Councilmember Piwonka then made a motion, seconded by Councilmember McCann to adjourn the public hearings. The motion carried unanimously.

There being no further business to consider, Councilmember McCann made a motion, seconded by Councilmember Jessup to adjourn the meeting. With unanimous approval the meeting was adjourned at 7:21 p.m.

Elaine Herff, City Secretary