

City of Taylor
Budget Workshop
Taylor City Hall, Council Chambers, 400 Porter Street
August 1, 2019 at 6:00 p.m.

Mayor Brandt Rydell declared a quorum and called the meeting to order at 6:00 p.m. with the following present:

Mayor Pro-Tem Dwayne Ariola
Council Member Mitch Drummond
Council Member Robert Garcia
Council Member Gerald Anderson

Brian LaBorde, City Manager
Jeff Jenkins, Assistant City Manager
Dianna Barker, City Clerk

REGULAR AGENDA; REVIEW/DISCUSS AND CONSIDER ACTION

1. Conduct Budget Workshop II.

Jeff Wood, Finance Director, gave a presentation that described the rollback rate, the new tax laws, and the 2019/2020 budget highlights. The City is considering a 2 cent tax rate increase. Bart Fowler, City's Bond Council, explained the new Senate Bill 2 (Tax Reform and Transparency Act of 2019) and its effect on the city's budget. Jennifer Ritter, Financial Advisor for Bond issuance, discussed the existing debt, Bond rating, new Bond issuance, and Rollback strategy. Kim Peterson, Human Resources Director, explained the salary survey that was done in 2017 and 2019. Some salary adjustments are still needed to bring staff up to market salary rates.

Summary of what FY19/20 budget will do:

- Provides a master plan to guide future development
- Provides a master plan to guide drainage project decisions
- Provides additional street and parks maintenance
- Provides funding for housing rehabilitation through the Home program
- Provides technology upgrades to improve efficiencies and protect data
- Provides wage and retirement enhancements to retain staff and improve recruitment
- Provides an increase in the Over 65 exemption

2 cent tax rate increase would create approximately \$105 additional taxes per year for the average home.

2. Discuss 2019-20 CIP (Capital Improvement Project) list, including the Project 1006 West 2nd Street.

Jeff Wood went over the current projects, their funding sources and costs, in the General Fund, Streets & Sidewalks, Utility Fund, Airport Fund, and Drainage Fund.

Regarding 1006 W. 2nd Street drainage, Jim Gray, Public Works Director, stated this project was part of Halff Associates studies, which provided 2 options for fixing the drainage situation. Mr. Gray explained what it would take on each option to remedy the situation. Mr. LaBorde stated that if Council wanted to consider the drainage project, which ties into the tax increase, staff feels this project would go into the overall drainage study. Mr. LaBorde stated if Council does not want to do the Master Plan, does Council want to start looking at individual projects. Mayor Rydell felt this project could not be considered until Council determined whether to go forward with the Master Plan or not.

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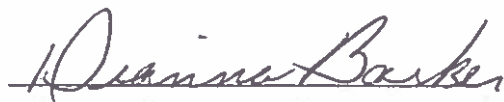
Council directed staff to continue preparing the budget utilizing the 2 cent tax rate increase scenario. Due to the new tax law, future tax revenue increases will be limited. This year is the only opportunity Council will have to use the current rollback rate. Beginning January 2020, tax cap is at 3.5%. Anything higher would require an election in November for voter approval.

3. **Discuss and consider drafting an Ordinance increasing the over 65 property tax exemption.** Brian LaBorde, City Manager, stated the Appraisal District is needing a decision on this before the end of August if Taylor is going to increase the exemption.

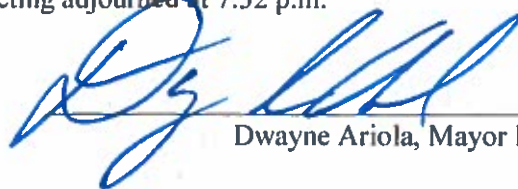
Motion was made by Councilmember Garcia to draft an Ordinance increasing the Over 65 property tax exemption. Motion was seconded by Councilmember Drummond. Motion carried unanimously.

ADJOURN

With no further action Mayor Rydell declared the meeting adjourned at 7:32 p.m.



Dianna Barker, City Clerk



Dwayne Ariola, Mayor Pro-Tem