



City of Westworth Village
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FINANCE COMMITTEE MEETING MINUTES

**TUESDAY
MAY 13, 2014
TIME: 6:00 PM**

**MUNICIPAL COMPLEX
COUNCIL CHAMBERS
311 BURTON HILL ROAD**

ATTENDEES:	Chair	Kelly Jones
	Member	Jill Patton
	Member	Nick Encke
	Member	Steve Beckman
	Member	Mike Coleman
	Mayor, Ex-Officio	Tony Yeager
	City Administrator	Roger Unger
	City Secretary	Carol Ann Borges
	Police Chief	Doug Reim
	CCPD Director	Melva Campbell

CALLED TO ORDER at 6:02pm by Chairman Kelly Jones.

Action Items:

- I. Approval of Minutes** from Finance/Audit Committee Meeting January 14, 2014.
 - **MOTION** made by Nick Encke. **SECOND** by Mike Coleman. **Motion passed unanimously** by a vote of 5 Ayes and 0 Nays.
- II. Review and discuss FY 2013-2014 YTD Disbursements & Variance Reports.**
 - City Administrator Roger Unger stated the only significant variance in the current year is the Council approved (but unbudgeted) purchase of security cameras for the municipal complex at a cost of 30K. Current year revenues look good. Preliminary Ad Valorem Tax Valuation is good. The Assisted Living Complex will come on the rolls in 2015 (FY 15-16). Due to a harsh winter, the driving range improvements at HCGC are behind schedule and the grass company has incurred a delay in harvesting the sod necessary for spring/summer growth. Weather is a large factor affecting play and direct revenue. Roger expects to initiate a rate increase in approximately 1-2 months. Roger stated the current 37-39K rounds per year average is sustainable if we continue to water and chemically treat the course as we have in the past. Roger credited David Curwen and Sterling Naron for their leadership and proactive operation of the course.
 - Roger stated bank balances are good. Although gas well revenue is down, it has not affected the budget as it was not included in the budget to begin with; such revenues are an annual auditor adjustment. Roger expects another 1-2 wells to be drilled this fall. Due to the City's 380 Agreement, we send an estimated \$37-39K of sales tax revenue to White Settlement every month. Mayor Yeager will be reviewing the contract and payment policy with the City Attorney.


III. Review and discuss FY 2014-2015 Preliminary Budget for CCPD, Admin, Court, Other, Capital Improvements and Debt Service.

- Roger stated the overall FY 14-15 Budget is almost a carbon copy of the current year's budget. The biggest single impact is employee health insurance. In discussions with our broker, we expect a 15% increase in the rates, increasing the current \$600 per employee per month expense to \$690. This will provide each employee (not dependents) with similar, not exactly the same, coverage. IT expense continues to rise. The current phone system is becoming antiquated and will likely require full replacement in FY 15-16, at a cost of \$70-90K spread over three years.
- Since the CCPD is statutorily required to adopt their budget early (scheduled for June 10th), it is the only budget which includes cost-of-living salary increases. CCPD will continue to fund five officers and an annual vehicle purchase. The PD is in the process of interviewing for an open officer position. No new employees have been added to the Admin budget. The HCGC staff has taken over landscaping and equipment maintenance for the City. The HC Apartment payments have been coming in on time and are part of the General Fund revenue budget.
- The Water budget is affected by decreased usage as a result of drought restrictions being made permanent by the TRWD/Ft Worth contract. Currently, Water revenue supplements the General Fund by \$150K/year. Aside from appropriate contribution to admin expenses, Roger would like to wean this practice to ensure the Water Dept is not operating at a deficit in the future. Roger does not recommend a water rate increase. The replacement meter program continues annually; Westworth Park is next on the rotation as some household meters are now 6-8 years old.
- Debt Service is funded by the I&S tax rate and gas well royalties. With development and increased valuation conservatively projected through 2019, Roger does not ever expect to need an I&S tax rate increase. Roger does not recommend decreasing the M&O tax rate as the City would become more dependent on sales tax and possibly subject to a rollback election. The State is currently reviewing the allowable rollback percentage which can negatively impact municipal revenues. While a half-cent decrease in the tax rate is a symbolic message, it does not generate a lot of revenue. Also, property tax is deductible on resident's income taxes; water rates [if increased to off-set] are not.
- Chairman Jones thanked Roger for his work on the budget. Committee member Beckman asked Roger to add the cost-of-living salary increases to all the budgets so discussion can continue.
- No action was taken.

IV. Set next meeting date is scheduled for June 10, 2014.


ADJOURNED at 6:46pm by Chairman Jones.

MINUTES APPROVED on this day, the 10th day of June, 2014.



Kelly Jones, Chair

ATTESTED TO BY:



Carol Ann Borges, City Secretary

