Duncanville City Council Meeting Minutes
Special Meeting
Budget Workshop
Tuesday, June 9, 2020

CALL TO ORDER
A special meeting of the Duncanville City Council was called to order on Tuesday, June 9, 2020, at 6:06 p.m. in the Council Briefing Room at City Hall with a quorum to wit:

COUNCIL PRESENT:
Mayor Barry L. Gordon
Councilmember Joe Veracruz
Councilmember At-Large Patrick Harvey
Councilmember Don McBurnett
Councilmember Monte Anderson
Councilmember Mark D. Cooks
Councilmember Johnette Jameson – arrived at 5:25 p.m.

There will be no public access to this physical access. However, a live broadcast will be provided on our local channels (Charter 192 or U-verse 99). A YouTube recording will be provided no later than June 12, 2020.

To submit public comments, email citysecretary@duncanville.com and title the email "Public Comment – June 9th". All public comments submitted by 4pm on Tuesday, June 9, 2020 will be provided to the City Council members and entered into the record for the June 9, 2020 City Council Special Meeting – Preliminary Budget Workshop.

1. **Call to Order**
2. **Receive Public Comments (see above comments).**

None.

Mayor Gordon stated Item 4 would be discussed before Item 3.

4. **Consider a Resolution approving the DCEDC COVID-19 Temporary Business Retention Assistance Program applications.**

The following Councilmembers recused themselves:

- Councilmember Joe Veracruz
- Councilmember Monte Anderson

Mayor Gordon questioned if the business asked for a specific dollar amount in their applications.

Chair Steve Dial stated over 80% of the applicants asked for over $10,000.00 in assistance. There were 162 applications with at total request of $1,396,047.75. a budget of $250,000.00 is available in the Business Retention Assistance Program.

Council thanked the DCEDC board for all their hard work.

Councilmember Mark D. Cooks made a motion to approve the item as stated, Mayor Pro Tem Don McBurnett seconded the motion. The vote was cast 5 for, 0 against (Councilmember Joe Veracruz and Councilmember Monte Anderson were recused). Item passed.

3. **Pre-Budget Workshop for Fiscal Year 2020-2021. Discussion of topics related to current year budget and next fiscal year budget planning including the following general topics:**

- **FY 20 Budget Status – Projected**
- **FY 21 General Fund Budget Outlook**
- **Future Budget Impacts**
- **Tax Rate Discussion**
- **FY 20 Utility Fund Status - Projected**
- **FY 21 Utility Fund Outlook**
- **Capital Improvement Plans (CIP)**
- **Other Funds – FY20 Projected; FY21 Outlook**
- **Bond Projects Update and Discussion**
- **Public Improvement Districts (PID)**

Finance Director Richard Summerlin presented the Utility Fund and Solid Waste Fund.

FY20 Utility Fund Balance

- Water and sewer revenue are trending upward based on YTD actuals
- Other revenues overall increase of $312,000
  - $327,000 - increase for TRA refund (settle up for FY19)
  - $26,000 – unbudgeted increase for City Services Reimbursement (Pioneer, La Mexicana, etc. surcharges)
  - ($41,000) - lost revenues in service charges due to COVID 19 (No reconnect charges March- May)
- Utility Accounting overall increase of $67,000
  - $139,000 - increase in for billing system implementation
  - $10,000 - increase for meter reading equipment costs
  - ($82,000) - decrease in meter costs (expend current on-hand inventory in preparation for AMI)
- Utility Admin total increase of $12,000
  - $5,000 due to termed employee vacation payout
  - $9,000 added for unbudgeted portion of public works ERP implementation costs
  - ($2,000) cut in travel and expenses related to COVID
- Water services overall decrease of ($119,000)
  - ($44,000) - decrease for personnel vacancies
  - ($39,000) - decrease in supplies and direct materials (expend current on-hand inventory in preparation for AMI)
  - ($11,000) - cut in telephone costs (lines no longer needed)
  - ($22,000) - decrease in utility and maintenance costs (SCADA consultant not available due to COVID, security camera costs won't begin until FY21)
  - ($3,000) - cut remainder of year travel/ memberships due to COVID 19
- Wastewater services overall decrease of ($114,000)
  - ($68,000) - personnel vacancies
  - ($33,000) - decrease in supplies and direct materials (limited personnel available to complete jobs/ COVID 19 shift work)
  - ($11,000) - decrease equipment/vehicle maintenance costs
  - ($2,000) - cut remainder of year travel/ memberships due to COVID 19

FY20 Solid Waste Fund Balance

- Revenue increase of $238,000 due to garbage rate increases enacted in Jan 2020
- Expenditures total increase of $38,000 includes
  - $122,000 - Increase in garbage contract service due to changes made mid-year
  - ($50,000) - decrease of transfer out to CIP for alley repairs
  - ($30,000) - decrease from cancellation of HHW event
  - ($4,000) - decrease in supplies, travel, maintenance due to COVID 19

FY21 Utility Fund Balance Outlook

- Water and sewer revenues are trending upward based on YTD actuals
- Other revenues overall increase of $61,000
  - $35,000 projected increase in UB penalties (late fees) based on current YTD actuals
  - $26,000 – previously unbudgeted increase for City Services Reimbursement (Pioneer, La Mexicana, etc. surcharges)
- Utility Accounting overall decrease by ($67,000)
  - ($22,000) decrease in salary costs
  - ($82,000) cut meter purchases (expend current on-hand inventory in preparation for AMI)

  - ($13,000) decrease in fleet contribution and other equipment costs
  - $50,000 increase in credit card/IVR and banking fees
- Utility Admin overall decrease ($9,000)
  - ($9,000) decrease in salary savings on new hire
  - ($5,000) decrease in overbudgeted contract services (investment advisor fees) and reduced travel costs
  - $5,000 increase in medical group insurance costs
- Water services overall decrease of ($57,000)
  - ($6,000) decrease in salary/overtime costs
  - ($84,000) in direct materials & tools (large meters/lids and repairs costs reduced)
  - ($25,000) reduced fleet contribution
  - ($11,000) - cut in telephone costs (lines no longer needed)
  - ($24,000) - savings in other utility costs, contract/legal services, and various maintenance costs
  - $93,000 added for Dallas Water Costs (estimated 3% increase)
- Wastewater overall increase of $107,000
  - ($57,000) decrease in salary/overtime costs
  - ($23,000) decreases in supplies, clothing, travel and maintenance
  - ($23,000) decrease in direct materials for utility cut repairs
  - ($51,000) reduced fleet contribution
  - $14,000 added in contract services (includes Micro-Solve grease solvent addition to SSO program)
  - $247,000 estimated increase of 6% for TRA costs
  - Non-operating overall decrease of ($152,000)
  - ($111,000) decrease of debt service completed in FY20
  - ($41,000) decrease- transfer to Medical Fund is no longer necessary

FY21 Solid Waste Fund

- Revenue total increases by $328,000
  - $318,000 due to full year of garbage rate increases (enacted in Jan 2020)
  - $10,000 in franchise receipts increases
- Expenditures overall increase of $379,000
  - $389,000 increase for in garbage contract services (full year of new contract, plus 3% increase)
  - $5,000 increase in medical group insurance costs
  - ($6,600) net decrease in supplies, equipment and maintenance
  - ($8,400) decrease - transfer no longer required to Medical Fund

Discussion followed on the CIP budget and program.

Discussion continued on the following; Economic Development proposed budget, Hotel/Motel proposed budget, Fieldhouse financials, FY20 revised budget, medical insurance fund, and updates on the Capital Bond program were provided.

Council concluded to move forward with Main Street project with Dallas County.

Roundabout at Center St & Main St

- Cost: $3,000,000.00
- Deviates from original concept presented during bond election

- Significant economic impact to surrounding area
- Future Transit-oriented development
- Addresses traffic challenges at Center / Santa Fe / Main
- Supported by County as 7th Call Project

City Manager Hugman reiterated Council would like staff to look at the cost for a corridor study on East and West of Camp Wisdom Road and ask if the County would be interested in partnering with the city.

Council agreed to table the Public Improvement Districts (PID) discussion and planning as a future briefing agenda item.

NOTE:

Councilmember Anderson left the meeting at 7:37 p.m. and returned at 7:40 p.m.

At-Large Councilmember Harvey left the meeting at 8:41 p.m. and returned at 8:48 p.m.

Mayor Gordon left the meeting at 8:53 p.m. and returned at 8:55 p.m.

ADJOURNMENT

The meeting was adjourned at 9:55 p.m.

APPROVED:

MAYOR

ATTEST:

CITY SECRETARY