

City Council
June 18, 2024

A Work Session of the Mayor and City Council of the City of Waxahachie, Texas was held at the Waxahachie Civic Center, Crape Myrtle Room, 2000 Civic Center Lane, on Tuesday, June 18, 2024 at 11:30 a.m.

Council Members: Billie Wallace, Mayor, Council Member Place 4
Chris Wright, Mayor Pro Tem, Council Member Place 3
Tres Atkins, Council Member Place 1
Patrick Souter, Council Member Place 2
Travis Smith, Council Member Place 5

Others Present: Michael Scott, City Manager
Albert Lawrence, Deputy City Manager
Amber Villarreal, City Secretary

1. Call to Order

Mayor Billie Wallace called the meeting to order.

2. Discuss City of Waxahachie Fiscal Year 2024-2025 Budget

Finance Director Chad Tustison presented the draft budget noting the certified tax roll and sales tax numbers are still pending. He explained the total preliminary working rate is calculated at .061 which is made up of general fund (maintenance and operations), debt service, and the library. He noted Waxahachie has the lowest tax rate in relation to comparable cities and the City of Waxahachie tax exemptions equate to over \$900,000 in property tax relief and an additional \$1.7 million foregone from the tax ceiling.

Mr. Tustison reviewed the following budget highlights for FY25:

- Working Budget & Priorities: Quality of Life, Personnel, Public Safety, Growth Management, & Infrastructure
- Working Budget & Financial Health
- Budget Development Process
- Working Budget: General Fund \$70.5 M, Water & Wastewater \$42.1 M, & Restricted Fund \$28.8 M
- General Fund by Function: General Government 9%, Support 8%, Culture & Recreation 12%, Public Works 15%, and Public Safety 56%
- City Property Tax Revenue
- Annual Appraisal Process
- Preliminary net taxable values
- New Improvements
- Exemptions & Rates – Comparison Cities
- Local Homestead Exemption & Financial Impact
- Tax Rate by Component: General Fund 59%, Debt Service 38%, & Library 3%
- Maintenance & Operations Property Tax Revenue
- Sales tax allocation and projections
- Revenue summary (Current property tax, sales tax, franchise fees, licenses & permits, charges for service, fines & forfeitures, miscellaneous, transfers in)

- Inflation and budget impact
- General fund requests (Replacement requests, Capital requests, Operating requests)
- Water budget (Additional debt service, budget requests, proposed budget); proposed 5% rate increase
- Wastewater budget (Additional debt service, budget requests, proposed budget); proposed 5% rate increase
- Waxahachie Community Development Corporation (WCDC) budget
- Sokoll water fund
- Airport fund
- Hotel tax fund
- Cemetery fund

General Fund Service Enhancements

- Culture & Recreation
- Public Safety
- Streets & Public Works
- General Government
- Support Services

Council Members discussed the proposed budget requests for FY25 and opportunities for grant funding.

Mayor Pro Tem Chris Wright requested a copy of the City Compensation Study in 2023. He expressed concern with the cost of the requested Animal Transport Van and Police Chief Joe Wiser explained staff has looked at the option of purchasing a trailer in lieu of the van for a reduction in cost and increase longevity.

Council Member Travis Smith echoed Mr. Wright's concern with the transport van and also expressed his lack of support for replacing weather sirens.

Mayor Wallace and Council Members expressed support to lower the age to 30 for early detection cancer screenings for firefighters.

After a lengthy discussion, it was the general consensus of City Council for staff to review the following, prior to the next budget meeting:

- Consider trailer instead of van for transport of animals
- WCDC funding for Park Signage and Lions Park Practice Fields
- Tax Increment Reinvestment Zone No. 1 (TIRZ) funding for downtown projects
- Potential benefits/cost of adding a Grant Writer to personnel
- Potential funding to Ellis County Children's Theater
- Increasing Homestead Exemption for tax relief for citizens

Mr. Tustison presented the budget timeline and next steps:

- August 1st: City Council budget update at noon.
- August 5th: Consider property tax rate and authorize bond issuance

- August-September: Public notices & hold public hearings
- September 9th: Budget and tax rate adoption

3. Adjourn

Mayor Wallace and City Manager Michael Scott thanked Chad Tustison, his team, and City staff for their work on preparing the budget.

There being no further business, the meeting adjourned at 3:33 p.m.

Respectfully submitted,

Amber Villarreal
City Secretary