

City Council
June 22, 2026

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 Monday, June 22, 2026 at 8:30 a.m.

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

Council Member Absent: Tres Atkins, Council Member Place 1

Others Present: Ricky Boyd, City Manager
Shon Brooks, Assistant 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 2026-2027 Budget

The City Council held a budget work session to review the preliminary fiscal year 2027 forecast, covering revenue projections, service enhancements, and capital needs across all funds.

Finance Director Chad Tustison reviewed the budget process and timeline. The budget development timeline runs from January to October, with the proposed budget to be presented in early August, followed by public hearings and adoption in September.

Mr. Tustison presented the budget development process of removing one-time expenses, adjusting for trends and known cost increases, updating personnel and benefits, and forecasting revenue based on trends and appraisal district data.

Property tax (37%) and sales tax (32%) are the largest general fund revenue sources. The forecast assumes a tax rate of 61¢ per \$100 valuation and a 4% sales tax growth. He explained that property tax revenue is determined by appraised value, exemptions, and tax rate, and noted that new improvements add about \$960,000 annually to the general fund.

The General Fund working forecast is \$79.4 million, with a structurally balanced budget achieved by using \$5.29 million in fund balance, while maintaining a healthy reserve of about \$33 million. The forecast includes \$2.8 million in new revenue, primarily from an expanded cost allocation plan for water/wastewater and other funds.

Service enhancements totaling \$4.16 million include 19 public safety positions, a vehicle replacement fund seed of \$2 million, and various equipment and facility upgrades across departments.

The Council recessed at 9:30 a.m. and reconvened at 9:50 a.m.

- Fire Staffing & SAFER Grant: The Fire Department is pursuing additional staffing through both City funding and a pending SAFER grant to support four-person staffing and future station operations.
- Fire Dispatch Separation: Council reviewed plans to separate fire dispatch from police dispatch to improve operational efficiency and emergency response capabilities.
- Wildland Urban Interface Fire Truck: Staff requested a Type-3 booster truck to address increasing wildfire risks, with potential reimbursement opportunities offsetting the cost over time.
- Storm Water Fee & Master Plan: Council directed staff to seek proposals for a storm water master plan and fee structure to fund future drainage and flood mitigation projects.
- Water/Wastewater Fund & Rate Study: A utility rate study is underway, with a projected 4% rate increase being evaluated to support system growth and infrastructure needs.
- Cemetery Fund Sustainability: Staff highlighted long-term financial concerns with the cemetery fund, which is projected to become unsustainable without future adjustments or support.
- Hotel/Motel Tax & Additional Revenue Sources: Staff will research tourism-related revenue opportunities, including potential taxes and funding mechanisms that do not increase the burden on residents.
- Library HVAC Replacement: Council directed the library to utilize its building fund for HVAC replacement and return for supplemental funding if necessary.
- Senior Center Van Request: Council expressed interest in securing alternative funding sources for a Senior Center van to support transportation and community programming.
- Health Insurance & Cost of Living Adjustment: The proposed budget includes a 3% cost-of-living adjustment alongside an 11.6% increase in employee health insurance costs.

{Mayor Pro Tem Travis Smith arrived at 10:17 a.m.}

The Council recessed at 10:57 a.m. and reconvened at 11:16 a.m.

The Council continued reviewing multiple capital projects and operational requests for the upcoming budget, including parks improvements, special event programming, utility staffing, and fleet services.

- Park Pavilion Roof Repair & ADA Improvements: Repair the pavilion roof with a cedar-look composite material expected to last 30–40 years and add ADA-compliant ramps.
- Special Events Funding Plan: Council requested a detailed plan for the \$40,000 special events budget outlining specific events, locations, and per-event costs before approving funding.
- Playground Shade Structures: Staff are evaluating shade options for multiple parks, with Council preferring permanent hard structures or gazebo-style designs where feasible.
- Railyard Park Electrical Upgrades: Parking lot project savings may fund replacement of flood-prone in-ground electrical outlets with bollard-mounted outlets for vendors and events.
- Railyard Park Restrooms: Staff will explore a permanent restroom solution, but Council supports funding a mobile restroom trailer this year if a permanent option is not feasible.

- Ferris Building AV System: Council requested a detailed breakdown of the estimated \$225,000 AV system cost before determining which features to include.
- City Arborist Position: Proposed arborist would manage city tree programs and assist Public Works operations, supported by a shared bucket truck for tree and traffic signal maintenance.
- Farmers Market Parking Lot Project: Council declined to fund the \$705,000 parking lot project, citing flood concerns, but may pursue ADA parking improvements near the dog park.
- Farmers Market Shade Structures and South Side Corridor Plan: Remove the Farmers Market shade structures and related improvements from TIRZ funding consideration, explore alternative funding sources, and evaluate incorporating the South Side Corridor Plan into the Parks Master Plan.
- Chautauqua Parking & Sidewalk Project Removed: The \$100,000 ADA parking and sidewalk project was removed from the budget due to potential future development and drainage concerns.
- Gray Crack Seal Machine Approved: Council supported a \$70,000 machine to seal concrete roads and extend pavement life.
- Animal Shelter Facility Evaluation: Staff will assess whether two existing buildings could support animal shelter services while complying with deed restrictions requiring educational uses.
- Utilities Engineer Position Deferred: Funding for a utilities professional engineer was postponed until expansion projects progress further and staffing needs can be reassessed.
- Fleet Services Coordinator Supported: Council expressed strong support for adding a fleet coordinator position to centralize vehicle management and build on existing cost-saving efforts.

Mr. Tustison emphasized that adding additional positions to the budget could create significant financial pressure in future budget cycles and urged the Council to carefully consider the long-term fiscal impacts of any staffing approvals.

The Council recessed at 12:46 p.m. and reconvened at 1:14 p.m.

Council and staff continued discussions regarding unfunded service enhancement requests for fiscal year 2027.

- WPI Board Revitalization & Downtown Plan: Council supported funding \$8,000 to revitalize the WPI board and develop a new five-year downtown strategic plan, including community engagement and board restructuring.
- Fire Training Pad Deferral: The proposed fire training pad was identified as a lower-priority item and will not be funded this year.
- Crime Analyst Position: The crime analyst position was recognized as valuable for data-driven policing but deferred due to budget constraints.
- Police Building Interior Painting: Council agreed to include interior painting in the budget as a three-year phased project, funding approximately one-third of the work each year.
- Regional Animal Shelter Partnership: Council directed staff to continue discussions with Ennis and Ellis County through a July 31 letter-of-intent deadline despite concerns about costs and partnership terms.

- TIRZ Boundary Reduction: Staff will develop a proposal to reduce the TIRZ to the downtown area, potentially returning approximately \$820,000 annually to the general fund.
- Firefighter Staffing & Budget Planning: Council supported funding six City-funded firefighters in the current budget while continuing to pursue a SAFER grant as a separate option for additional staffing.

City Manager Ricky Boyd expressed confidence in the current budget but acknowledged that next year may require a leaner approach. He noted that service enhancements were lower this year than last, and directors will be asked to give only essential needs if necessary.

3. Adjourn

There being no further business, the meeting adjourned at 2:15 p.m.

Respectfully submitted,

Amber Villarreal,
City Secretary