



**MINUTES
OF THE
MEETING OF THE
BENBROOK CITY COUNCIL
THURSDAY, SEPTEMBER 6, 2007**

The regular meeting of the Benbrook City Council was held on Thursday, September 6, 2007 at 7:30 p. m. in the Council Chambers at 911 Winscott Road with the following Council members present:

Jerry Dittrich
Keith Bailey
Ron Sauma
Rickie Allison
Dan Tully
Larry Stowe

Also Present:

Andy Wayman, City Manager
Joanna King, City Secretary
Dave Gattis, Deputy City Manager
David Ragsdale, Comptroller
Walter Shumac, Public Service Director
Cathy Morris, Administrative Analyst
Sherri Newhouse, Budget Director

Others Present:

Dorcas Neuman, Benbrook News
Robert Rowley
Valarie Stowe
Honorable Chuck Silcox, Fort Worth City Council
Bill Smith
Scott Roberson
Rachel Wiggins
Michael Maloney
Diane Palmer
Ron Rainey
Charlie Anderson
Peter Kau
Tessie Kau
Lonnie Huett
Elaine Lacker
Jennifer Cox
Jack Strasser
Chris Aires
Jay Morrill
Approximately 25 other citizens

I. CALL TO ORDER

Meeting called to order at 7:30 p. m. by Mayor Dittrich.

**II. INVOCATION
PLEDGE OF ALLEGIANCE**

Invocation given by Mayor Pro Tem Rickie Allison.
The Pledge of Allegiance was recited.

III. CITIZEN PRESENTATION

1. Presentation by Joint Land Use Study (JLUS)

Rachel Wiggins with North Central Texas Council of Governments made presentation on the Joint Land Use Study Draft Recommendations.

2. Scott Roberson – Market Center Bingo – Request permanent exemption to Smoking Ordinance

Mr. Scott Roberson owner of Market Center Bingo requested a permanent exemption to the smoking ordinance. Mr. Roberson stated that with the new smoking ordinance adopted by the City of Fort Worth which allows smoking in bingo halls, he will lose patrons to other facilities. He advised that his facility currently provides a non-smoking area. He stated the loss of the smoking players the facility will be unable to maintain sufficient prize payouts in order to remain in business.

No action taken on this item.

IV. PRESENTATION BY BENBROOK ECONOMIC DEVELOPMENT CORPORATION

EDC-2007-03 Ratify Benbrook Economic Development Corporation Budget for FY2007-2008

Mr. Ron Rainey gave the following presentation:

Projected Revenues/Fund Balance	
Project Fund Balance	800,000
Half Cent Sales Tax	850,000
Interest Income	36,000
Sign Rental Fees	1,350
Land Sales	5,691,377
Industrial Park Lease Payments	195,356
Accounts Receivable (Benbrook Field)	<u>2,200,000</u>
Total Projected Revenues	8,974,083

Projected Expenses	
Personnel Expenses	223,433
Supplies & Materials	3,950
Contractual Expenses	292,731
Repairs & Maintenance	4,418
Capital Outlay	6,104,500
Professional Services/Debt Service	<u>2,215,000</u>
Total Projected Expenses	8, 84,032

Following discussion regarding the incentive pay, motion by Mr. Allison, seconded by Mr. Sauma to send the budget back to the Benbrook Economic Development Corporation Board of Directors for reconsideration.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mr. Stowe, Mr. Sauma

Noes: Mayor Dittrich, Mr. Tully

Motion carries 4-2

V. PRESENTATION BY PLANNING AND ZONING COMMISSION

VI. REPORTS OF CITY MANAGER

A. GENERAL

G-1720 Adopt Ordinance establishing a Stormwater Utility System (Ordinance No. 1240) Public Hearing

Diane Palmer with Palmer Price, Inc. gave the following presentation: The Stormwater Utility is an Enterprise Fund used for storm water activities. The fund provides ongoing operation and maintenance in solving flooding and water quality problems. The fund operates much like the water, sewer and refuse utilities.

Local Government Code, Chapter 402, Subchapter C authorizes the Stormwater Utility. Once the utility is established it must remain in place for five years; revenues can only be spent on stormwater activities; the fee must be based on a stormwater related parameter; and, the fee structure is to be fair and reasonable among customer classes.

An advantage in a Stormwater Utility is the funding of cost of service (operations and maintenance, flood control, water quality and erosion control). The funds can be used to pay existing stormwater expenses and future stormwater expenses.

Community notification of the proposed stormwater utility and fee has been placed in the June Benbrook Community Newsletter as well as published ordinances in three editions of the Benbrook News. If the ordinance establishing the Stormwater Utility

is passed, the first utility billing will be after October 1, 2007. A questions and answer brochure will be included with the first utility billing.

The types of stormwater activities include

- Improve drainage in flood prone areas
- Improve the existing storm drain system
- Construct new drainage systems
- Fund mandated TPDES programs
- Participate in FEMA's Community Rating System

The total cost to fund all existing and new stormwater activities computes to a \$35.29 monthly residential stormwater fee. The proposed ordinance is for a \$6.50 flat monthly fee for residential equal to \$0.00204/sf. Non-residential fees are also based on the \$0.00204/sf of impervious area.

The proposed ordinance allows for certain exemptions. Those specific exemptions are:

- State of Texas (exempt by law)
- Institutes of Higher Learning (exempt by law)
- City of Benbrook (exempt by practice)
- Benbrook Water Authority
- Tarrant County
- Corps of Engineers

Mayor Dittrich opened the public hearing at 8:54 p.m. with the following speakers:

Ron Rainey, Executive Director for Benbrook Economic Development Corporation questioned the rate to Walmart. Mr. Gattis advised the rate would be \$0.2 per square foot per month.

Peter Kau, 8304 Asta Court stated the Team Ranch Development was required to put in a retention pond in order to facilitate storm water. Homeowners of LaBandera are required to maintain the pond and will now be required to pay the monthly fee for the Stormwater Utility System. Mr. Kau requested the City take over the maintenance of the retention pond.

Elaine Lacker, 1324 Brazos questioned the need for the utility system and the fee calculation.

Jennifer Cox, 1164 Blue Rider Ct. stated she was unofficially representing the Trinity Gardens HOA. Ms. Cox also requested the City to take over the maintain the retention pond from the Homeowners Association.

Lonnie Huett, 10170 Trail Ridge Drive stated the City mandates the size of the parking lot at his church and his lot would be smaller if not mandated. He stated to mandate the size of a impervious area and then charge a non-profit organization for having such area is basically in error. He questioned if there is a projected amount

of revenue to be generated from the fees. Mr. Huett questioned if the proceeds will pay current bond fees. Asked if schools were exempt from the fee and questioned where the resources would come from for the schools to pay the fee. He stated taxes already paid are a large part of the monthly budget and this looks like an incentive for the City to do a job that they are already paid to do.

Tessie Kau, 8304 Asta Court encouraged the City to allow the Stormwater Utility to take over the maintenance of the retention pond in LaBandera as well as making improvements to help facilitate the drainage problems they are experiencing.

Jack Strasser, 1021 Shady River Court asked that schools in Benbrook be exempted. He stated that Section 7 stated that Stormwater Utility fees are to be deposited and used exclusively for stormwater services. And that the Section also states revenues collected shall be segregated and completed identifiable from other city accounts. He raised the concern that the next paragraph allows funds and revenues be transferred to the City's general fund as allowed by law. He stated it does not seem right and should not be allowed.

Chris Aires, 1121 Shady River Court stated he owns a house and lot of property around exempted property. He stated it was unclear how the utility would handle people that are taking care of their own drainage and drainage from other people and were not contributing to stormwater runoff.

Jay Morrill, 7204 Royal Oak question what is the penalty or recourse for non-payment if passed.

Mayor Dittrich closed the public hearing at 9:12 p.m.

David Gattis spoke to some of the questions and concerns posed from the public hearing:

1. The City is proposing a Stormwater Utility fee as payment for a service rendered for drainage such as fees for water, sewer or refuse. The current system means that citizens are paying for that service in accordance with the value of their property and has no relationship to how much storm water is being contributed to the system. The City believes that establishing a fee is a better system because it more accurately reflects the amount of storm water the City has to deal with as it leaves the property.
2. Individual determination of impervious area only applies to commercial, industrial, apartment complexes or any thing larger than a quadplex. The flat fee on a single family, duplex, and quadplex is based is calculated on an average of impervious area for individual houses.
3. The fee being proposed is based on the amount of funds staff feels necessary to pay for the existing debt (including the Plantation East Creek Project) plus a portion of the fee for very small projects. Operation and maintenance related to storm water is not included in the fee. Those expenses will remain in the General Fund.

4. The Fort Worth ISD is not exempt from the Stormwater Utility. Fort Worth ISD will pay the fee through school taxes. The City feels it is fair that the schools pay for the storm water generated as they would for water, sewer and refuse. The City of Fort Worth does not exempt school located in their City.
5. The City is not proposing any transfers to the general fund. Those transfers are allowed by state law to pay for the cost of service by the City to the utility.
6. Regarding non-payment of the fee, liens can be placed on the property or citations can be issued.

Following discussion, motion by Mr. Allison, seconded by Mr. Bailey to adopt Ordinance No. 1240 establishing a Stormwater Utility.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Sauma

Noes: Mr. Stowe

Motion carries 5-1

Ordinance No. 1240 being “**AN ORDINANCE OF THE CITY OF BENBROOK, TEXAS. ESTABLISHING A MUNICIPAL STORMWATER (DRAINAGE) UTILITY SYSTEM; SETTING FORTH DEFINITIONS; ESTABLISHING STORMWATER CHARGES AND MONTHLY STORMWATER UTILITY SYSTEM FEES; ESTABLISHING THE BILLING AND PAYMENT OF STORMWATER (DRAINAGE) FEES; PROVIDING PENALTIES AND REMEDIES FOR FAILURE TO PAY FEES; PROVIDING EXEMPTIONS FROM AND ADJUSTMENT OF FEES; ESTABLISHING PROGRAM RESPONSIBILITIES AND A STORMWATER UTILITY SYSTEM FUND; PROVIDING PROCEDURES FOR APPEALS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**”

Mayor Dittrich recessed the meeting at 9:34 p.m.

Mayor Dittrich called the meeting back to order at 9:41 p.m.

G-1721 Adopt Ordinance assessing a monthly utility fee to fund the Stormwater Utility System (Ordinance No. 1241) Public Hearing

Mayor Dittrich opened the public hearing on the assessment of a monthly utility fee at 9:42 p.m. No one spoke to the item.

Mayor Dittrich closed the public hearing at 9:42 p.m.

Motion by Mr. Bailey, seconded by Mr. Sauma to adopt Ordinance No. 1241 assessing a monthly fee to fund the Stormwater Utility System at a cost of \$6.50 per month.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Sauma

Noes: Mr. Stowe

Motion carries 5-1

Ordinance No. 1241 being **“AN ORDINANCE OF THE CITY OF BENBROOK, ESTABLISHING MONTHLY STORMWATER UTILITY FEES FOR THE PURPOSE OF FUNDING THE STORMWATER UTILITY AS AUTHORIZED BY LAW; AND PROVIDING AN EFFECTIVE DATE.”**

G-1722 Interlocal Agreement with Benbrook Water Authority for Refuse and Storm Water Fee Billing and Payment Collection Services

Dave Gattis gave the following report: Through an Interlocal Agreement (ILA), the City of Benbrook engages the Benbrook Water Authority to bill and collect residential refuse accounts. Because the BWA already bills these customers for water and sewer service, an economies of scale is created that benefits the City, the Authority and ultimately the citizens of Benbrook.

The proposed ILA, in addition to the refuse billing and payment collection, includes BWA collection of stormwater fees. The proposed ILA establishes a reimbursement to the BWA of 46.95 cents per bill, a 1.3% cost-of-living increase over last year. The same cost-of-living increase is utilized in calculating the rate the BWA reimburses the City via the ILA agreement for street repairs.

The term of the proposed ILA is one year, beginning October 1, 2007 and ending September 30, 2008.

Motion by Mr. Allison, seconded by Mr. Sauma to adopt the Interlocal Agreement with Benbrook Water Authority for refuse and stormwater fee billing and payment collection services.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Stowe, Mr. Sauma

Noes: None

Motion carries unanimously.

G-1723 Interlocal Agreement with Benbrook Water Authority for Street Repair Services

Walter Shumac gave the following report: When the Benbrook Water Authority experiences a water or sewer line failure under a street, the BWA excavates the street and makes line repairs. After line repairs are completed, the BWA is responsible for restoring the damaged street. These street repairs are commonly referred to as “street cuts”. Starting in FY 2000/2001, the City of Benbrook has repaired street cuts for the BWA through an Interlocal Agreement (ILA).

Prior to this collaboration, the BWA contracted with a private firm for this service. Unfortunately, the contractor did not make repairs until a number of street cuts had accumulated. As a result, street cuts were often not completed in a timely manner, occasionally remaining open for several months. Consequently, the City and BWA received numerous complaints from citizens regarding these pending repairs. In addition, the uncompleted street cuts compromised the adjacent street area and allowed water to infiltrate the street sub-base. The ongoing ILA, which expires September 30, has resolved these negative issues.

The proposed ILA again engages the City of Benbrook to complete street cuts for the BWA. The term of the proposed ILA is one year. The proposed agreement is identical to last year’s agreement except that the repair price is increased by 1.3% to \$8.28/square foot. The 1.3% adjustment reflects the CPI increase. Similarly, this same 1.3% CPI rate adjustment is utilized for the annual ILA for garbage billing/collection services provided by the BWA.

BWA street cuts constitute approximately 15% of the total street cuts accomplished by the City in a given year. Because of the efficiencies of scale associated with the street cut process, the repairs are easily absorbed without significantly impacting operations.

Motion by Mr. Stowe, seconded by Mr. Tully to approve the Interlocal Agreement for the City of Benbrook to complete street cuts for the Benbrook Water Authority.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Stowe, Mr. Sauma

Noes: None

Motion carries unanimously.

G-1724 Interlocal Agreement with City of Fort Worth for Household Hazardous Waster Program

Cathy Morris gave the following report: The current fiscal year marks the 8th consecutive year of participation in the Fort Worth Environmental Collection Center Household Hazardous Waste collection program. Through the program, the City hosts twice-yearly household hazardous waste collection events. The events utilize the Collection Center’s mobile waste collection unit, the “Crud Cruiser”. Benbrook

and Fort Worth employees staff the events, where citizens bring unused toxic household chemicals for proper disposal. Accepted items include paint, pool chemicals, fertilizers, pharmaceuticals, batteries, motor oil and filters, cleaning solvents, and other household chemicals. In addition to the collection day events, citizens also deliver items directly to the Fort Worth Environmental Collection Center year-round via a voucher system coordinated through City staff.

The City has annually entered into an Interlocal agreement with the City of Fort Worth to participate in this program. The current agreement expires on September 30, 2007. To continue participation in this program, the City must approve and return the annual Interlocal agreement to the City of Fort Worth by September 18, 2007. The proposed agreement is unchanged from last year, except the rate is \$47 per household, representing a one dollar (\$1) per household increase from the current agreement. The new contract term is from October 1, 2007 through September 30, 2008.

Motion by Mr. Bailey, seconded by Mr. Stowe to enter into the Interlocal Agreement with the City of Fort Worth for the Household Hazardous Waste Program.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Stowe, Mr. Sauma

Noes: None

Motion carries unanimously.

**G-1725 Ordinance taxing tangible personal property in transit
(Ordinance No. 1245) Public Hearing**

David Ragsdale gave the following report: The State Legislature passed HB 621 (Super Freeport) at the end of the last session. The bill implemented legislation based on a constitutional amendment passed several years ago. The bill is very similar to the existing Freeport Exemption, but has a potentially larger impact. The new law passed without much scrutiny because it affected only one county in Texas. However, an amendment was added that made the exemption applicable statewide.

The bill exempts goods, principally inventory, that is stored in a location that is not owned by the owner of the goods and is transferred from that location to another within 175 days. The goods may be in the location for the purpose of assembling, storing, manufacturing, processing, or fabricating by the person who acquired or imported the property. Certain specific types of goods are excluded from exemption, such as oil, natural gas, petroleum products, aircraft, dealer's motor vehicle inventory, dealer's vessel and outboard motor inventory, dealer's heavy equipment inventory or retail manufactured housing inventory. Petroleum products are defined to be only the immediate derivatives of oil or natural gas, so some goods that might be considered petroleum products may actually be exempted from taxation by the new law.

At present, the new law will have a limited impact because most goods are kept in facilities that are owned by the owners of the goods themselves. However, in order to take advantage of this new law, many property owners may seek to transfer ownership of either the goods or the facilities in which the goods are stored, manufactured, processed to legal entities with different ownership. There “paper transfers” of ownership could make the property exempt.

Based on the current TAD value for Freeport Property within the City and the projected tax rate, the City could lose between \$200,000 and \$350,000 per year.

The governing body of each taxing unit may act to tax these goods by passing an Ordinance to “Opt Out” of this new exemption.

Mayor Dittrich opened the public hearing at 9:58 p.m.

No one in the audience spoke to the item.

Mayor Dittrich closed the public hearing at 9:59 p.m.

Motion by Mr. Stowe, seconded by Mr. Sauma to adopt Ordinance No. 1245 to “Opt Out” of the new Super Freeport Exemption.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Stowe, Mr. Sauma

Noes: None

Motion carries unanimously.

Ordinance No. 1245 being “**AN ORDINANCE OF THE CITY OF BENBROOK, TEXAS TO TAX TANGIBLE PERSONAL PROPERTY IN TRANSIT WHICH WOULD OTHERWISE BE EXEMPT PURSUANT TO TEXAS TAX CODE, SECTION 11.253.**”

G-1726 Resolution denying Atmos Gas GRIP rate increase

David Ragsdale gave the following report: On May 31, 2007, Atmos Energy Mid Tex filed its latest request for an interim rate adjustment based on calendar year 2006 under the Gas Reliability Infrastructure Program (GRIP) with the Texas Railroad Commission, the City of Benbrook, and other cities served by Atmos. The proposed increase to current customer, or meter charges is \$0.59 for residential customers, \$1.47 for commercial customers and \$28.90 for industrial customers. City Council suspended that increase at the July 19, 2007 meeting to allow time for a study of the proposal.

RJ Covington Consulting (RJC) has reviewed the GRIP filing and has confirmed that Atmos has removed some costs that were disallowed by the Texas Railroad Commission (RRC) in their most recent rate proceeding. However, RJC has identified several other items which should have been removed but were not.

These expenses include office furniture, communications equipment, security services, computer equipment, and the transfer of assets from one division to another for a total of \$3,400,000.

The proposed resolution:

1. Denies the Atmos Energy Mid-Tex GRIP rate increase effective immediately.
2. States the City's support of legislation to reform GRIP statutes; and
3. Asks the City's legislative delegation support the efforts to reform GRIP in the next session.

Motion by Mr. Stowe, seconded by Mr. Bailey to adopt Resolution 2007-12 denying the GRIP rate increase as proposed by Atmos Energy Mid-Tex.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Stowe, Mr. Sauma

Noes: None

Motion carries unanimously.

Resolution 2007-12 being **'A RESOLUTION OF THE CITY OF BENBROOK, TEXAS, DENYING THE REQUEST OF ATMOS ENERGY CORP., MID-TEX DIVISION, FOR AN ANNUAL GAS RELIABILITY INFRASTRUCTURE PROGRAM (grip) RATE INCREASE IN THE MUNICIPALITY, AS PART OF THE COMPANY'S STATEWIDE GAS UTILITY DISTRIBUTION SYSTEM; SUPPORTING STATUTORY REFORM OF THE TEXAS GRIP STATUTE, FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC; AND PROVIDING FOR NOTICE OF THIS RESOLUTION TO ATMOS ENERGY CORP., MID-TEX DIVISION AND THE CITY'S LEGISLATIVE DELEGATION.'**

G-1727 Consider purchase of Renewable Energy Credits

David Ragsdale gave the following report: Several CAPP members have expressed an interest in purchasing all or part of their electrical load from renewable sources. Since the flow of electricity across the power grid can not be controlled, it is impossible for a specific user to draw power from a specific producer. So, despite our best effort to be environmentally friendly, we may be drawing electricity from the dirtiest company in the industry.

In order to encourage the development of renewable energy sources, the PUC established the Renewable Energy Credit (RED) program. A power producer received on REC from each megawatt-hour of renewable electricity it produces. The power producer can then sell the REC, thus rewarding the company for producing renewable energy. Unfortunately, the State has no requirement that this money be reinvested in the production or enhancement of renewable energy.

The CAPP consultant (RJ Covington) and attorney (Lloyd Gosselink) recently completed a study of the REC system. The study indicates the current price of a REC is about \$5. The study also indicates the REC cost to the City of Benbrook would be \$150 for each percent of load (5% investment in renewable energy would cost the City \$750).

The “good will” generated from buying renewable energy would be the best incentive for purchasing some amount of REC’s. In the best case scenario, the producer would use the money to produce more renewable energy.

There is no guarantee that the money spent on REC’s will go toward the future funding or enhancement of renewable resources. Second, the State already requires that each Retail Electric Provider maintain REC’s based on their pro rata share of the electric market. Since the City purchases power from a REP, we are in fact supporting renewable energy through those purchases.

Staff recommends that City Council not invest in Renewable Energy Credits.

Motion by Mr. Allison, seconded by Mr. Sauma to not invest in Renewable Energy Credits.

Vote on the Motion:

Ayes: Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Stowe, Mr. Sauma

Noes: None

Motion carries unanimously.

VII. OTHER MATTERS OF BUSINESS

1. Public Hearing on 2007 Property Tax Rate

Sherri Newhouse gave the following report:

Proposed 2007 Ad Valorem Tax Rates (per \$100 valuation)

General Fund	\$0.59907
Debt Service Fund	\$0.09843
Operating Fund	\$0.69750

Proposed Ad Valorem Tax Rates (per \$100 valuation) Comparison of 2006 to 2007

	2006	2007	Decrease
General Fund	\$0.615345	\$0.59907	\$0.016276
Debt Service	\$0.107154	\$0.09843	\$0.008724
Operating Funds	\$0.722500	\$0.69750	\$0.025000

Proposed Current Property Tax Revenue Comparison to 2006-07 to 2007-08

	2006-07	2007-08	Variance
General Fund	\$7,150,000	\$7,579,359	\$ 429,359
Debt Service	\$1,247,250	\$1,245,368	\$ (1,882)
Operating Fund	\$8,397,250	\$8,824,757	\$ 427,477

The 2007-08 proposed budget will raise more total property taxes than last year's budget by \$427,477 and 5.09%, and of that amount \$173,083 is tax revenue to be raised from new property added to the roll this year.

The 2007-08 proposed budget is predicated upon a \$0.025 reduction in the property tax. The proposed 2007 property tax rate is \$0.6975 per \$100 valuation. This is the third consecutive year that Benbrook has reduced property taxes. The property 2007 property tax rate is the City of Benbrook's lowest tax rate since 1991.

Mayor Dittrich opened the public hearing at 10:12 p.m.

No one from the audience spoke to the item.

Mayor Dittrich closed the public hearing at 10:12 p.m.

2. Public Hearing on Proposed Budget for Fiscal Year 2007-2008

Sherri Newhouse gave the following report: The 2007-08 Proposed Budget Summary Document is comprised of eight sections: (1) Summary, (2) Fund Balance Status, (3) Revenues, (4) Expenditures, (5) Activity Summaries, (6) Decision Packages, (7) Debt Service, and (8) Supplementary Information.

The 2007-08 City of Benbrook Budget is based on total General Fund and Debt Service Fund revenues of \$13,921,627 and total General Fund and Debt Service Fund expenditures of \$13,697,565. The proposed budget also includes the transfer of \$250,000 from the General Fund to the Core Values Fund. The use of General Fund reserves in the amount of \$125,000 are scheduled to finance a traffic signal. These two items result in a variance of \$150,938 between operating fund revenues and expenditures.

The property tax rate reflected in the 2007-08 proposed budget decreased by two and one-half cents from the 2006-07 rate of \$0.7225 per \$100 valuation; the rate proposed by the City Manager and approved by the City Council for 2007-08 is \$0.6975 per \$100 valuation. Each one cent reduction in the property tax rate is equal to approximately \$126,519.

The 2007-08 proposed budget includes the addition of four new Police Officer positions in the Police Department. One additional Patrol Officer will be assigned to Western Hills High School; currently one Patrol Officer is assigned to WHHS. The budget reflects an increase in revenue from Fort Worth ISD for reimbursement for a portion of salary costs for the new position. The other three Patrol Officer positions

will allow the Police Department to expand patrol activities by adding another Patrol District.

The proposed budget includes a 3.00 percent cost-of-living adjustment (COLA) in salary for all full-time employees; this salary increase is estimated to cost \$228,515 for salaries and associated fringe benefits for full-time employees. Funds are also included for scheduled merit increases for eligible employees. The proposed budget includes funds to finance an up to 15.00 percent increase in employee health, dental, and life insurance; this increase is applied to the amount budgeted for 2006.07.

The proposed budget does not include the reclassification of any position nor does it reflect any special salary adjustments. Departments did request consideration for salary increases for the Senior Citizen Director and for the part-time employee in Fleet Maintenance; reclassifications were requested for the Police Department's Administrative Manager and for the Inspectors in Community Development. These requests are deferred for at least one year until a formal salary study may be completed that reviews and analyzes compensation and classification for all positions.

Funds are included in the proposed budget to replace and/or provide the following equipment and vehicles: document imaging software for the Fire Department (administered by the City Secretary); four (4) replacement Police vehicles and one (1) additional Patrol vehicle (this additional vehicle will be funded from the Police Narcotics Fund); two (2) cages for Patrol vehicles; replacement vehicle for Assistant Fire Chief; LifePak 12 cardiac monitor for Fire Department; light poles for Ball Field #2; all-in-one utility rake for Parks Department; generator for West Park elevated tank; and replacement of computers for Deputy City Secretary, Chief Finance Officer, Customer Service Clerk and cash register in Finance Department, Information Technology Coordinator, Communications/Records personnel in Police Department, Patrol Officers, Code Compliance Officer, Public Works Superintendent, and Building Inspector.

The budget includes funds to continue the Wireless Project into the 2007-08 fiscal year. Funds are also included to implement intoxilyzer testing in the Police Department. Funds are allocated to the Fire Department to begin replacement plan for SCBA, to initiate a compressed air form system, and to install a LifePak 12 cardiac monitor in an additional ambulance. The Public Works Department will begin phase one of upgrading street signs and phase one of converting signal lights to LED; these programs will be completed over a five-year period in order to comply with federal mandates. Funds in the amount of \$125,000 for a traffic signal at the intersection of Winscott Road and Old Benbrook Road, will be transferred from the General Fund to the Capital Improvements Fund so that this project may be completed in 2007-08. The Parks Department's 2007-08 allocation includes funds to replace the light poles at Ball Field #2, to overlay the parking lot at the Athletic Complex, and to construct a Benbrook Boulevard Entrance Monument. Funds in the amount of \$250,000 are also scheduled for transfer to the Core Values Fund to finance the Benbrook Boulevard project.

The Police Narcotics Fund, a special revenue account, will provide resources to procure an additional patrol vehicle as well as the necessary specialized equipment, to purchase twelve hand guns, to obtain a digital camera for crime scene investigations, to replace computers for dispatch services, to finance software updates and maintenance fees for the Police Department.

Mayor Dittrich opened the public hearing at 10:21 p.m.

No one in the audience spoke to the item.

Mayor Dittrich closed the public hearing at 10:21 p.m.

VIII. INFORMAL CITIZEN COMMENTS

IX. ADJOURNMENT

Meeting adjourned at 10:23 P.M.

APPROVED:

Jerry B. Dittrich, Mayor

ATTEST:

Joanna King, City Secretary