

Mayors minute Jan 2020

We started off January's meeting hearing from Bill Sanders, the CPA firm that audits the city financials. He explained the various accounts and funds the city has. We have two funds, the general fund which includes income from property tax, sales tax and various other income sources. The general fund is used to pay salaries, streets, police, fire and numerous other expenses. That fund is in good shape with \$834,511 in reserves.

The water fund is the business side of the city. Water sales and a small part of the property tax along with water taps, sewer taps and a few smaller sources like penalties and interest. The water fund pays for water purchased from the city of Waco, expenses running the two water wells, upkeep of the storage tanks and all the pipes and motors that provide the citizens with water along with the wastewater treatment plant and pipes that carry the city's waste. You would not believe the cost to provide this service but the fund is in good shape as well and we had a small profit from this fund. It carries a fund reserve of \$777,176 not counting savings from the settlement fund. I'm going to have a special mayor's minute or a public meeting to explain what's in store in the future.

The city audit will be posted on the web site for public review.

Walker Partner's reviewed the many projects both completed and in progress. The council got a good idea of the extent of work that is scheduled for the months and years ahead.

The council approved the bid from Barnett Construction for the Marable street project. 1.3 million is the cost of this project, roughly \$500 thousand coming from FEMA which completes our projects with that agency. The rest will come out of the settlement money. The council also approved adding a couple of street overlays to this contract. Barnett agreed since they would already have their equipment on the Marable block of North Harrison, Highland and a section of South Harrison. This will cost \$350,000 and again comes from the settlement fund. It makes sense to do this due to cost savings since they will already be here, if we would do these alone the cost would be much greater.

Council approved the bid from Flores Construction to remodel the court section of city hall including the administration and water office and a public ADA bathroom. Funds will come from court fees that have been saved for many years so most of the cost will be paid with that fund. The architects found that city hall was structurally flawed, and brick will be attached to steel girders, at this time the brick is just standing with no support. This was a surprise we did not expect but agreed to address. The bid accepted was for \$450,000 with the remodel part \$300,000 and fixing the buildings structure \$150,000. We will most likely use settlement funds since this surprise was not put in this year's budget. We were right on estimate for remodel and council included that figure in 2020 budget.

RFP's were approved to move forward to work on architectural plans of the police station. We budgeted \$150,000 this year and hope to at least pour the slab and stub out plumbing. Next year as money is available we will build the metal building for the police department. There is no way for the current police location in city hall to be brought up to Texas Commission on Law Enforcement requirements.

It was an expensive meeting but even with these construction projects the city will stay financially healthy.