

**PLANO CITY COUNCIL**  
**PRELIMINARY/REGULAR OPEN MEETING**  
**July 27, 2011**

**COUNCIL MEMBERS**

Phil Dyer, Mayor  
Pat Miner, Mayor Pro Tem  
Lissa Smith, Deputy Mayor Pro Tem  
Ben Harris  
André Davidson  
James Duggan  
Patrick Gallagher  
Lee Dunlap

**STAFF**

Bruce Glasscock, City Manager  
Frank Turner, Deputy City Manager  
LaShon Ross, Deputy City Manager  
Diane C. Wetherbee, City Attorney  
Diane Zucco, City Secretary

Mayor Dyer convened the Council into the Preliminary/Regular Open Session on Wednesday, July 27, 2011, at 5:01 p.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council Members were present with the exception of Mayor Pro Tem Miner.

**Presentation of the 2011-2012 Recommended Budget and Proposed Community Investment Program (CIP) to the City Council**

City Manager Glasscock stated that the total recommended budget of \$408 million represents an increase of 2.7% over the FY 2010-11 re-estimated budget; revised information regarding property values indicating an increase in \$777,572 and new property growth of \$182 million; and advised that the Tax Increment Financing Reinvestment Zone No. 1 will be closed adding \$1 million of revenue to the General Fund. He spoke to the average home value being down slightly to \$245,074 and the recommendation of no change to the current tax rate of 48.86 cents per \$100 of assessed property value with an increase in the operating rate from 31.35 to 31.49 cents and a lowering of the debt rate from 17.51 to 17.37 cents. Mr. Glasscock spoke to sales tax projections of \$61.3 million with overages (above \$57 million projected) utilized for one-time expenditures or reserves. He spoke to the General Fund Expenditures of \$216.9 million including a 2% across-the-board increase for all employees and a net reduction of 13 full-time and 5 part-time employees. Mr. Glasscock stated that department reductions include \$3.6 million in one-time reductions from the 2010-11 budget, \$1 million on-going from 2010-11 and \$2.3 million on-going from the 2011-12 budget advising that over the last four years reductions have totaled \$39.5 million and a loss of 142 full-time and 22 part-time employees.

Mr. Glasscock spoke to the recommendation of funding Capital Reserves at \$10.5 million, Economic Development Incentives at \$4.9 million and moving the Economic Development offices into City operations. He advised that no rate increase is projected for water/sewer rates although the North Texas Municipal Water District will pass along a rate increase and he spoke to re-establishment of the Water & Sewer Reserve Fund to \$3 million. He spoke to balancing responsiveness with staffing and discussion on August 13 regarding Fire Department staffing, potential non-resident library fees, and organizational memberships. Mr. Glasscock thanked Staff for their efforts.

Director of Budget Rhodes-Whitley spoke to the Combined Budget as the entirety of resources and expenses across the City and the planned budget for 2011-12 as \$408 million with Public Safety at 26.3%, Water and Sewer at 25.8% and General Government at 15.9%. She spoke to the three-year forecast given in March anticipating a \$9.3 million deficit for FY 2011-12 and proactive measures taken by Staff to solve the deficit. Ms. Rhodes-Whitley reviewed the savings submitted by Staff including: personnel reductions, reduced retiree payouts and Medicare contingency funds and departmental savings. She spoke to the General Fund Revenues projected at \$203 million and advised regarding property tax as compared to other municipalities. Ms. Rhodes-Whitley spoke to Plano's tax rate as compared to other municipalities, lost revenues from exemptions and discussion on August 13 regarding projections for sales tax revenues. She reviewed revenue changes, plans to absorb water district increases and plans to complete meter changes one year ahead of schedule. She advised regarding capital projects budgeted at \$83.5 million including renovation of the technology services building and fire stations, street projects and land acquisition. She reviewed key dates on the calendar including presentation of the proposed CIP and public hearing scheduled for August 8, budget worksession on August 13 and adoption of the budget, CIP and tax rate on September 12.

Ms. Rhodes-Whitley responded to the Council, advising that higher property values enabled Staff to reduce allocations to the debt fund. Mayor Dyer thanked Council Members and Staff for their efforts, spoke to cost-effective measures. Nothing further was discussed. Mayor Dyer adjourned the meeting at 5:36 p.m.

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**Phil Dyer, MAYOR**

ATTEST:

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Diane Zucco, City Secretary