

**TOWN COUNCIL
SPECIAL
MEETING MINUTES
August 14, 2012**

The Town Council met in special session on Tuesday, August 14, 2012 at 6:30 P.M. at 372 Town Place, Fairview, Texas. Those present were Council Members Sim Israeloff, Carolyn Sommers Erickson, Jim Cunningham, Ron Kasian, Henry Lessner, Darion Culbertson and Mary Price. Interim Town Manager, Julie Couch; Assistant to the Town Manager, Adam Wilbourn; Community Development Manager, Ray Dunlap; Town Engineer, James Chancellor; Planning Director, Senior Planner, Ken Schmidt, Accounting Manager, Brenda Bowman; Fire Chief, Dick Price; Fire Marshal, Jeff Bell; Chief of Police, Granver Tolliver; Town Secretary, Michelle Lewis Sirianni and Town Attorney, David Overcash.

Mayor Israeloff called the meeting to order at 6:30 p.m. and declared a quorum was present. The council then recessed into executive session.

At 7:11 p.m. the council reconvened back into regular session.

Councilwoman Sommers Erickson made a motion to approve retaining Thomas Mason for administrative proceedings and authorizing the interim town manager to execute any related documents. Councilman Cunningham seconded that motion and the motion was unanimously approved.

Councilwoman Sommers Erickson left for the remainder of the meeting.

BUDGET 2012-13: Hold work session to discuss the amended 2012 fiscal year budget and proposed 2013 fiscal year budget and take any necessary action.

Ms. Couch outlined the possible changes to the proposed budget in order to eliminate the requirement to utilize any fund balance in the proposed 2013 fiscal year budget. If council elected to reduce expenditures, then removing all of the operational enhancements would eliminate the need to utilize any reserves. Ms. Couch stated another option would be to utilize tax notes or contractual obligations to finance items that can be classified as capital purchases with a life over four years.

Mayor Israeloff stated that he is reluctant to adopt a non-balanced budget. Councilman Cunningham addressed the monies in reserves and the transfer of these funds as a onetime expense. Councilman Culbertson suggested taking the onetime expense out of the current budget versus carrying it forward, which would result in no fund balance expenditures in the 2013 fiscal year budget. Mayor Pro Tem Lessner agreed with

Councilman Culbertson regarding taking the onetime expense, from the current year to be able to move forward.

Ms. Couch discussed the water and sewer funds, increase costs in water and advising that a rate study be done. Councilwoman Price asked if a water rate increase would be passed on to residents if they were increased. Ms. Couch replied that they would, but recommended not adopting rates until the rate study is completed. Council discussed how rates were established and how they should be compared to other communities. Ms. Couch stated that the town has seen a significant increase in the purchased cost of water from NTMWD. Ms. Couch added that within the utility fund, there are no operational changes.

Ms. Couch reviewed the debt service, capital projects funds, and other funds including the street impact fees and how the storm water fees are used within the town. She also discussed the CDC/EDC funds and outlined the proposed program for the 2013 fiscal year. Mr. Dunlap commented that he plans on doing more marketing for Fairview by continuing to develop networking opportunities and recruit incoming business to help increase sales taxes. The CDC will continue their focus on supporting existing businesses.

Ms. Couch stated the new Technology Fund has combined all the budgeted expenses for technology purchases into one versus separate departments. There was discussion also how the fund would be operated during the year.

Mayor Pro Tem Lessner requested to have a one page balance statement that would reflect the overall state of the town. Council agreed this would be a nice overview to have.

COMMUNITY EVENTS: Discuss community events and take any necessary action.

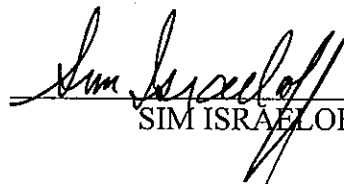
Ms. Couch stated that last year the Christmas parade, tree lighting, and Santa at the bookstore was done by the Herring Group, but that they have opted not to do the parade this year. She indicated that the town could consider going back to a smaller program with Heritage Ranch for a minimal cost and reduced effort or conduct one on their own. Ms. Couch added that the council also needs to determine if they would like to continue with the Veteran's Day event.

Councilwoman Price expressed her disappointment with the Herring Group not holding the parade and felt that it brought many into the center last year and volunteered to gather information and put together outline for next year. There was considerable discussion about the event and how the town should proceed.

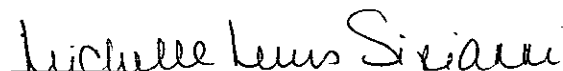
Council agreed to pass over the parade until next year in order to have adequate time to plan.

Mr. Dunlap reviewed the Veterans Day event, including the possibility of an art show. After discussion the council agreed to proceed with the Veteran's event as outlined to be held on October 27th.

Mayor Israeloff adjourned the meeting at 8:52 p.m.


SIM ISRAELOF, MAYOR

ATTEST:


Michelle Lewis Sirianni, Town Secretary

