

**MIDLAND CITY COUNCIL
MINUTES
August 06, 2013**

The City Council convened in a Special Session in the Council Chamber, City Hall, Midland, Texas, at 9:00 a.m. on August 06, 2013.

Council Members present: Council Member Jerry Morales (At-Large), Council Member Scott Dufford (At-Large), Mayor Pro Tem Jeff Sparks (District 1), Council Member John Love (District 2), Council Member John James (District 3), and Council Member Michael Trost (District 4).

Council Members absent: Mayor W. Wesley Perry.

Mayor Pro Tem Sparks called the meeting to order at 9:01 a.m.

PUBLIC HEARINGS

1. At approximately 9:00 a.m. hold a public hearing regarding a proposal establishing the ad valorem tax rate of \$0.431927 per \$100 taxable assessed valuation for the Fiscal Year 2013-2014. (FINANCE)

Finance Director Bob McNaughton reported this was the first of two public hearings on the proposed tax rate noting this was an increase of 2.78 percent over the effective rate from the previous year. The second public hearing will be held on Tuesday, August 13 at 6 p.m. He emphasized that this is a proposed rate and not necessarily the rate that will be adopted. It is the maximum rate that can be adopted. He clarified that the effective rate would yield the same tax dollars received as the previous year.

When asked what the rate meant for someone who had an average \$100,000, Mr. McNaughton noted that if their home valuation remained the same, a taxpayer would pay \$29 less than the previous year. The average home last year was valued at \$175,000 and this year it is valued at \$189,000. For a person with an average home it would mean a \$9.24 increase.

City Manager Courtney Sharp reported that the tax rate is almost a three cent decrease but the effective rate is a 2.78 percent increase. That increase will pay for six more firefighters, two police officers and two code officers. He answered questions about the recruitment budget.

Mayor Pro Tem Sparks noted that the public hearing for the budget will be held at a later date noting this was a public hearing for the tax rate.

Mayor Pro Tem Sparks opened the public hearing at 9:16 a.m.

Andy Shaffer, 206 Windridge Circle, built his retirement home in 2004 because he wanted to live in a small West Texas town. Things have drastically changed in Midland since 2004. His property valuation has gone up 66 percent noting that directly affects his taxes. Since he is retired he has no way of increasing his pay. He reported the percentages his taxes have increased and asked the City to keep the effective rate the same as the previous year. He suggested that by keeping the same rate it will actually

increase due to the number of new businesses moving to Midland.

Mary Mabry, 3511 Boyd Avenue, has lived in Midland since 1961. She asked why the City needed to increase her taxes when they had enough money to give to special interest groups, specifically to Energy Towers that would have no benefit to her. She stated many people would feel better if a new City Hall was built at the old courthouse location rather than Energy Towers. She asked the Council to consider not raising the taxes.

Mayor Pro Tem Sparks asked if there is a point in time when a person's tax value on a homestead does not change. City Attorney Stretcher responded there was not.

Eddie Montoya, 4115 Harvard Drive, wanted to give an update on the status of the Midland Hispanic Chamber of Commerce noting he was looking forward to discussing it on August 13.

There being no one else wishing to speak, the public hearing was closed at 9:31 a.m.

2. Consider a motion to place on the City Council's agenda for its August 20, 2013 meeting as an action item an ordinance establishing tax rate. (FINANCE)

Council Member Love moved to approve a motion to place on the City Council's agenda for its August 20, 2013 meeting as an action item an ordinance establishing tax rate; seconded by Council Member Morales. The motion carried by the following vote: AYE: Love, Morales, Trost, Dufford, James, Sparks. NAY: None. ABSTAIN: None. ABSENT: Perry.

All of the business at hand having been completed, the meeting adjourned at 9:32 a.m.

PASSED AND APPROVED the 13th day of August, 2013.

W. Wesley Perry, Mayor

ATTEST:

Amy M. Turner, City Secretary