



CITY COUNCIL SPECIAL/WORKSHOP MEETING

Monday, August 21, 2023 at 9:00 AM

City Council Chambers | 202 N. Virginia Street, Port Lavaca TX 77979

MINUTES

STATE OF TEXAS §
COUNTY OF CALHOUN §
CITY OF PORT LAVACA §

On this the 21st day of August, 2023, the City Council of the City of Port Lavaca, Texas, convened in a special and workshop session at 9:00 a.m. at the regular meeting place in Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas, with the following members in attendance:

I. ROLL CALL

- | | |
|-----------------|---|
| Jack Whitlow | Mayor |
| Daniel Aguirre | Councilman, District 1 |
| Tim Dent | Councilman, District 2 |
| Allen Tippit* | Councilman, District 3 |
| Rosie G. Padron | Councilwoman, District 4, Mayor Pro Tem |
| Jim Ward | Councilman, District 5 |
| Ken Barr | Councilman, District 6 |

*Councilman District 3 Tippit (arrived at 11:40 a.m. during Workshop)

and with the following absent: None

Constituting a quorum for the transaction of business, at which time the following business was transacted:

CITY COUNCIL SPECIAL MEETING

II. CALL TO ORDER

- Mayor Whitlow called the meeting to order at 9:15 a.m. and presided.

III. COMMENTS FROM THE PUBLIC

(Limited to 3 minutes per individual unless permission to speak longer is received in advance. You may make public comments as you would at a meeting by logging on with your computer and using "Join Zoom Meeting" information on first page of this agenda).

- Mayor Whitlow asked for comments from the public and there were none.

IV. ACTION ITEMS - Council will consider/discuss the following items and take any action deemed necessary.

1. Consider a proposed tax rate for the 2023-2024 fiscal year and take a record vote. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the City must calculate a the "No New Revenue" (NNR) and "Voter Approval Rate".

The CCAD Tax Assessor/Collector is required to calculate the NNR and VAR rates and publish a Notice in the newspaper and on the City's website.

We have prepared the proposed budget based upon a tax rate of \$0.7500 per \$100 value of property on the tax roll, however, City Council could propose a tax rate up to \$0.7800 without risking a mandatory vote for approval by the citizens.

A comparison of the required calculation is as follows:

Property Tax Comparison:	FY 2024	FY 2023
Adopted and Proposed Tax Rate	0.7500	0.7944
No-New-Revenue Tax Rate	0.6895	0.7767
NNR Maintenance & Operations Tax Rate	0.6387	0.7165
Voter-Approval Tax Rate	0.7808	0.8141
Debt Tax Rate	0.0821	0.0637

The calculation of each of the rates are set by the State Tax Code, and must be published in order to provide transparency to the property tax payers of the City. The NNR establishes the threshold in which the city can adopt a property tax rate that does not provide additional revenue. If the City chooses to set its tax rate greater then the NNR, it must hold a Public Hearing and advertise that the city is increasing its tax revenue.

The VAR establishes the threshold that, if exceeded, the City must first hold an election and seek the approval of the citizens before it can set the property tax rate at or above the VAR.

The City can increase the tax rate up to \$0.7800 without holding an election if it so chooses.

Currently, the proposed tax rate, which is \$0.0444 less than last year, will generate \$418,985, or 9.31% more revenue for the proposed FY 2024 budget. If Council wishes to propose a tax of \$0.7800, which is .0144 less than last year, it will generate approximately \$615,759 or 13.68% more revenue.

Once City Council votes on the proposed rate, it must publish notices and cannot exceed that rate, however it can lower the rate at any time prior to adoption.

The vote must be a record vote of each member of the governing body by name.

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with the recommendation of staff, Council hereby proposes a tax rate of \$0.7807 per \$100 value for the 2023-2024 fiscal year budget and publishing notice thereof.

Seconded by Councilman District 5 Ward

Voting Yea and Record Vote by Name:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Voting Nay: None

Absent: Councilman District 3 Tippit (arrived at 11:40 a.m. during Workshop)

2. Consider setting a public hearing on the proposed 2023-2024 fiscal year budget for Tuesday, September 05, 2023. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, the City is required to hold a public hearing on the 2023-2024 Fiscal Year (FY) Budget.

The City Council must set the date and time for a Public Hearing on the proposed 2023-2024 FY Budget. According to our budget calendar, we have scheduled the Public Hearing on the Budget to be held at a Special Council meeting on Tuesday, September 05, 2023, at which time we may also have the First reading of the Ordinance to adopt the 2023-2024 FY budget.

Because the proposed tax rate exceeded the No-New-Revenue rate, legislation considers it a tax increase, and requires special language to accompany the Notice of Public Hearing on the budget as follows:

For a tax rate of \$0.7500

"This budget will raise more total property taxes than last year's budget by \$418,985 or 9.31%, and of that amount \$58,499 is tax revenue to be raised from new property added to the tax roll this year."

For a tax rate of \$0.7800

"This budget will raise more total property taxes than last year's budget by \$615,759 or 13.68%, and of that amount \$60,838 is tax revenue to be raised from new property added to the tax roll this year."

Only one Public Hearing is required and satisfies the requirements for a later vote on the Ordinance adopting the annual budget.

Staff recommends the Public Hearing be set for Tuesday, September 05, 2023 at 5:30 p.m. (Special Meeting), according to our budget calendar.

Motion made by Councilman District 5 Ward

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with the recommendation of staff, Council hereby approves a Special Meetings for setting a Public Hearing on the proposed 2023-2024 Fiscal Year Budget, for Tuesday, September 05, 2023 at 5:30 p.m.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Absent: Councilman District 3 Tippit (arrived at 11:40 a.m. during Workshop)

3. Consider setting a public hearing on proposed 2022 tax rate for Tuesday, September 05, 2023. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, should the City Council choose to propose a tax rate that exceeds the No-New-Revenue (NNR) rate, it is considered a tax increase and a public hearing on the tax rate is required.

City Council must set a date and time for the public hearing after they vote to propose a tax rate greater than the NNR. A NOTICE OF PUBLIC HEARING ON TAX INCREASE must be published in the newspaper and prominently displayed on the city's website.

According to our budget calendar, we have scheduled the Public Hearing on the Tax Rate to be held at a special council meeting on Tuesday, September 05, 2023, at which time we may also have the First reading of the Tax Rate Ordinance, where a record vote must be taken.

The proposed tax rate provided in the budget is \$0.7500, which is less than last year but exceeds the NNR rate of \$0.6894, and will generate \$418,985 or 9.31% more revenue. If Council wishes to propose a tax rate of \$0.7800, which is \$0.144 less than last year, it will generate approximately \$615,759 or 13.68% more revenue.

Staff recommends the Public Hearing be set for Tuesday, September 05, 2023 at 5:30 p.m. (Special Meeting) and authorize the publication of the Notice of Public Hearing on Tax Increase to describe the date, time and place for the hearing along with the required language as set forth by Property Tax Code.

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with the recommendation of staff, Council hereby approves a Special Meetings for setting a Public Hearing on the proposed 2023 tax rate, for Tuesday, September 05, 2023 at 5:30 p.m. and authorize the publication of the Notice of Public Hearing on Tax Increase to describe the date, time and place for the hearing along with the required language as set forth by Property Tax Code

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Absent: Councilman District 3 Tippit (arrived at 11:40 a.m. during Workshop)

4. **Consider Resolution No. R-082123-1 to adopt a five-year plan (2023-2028) for the Capital Improvement Program (CIP) in compliance with article 7.02(15) of the city's home rule charter. Presenter is Jody Weaver**

Motion made by Councilman District 2 Dent

WHEREAS the City Charter requires the City Manager to submit a plan for capital improvement covering the succeeding five years and proposed method of financing to the City Council prior to the beginning of each budget year; and,

WHEREAS the City Manager submitted a Five-Year Capital Program to the City Council on July 25, 2022 in compliance with the City Charter and,

WHEREAS the City Council has reviewed the Five-Year Capital Program, found it to be in compliance with all City Charter and believes its approval by resolution is in the best interest of Port Lavaca residents.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT the Five-Year Capital Program (October 1, 2023 – September 30, 2028), a copy of which is attached hereto and incorporated in the Fiscal Year Budget 2023-2024, is hereby adopted in compliance with the City Charter.

Seconded by Councilman District 1 Aguirre

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Absent: Councilman District 3 Tippit (arrived at 11:40 a.m. during Workshop)

V. ADJOURN SPECIAL MEETING

Mayor Whitlow asked for motion to adjourn.

Motion made by Councilman District 6 Barr

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Absent: Councilman District 3 Tippit (arrived at 11:40 a.m. during Workshop)

Special Meeting adjourned at 9:43 a.m.

WORKSHOP SESSION

VI. CALL TO ORDER

- Mayor Pro Tem Padron called the meeting to order at 9:46 A.M. and presided with the following announcement:

VII. COMMENTS FROM THE PUBLIC

(Limited to 3 minutes per individual unless permission to speak longer is received in advance. You may make public comments as you would at a meeting by logging on with your computer and using "Join Zoom Meeting" information on first page of this agenda).

- Mayor Pro Tem Padron asked for comments from the public and there were none.

VIII. ITEMS FOR DISCUSSION - *Council will discuss the following items*

1. Conduct Cyber Security Training for Council. Presenter is Jody Weaver

City Council Members who were in attendance completed this Cyber Security Training.

No action necessary and none taken.

2. Discuss proposed city budget for 2022-2023 fiscal year. Presenter is Jody Weaver

Council discussed this agenda item.

No action necessary and none taken.

RECESS

- Mayor Pro Tem Padron announced Council would take a brief recess at 10:07 a.m.
- Mayor Pro Tem Padron announced Council was back from recess at 10:40 a.m.

LUNCH

- Mayor Pro Tem Padron announced Council would break for Lunch at 11:45 a.m.
- Mayor Pro Tem Padron announced Council was back from Lunch at 1:16 p.m.

RECESS

- Mayor Pro Tem Padron announced Council would take a brief recess at 2:45 p.m.
- Mayor Pro Tem Padron announced Council was back from recess at 3:06 p.m.

RECESS

- Mayor Pro Tem Padron announced Council would take a brief recess at 3:59 p.m.
- Mayor Pro Tem Padron announced Council was back from recess at 4:18 p.m.

IX. ADJOURN WORKSHOP

Mayor Pro Tem Padron asked for motion to adjourn.

Motion made by Councilman District 3 Tippit

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

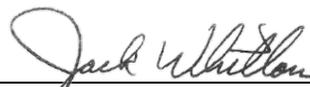
Workshop adjourned at 5:22 p.m.

These minutes were approved on September 11, 2023.

ATTEST:



Mandy Grant, City Secretary



Jack Whitlow, Mayor