

CITY OF ROSENBERG

SPECIAL COUNCIL MEETING MINUTES

On this the 8th day of August, 2015, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Special Session, in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

PRESENT

| | |
|----------------------|--------------------------------|
| Cynthia A. McConathy | Mayor |
| William Benton | Councilor at Large, Position 1 |
| Amanda J. Barta | Councilor at Large, Position 2 |
| Jimmie J. Pena | Councilor, District 1 |
| Susan Euton | Councilor, District 2 |
| Lisa M. Wallingford | Councilor, District 3 |
| Lynn Moses | Councilor, District 4 |

STAFF PRESENT

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|-----------------|---|
| Robert Gracia | City Manager |
| Linda Cernosek | City Secretary |
| John Maresh | Assistant City Manager of Public Services |
| Jeff Trinker | Executive Director of Support Services |
| Joyce Vasut | Executive Director of Administrative Services |
| Travis Tanner | Executive Director of Community Development |
| Tonya Palmer | Building Official |
| Lisa Olmeda | Human Resources Director |
| Dallis Warren | Police Chief |
| Tracie Dunn | Assistant Police Chief |
| Katrina Bubb | Police Officer |
| Wade Goates | Fire Chief |
| Justin Jurek | Fire Marshal |
| Angela Fritz | Executive Director of Information Services |
| Jenny Pavlovich | Communications Manager |
| Darren McCarthy | Parks and Recreation Director |
| Randall Malik | Economic Development Director |
| Rigo Calzoncin | Public Works Director |
| James Lewis | Information Services Manager |
| Steven Trevino | Information Technology Specialist |
| Lori Dresner | Finance Analyst |
| Luis Garza | Accounting Supervisor |
| Daniel Kelleher | Main Street Manager |
| Kaye Supak | Executive Assistant |
| Jackie Jurasek | Animal Control Supervisor |
| Val Martinez | Fleet Supervisor |
| Karl Zwahr | Utilities Director |
| Carolyn Kagy | Civic Center Manager |

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

CALL TO ORDER.

Mayor McConathy called the meeting to order at 8:01 a.m.

GENERAL COMMENTS FROM THE AUDIENCE.

Citizens who desire to address the City Council with comments of a general nature will be received at this time. Each speaker is limited to three (3) minutes. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

COMMENTS FROM THE AUDIENCE FOR CONSENT AND REGULAR AGENDA ITEMS.

Citizens who desire to address the City Council with regard to matters on the Consent Agenda or Regular Agenda will be received at the time the item is considered. Each speaker is limited to three (3) minutes. Comments or

discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

AGENDA

1. CONSIDERATION OF AND ACTION ON THE 2015 CERTIFIED PROPERTY TAX ROLL, NEW PROPERTY VALUES, APPRAISED VALUE OF ALL PROPERTIES, AND THE ANTICIPATED COLLECTION RATE OF 100%.

Executive Summary: The Fort Bend County Tax Assessor/Collector, Patsy Schultz, requests that the City Council acknowledge in the minutes receipt of the Certified Appraisal Roll Totals, the Value of New Property, and the Anticipated Collection Rate for the 2015 Tax Year.

Staff recommends that City Council accept the Certified Appraisal Roll Totals, the Value of New Property, and the Anticipated Collection Rate for the 2015 Tax Year as presented by the County Tax Assessor/Collector.

Key Discussion Points: Joyce Vasut, Executive Director of Administrative Services, read the Executive Summary, and stated that the Total Taxable Value of all property is \$1,933,380,329. The County sets an Anticipated 2015 Tax Year Collection Rate at 100%, but the City of Rosenberg budgets for a 97% collection rate.

Action: Councilor Benton made a motion, seconded by Councilor Euton, to accept the 2015 Certified Property Tax Roll, New Property Values, Appraised Value of All Properties, and the Anticipated Collection Rate of 100%. The motion carried by a unanimous vote.

2. CONSIDERATION OF AND ACTION TO PLACE AN ACTION ITEM ON THE AGENDA FOR SEPTEMBER 01, 2015, TO VOTE ON A TAX RATE INCREASE AS COMPUTED UNDER STATE GUIDELINES WITH A PROPOSED TAX RATE NOT TO EXCEED \$0.48 PER \$100 VALUATION.

Executive Summary: Chapter 140 of the Local Government Code and Chapter 26 of the Property Tax Code require taxing units to comply with Truth-in-Taxation laws in adopting their tax rates. These laws were designed to make taxpayers aware of tax rate proposals and to allow taxpayers, in certain cases, to roll back or limit a tax increase. Beginning with Tax Year 1998, any increase in property tax revenue requires the taxing unit to vote to place a proposal to increase tax revenues on the Agenda of a future meeting as an action item.

The City's current tax rate is \$0.49 per \$100 valuation. Based on the 2015 effective tax rate calculation, the 2015 effective tax rate is \$0.474526. Thus, the proposed rate of \$0.474526 is not considered a tax increase. However, City Council should vote to place the proposed tax rate on the Agenda of a future meeting as an action item and to publish a Notice of 2015 Tax Year Proposed Property Tax Rate for City of Rosenberg. Two (2) public hearings on the tax rate will not be required. These items are summarized in the attached timetable.

A presentation will be provided at the meeting regarding the tax rate. Staff recommends placing an action item on the Agenda for September 01, 2015, to vote on a tax rate of \$0.474526 per \$100 valuation and to publish a Notice of 2015 Tax Year Proposed Property Tax Rate for the City of Rosenberg.

Key Discussion Points: Joyce Vasut read the Executive Summary and gave a presentation on the Tax Rates:

- Based on the calculations of our debt requirements for next year and the 2015 taxable values, the FY2016 Calculated Debt Rate equals \$0.216258.
- Based on the calculation of 2014 Revenues divided by 2015 Adjusted Taxable Value, the FY2016 Effective Tax Rate equals \$0.474526.
 - The lower effective tax rate is a positive indication of the growth within the City.
- The FY 2016 Rollback Rate with Sales Tax Adjustment equals \$0.500195.
- The proposed budget includes a tax rate of \$0.474526, which includes a decrease of \$0.015474 from the FY2015 tax rate.
- Based on the total tax rate and debt service rate, the FY 2016 M&O Rate equals \$0.258268.
- The comparison between FY2015 and FY2016 as proposed are as follows:

| | Current Rates | Proposed Rates |
|-----------|----------------------|-----------------------|
| | FY2015 | FY2016 |
| Debt Rate | \$0.231420 | \$0.216258 |

| | | |
|--------------------|------------|------------|
| M&O Rate | \$0.258580 | \$0.258268 |
| Total Tax Rate | \$0.490000 | \$0.474526 |
| Effective Tax Rate | \$0.478172 | \$0.474526 |
| Rollback Rate | \$0.504526 | \$0.500195 |

Action: Councilor Euton made a motion, seconded by Councilor Wallingford, to approve placing an action item on the Agenda for September 01, 2015, to vote on the tax rate as computed under state guidelines with a proposed tax rate of \$0.474526 per \$100 valuation.

Amended Action: Councilor Benton made a motion, seconded by Councilor Barta, to approve placing an action item on the Agenda for September 01, 2015, to vote on the tax rate as computed under state guidelines with a proposed tax rate of \$0.470000 per \$100 valuation.

The motion carried by a vote of 4 to 3 as follows: Yeses: Mayor McConathy, Councilors Benton, Barta, and Moses. Noes: Councilors Pena, Euton, and Wallingford.

After the vote, Joyce Vasut stated that the newspaper notice will be published on Wednesday, August 12, 2015, with the amended tax rate reflected at \$0.470000.

3. **CONSIDERATION OF AND ACTION ON SETTING PUBLIC HEARING DATES RELATED TO THE PROPOSED AD VALOREM TAX RATE FOR THE FISCAL YEAR BEGINNING OCTOBER 01, 2015, AND ENDING SEPTEMBER 30, 2016.**

Executive Summary: Chapter 26 of the Property Tax Code requires that taxing units comply with Truth-in-Taxation laws during the tax rate adoption process. These laws were designed to make taxpayers aware of increases in tax rate proposals and to provide an avenue for comment. The proposed rate of \$0.470000 per \$100 is not considered a tax rate increase and the City is not required to hold two public hearings on the tax rate.

However, staff is recommending that the following dates be set to receive public comment regarding the proposed budget for the fiscal year beginning October 1, 2015, and ending September 30, 2016:

Tuesday, August 18, 2015, at 7:00 p.m.
 Tuesday, August 25, 2015, at 6:00 p.m.

Should these dates be approved by City Council, Agenda items to accommodate the public hearings will be included on the City Council Agendas for the meeting dates as indicated. Additionally, the required notice will be published in the newspaper to give the public the proper notification.

Key Discussion Points: Joyce Vasut read the Executive Summary.

Action: Councilor Benton made a motion, seconded by Councilor Barta, to approve public hearing dates related to the proposed ad valorem tax rate for the fiscal year beginning October 01, 2015, and ending September 30, 2016. The motion carried by a unanimous vote.

4. **ADJOURNMENT.**

There being no further business, Mayor McConathy adjourned the meeting at 8:20 a.m.


 Linda Cernosek, TRMC, City Secretary