

MINUTES OF THE SPECIAL MEETING
OF THE CITY COUNCIL
OF THE CITY OF BUNKER HILL VILLAGE, TEXAS
SEPTEMBER 30, 2014 AT 8:00 A.M.

I. CALL TO ORDER

Mayor Jay Williams called the meeting to order at 8:02 a.m. in the Council Chambers of City Hall, 11977 Memorial Drive, Houston, Texas.

Present:	Also in Attendance:
Mayor Jay Williams	Karen Glynn, City Administrator
Councilman Keith Brown	Kelly Johnson, City Secretary/Dir of Finance
Councilman John Glover	Steve Smith, Dir of Public Wrks/Bldg Official
Councilman Jay Janecek	Loren Smith, City Attorney
Councilwoman Laurie Rosenbaum	
Councilwoman Susan Schwartz	

II PUBLIC HEARING

TO RECEIVE COMMENTS FROM THE PUBLIC, EITHER ORAL OR WRITTEN, REGARDING THE PROPOSED BUDGET FOR 2015

Mayor Williams commented on the 2015 Proposed Budget and the city's infrastructure needs.

Karen Glynn, City Administrator, showed a PowerPoint presentation on the 2015 Proposed Budget.

Mayor Williams opened the public hearing at 8:47 a.m.

Mrs. Divecha of 260 Bunker Hill Road, said she is not necessarily against the tax increase but maybe we could use a combination of funding sources and possibly streamline things.

Roberto Pensotti of 315 Chapel Belle, asked if we had a fixed rate on our existing bonds. He also wanted to know if we have looked at taking advantage of the lower interest rates and refinance our bonds.

Nancy Eubanks of 26 Liberty Bell Circle, said please take in consideration the impact the tax rate increase would have on the senior citizens.

Kevin King of 147 Hickory Ridge, said he agrees with a reserve fund and getting away from issuing debt. However, he still was confused with the percentage increase and asked to increase the tax rate at a slower rate.

Mayor Williams closed the public hearing at 9:16 a.m.

III. DISCUSSION AND POSSIBLE ACTION REGARDING THE FOLLOWING ITEMS:

A. AN ORDINANCE APPROVING AND ADOPTING THE CITY OF BUNKER HILL VILLAGE, TEXAS GENERAL BUDGET FOR THE YEAR 2015; MAKING APPROPRIATIONS FOR THE CITY FOR SUCH YEAR AS REFLECTED IN SAID BUDGET ESTABLISHING THE PROCEDURE FOR INTRA-BUDGET TRANSFERS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

Mayor Williams said we have heard a lot of comments from residents. He said if we go back to the rollback rate, .270270/\$100, it would reduce our budget by \$478,000, which basically is the money being put in the Street and Drainage Infrastructure Reserve.

Councilwoman Laurie Rosenbaum said the bond money was used on our major roads. She said our neighborhood roads are what we would be addressing with the reserve funds. After thinking more about it Councilman Rosenbaum said for 2015 maybe \$500,000 was too much and thought maybe we should scale back to something like \$250,000. She said in 2015 we should have a better assessment of our infrastructure and the costs associated with it.

Councilwoman Schwartz said she did not think we could go above the rollback rate.

Councilman Glover said he was in favor of the proposed tax rate, .297855/\$100. He said the city has a horrible drainage problem and we have to solve the problem.

Councilman Janecek said he felt a rollback petition was a very real possibility. He said by splitting the tax increase there was no real benefit because the possibility of a petition still exists. He said it's time to tear off the band-aid and start taking care of our infrastructure now while values are high.

Councilwoman Rosenbaum said next year when we have firm plans with costs on the infrastructure is when we raise the tax rate. She thought there would still be a petition even if we lowered the tax rate by splitting the proposed increase in half. She said however it makes a statement to the residents that we have listened to what they had to say. She said the people from last night were upset on the extreme amount of the increase, not upset that there is a proposed increase.

Councilman Glover was still opposed to lowering the proposed tax rate. He said he did not want residents coming to council meetings saying my house flooded, why didn't the city do something.

Councilman Brown said from when he first became a councilman in 2007 to now, there has been no real tax increase and it's time for an increase. He said we have a AAA Bond Rating and are one of two cities in Texas to have that rating. He said it's important to keep that rating and by continually going back to the bond market the city will not keep that rating. He said basically we have a sixty year old infrastructure system in place and it needs to be replaced.

Mayor Williams said there was a lot of people passionate about going back to the rollback rate. He said he liked Councilwoman Rosenbaum's idea about splitting the tax increase. This sends a message to the residents that we are listening. He said by not reserving anything and going back to the rollback rate would be disastrous.

Council discussed dropping the proposed rate from .297855/\$100 to .282855/\$100. The reduction would be one and half cent or 5% reduction. They also discussed better educating the public on the budget and tax rate. Councilman Glover again stated he felt the proposed tax rate, .297855/\$100 was the right thing to do.

Motion was made by Councilman Brown and seconded by Councilwoman Rosenbaum to amend the ordinance approving and adopting the City of Bunker Hill Village, Texas, General Fund Budget for such Year 2015 by amending the budget amount with a reduction of \$268,000. Motion carried 3-2, with Councilman Glover and Councilwoman Schwartz voting against.

B. THE 2014 PROPOSED MAINTENANCE AND OPERATING TAX RATE TO FUND THE 2015 BUDGET.

Motion was made by Councilman Brown and seconded by Councilwoman Rosenbaum to amend the 2014 Proposed Maintenance & Operation Tax Rate to fund the 2015 Budget by eliminating \$268,000 from that budget and adjusting the Maintenance & Operating Tax Rate from the proposed rate of .200107/\$100 to .185107/\$100. Motion carried 4-1, with Councilwoman Schwartz voting against.

C. THE 2014 PROPOSED DEBT RATE TO FUND THE 2015 DEBT OBLIGATION

Motion was made by Councilman Brown and seconded by Councilwoman Rosenbaum to approve the proposed 2014 Debt Rate of .097748/\$100 to fund the 2015 debt obligation. Motion carried 4-1, with Councilwoman Schwartz voting against.

D. A RESOLUTION TO RATIFY THE PROPERTY TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 25.27 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$22.36

Motion was made by Councilman Brown and seconded by Councilwoman Rosenbaum to amend item D. by reducing the proposed property tax rate in an amount to match the Maintenance & Operation Tax Rate approved in item B., as a general guideline from .200107/\$100 less one and half cent. Motion carried 4-1, with Councilwoman Schwartz voting against.

E. AN ORDINANCE PROVIDING FOR THE LEVY AND COLLECTION OF AD VALOREM TAXES OF THE CITY OF BUNKER HILL VILLAGE, TEXAS, FOR THE YEAR 2014; PROVIDING THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND PAYABLE; PROVIDING FOR PENALTY AND INTEREST ON ALL TAXES NOT TIMELY PAID; PROVIDING FOR SEVERABILITY; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH

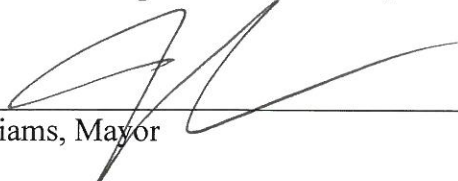
Motion was made by Councilman Brown and seconded by Councilwoman Rosenbaum to amend the ordinance to account for the adjustment in the tax rate that

was previously approved by the city council and subject to the new tax rate of .282855/\$100. Motion carried 5-0.

IV. ADJOURN

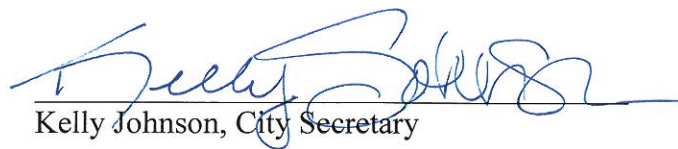
Motion was made by Councilman Brown and seconded by Councilwoman Rosenbaum to adjourn the meeting at 10:10 a.m. Motion carried 5-0.

Approved and accepted on October 21, 2014.



Jay Williams, Mayor

ATTEST:



Kelly Johnson, City Secretary