

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

A Special Meeting of the Aransas Pass City Council was held on Wednesday, September 19, 2018 in the Aransas Pass City Hall, 600 W. Cleveland Blvd., Aransas Pass, Texas 78336. A notice of the meeting was posted 72 hours in advance in accordance with Section 551, Texas Government Code. Mayor Ramiro Gomez, and Council Members Vickie Abrego, Billy Ellis, and Janet Moore; Carrie Scruggs were absent. Also present was City Manager Gary Edwards.

1. **CALL MEETING TO ORDER.**

Mayor Gomez called the meeting to order at 6:00 pm.

2. **PUBLIC HEARING.**

2.1. **Second Public Hearing on the 2018 Tax Year Proposed Property Tax Rate of \$0.805196.**

Mayor Gomez declared the public hearing open. Gary Edwards, City Manager discussed the following issues impacting the budget: first full year budget after Hurricane Harvey, loss of property, loss of residents caused fewer funds in the water sewer fund; damage to hotel/motel translating to fewer dollars and tourists; need to come up with FEMA and grant match dollars; and loss of revenue from the Civic Center and the Aquatic Center. He added that the budget has been weak for several years and are now taking steps to rebuild; the general fund should be at 40 percent, and as we begin the new fiscal year we will not be at 40% but are taking steps in this direction.

He further discussed the following issues: the city property tax valuation provided by the appraisal district is at \$578,182,763 from \$601,109,693, a 3.81% decrease; the city is in need of city wide renovations of deteriorating water and sewer lines but will require a bond issue, and important to maintain a good credit rating; no funds available for daily operational needs, i.e. recent water line break estimated to cost between \$40,000 to \$50,000; no incentives available for new developers; unresolved environmental issues at Conn Brown Harbor impacting the budget and cannot be developed until all areas are resolved; and Standard & Poors review of the city's budget. Mr. Edwards stated that staff had initially recommended the \$0.73 effective tax rate which is not an increase but would rather maintain the city at it's current standing, but due to Hurricane Harvey and the need to grow the community the City proposed \$0.80 tax rate. He added that the general fund balance for a city is at a minimum 25%, and if the council approves the \$0.73 tax rate the fund balance will be at 24.58%, \$0.77 tax rate the fund balance will be at 26.84%, and \$0.80 tax rate the fund balance will be 28.29%.

Harry Boyd, commented that the city needs to move forward and expressed his support for the maximum tax rate.

Joniann McElroy, commented that this year has been a tough year for residents and stated that she does not support the \$0.80 tax rate; wants the city to grow but residents cannot continue to pay higher taxes.

Amber Lopez, commented that she wants to the city to grow but she does not support a tax rate increase.

Polly Escamilla, stated that she wants the city to grow but does not support a tax rate increase, and added that senior citizens do not have the funds for higher taxes.

Citizen, Rose Avenue, stated he received his tax statement and there is an increase, does not support a tax rate increase, residents cannot afford the taxes, opposes the \$0.80 tax rate.

Myron Schrader, stated he does not support the \$0.80 tax rate. He added that \$0.73 or a slight higher are okay, but not \$0.80 cents.

Virginia Bufkin, stated she is on a fixed income and cannot afford another \$100 a year for taxes.

Harry Boyd, asked about the sunrise provision, and if there a possibility of a sliding scale for the elderly population in the community, and reiterated that he wants the city to grow.

Adan Chapa, asked if the city had a contingency plan on the funds would be used, and Mr. Edwards responded that based on what the council approves those tax dollars would go directly to infrastructure and clean-up of the city. Mr. Chapa asked for clarification on the clean-up, and Mr. Edwards responded demolition and general clean-up of the city. Mr. Chapa asked about upgrading pumps and the loss of funds in the Civic Center and Aquatic Center.


Mary Gunn, commented that a tax increase is a lot for the common homeowner and expressed her concerns of a tax rate increase and stated she does want the city to grow.

Mayor Gomez stated that he supports the \$0.75 tax rate. He added that the City has accomplished a lot, new development in the city, a new water tower is pending FEMA approval and the bid has been awarded. Council Member Abrego stated that new homes are being built which translates into additional tax revenue meaning the ability to lower the taxes in the future. Council Member Abrego stated that they do not support the \$0.80 tax rate and that this amount is the highest the city can approve and was proposed to see what is available between the \$0.73 and \$0.80 rate.

There being no further comments, Mayor Gomez declared the public hearing closed.

3. ADJOURNMENT

There being no further business to come before the Council, Mayor Gomez adjourned the meeting at 7:00 pm.



Ramiro Gomez
Mayor



Mary Juarez
City Secretary

Approved on: October 15, 2018