

**MIDLAND CITY COUNCIL  
MINUTES  
July 25, 2016**

The City Council convened in a Special Session in the basement conference room, City Hall, Midland, Texas, at 9:00 a.m. on July 25, 2016.

Council Members present: Mayor Jerry F. Morales, Mayor Pro Tem J.Ross Lacy (District 4), Council Member Scott Dufford (At-Large), Council Member Spencer Robnett (At-Large), Council Member Jeff Sparks (District 1), and Council Member John B. Love III (District 2).

Council Members absent: Council Member Sharla Hotchkiss (District 3).

Staff members present: City Manager Courtney Sharp, City Attorney John Ohnemiller, Deputy City Manager Tommy Hudson, Assistant City Manager Frank Salvato, City Secretary Amy Turner, Finance Director Pam Simecka, Administrative Services Director Catherine Clifton, General Services Director Fred Reyes, Development Services Director Charles Harrington, Chief Information Officer Sharlett Chowning, Solid Waste Director Morris Williams, Budget Analyst Jennifer Neves, and Public Information Officer Sara Bustilloz.

Mayor Morales called the meeting to order at 9:02 a.m.

**SPECIAL SESSION**

1. Conduct a budget work session for the purpose of reviewing and discussing the proposed 2016-2017 City of Midland budget.

Finance Director Pam Simecka welcomed everyone and thanked all who worked on putting the budget together. She reviewed the budget priorities and changes to the budget over the previous year. The three forms of revenue are sales tax of \$36 million, property tax of \$42.3 million, and other fees of \$28.1 million. She reviewed ten sales tax categories noting they had all seen a decrease except for manufacturing. She reviewed property tax information including valuation, mineral rights and the effective tax rate.

The average home appraised market value increased just over 2% to \$211,202. The average homeowner would see an \$8 increase if the effective rate was kept. She reviewed various tax rates showing how each would bring in a different amount of revenue and shared historical tax levy information compared to other cities and other taxing entities.

Ms. Simecka reviewed General Fund expenditures by type and a breakdown of all departments and how they impact the General Fund. A brief discussion ensued regarding the General Fund balance. She briefly reviewed the revenues and expenditures for the Water and Sewer Fund, Sanitation Fund, Golf Course Fund, Airport Fund, and Sports Complex Fund and answered questions.

The remaining budget schedule was reviewed. The tax rate will be discussed on August 2, 2016. She asked Council to review their budget books especially the information prior

to the General Fund tab noting it contained the budget priorities and information regarding fund balances and working capital. Brief discussion ensued regarding how Certificate of Obligations could impact debt service levy.

Mayor Morales concluded the meeting noting the big theme for the next fiscal year will be streets and how to move forward with addressing those needs.

All of the business at hand having been completed, the meeting adjourned at 9:43 a.m.

PASSED AND APPROVED the 9th day of August, 2016.

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Jerry F. Morales, Mayor

ATTEST:

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Amy M. Turner, City Secretary