

**MIDLAND CITY COUNCIL
MINUTES
July 9, 2018**

REGULAR SESSION

The City Council convened in regular session in the Council Chamber, City Hall, Midland, Texas, at 9:00 a.m., July 9, 2018.

Council Members present: Mayor Jerry F. Morales, Council Member Scott Dufford (At-Large), Council Member Jeff Sparks (District 1), Council Member John B. Love III (District 2), Council Member Sharla Hotchkiss (District 3), and Council Member J.Ross Lacy (District 4).

Council Members absent: Mayor Pro Tem Spencer Robnett (At-Large).

Staff members present: City Manager Courtney Sharp, City Attorney John Ohnemiller, Assistant City Manager Frank Salvato, Assistant City Manager Robert Patrick, City Secretary Amy Turner, Finance Director Pam Simecka, Development Services Director Chuck Harrington, General Services Director Fred Reyes, Administrative Services Director Mark Widmann, Community Services Director Tina Jauz, Interim Police Chief Seth Herman, Solid Waste Director Morris Williams. Fire Chief Chuck Blumenauer, Utilities Director Laura Wilson, Budget Manager Jamie Minor, and Public Information Officer Elana Ladd.

Mayor Morales called the meeting to order at 9:07 a.m.

REGULAR SESSION

1. Conduct a budget work session for the purpose of reviewing and discussing the proposed 2018-2019 City of Midland budget.

Finance Director Pam Simecka introduced the City's new Budget Manager Jamie Minor who would be presenting the proposed budget.

Ms. Minor reviewed a PowerPoint presentation. She shared a population chart from 2000 to present noting the population increased from 111,000 in 2000 to an expected population of 142,114 in 2018. A chart of annual oil and gas permits issued from 2010 to 2018 showed that through May of this year more permits have been issued than in all of 2016. A chart of residential permits issued from 2011 through 2018 showed that permits have increased 13% in 2018 over the previous year-to-date. New commercial permits and values have exceeded each of the last 3 years. Multi-family housing is expected to exceed the last several years numbers with 400 issued and additional 700 or more in process.

Council priorities were reviewed and it was noted that an emphasis was placed on Council priorities as the budget was developed.

Budget highlights were reviewed noting investments were made in streets & traffic, equipment, personnel, capital improvement projects and enterprise fund improvements.

Midland's property tax rate was compared to several other similar cities throughout Texas with Midland having the lowest tax rate. Midland's combined tax rate from 2007-2018 was shared showing that the overall tax rate has decreased. Property tax valuation from 2009 through 2019 was shown with all individual valuation categories showing increases. Based on the most recent valuation the effective tax rate is 0.395760 per \$100. The proposed tax rate is 0.407633 per \$100 which is effective plus 3%. Each additional 1% increase would bring in \$511,359. The average home value for 2019 is \$235,679 and will be taxed \$960.71. In 2018 the average home value was \$211,059 and taxes were \$861.94.

Revenues and expenditures were reviewed and discussed for the general fund, water and sewer fund, sanitation fund, airport fund, sports complex, and golf course fund.

The Budget calendar was reviewed and all remaining budget meetings will begin at 10:00 a.m. Council asked to add on a 6:00 p.m. public hearing to the August 14th meeting.

City Manager Courtney Sharp offered to sit down with any Council Member to answer individual questions.

City Secretary Amy Turner reviewed the outside agency funding requests and recommendations made by the City Development Advisory Board and Hotel/Motel Tax Advisory Board.

Mayor Morales in his closing comments noted that with water, growth and labor issues, the City will need to get creative with ways to compensate for the highest cost of living in Texas.

All of the business at hand having been completed, the meeting adjourned at 10:53 a.m.

PASSED AND APPROVED the 24th day of July, 2018.

Jerry F. Morales, Mayor

ATTEST:

Amy M. Turner, City Secretary