

MINUTES OF SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS HELD ON THE 24TH DAY OF JULY, 1974, AT 7:00 P.M.

On the 24th day of July, 1974, the City Commission of the City of Lufkin, Texas, convened in special meeting in the Council Room at City Hall with the following members thereof, to-wit:

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|--------------------|--------------------------------|
| Pitser H. Garrison | Mayor                          |
| R. A. Brookshire   | Commissioner, Ward No. 1       |
| Pat Foley          | Commissioner, Ward No. 2       |
| E. C. Wareing      | Commissioner, Ward No. 4       |
| W. O. Ricks, Jr.   | Commissioner at Large, Place A |
| E. G. Pittman      | Commissioner at Large, Place B |
| Harvey Westerholm  | City Manager                   |
| Roger G. Johnson   | City Secretary                 |

being present, and

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|--------------------|--------------------------|
| Robert L. Flournoy | City Attorney            |
| Joe E. Rich        | Commissioner, Ward No. 3 |

being absent, constituting a quorum, when the following business was transacted:

1. Approval of Change Order - Picardy and Southwood - Moore Bros. Construction Company

Mayor Garrison explained that this special meeting had been called primarily to conduct a budget hearing workshop and question and answer informal discussion on the proposed 1974-75 fiscal year City budget. Mayor Garrison also stated that Moore Bros. Construction Company had submitted a change order for consideration by the Commission involving the repair of a ditch between Picardy and Copeland on Southwood.

City Manager Westerholm stated that the repair of this dangerous ditch would cost \$7,559.00 and funds had not been made available when initial cost for various street improvements within this area were approved by Commission. Commissioner W. O. Ricks then made motion that change order from Moore Bros. Construction Company dated June 17, 1974, involving street repairs in the amount of \$7,559.00 on Picardy and Southwood be approved if funds were available. Motion was seconded by Commissioner Edgar C. Wareing and a unanimous affirmative vote was recorded.

2. 1974-75 Fiscal Year City Budget Workshop - Discussion

Members of Commission reviewed various sections of the proposed City budget for the 1974-75 fiscal year and City Manager Westerholm explained proposal as submitted by City staff.

Mayor Garrison expressed his personal opposition to carrying over funds from one budget year to the next and recommended that the City should operate within the revenues of the year in which they both apply.

Commissioner R. A. Brookshire asked City Manager Westerholm to explain why the City's surplus had increased from an anticipated \$10,000.00 to \$191,000.00 in the present year. City Manager Westerholm stated that the City had received more than the anticipated amount of income.

Commissioner Edgar C. Wareing expressed his personal concern for revising the City's current tax situation on houses and recognized the fact that appraisals were made in 1968. Commissioner Wareing further stated that the City should keep property values current with the market by making evaluations annually in an effort which would possibly lower the City's future tax rate.

City Tax Assessor, Roy Sinclair, who was present, in answer to Commissioner Wareing's question regarding preparation of plan to resolve this situation, recommended consideration by the City Commission to hire two outside appraisers to work full time. Mayor Garrison suggested that consideration be given in this proposed budget for additional employees in an effort to keep appraisal values current and establish a four year rotation system in lieu of present 1968 market value figures. Mayor Garrison then requested that City Tax Assessor Collector Roy Sinclair prepare a memo for consideration by members of the City Commission regarding the additional monies necessary for the implementation of this new system for next budget workshop.

Commissioner W. O. Ricks expressed his recommendation that taxes should be fair but as additional cost are incurred in a department, they should be offset with corresponding revenues. Commissioner W. O. Ricks further explained, as an example of his recommendation, that the Water Pollution Control Plant should increase its revenue to a substantial extent to cover new proposed operational cost, and additional proposed cost for plastic garbage liners should also be passed on by increasing price for sale in the Water Department.

Concerning the City's recently approved hotel-motel occupancy tax, Commissioner R. A. Brookshire inquired as to how the City planned to appropriate proposed estimated revenues in the amount of \$40,000 for the 1974-75 City budget. City Manager Westerholm explained that the City was only authorized to use these funds in accordance with ordinance which was approved for the operation of the Civic Center. Members of the City Commission were in unanimous agreement that the operation of the Civic Center budget should be considered in a separate fund.

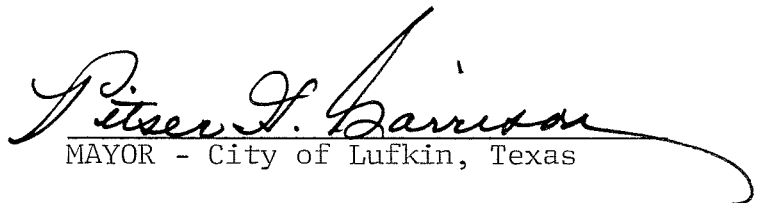
Commissioner Edgar C. Wareing expressed his concern that the proposed \$40,000 hotel-motel occupancy tax revenues anticipated for the 1974-75 City budget should be kept in a separate account under a Civic Center category fund with a budget for the ensuing year exhibiting various entries for a manager, traveling expenses and other items.

Mayor Garrison recommended that proposed budget be cut 10% to provide for salary increases. Commissioner E. G. Pittman recommended that each department reconsider its budget and retain only items that were absolutely essential.

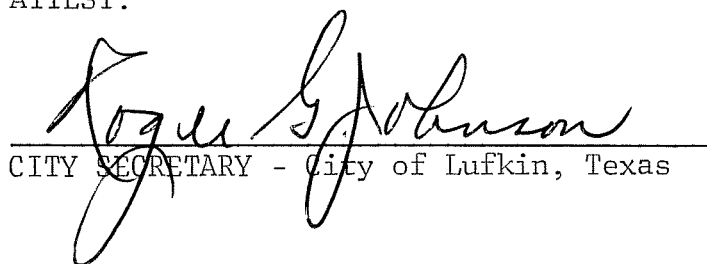
Commissioner R. A. Brookshire suggested that another budget workshop meeting date be set as soon as possible in order to reconsider the implementation of recommendations as discussed.

City Manager Westerholm had prepared a proposed Revenue Sharing budget for consideration by members of the Commission and various items were briefly reviewed. Mayor Garrison then recommended that next budget workshop be held on Tuesday July 30th at 5:00 P.M., City Hall Council Chambers. Members of Commission were in unanimous agreement with recommendation by Mayor Garrison and meeting date was approved accordingly.

3. There being no further business for consideration, meeting was adjourned at 8:45 P.M.

  
MAYOR - City of Lufkin, Texas

ATTEST:

  
CITY SECRETARY - City of Lufkin, Texas