

MINUTES OF SPECIAL MEETING OF THE CITY COMMISSION OF THE
CITY OF LUFKIN, TEXAS, HELD ON OCT. 26, 1961, AT 7:00 PM

On this the 26th day of October, 1961, the City Commission of the City of Lufkin, Texas, convened in special session in regular meeting place in said City, with following members thereof, to-wit:

Jim Waters	Mayor
E. Kurl Shirey	Commissioner, Ward No. 1
Beamon S. Cook	Commissioner, Ward No. 2
S. Harry Kerr	Commissioner, Ward No. 3
A. G. Welch	Commissioner, Ward No. 4
Harold Schmitzer	City Manager
Lynn Durham	City Secretary
William D. Perkins	City Attorney

being present, constituting a quorum, when following business was transacted:

1. Meeting opened with prayer by Commissioner E. Kurl Shirey.
2. Mayor Jim Waters stated the meeting was called for the purpose of approving the budget for 1961-62 and requested City Manager to proceed with explaining the budget.
3. City Manager introduced Mr. Sam Tarry, C.P.A., of the accounting firm of Axley & Rode, who has been auditing our records and who assisted in preparing some of the information in the proposed budget.

City Manager read his letter addressed to City Commission to which was attached:

Schedule 1 showing comparison of our present and proposed water rates with City of Nacogdoches--noting that their rates were in excess of our proposed rates for first 5,000 gallons; also calling attention to fact that majority of our water revenues are derived from the first 5,000 to 10,000 gallons of water sold.

Schedule 2 showing summary of tentative budget which each Commissioner has and a summary after adding itemized expenditures and receipts. It is to be noted that combined cash balance on Sept. 30, 1962, is estimated to be \$23,449.19 in excess of combined cash balance on Sept. 30, 1961.

Schedule 3 showing an estimate of additional cash that will be available during the following fiscal year if the suggested changes are made in the water rates and tax valuations.

City Manager recommended approval of the proposed budget as shown in Schedule 2 which includes increase in water rates inside and outside the city limits and water and sewer tapping fees outside the city limits only. The table showing these increases in detail is shown under Item 3 of minutes of Special Meeting held on Oct. 24, 1961. Also included in the proposed budget as shown in Schedule 2 are the following items of expenditure which were not shown in the budget figures published:

Dog Pound	\$ 5,600.00
Right-of-way, North Raguet	6,375.00
Payment on bank note	30,000.00
Two Police Cars @ \$3,000.00	6,000.00
Car for Fire Chief	3,000.00
Renovation of City Hall	10,000.00
Finance Officer (10 mos. @ \$500.00)	5,000.00
Radar for Police (fully transistorized)	895.00
Total	<u>\$66,870.00</u>

City Manager also recommended approval of the increase in tax valuations to 30% of the actual market value, although increased receipts from this source are not included in the proposed budget since figures covering same could not be compiled until after Jan. 1, 1962.

Considerable discussion developed and Commissioner S. Harry Kerr stated he was in favor of the proposed water rate increase and the additional listed items, pointing out that the bank note of \$30,000.00 and right-of-way cost of \$6,375.00 on North Raguet were items that had to be met since these were items to which City was already obligated. However, he stated the expense of some of the other items might be reduced. He also stated that further study should be given to increases in tax valuations in order that the public could be fully informed as to procedure to be followed in trying to equalize values.

Commissioner Beamon S. Cook said the proposed water rate increase was in order for customers outside the City limits but was not in favor of increase to customers inside city limits. He was also not in favor of employing a finance officer in that he felt the City had sufficient personnel to handle this type of work.

Commissioners E. Kurl Shirey and S. Harry Kerr were in favor of employing a finance officer in that they felt a man of this experience should be able to pay the additional expense involved due to economies he could institute. City Manager stated that he personally could not devote time necessary to this work and that he should spend more time in the field than he had been able to do in the past. Also the City Secretary had been assigned the duties of Civil Service Director and was Secretary of the City Planning Commission, Zoning Board, as well as other duties and did not have time for this work.

Mayor Jim Waters stated he was in favor of the proposed budget with water rate increases and inclusion of items listed on Schedule 2; however, study should be given to these items and the expenditures reduced if possible. City Manager stated savings would certainly be made in these items, if possible when such expenditures are made.

Commissioner E. Kurl Shirey was in agreement with Commissioner S. Harry Kerr in that more thought should be given by City Commission to the proposed increase in tax valuations.

Commissioner S. Harry Kerr made motion that the budget, as proposed in Schedule 2, with proposed water rate increase, as well as increase in water and sewer connection fee and addition of expenditure items listed in the amount of \$66,870.00, be approved. This approval to be covered by Resolution. Motion seconded by Commissioner E. Kurl Shirey and following vote recorded:

Voting Aye:

Mayor Jim Waters
Commissioner E. Kurl Shirey
Commissioner S. Harry Kerr

Voting Nay:

Commissioner Beamon S. Cook
Commissioner A. G. Welch

Mayor Jim Waters declared motion carried by majority vote.

4. City Attorney read caption of ordinance covering increase in water rates and water and sewer connection fees as proposed in the new budget. Commissioner E. Kurl Shirey made motion that ordinance be passed on first reading. Motion seconded by Commissioner S. Harry Kerr and the following vote recorded:

Voting Aye:

Mayor Jim Waters
Commissioner E. Kurl Shirey
Commissioner S. Harry Kerr

Voting Nay:

Commissioner Beamon S. Cook
Commissioner A. G. Welch

Mayor Jim Waters declared motion carried by majority vote.

5. There being no further business for consideration, meeting adjourned at 9:30 P.M.

Jim Waters
Mayor - City of Lufkin, Texas

ATTEST:

Lynn R. Law
City Secretary - City of Lufkin, Texas