

CITY OF LAREDO  
Laredo, Texas  
Special City Council Meeting  
Civic Center Conference Room #3  
2400 San Bernardo Avenue  
9:00 A. M.

AGENDA NO: M88-S-27      Minutes      DATE: September 3, 1988

I. MAYOR TO CALL THE MEETING TO ORDER

(024.1) With a quorum present, Mayor Aldo Tatangelo called the meeting to order.

II. ROLL CALL

IN ATTENDANCE:

MAYOR ALDO TATANGELO	
CM. SANTOS BENAVIDES	DISTRICT I
CM. JACINTO P. JUAREZ	DISTRICT II
CM. SAUL N. RAMIREZ, JR.	DISTRICT III
CM. MARGARITO BENAVIDES, JR.	DISTRICT IV
CM. BLAS CASTANEDA	DISTRICT V
CM. HECTOR J. LIENDO	DISTRICT VII
CM. CONSUELO "CHELO" MONTALVO	DISTRICT VIII
HORTENCIA C. GONZALEZ	CITY SECRETARY
R. MARVIN TOWNSEND	CITY MANAGER
MARTHA MARTINEZ	ASST. CITY ATTORNEY

ABSENCES:

CM. DAVID R. CORTEZ	DISTRICT VI
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III. REPORTS

A. Discussion of the proposed 1988-89 Budget.

(409.1) Assistant City Manager Florencio Pena gave an overview report of the proposed 1988-89 Budget.

FUND	BEGINNING BALANCE	REVENUES EXCLUDING INTER-FUND	REVENUES INTER-FUND	TOTAL AVAILABLE
General Fund	2,292,541	21,946,411	4,270,868	28,509,820
Street Closing	232,158	187,000	0	419,158
Street Reconstruction	943,365	100,000	1,660,000	2,703,365
G.O. Debt Service	4,395,637	1,816,003	1,650,187	7,861,827
Family Care Fund	3,141	634,811	1,333	639,285
Airport Fund	1,775,443	1,993,875	0	3,769,318
Day Care Fund	41,350	674,151	156,502	872,003
Civic Center Fund	303,994	200,100	314,850	818,944
Hotel Tax Fund	82,142	1,089,000	0	1,171,142
Mercado Fund (1)	0	60,775	0	60,775
Narcotics Grant Fund		255,431	3,750	259,181
Public Access Fund	2,115	63,500	0	65,615
West Martin Field Fund	0	231,850	0	231,850
Bridge Operations	50,000	6,562,800	0	6,612,800
Bridge Debt Service	1,523,400	110,000	912,847	2,546,247
Sewer Operating Fund	1,758,640	4,771,500	0	6,530,140
Sewer Debt Service	667,021	0	457,301	1,124,322
Water Operating Fund	2,223,100	4,943,200	203,000	7,369,300
Water Debt Service	1,327,686	0	933,819	2,261,505
Municipal Housing Fund	165,119	705,258	0	870,377
Transit Fund (1)	0	1,983,860	531,660	2,515,520

City Retirement Fund	736,909	50,000	2,639	789,548
Self Insurance Fund	425,787	32,500	200,000	658,287
<b>TOTAL</b>	<b>18,949,548</b>	<b>48,412,025</b>	<b>11,298,756</b>	<b>78,660,329</b>

Revenue Excluding Inter-Fund Decrease in Fund Balance 48,412,025 6,235,211

Total Expenditures (2) 54,647,236

- (1) These funds were not part of the consolidated fund summary last year.
- (2) Does not include \$603,228 of operating cost and \$3,365,775 of project costs for Community Development.

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(Continued)	OPERATING EXPENDITURES & TRANSFERS	CAPITAL IMPROVEMENTS & DEBT	RESERVES	CLOSING BALANCE
General Fund	26,311,197	0	898,623	1,300,000
Street Closing	77,639	294,019	2,500	45,000
St. Reconstruction	1,635,363	1,068,002	0	0
G.O. Debt Service	2,597,556	1,199,750	0	4,064,521
Family Care Fund	621,023	0	0	18,262
Airport Fund	1,983,345	1,535,973	100,000	150,000
Day Care Fund	831,491	0	5,512	35,000
Civic Center Fund	408,194	387,250	13,500	10,000
Hotel Tax Fund	1,105,408	0	65,734	0
Mercado Fund (1)	53,996	0	6,779	0
Narcotics Grant Fund	259,181	0	0	0
Public Access Fund	65,615	0	0	0
West Martin Field Fund	212,999	0	18,851	0
Bridge Operations	6,516,300	0	46,500	50,000
Bridge Debt Service	757,847	265,000	0	1,523,400
Sewer Operating Fund	4,770,582	859,558	200,000	700,000
Sewer Debt Service	275,787	180,000	0	668,535
Water Operating Fund	5,163,458	205,842	700,000	1,300,000
Water Debt Service	661,892	270,000	0	1,329,613
Municipal Housing Fund	512,033	76,768	10,000	271,576
Transit Fund (1)	2,465,520	0	50,000	0
City Retirement Fund	131,118	0	0	648,430
Self Insurance Fund	47,447	0	10,840	600,000
<b>TOTAL</b>	<b>57,464,991</b>	<b>6,342,162</b>	<b>2,138,839</b>	<b>12,714,337</b>

Operating Expenditures 57,464,991  
 Capital Improvements & Debts 6,342,162  
 Reserves 2,138,839  
 (11,298,756)

Total Expenditures 54,647,236

B. Presentation of the 1988 effective tax rate. The effective tax rate is calculated according to State law to determine the tax rate which will produce the same amount of revenue as in the previous year. This year's effective tax rate is 42.88¢ per \$100 valuation compared to last year's actual tax

rate of 43.03%. Each year, the tax collector must certify collection rates. Last year's certification indicated collections in excess of 100% of the total current levy. That projection was met. This year's certification is also above 100%. Certification is required by State law and consists of the ratio of total collection of current taxes, prior year taxes, and penalties and interest to the current year's tax levy.

The current tax rate is 43.03 and should increase to 46.50 if the proposed 8% tax increase is approved. New values as a result of annexation (\$211,000); new improvements (\$213,000); and other (\$31,000). Presently, the tax on a \$20,000 home is \$86.03. With the proposed tax increase it should go to \$93.00.

Mr. Alfredo Castillo, Tax Assessor Collector, presented the acknowledgement of the receipt of the Appraisal Roll, and stated that what needs to be presented today is the effective tax rate and certification of collections for the prior year and anticipation of collections for this year. Last year's projections for the period between July 1st and June 30th, the City of Laredo would collect in excess of 100% on the total tax levy that was set for the 1987 tax roll. By State law the City needs to present the Effective Tax Rate, that is, the tax rate that is passed by the City Council, that would generate the same type of revenue that was collected last year. Last year, the tax rate was 43.034. This year, the Effective Tax Rate is 42.884 per \$100 valuation. In formulating the Effective Tax Rate the City has deleted all annexations and new improvements in order to come up with a fair comparison of what was there last year and what is there this year.

Responding to the issue of mobile homes Mr. Castillo explained that there are approximately 2,568 mobile homes within the City of Laredo with a tax of \$60,000, land not included in figure. Mayor Aldo Tatangelo spoke to the mobile home concerns, which will be addressed at the September 6, 1988 City Council meeting.

(914.2) C. Consideration of holding a public hearing on September 19, 1988 to consider increasing property taxes 8%. This action will not obligate the City Council to increase taxes, but rather sets in motion the process required by State law to deliberate over the possibility of a tax increase.

Motion to recess this item to Tuesday, September 6, 1988: Juarez

Second: S. Benavides

For: 5                      Against: 0                      Abstain: 0

(1761.2) D. Discussion of alternative level of services for Transit, considering current level or reduced level of General Fund payments to offset 50% of annual Transit deficit.

Mr. Mark Pritchard, General Manager of El Metro, presented a Reduction of Service Alternatives report.

The analysis assumes a direct cost of operation and excludes fixed and other overhead expenses. A 20% revenue loss is all figured in this analysis:

NET SAVINGS

- |  |           |
|--|-----------|
| 1. Eliminate route #4 and combine with route #3 Convent. | \$ 58,815 |
| 2. Eliminate route #8 Guadalupe/Villa del Sol            | 25,950    |
| 3. Eliminate route #6 Cedar-West Laredo                  | 64,620    |

4. Eliminate Downtown Trolley 21,200

SUB-TOTAL \$ 170,585

Raise fare from 60¢ to 75¢  
12/01/88 175,000

TOTAL \$ 345,585

The above changes would result in a net saving to the City of approximately \$173,000.

(321.3) E. Contract award to National Coach Corporation, Gardena, California, for \$87,730 for two wheelchair lift equipped vehicles. The purchase is funded 80% by Urban Mass Transportation Administration Grant and 20% by a match from the General Fund.  
The City sent specifications to 8 bidders but only received one bid. The bid meets all specifications. The amount of the bid was \$5,730 over the estimate. UMTA has agreed to amend the grant to allow for 80% of this additional cost. The additional cost to the General Fund will be \$1,146.00. The vehicles are scheduled to be delivered in December 1988.

Motion that this item be addressed on Tuesday, September 6, 1988: Ramirez, Jr.  
Second: S. Benavides  
For: 5 Against: 0 Abstain: 0

(1698.2) Motion to recess this meeting to Saturday, September 10, 1988 at 7:00 A.M. and that all Department Heads be present: S. Benavides  
Second: Montalvo  
For: 5 Against: 0 Abstain: 0

IV. ADJOURNMENT

Meeting was recessed at 12:30 P.M.

THIS NOTICE WAS POSTED AT THE MUNICIPAL GOVERNMENT OFFICES, CORNER OF FLORES AND LINCOLN STREETS, LAREDO, TEXAS AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE PUBLIC AT ALL TIMES. SAID NOTICE WAS POSTED ON AUGUST 30, 1988 AT 5:00 P.M.

I HEREBY CERTIFY THAT ABOVE MINUTES CONTAINED IN PAGES 01 TO 04 ARE TRUE, COMPLETE, AND CORRECT PROCEEDINGS OF THE SPECIAL CITY COUNCIL MEETING HELD ON SEPTEMBER 3, 1988. A CERTIFIED COPY IS ON FILE IN THE CITY SECRETARY'S OFFICE.

WITNESS MY HAND AND CORPORATE SEAL OF THE CITY OF LAREDO, TEXAS ON THIS THE 9TH DAY OF SEPTEMBER, 1988.

*Hortencia C. Gonzalez*  
HORTENCIA C. GONZALEZ  
CITY SECRETARY

MINUTES PREPARED BY: Gloria M. Garza, Deputy Secretary

PASSED AND APPROVED BY CITY COUNCIL ON: September 19, 1988

CORRECTIONS: None