

CITY OF LAREDO

CITY COUNCIL ANNUAL BUDGET WORKSHOP  
ON THE PROPOSED FY 1998-99 BUDGET

M98-W-34  
August 12, 1998  
5:30 P.M.

MINUTES

I. CALL TO ORDER

With a quorum present Mayor Elizabeth G. Flores called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Elizabeth G. Flores led in the Pledge of Allegiance.

III. ROLL CALL

IN ATTENDANCE:

Elizabeth G. Flores,	Mayor
Alfredo Agredano,	Councilmember, District I
Louis H. Bruni,	Councilmember, District II
John C. Galo,	Councilmember, District III
Cecilia May Moreno,	Councilmember, District IV
Eliseo Valdez, Jr.,	Councilmember, District V
Joe A. Guerra,	Councilmember, District VI
Mario G. Alvarado,	Councilmember, District VII
Consuelo "Chelo" Montalvo,	Councilmember, District VIII
Gustavo Guevara, Jr.,	City Secretary
Florencio Pena, III,	City Manager
Jaime L. Flores,	City Attorney

Motion to reconvene as the City Council Annual Budget Workshop on the proposed FY 1998-99 Budget.

Moved : Cm. Guerra

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

IV. PROPOSED CAPITAL IMPROVEMENT PROGRAM 1998-2003

Florencio Pena, City Manager, opened the workshop by informing everyone that the annual budget is the most important responsibility of the City Council. He further stated that staff had worked very hard for the last four months to put this budget together.

The budget is broken into two parts:

1. Capital Improvement Program
2. Operating Budget

Mr. Pena then stated that the FY1998-99 Annual Budget Workshops would be opened with the city's financial advisor who would inform Council of the city's debt.

A. Presentation by Estrada & Hinojosa - Noe Hinojosa

1. Overview of the City's Debt Position

The Tax General Obligation Debt Requirement include all of the debt issued by the city with a pledge or collateral of property taxes. The city is good for issuing debt for water, sewer, airport, and other enterprises with property taxes as collateral but being self supported or paid by these enterprises.

The City of Laredo has a good investment grade rating of **A** by all three rating agencies of Fisch, Standard and Poors and Moody.

Certificates of Obligation issued in January and February 1998:

\$ 6,415,000	Sewer
16,160,000	General Purpose
1,430,000	Airport

The Property Tax Backed Debt Service for 1998 was \$16,661,866.79, by subtracting the Self Supporting Debt of \$9,329,611.39, a total Net Debt Service of \$7,332,255.20 which is paid exclusively by the levy of a property tax. In 1999 the Debt Service Requirement will be \$7,683,473.60.

2. Debt Service Fund

**TOTAL DEBT OUTSTANDING AS OF 10/01/98**

		Subsidy	Total
Tax Support	70,498,103	8,050,199.85	78,548,303.28
Self Supporting	82,241,897	(8,050,199.85)	74,191,696.72
<b>Total TS &amp; SS</b>	<b>152,740,000</b>	<b>0.00</b>	<b>152,740,000.00</b>
Water Revenue	9,905,000		
Sewer Revenue	7,770,000		
Revenue Debt	16,985,000	(existing)	
Revenue Debt	65,135,000	(proposed)	
<b>Total</b>	<b>99,795,000</b>		
<b>Total Debt</b>	<b><u>252,535,000</u></b>		

Motion to have Mrs. Phyllis Colon, Tax-Assessor Collector, present information on the Appraisal Roll

for FY 1998-99.

Moved : Cm. Guerra

Second: Cm. Galo

For: 8                      Against: 0                      Abstain: 0

Phyllis Colon, Tax-Assessor Collector, informed Council of the effective tax rate for the year. The taxable value of all property in the City of Laredo for 1998 is \$4,073,722,461.00 compared to \$3,794,030,215.00 in 1997. The property tax rate per \$100.00 value was 0.5399.30 for both 1997 and 1998. The difference on the tax levy is due to annexation and growth.

B. Proposed Capital Improvement (CIP) 1999-2003 - Keith Selman, Planning Director

1. General Construction Projects
2. Street Fund
3. Drainage Fund
4. Capital Improvement Fund
5. Enterprise Fund

Keith Selman, Planning Director, made a presentation on the proposed capital improvements program.

Motion to direct staff to allocate an approximate \$15,000.00 for the right-of-way acquisition of Calle Del Norte and West and Calle Del Norte and Springfield Avenue.

Moved : Cm. Valdez

Second: Cm. Guerra

For: 8                      Against: 0                      Abstain: 0

Motion to allocate an additional \$50,000.00 to the Speed Hump Pilot Program to include placing of speed humps on Buena Vista Avenue behind Nixon High School and Plum Street between McClelland Street and Meadow Avenue.

Moved : Cw. Moreno

Second: Cm. Galo

For: 8                      Against: 0                      Abstain: 0

Motion to amend and add sidewalks on both sides from Lyon Street to Clark Boulevard on Malinche Avenue.

Moved : Cw. Moreno

Second: Cm. Bruni

For: 8                      Against: 0                      Abstain: 0

Motion to allocate \$250,000.00 from CDBG (Community Development Block Grant) surplus for acquisition and cleaning of Chacon Creek.

