

Village of Salado
Salado Municipal Building
301 N. Stagecoach
Salado, Texas
Minutes of Special Meeting of Board of Aldermen
September 12, 2019 at 6:30 p.m.

The Board of Aldermen meeting was called to order at 6:36 p.m. by Mayor Skip Blancett.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, Aldermen Rodney Bell, Amber Preston Dankert (present via videoconference), and Michael Coggin. Alderman John Cole was absent.

Staff Present: Village Administrator Don Ferguson

1. Public Hearing

Hold a public hearing regarding the Proposed Ad Valorem Tax Rate for the 2019 Tax Year to help fund the Proposed Fiscal Year 2020 Operating Budget for the Village of Salado.
(Village Administrator)

Mayor Blancett explained speaker procedures and opened the public hearing at 6:38 p.m.

Village Administrator Ferguson highlighted the tax rates as listed in the Mayor's Proposed Fiscal Year 2020 Operating Budget:

Tax Rate	Proposed 2019 Tax Year	Adopted 2018 Tax Year
Property Tax Rate	0.613500	0.627600
Effective Rate	0.575200	0.522300
M&O Tax Rate	0.207000	0.209100
Debt Tax Rate	0.406500	0.418500
Rollback Tax Rate	0.613500	0.637600

Per prior Board discussion on lowering the debt service tax rate, Village Administrator Ferguson advised that by combining funds already allocated to go toward debt reduction with funds available from impact fee collections, the debt service rate could be lowered from 0.406500 to 0.368200, which when added to the M&O rate of 0.20700, results in an alternative proposed tax rate of 0.575200. He pointed out that this rate of 0.575200 is the effective tax rate, which is that rate that generates the same amount of revenue as last year with this year's property values.

He advised that this item is before the Board tonight to receive public comment, with the Board scheduled to discuss and finalize action on the tax rate at its next meeting on September 19, 2019.

Mayor Blancett announced the first, second, and third calls for speakers.

Linda Reynolds of 507 Santa Rosa asked for clarification on reimbursement for the sewer line that was extended, or is to be extended, to Mr. Rosamond's Royal Street development. She stated her understanding that Mr. Rosamond's property has not been annexed, but hoped she could find out if taxpayers paid for that sewer line. She also asked about reimbursement for a line on the Sanctuary land from the sewer plant to Royal Street.

Tim Fleischer stated his understanding that the effective tax rate of 0.575200 would be comprised of the I&S (debt tax rate) of 0.368200 and the M&O rate of 0.20700. He asked if the Village could maintain the proposed tax rate of 0.613500 and continue to use money dedicated for debt service and impact fee collections, but use it for the M&O rate, rather than the I&S rate. He favored dedicating increased tax money to M&O for street maintenance. Mr. Fleischer expressed concerns that the Village's M&O tax rate is much smaller than other cities and said if the tax rate is cut back to the effective rate, the Village cripples itself in the future, especially due to new State legislation to be implemented next year restricting cities' ability to go beyond a 3.5 percent increase in the rollback rate. Village Administrator Ferguson said Mr. Fleischer's point is well taken, as the Village needs to be cautious on how low to take the rate down, because it impacts next year's starting point. Mr. Fleischer said this is the opportune time to try to inject some M&O money into roads.

Hearing no further public comments, Mayor Blancett closed the public hearing at 6:51 p.m.

2. Discussion and Possible Action

Discuss and consider possible action authorizing the Village Administrator to enter into an agreement with a professional lighting contractor to work on the two (2) gateway signs located on Interstate 35 within the corporate limits of the Village of Salado and to amend the Fiscal Year 2019 Operating Budget to reflect the cost for such work. (*Village Administrator*)

Village Administrator Ferguson advised that this item will be continued until the Board's next meeting on September 19, 2019.

To provide clarification for earlier comments by Linda Reynolds on sewer line extension reimbursements, Village Administrator Ferguson stated the Village has not installed the line to Mr. Rosamond's subdivision. He also noted that the "Sanctuary" line referenced in Mrs. Reynolds' comments is part of the Village's collection system and is a force main that goes to the treatment plant. He stressed that the Village has not installed any sewer line for the Sanctuary development.

Adjournment

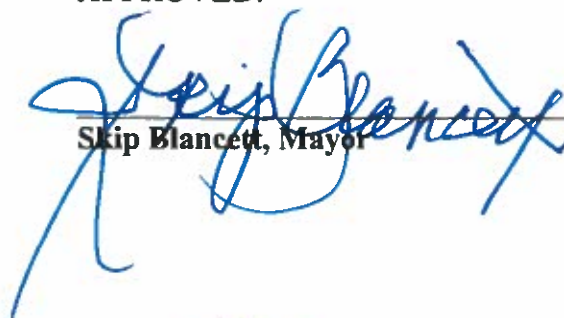
Alderman Coggin moved to adjourn. Alderman Bell seconded. Mayor Blancett called the meeting adjourned at 6:54 p.m.

Recorded by:

Don Ferguson

These minutes approved on the 19th of September, 2019.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

