

City of Natalia, Texas
Regular City Council Meeting
June 16, 2014 at 7:00pm
Minutes

Roll Call: Mayor Ruby Vera - Present Alderman Sam Bluemel - Absent
Alderman Tommy Ortiz - Present Alderman Sam Smith - Present
Alderman Ruben Juarez - Absent Alderman Mike Fernandez - Present

Call to Order:

- 1) Mayor Vera called the regular city council meeting to order at 7:00 pm followed by the pledge of allegiance led by Alderman Sam Smith.

Citizens to be Heard:

- 2) None.

City Council Comments:

- 3) None.

Presentations and Recognitions:

- 4) Presentation of Tax Valuations and Pro-Rata Share by Johnette Dixon, Deputy Chief Appraiser, Medina County Appraisal District.
Mayor Vera moved Item #4 to be discussed with Item #8 as requested by Ms. Dixon.

Consent Agenda:

- 5) a. May 20, 2014 Regular Meeting Minutes
b. Financial Activity Report
c. Municipal Court Activity Report
d. Police Department Activity Report
e. Code Compliance Activity Report
f. Utility Department Activity Report

Motion: Alderman Smith made the motion approving the consent items. Alderman Fernandez seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

Discussion/Consideration of Action Items:

- 6) Discussion/Consider employment of Raul Villarreal as a Natalia Police Officer.
Mayor Vera requests this item be tabled to the next Regular Meeting.
Discussion: None.

Motion: Alderman Fernandez made the motion to table this item to the next regular meeting. Alderman Smith seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

7) **Presentation and Acceptance of FY 2012-13 Financial Audit.**

Discussion: Wayne Beyer, Auditor, discussed the Financial Audit for fiscal year beginning October 1, 2012 and ending September 30, 2013 financial activities and practices, observations and financial findings. The General Fund Revenues exceeded the Expenditures by \$29,774. The Utility Fund Revenues over Expenditures were at a loss of \$53,900; however, the cash equivalents of \$64,413 of operating over financing activities are good. Mr. Beyer explained the findings noted were immaterial matters but should be addressed; such as considering engaging into a depository contract with the City's financial institute. That invoices should be paid in a timely manner, and that all employees are to sign their timesheets and include start/end times. It was also found that some utility customers were billed incorrectly, and utility customers affiliated with the city were not being billed the current rates nor being penalized for making late payments.

Motion: Alderman Fernandez made the motion accepting FY 2012-13 Financial Audit. Alderman Ortiz seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

8) **Discussion/Consider Action of Medina County Appraisal District 2015 Proposed Budget, Presentation of Tax Valuations and Pro-Rata share costs, by Johnette Dixon, Deputy Chief Appraiser.**

Discussion: Ms. Dixon presented Medina CAD 2015 Preliminary Budget of \$1,024,500.00 which is composed of \$865,000 of salaries and benefits. The Public Hearing on the Budget is scheduled for July 29, 2014 at 7pm at the Medina CAD Building, 1410 Avenue K, Hondo, Texas. The City of Natalia's tax valuations increased by \$4,286,790.00 from 2013 certified values. The truck stop business values were the major cause of the increase in tax valuations. With no noted protests in question, the values should remain the same, however June 23rd is the protest deadline date. With the increase in 2014 preliminary values this will cause the city's pro-rata share to increase by \$46.18 for the year, for a total cost of \$5,608.99 for FY2014/15.

Motion: Alderman Smith made the motion approving Medina County Appraisal District 2015 Proposed Budget. Alderman Ortiz seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

9) **Discussion/Consideration Action of Ordinance No. 14-0616-1; Adopting and Enacting a New Code for the City Council; providing for the repeal of certain ordinances not included therein; providing a penalty, providing for manner of amendments; and an effective date.**

Discussion: This ordinance will enact the codified ordinances provided in the code books issued to Council and Departments, and will authorize the website to be linked to MuniCode Codification website. This will finalize the codification process as agreed to by the contract approved on May 6, 2013 with MuniCode.

Motion: Alderman Smith made the motion adopting Ordinance No.14-0616-1. Alderman Ortiz seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

10) **Discussion/Consider Action of Ordinance No. 14-0616-2; Authorizing property tax exemptions for the City of Natalia, Texas, and setting an effective date.**

Discussion: City Administrator Hernandez explained the City offers timely payment discounts to all property taxpayers of 3%-October, 2%-November and 1%-December; however, this discount was established many years ago when Natalia was a township and City has no record to show Council approval. With the timely payment discounts, the revenues decreased by \$5,900. The State already mandates a 100% tax exemption for disabled veterans. The financial impacts if Council chooses to authorize additional tax exemptions will decrease revenues by an additional estimated amount of \$4,700 for 65-Over Exemption at the \$5,000 minimum and/or \$13,000 for Homestead Exemptions at the \$5,000 minimum. City Administrator recommends to continue timely payment discounts as it promotes property taxpayers to pay taxes earlier, and if Council wishes to authorize tax exemptions that it only be applied to the 65-Over with the \$5,000 minimum. Mayor Vera stated tax exemptions have been requested by citizens before, and believes Council should consider the options.

Motion: Alderman Smith made the motion approving the continuation of timely payment discounts, and authorizing the 65-Over Tax Exemption at the \$5,000 Minimum. Alderman Fernandez seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

11) **Discussion/Consider Action of Contracting Perdue-Brandon-Field-Collins for the collection of delinquent court fines and fees, commencing on July 1, 2014.**

Discussion: City Administrator Hernandez explained the collections company will be collecting past due fines and fees owed to the Court. The previous collections agency contract with Pioneer ends July 2014; but before Perdue Collections Agency begins its collection process it is requested that we adopt an ordinance authorizing the collection agency fee. The collection agency fee adds 30% to the amount due of court fines and fees, and is the defendant's responsibility to pay not the City's. This ordinance will be addressed at the next regular meeting, so commencement of the contract will change the effective date to August 1, 2014.

Motion: Alderman Smith made the motion to approve the contract with Perdue-Brandon-Field-Collins for the collection of delinquent court fines and fees for an effective date of August 1, 2014. Alderman Fernandez seconds the motion.

Vote: 3-0; Passed by a unanimous vote.

Reports:

- 12) **City Administrator's Report:** 1) The community wide clean-up is scheduled for Saturday, June 28, 2014 between 8am and 2pm for drop-off clean-up only. 2) Requests that Council review their calendars for their availability dates proposed on the budget/tax calendar, and inform her of any conflicts. 3) Notice of Candidates Filing Deadline was posted on the bulletin and website; all those interested in filing for office may do so between July 19 and August 18, 2014.
- 13) **Utility Director's Report:** 1) Provided an update on the Wastewater Treatment Plant Project, stating TCEQ has not provided the approval to move forward; however, Mr. Brian Cope reassured that the project is still in line with the deadline dates. 2) The 2013 Consumer

Confidence Report (Annual Water Quality Report) has been released and is available for pick-up at city hall or can be viewed on the city's website.

- 14) **Mayor's Report:** 1) Updated the Council on the 8th Street Project; lab samples were received and determined material is in good condition to use for the project; however, the costs of the asphalt material has come in higher than expected. 2) The South Texas Blood & Tissue will hold a Blood Drive on Saturday, June 28, 2014 between 9am and 2pm.
- 15) **Executive Session:** City Council convened into executive session at 7:59 pm to discuss personnel matters pursuant to Texas Government Code Chapter 551.074.
- 16) **Regular Session:** City Council reconvened into regular session at 8:19 pm, and took no action on matters discussed in executive session.
- 17) **Adjournment.**
Motion: Alderman Fernandez made the motion to adjourn at 8:20pm. Alderman Smith seconds the motion.
Vote: 3-0; Passed by a unanimous vote.

Passed and Approved this 21st day of July, 2014.

Ruberta C. Vera
Mayor

Attest:

Lisa S. Hernandez
City Administrator/Secretary