

## SPECIAL CITY COUNCIL MEETING

The City Council of the City of Kyle, Texas met in Special Session on August 26, 2015 at 7:00 p.m. at Kyle City Hall, with the following persons present:

Mayor Todd Webster  
Council Member Diane Hervol  
Council Member Becky Selbera  
Council Member Shane Arabie  
Mayor Pro Tem David Wilson  
Council Member Damon Fogley  
Council Member Daphne Tenorio  
Scott Sellers, City Manager  
James Earp, Assistant City Manager  
Jerry Hendrix, Chief of Staff  
Kerry Urbanowicz, Parks Director  
Cody Faulk, City Attorney  
Howard Koontz, Planning Director  
Leon Barba, City Engineer  
Robert Olvera, IT

David Douglas  
Pauline Villegas  
Sylvia Gallo  
Christina Depperschmidt  
Sherry Anderson

### CALL MEETING TO ORDER

Mayor Webster called the meeting to order at 7:00 p.m.

### ROLL CALL

Mayor Webster called for roll call. Present were Mayor Webster, Council Member Hervol, Council Member Selbera, Council Member Arabie, Mayor Pro Tem Wilson, Council Member Fogley, and Council Member Tenorio

### CITIZEN COMMENT PERIOD WITH CITY COUNCIL

THE CITY COUNCIL WELCOMES COMMENTS FROM CITIZENS EARLY IN THE AGENDA OF REGULAR MEETINGS. THOSE WISHING TO SPEAK MUST SIGN IN BEFORE THE MEETING BEGINS AT THE KYLE CITY HALL. SPEAKERS MAY BE PROVIDED WITH AN OPPORTUNITY TO SPEAK DURING THIS TIME PERIOD, AND THEY MUST OBSERVE THE THREE-MINUTE TIME LIMIT.

Mayor Webster opened the Citizens Comments at 7:04 p.m. David Douglas spoke and thanked the Mayor and Council for their service to the city and spoke about his concerns regarding property taxes and stated that citizens were moving out or were in foreclosure because they could not afford to live here. He asked that the council hold the CAD to doing their job and assessing the taxes properly.

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Pauline Villegas spoke and stated that the proposed tax increase would be an excessive burden on the residents and asked the council to reduce the tax and delay growth. She suggested looking at finding more affordable transportation than CARTS, delaying the purchase of Police, Public Works and Parks vehicles, cutting merit increases and longevity pay, or at least postponing some of these items. Sylvia Gallo spoke and stated she was for the tax increase, growth, and employees and asked the Council not to cut from the Police, Parks or Public Works budget. She stated holding community events took money and was beneficial to the community. Christine Depperschmidt spoke and stated that today another neighbor had put up a for sale sign and that she did not want to do the same. She stated some items on the budget were over the top and some duplicated and asked if some of these things could wait and asked council to think about each and every homeowner, renter and parents needing to put food on the table. She stated that the increased property evaluations and increase in tax was too much for the residents of Kyle. David Douglas spoke again and stated all HOA's have dues and it's much harder for the HOA's to go after property owners who don't have to pay assessments than it is for the city or county to collect taxes so more homeowners will default on the HOA dues and HOA's will fall into disrepair. With no one else wishing to speak Mayor Webster closed Citizens Comments at 7:40 p.m.

### CONSIDER AND POSSIBLE ACTION

CONDUCT SECOND PUBLIC HEARING TO OBTAIN COMMENTS ON THE CITY MANAGER'S PROPOSAL TO INCREASE THE AD VALOREM TAX RATE FROM \$0.5383 TO \$0.6145 PER \$100.00 OF ASSESSED TAXABLE VALUATION FOR FISCAL YEAR 2015-16. THIS IS AN INCREASE OF \$0.0762 PER \$100.00 OF ASSESSED TAXABLE VALUATION PRIMARILY TO PAY FOR THE INCREASE IN DEBT SERVICE PAYMENTS (PRINCIPAL AND INTEREST) ASSOCIATED WITH THE ROAD BONDS.

Mayor Webster asked if anyone objected to placing this item up for discussion. There was no objection.

### PUBLIC HEARING

Mayor Webster opened the Public Hearing at 7:42 p.m. to obtain comments on the City Manager's proposal to increase the ad valorem tax rate from \$0.5383 to \$0.6145 per \$100.00 of assessed taxable valuation for Fiscal Year 2015-16. This is an increase of \$0.0762 per \$100.00 of assessed taxable valuation primarily to pay for the increase in debt service payments (principal and interest) associated with the road bonds.

After opening the Public Hearing Mayor Webster made the following announcement:

- This is the last of two public hearings scheduled on the proposed ad valorem tax rate for Fiscal Year 2015-16.

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- The first public hearing was held at 7:00 p.m., on August 19, 2015 at Kyle City Hall, 100 W. Center Street, Kyle, Texas 78640.
- The City Manager's Proposed Budget for Fiscal Year 2015-16 includes a proposal to increase the ad valorem tax rate from \$0.5383 to \$0.6145 per \$100.00 of assessed taxable valuation. An increase of \$0.0762 per \$100.00 of assessed taxable valuation.
- When compared to the effective tax rate of \$0.4870 per \$100.00 of assessed taxable valuation, the proposed ad valorem tax rate of \$0.6145 will increase the total tax revenue of the City from properties on the tax roll in the preceding year by 26 percent.
- The total tax revenue proposed to be raised this year at the proposed tax rate of \$0.6145 for each \$100.00 of taxable value, including tax revenue to be raised from new property added to the tax roll this year, is \$12,187,206.

The Kyle City Council is scheduled to vote on the property tax rate at public meetings to be held at 7:00 p.m. on September 1, 2015 (1<sup>st</sup> Reading of City Ordinance) and at 7:00 p.m. on September 8, 2015 (2<sup>nd</sup> Reading of City Ordinance) at Kyle City Hall, 100 W. Center Street, Kyle, Texas 78640.

- All Kyle residents and members of the public are invited to attend and express their views at the public hearings and City Council meetings scheduled on the proposed budget and tax rates.

Sherry Anderson spoke and stated she appreciated the people that had made comments before and that she had been following comments made on Facebook by residents in Plum Creek on ways to cut the budget. She stated she didn't think anyone disagreed that Kyle is growing and services need to be increased such as emergency services but had questions on a couple of things. She stated she looked at the proposed job postings, one being reclassification for division manager with an increase of \$1700.00 a month, and the other assistant to the City Secretary, City Manager at \$70,000.00 a year, and that was \$5833.58 per month and felt that some of these salaries were out of line for the City of Kyle and that the City of San Marcos pays less. She questioned whether this was the appropriate time for all of these expenses with the increase in taxes, and all of the other taxing entities increasing taxes as well. She asked the Council to see what could be cut from the budget and wait until next year. David Douglas spoke and stated that with 1.8 million dollars added for staffing comes out to \$80,000.00 per person and that sounded like a lot of money for the city to pay and that he did not understand why we have our own 911 call center with multiple employees when we could join with the county and hopes voters approve a new facility and that we join with them. He stated he did not think we needed our own swat team and maintain equipment as well as the library's usefulness effectiveness, and is against the tax increase. Roy Burke spoke and stated he was a small business owner and that taxes will always go up but questioned the growth and if it is the best situation for us. He stated he felt it was uncontrolled, unregulated growth and to see what that's like look at Round Rock and Austin. He stated he was not completely against the tax rate but wants to see controlled growth. Mrs. Villegas spoke and stated she had another sheet with more suggested cuts and would provide it and that she was against the tax increase and wanted fees for developers increased because they are not residents.

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Christine Depperschmidt spoke and stated she had two reminders to be prudent right now and keep the tax rate down, one being our neighbors experiencing a terrible disaster that has affected our county and people we know and resources that are stressed and that could have been us. She stated the Council worked hard and should be paid more. She asked if there were any proposed jobs that were already on the payroll. Mayor Webster stated there were not out of this budget, and that no job that was filled that wasn't budgeted in the prior budget. Council Member Tenorio responded to the question Ms. Depperschmidt asked regarding the new positions and stated that two positions had been filled and that she had asked the City Manager about those positions. For the Communications Specialist they took the money from the reception position that was eliminated and did the same thing with the Assistant City Secretary and her comments to the City Manager was that once those positions were gone that should have been an automatic savings to the citizens of Kyle. With no one else wishing to speak Mayor Webster closed the Public Hearing at 8:23 p.m.

ADJOURN

With no further business to discuss, Council Member Tenorio moved to adjourn. Council Member Arabie seconds the motion. All votes aye. Motion carried 7-0.

The City Council meeting adjourned at 8:27 p.m.

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R. Todd Webster, Mayor

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Attest: Amelia Sanchez, City Secretary