CITY COUNCIL MEETING MINUTES
MONDAY, SEPTEMBER 24, 2012

The City Council of the City of Bellaire, Texas, met in Special Session (Public Hearing) on Monday, September 24, 2012, in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, for the following purpose(s):

A. CALL TO ORDER – Mayor Philip L. Nauert.

Mayor Philip L. Nauert called the City Council of the City of Bellaire, Texas, to order at 6:32 p.m. on Monday, September 24, 2012.

B. ANNOUNCEMENT OF A QUORUM – Mayor Philip L. Nauert.

Mayor Philip L. Nauert announced that a quorum of the members of City Council was present consisting of himself and the following members of City Council: Mayor Pro Tem Amanda B. Nathan and Councilmen Roman F. Reed, James P. Avioli, Sr., Pat B. McLaughlan and Andrew S. Friedberg. Also present were City Manager Bernard M. Satterwhite, Jr., Chief Financial Officer Linda Symank and City Clerk Tracy L. Dutton.

Councilman Corbett Daniel Parker was absent.

C. READING OF NOTICE OF PUBLIC HEARING – City Clerk Tracy L. Dutton.

City Clerk Tracy L. Dutton read the “Notice of Public Hearing on Tax Increase” (“Notice”) into the record. She advised that the Notice was posted on the City’s official bulletin board and website on Tuesday, September 11, 2012. In addition, Chief Financial Officer Linda Symank requested that the Notice be published in the Southwest News on Tuesday, September 11, 2012, and City Clerk Dutton advised that the Notice was published as requested on that date.

D. SUMMARY OF PUBLIC HEARING PROCEDURES – City Manager Bernard M. Satterwhite, Jr.

City Manager Bernard M. Satterwhite, Jr., summarized the public hearing procedures for the evening.
E. PRESENTATION regarding an increase in tax revenues for the 2012 tax year by proposing a tax rate of $0.3999 per $100 valuation – Presentation by Chief Financial Officer Linda Symank.

Chief Financial Officer Linda Symank advised that the City was proposing a tax rate of $0.3999 per $100 valuation to fund the City’s fiscal year 2013 budget. Although the tax rate was the same tax rate that was adopted the previous year, it was above the City’s effective tax rate, which was defined as the rate that would give the City approximately the same amount of revenue this year as last year.

Since the proposed tax rate was above the effective tax rate, the City would see additional revenue this year. Based on truth-in-taxation calculations, the additional revenue would total $358,137.00.

Chief Financial Officer Symank also stated that the City’s tax rate had two components: 1) maintenance and operations component of $0.2554 per $100 valuation, which would fund the General Fund operations, and 2) debt service component of $0.1445 per $100 valuation, which would fund the bond principal and interest payments for the next fiscal year.

Of the increased revenue of $358,137.00, $160,558.00 was attributable to new property and the remainder ($286,198.00) was attributable to an increase in taxable valuation. Truth-in-taxation laws allowed the City to offset the increase by the amount of refunds paid this year. For the City, that amount was $88,619.00.

City Council was informed that the City would publish a “Notice of Tax Revenue Increase” in the Southwest News on Tuesday, September 25, 2012. The final step in the truth-in-taxation procedure would be taken on October 1, 2012, when City Council considered the adoption of a tax rate.

Since the City was proposing a rate that would generate more revenue, two public hearings were scheduled to allow citizens an opportunity to voice their feelings about the tax proposal. The first public hearing was held on Monday, September 17, 2012. This evening’s public hearing was the second of the two scheduled public hearings.

F. RECOGNITION OF CITIZENS AND/OR OTHER INTERESTED PARTIES – Mayor Philip L. Nauert.

Mayor Philip L. Nauert recognized citizens and/or other interested parties who had indicated a desire to address City Council by completing a sign-in sheet posted at the entrance to the Council Chamber.

Barry Goldblatt, 5208 Holly Street, Bellaire, Texas, addressed City Council and indicated that he had a few questions, but understood that City
Council could not enter into a dialog with him. He referred to the average taxable values of residential properties and noted that he believed the value had increased by approximately 4%. He stated that he was trying to understand if there was a way to judge what the increase would be going forward into the next year (i.e., based on the City’s permit and housing system). He noted that most of the permits for new homes in Bellaire were well above the average home valuation of $492,000.00.

G. QUESTIONS FROM THE MAYOR AND CITY COUNCIL – Mayor Philip L. Nauert.

Mayor Pro Tem Amanda B. Nathan asked if City Manager Satterwhite could address Mr. Goldblatt’s question by clarifying the information the City had received from the Harris County Appraisal District as to the City’s total appraised value for the next year.

City Manager Bernard M. Satterwhite, Jr., advised that the average property value increase was just under 4%. A portion of the increase was related to an increase in the value of existing properties, with the remainder of the increase attributable to the value of new properties.

He advised that the City did try to track and predict its property valuations for future years. This year’s budget was funded by last year’s tax values. So, the building activity in 2011 generated the tax values in 2012, which funded the budget for 2013 (i.e., a three-year cycle). The building activity in 2012 would fund the 2014 budget. It was noted that the building activity in 2012 had increased over the building activity in 2011. However, the increase in existing properties would not be known until the City received its preliminary tax rolls.

After noting no further questions from City Council, Mayor Philip L. Nauert closed the public hearing.

H. CLOSE OF PUBLIC HEARING (SECOND HEARING ON THE MATTER) – Mayor Philip L. Nauert.

Mayor Philip L. Nauert closed the public hearing before City Council regarding a proposed increase in tax revenues for tax year 2012 at 6:44 p.m. on Monday, September 24, 2012. He noted that oral comments would not be received following the close of the public hearing. Written comments could be submitted to City Council in care of the City Clerk prior to final deliberation of the tax rate for the tax year 2012. It was anticipated that final deliberation would occur on Monday, October 1, 2012. Written comments should, therefore, be submitted to the City Clerk by noon on Thursday, September 27, 2012, in order to be considered for the public record.
I. ADJOURNMENT.

CITY COUNCIL MOTION TO ADJOURN/ACTION:

Councilman Roman F. Reed moved to adjourn the Special Session (Public Hearing) of the City Council of the City of Bellaire, Texas, at 6:44 p.m. on Monday, September 24, 2012. Councilman Andrew S. Friedberg seconded the motion.

The motion carried unanimously on a 6-0 vote as follows:

FOR: Mayor Philip L. Nauert, Mayor Pro Tem Amanda B. Nathan and Councilmen Roman F. Reed, James P. Avioli, Sr., Pat B. McLaughlan and Andrew S. Friedberg

OPPOSED: None

ABSENT: Councilman Corbett Daniel Parker

Respectfully submitted,

[Signature]
Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

Approved:

[Signature]
Philip L. Nauert, Mayor
City of Bellaire, Texas