

MINUTES
BUDGET WORKSHOP FISCAL YEAR 2024-2025
July 1, 2024

The City Council of the City of Monahans convened on the above date at 3:00 P.M. in the Council Chambers of City Hall at 112 W. 2nd St., Monahans, Texas with the following members and officers present:

Adam Steen	Mayor
Gerald Stava	Council Member District No. 1
Jeppie Wilson	Council Member District No. 2/Mayor Pro-tem
Calvin Carrell	Council Member District No. 3
Ivy Valenzuela (<i>absent</i>)	Council Member District No. 4
Richard Hawkins	Council Member District No. 5
Rex M. Thee	City Manager
Tonya Todd	City Secretary
Frank Heslin	Asst. City Manager
Lorena Valle	Finance Officer

City Manager Rex M. Thee informed the Council he continues to work on the proposed budget.

Mr. Thee provided information on the 2024 Property Tax Rate:

2024 Estimated Total Assessed Valuation \$634,671,209

Current Property Tax Rate	\$0.3500
No-New Revenue Tax Rate	\$0.3277
Voter-Approval Tax Rate	\$0.3611
De Minimis Tax Rate	\$0.439881
Unused Increment-adj. rate	\$0.4111 (<i>likely going away next year</i>)

Mr. Thee indicated that the current tax rate is \$0.35000 per \$100 valuation. Mr. Thee mentioned that if the Council proposes a rate above the Unused-Increment, an Election is required and if the Council proposes a rate above the No-New Revenue Tax Rate, we will hold one Public Hearing and that rate would require special language to be used during the vote. Mr. Thee discussed the details of a couple tax rate options. Mr. Thee stated that he will use the current tax rate of \$0.35000 for the proposed budget. Mr. Thee mentioned that the certified property values will be available July 25, 2024 and on August 27, 2024, the City Council will hold the one and only Public Hearing on the Budget and the Council will propose the 2024 Property Tax Rate.

Various topics discussed.

- Revenues.
- Sales tax revenue.
- 2024 Property Tax Rate (details included above).
- There are no proposed increases in utility rates.
- Hotel Occupancy Tax (HOT) revenues and allocated expenses that are approved by law for its usage.
- TML Health insurance rates.

- Capital Equipment
4 – pickups \$305,000; 2 – Police Tahoes \$162,000 (We are still waiting on two vehicles ordered prior to the beginning of this FY); 3 – Mowers/UTVs - \$65,000
Trash Collection Containers, Lids and Rods (50 dumpsters) \$50,000; Replacement Automated Water Meters \$150,000; New 2024 Caterpillar Landfill Compactor lease/purchase annual continuum \$120,000 (Total remaining cost \$461,151);
2024 Backhoe Loader \$185,000; Airport RAMP Grant match \$100,000 (90/10 reimbursement match).
- Capital Projects
Water Park Installation \$150,000; Seal Coating \$150,000; Landfill Expansion Engineering/Permitting \$100,000 (in process and will take 3-4 years at approx. \$350,000 total cost); Set up Municipal Court at 1216 E. Sealy and Code Enforcement in the old municipal court building \$65,000; MEDC Assets Transfer (Cul de Sac, street, curb and gutter, and water and sewer utilities) for Lot 26 East Monahans Subdivision. Mr. Thee mentioned that this has to be budgeted but in actuality zeroes out as revenue in for streets and utilities, and expenditures out in the corresponding line items \$938,320; New Service Center building with bathrooms \$313,800.
- Balances of the restricted funds (HOT, Utility Deposits, Court Security & Court Technology).
- The city employees received a 4% COLA for FY2024 Budget. This budget does not propose COLA increases. Merit raises will be considered for FY2025 Budget.

Mr. Thee gave a final overview of the proposed budget based on .35000 proposed tax rate.

- This Budget proposes total operational expenditures estimated at \$15,646,477.
- This Budget projects total revenues (General Fund services fees and taxes, System Fund utility service fees, Unencumbered surplus) at \$16,989,019. (General Fund \$9,385,999 and System Fund \$7,603,321).

Mr. Thee asked the Mayor and Council if there were any changes to the proposed budget that they would like to see? Mayor Steen asked about more work on the streets and Councilman Wilson asked about an emergency overpass to the North Side. After a brief discussion, the budget workshop adjourned at 4:27 p.m. and no formal action was taken. No Budget Workshop will be needed for July 2, 2024.

Passed and approved by the Monahans City Council on the 9th day of July 2024.

ATTEST:

Tonya Todd, City Secretary

APPROVED:

Adam Steen, Mayor