

MINUTES OF SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE 29TH DAY OF AUGUST, 1988, AT 9:00 A.M.

On the 29th day of August, 1988, the City Commission of the City of Lufkin, Texas, convened in special meeting in the City Hall Council Chambers of City Hall with the following members thereof, to wit:

Louis A. Bronaugh	Mayor
Percy Simond, Jr.	Commissioner, Ward No. 1
Don Boyd	Commissioner, Ward No. 2
Danny Roper	Commissioner, Ward No. 3
Jack Gorden	Commissioner, Ward No. 5
Harvey Westerholm	City Manager
Brian Boudreaux	Assistant City Manager
Ron Wesch	Public Works Director
Atha Stokes	City Secretary

being present and,

Bob Bowman	Commissioner Ward No. 4
Paul Mayberry	Commissioner Ward No. 6

being absent when the following business was transacted.

1. Meeting was opened with prayer by City Manager Harvey Westerholm.

2. 1988-89 BUDGET - DISCUSSED - TAX RATE SET

Mayor Louis Bronaugh stated that the Commission would now consider the 1988-89 budget, establishing proposed tax rate, and setting hearing dates.

City Manager Westerholm went over items on the revised "Request for Assistance or Increases" and the "Proposed Methods for Financing". The report shows a balance of \$700 for the contingency fund.

Commissioner Jack Gorden stated that perhaps the Commission could consider borrowing money for shortfalls.

Commissioner Percy Simond passed out a news clipping from the Houston Post reporting a transaction where the City of Houston had borrowed funds from the State.

Commissioner Simond stated that he had some reservations about the small amount in the proposed contingency fund.

In response to question by Commissioner Roper, City Manager Westerholm stated that the sales tax revenue in the budget was based on last year's receipts and no increases were factored in for this year.

Public Works Director Ron Wesch stated that 40% of the sanitation revenue is commercial and 60% is residential. Mr. Wesch stated that in a study of collection rates in other cities Lufkin had the lowest rate.

In response to question by Commissioner Simond, City Manager Westerholm stated that the City paid \$320,000 per year to the County for use of the landfill. Commissioner Simond stated that the City should consider having its own landfill site since 70% of the landfill business is from the City.

City Manager Westerholm stated that a proposed City of Lufkin EMS Policy would increase the cost of ambulance service to County residents.

City Manager Westerholm stated that the staff is working on a much more aggressive collection procedure for ambulance service. City Manager Westerholm stated that it is also proposed that the City have a contract for guaranteed payment with other institutions, such as hospitals, nursing homes, etc.

Mayor Bronaugh stated that the teletype requested by the Police Department could be ordered in June of '89 for delivery in September, and payment in the next budget year and still meet the deadline of January 1990 for making the Police system compatible with DPS. This will add \$7,000 to the contingency fund balance.

Commissioner Gorden stated that he would suggest that the Commission review the budget on a quarterly basis, and that the insurance loss fund be revised in order to improve the City's bond rating.

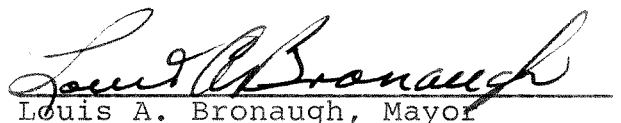
Mayor Bronaugh stated that if the insurance loss fund of \$811,000 was unencumbered the City should not have a deficit but a surplus.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Danny Roper to set the tax rate at .34 cents per \$100 valuation. A unanimous affirmative vote was recorded.

Mayor Bronaugh stated that a letter had been received from E. G. Pittman, Chairman of the Civil Service Commission, for consideration by members of the City Commission.

Mayor Bronaugh stated that he would like for the Commissioners to review the EMS proposal prior to this item being placed on the Agenda for the September 6th meeting.

3. There being no further business for consideration, meeting adjourned at 10:15 A.M.


Louis A. Bronaugh, Mayor

ATTEST:


Atha Stokes, City Secretary