

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE
CITY OF LUFKIN, TEXAS HELD ON THE 28th DAY OF AUGUST, 2007**

On the 28th day of August, 2007, the City Council of the City of Lufkin, Texas convened in a Special Called Meeting in the Council Chambers of City Hall with the following members, thereof to wit:

Jack Gorden, Jr.
Rose Faine Boyd
R. L. Kuykendall
Lynn Torres
Don Langston
Rufus Duncan
Phil Medford
Paul L. Parker
Robert Flournoy
Kara Atwood
Doug Wood
Barbara Thompson
Belinda Southern

Mayor
Mayor Pro-Tem
Councilmember, Ward No. 1
Councilmember, Ward No. 3
Councilmember, Ward No. 4
Councilmember, Ward No. 5
Councilmember, Ward No. 6
City Manager
City Attorney
Acting City Secretary
Finance Director
Main Street Director
Finance Senior Accountant

being present, when the following business was transacted:

1. The meeting was opened with prayer by City Attorney Robert Flournoy.
2. Mayor Gorden welcomed visitors present.

**3. CONDUCT A PUBLIC HEARING AND CONSIDER ON FIRST READING
AN ORDINANCE LEVYING TAXES FOR THE USE AND SUPPORT OF
THE MUNICIPAL GOVERNMENT OF THE CITY OF LUFKIN -
APPROVED - AND PROVIDING FOR THE DEBT SERVICE FUND FOR
THE FISCAL YEAR 2008 AND APPORTIONING EACH LEVY FOR THE
SPECIFIC PURPOSE.**

Mayor Gorden stated that next item for consideration was to Conduct a Public Hearing and Consider on First Reading an Ordinance levying taxes for the use and support of the Municipal Government of the City of Lufkin and providing for the Debt Service Fund for the Fiscal Year 2008 and apportioning each levy for the specific purpose.

Mayor Gorden opened the Public Hearing at 12:10 p.m. and requested that anyone wishing to speak on this item to please step forward.

City Manager Paul Parker stated that State Legislature requires that cities hold two (2) Public Hearings prior to adoption of the tax rate. City Manager Parker stated that the first of these required Public Hearings was held at the last Council meeting on August 21st, 2007, and this called meeting fulfilled the requirement for the second Public Hearing on the adoption of the tax rate. City Manager Parker continued that the property tax rate for fiscal year 2007/2008 would remain the same as last year at 0.5554 per hundred dollar valuation; therefore, unless citizen's property valuations had been adjusted or significant improvements made to their property, they will not pay any additional property taxes. City Manager Parker then stated that the tax rate will however generate more tax revenue for maintenance and operations and that the effective tax rate for next fiscal year is 0.524969, therefore, the proposed tax rate of 0.5554 will generate approximately \$483,000 in additional revenue. City Manager Parker also reminded Council that per State law, specific language must be used in making a motion to approve the first reading of the Ordinance and that Staff recommended that the second Public Hearing be held and the first reading of the Ordinance be approved.

There being no one wishing to speak on the item, Mayor Gorden closed the Public Hearing at 12:14 p.m.

Council member Don Langston stated that he wished to reiterate his point from the last meeting that the City was looking at just under a six percent (6%) increase from the effective tax rate to the proposed tax rate, while inflation is just under three percent (3%) and the City's fund balances continue to grow annually. Council member Langston commended City Staff for their work in presenting to Council a very healthy budget and that he considered additional funds a windfall to the City and wishes the Council would consider moving closer to the effective tax rate, rather than the proposed tax rate.

Mayor Gorden then entertained comments and or motions from Council.

Council member Lynn Torres moved that property taxes be increased by the adopting of a tax rate of \$0.5554 per one hundred dollar (\$100.00) valuation. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will raise taxes for maintenance and operations on a one hundred thousand dollar (\$100,000) home by approximately thirty dollars and forty-three cents (\$30.43). Council member Rose Faine Boyd seconded the motion. The following vote was recorded:

The following vote was recorded:

Aye: Mayor Jack Gorden, Council Members Rufus Duncan, R.L. Kuykendall, Phil Medford, Lynn Torres, and Rose Faine Boyd

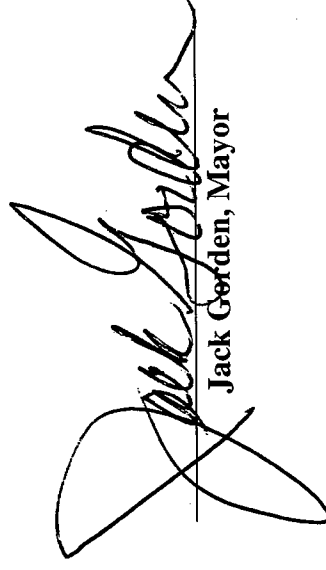
Nay: Council Member Don Langston

The motion carried with (6) six affirmative votes.

City Manager Parker reminded Council of two (2) upcoming events including a dinner in regard to the Small Business awards to be held at the Red Barn and the TML meeting to be held in Cleveland on the evening of September 6, 2007.

4. There being no further business for consideration, the meeting adjourned at 12:19 p.m.


Renee Thompson – City Secretary


Jack Gorden, Mayor