

**MINUTES OF THE SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
AUGUST 30, 2021**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A SPECIAL MEETING ON MONDAY, AUGUST 30, 2021, IN THE COUNCIL CHAMBERS, FRIENDSWOOD CITY HALL, LOCATED AT 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

Trish Hanks	Councilmember
Steve Rockey	Councilmember
Sally Branson	Councilmember
Robert J. Griffon	Mayor Pro Tem
John Scott	Councilmember
Brent Erenwert	Councilmember
 Mike Foreman	 Mayor
 Morad Kabiri	 City Manager
Mary Kay Fischer	City Attorney
Leticia Brysch	City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 5:36 P.M.; all members were present.

2. INVOCATION

The invocation was led prior to the commencement of the meeting.

3. PLEDGE OF ALLEGIANCE - United States and State of Texas

Mayor Foreman led the Pledge of Allegiance of the United States and to the State of Texas prior to the commencement of the meeting.

4. COUNCIL COMMENTS AND REPORTS

Mayor Foreman welcomed comments from the councilmembers.

Councilmember Rockey stated that he had a couple of items related to the Library. He noted that with the increase in COVID cases, there have been a few changes to the Library's programming as many of them are going back to videoconferencing, i.e., Zoom and those that remain in person will have social distancing. Councilmember Rockey further noted that this year's Film Fest is still scheduled.

Councilmember Branson reminded the council of the upcoming Friendswood Historical Society's Labor Day Ice Cream Social where they will unveil the new mural. She stated that it is set to take place on

Monday, September 2nd, from 3:00 – 5:00 P.M. at the Perry Home Museum. Councilmember Branson also noted that on September 27th, the Historical Society will be holding an event to give a historical overview of the City of Friendswood.

Councilmember Hanks stated that she was happy to announce that the Friendswood Senior Citizens group was back together. She noted that she had attended their meeting this month where they selected a new slate of officers and had a number of activities coming up for the senior citizens of Friendswood to attend and enjoy. Councilmember Hanks also noted that she had attended the Planning and Zoning Commission meetings and felt that this group, in conjunction with the staff, had done a lot of really good work to include a tree ordinance, the comp plan and other valuable items.

Councilmember Griffon gave an overview of his attendance to the Galveston County Drainage District meeting as well as a project that included the movement of 1600 loads of dirt to help assist with the city's drainage. Councilmember Griffon also asked for prayers for the families in New Orleans who were impacted by Hurricane Ida.

Mayor Foreman thanked all the members of council for their thoughtful comments and felt that moving this communication item to the beginning of the agenda was proving successful. He also noted that the Blackhawk Water Treatment Plant had recently been recognized with a gold award.

5. PUBLIC COMMUNICATIONS

Mayor Foreman stated that in order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to applause, disparaging noises, and remarks. Furthermore, any personnel complaints against a City employee, aside from the City Manager, City Attorney, or Municipal Judge, shall not be discussed and shall be referred to City Management.

Ms. Cathie Woitena requested to speak before the council regarding the creation of a playground at the Sportsark in order to allow for children in the surrounding residential areas to exercise and play in a city park. She stated that she was willing to support this endeavor and help look for grants. Mayor Foreman thanked Ms. Woitena for her comments and directed her to speak to Parks and Recreation Director James Toney for information on how to participate and volunteer with the department.

6. PROPOSED FISCAL YEAR 2021-2022 GENERAL OPERATING BUDGET FOR THE CITY OF FRIENDSWOOD

A. Conduct a public hearing to receive comments both oral and written regarding the Proposed Fiscal Year 2021-2022 General Operating Budget for the City of Friendswood.

At 5:46 P.M. Mayor Foreman opened a public hearing regarding the Proposed Fiscal Year 2021-2022 General Operating Budget for the City of Friendswood.

Administrative Service Director Katina Hampton, at the request of council, gave an overview of the items that had changed from the last time she presented the proposed budget. Ms. Hampton stated that the

changes happened to the General Fund, primarily because of changes in the HCAD certified values. She noted that the values came in lower than anticipated, which resulted in changes to both the General Fund's revenues and expenditures. Ms. Hampton noted that the revenues decreased a total of \$383,000, \$342,000 due to the change in the HCAD certified values, and \$42,000 due to miscellaneous revenue projections being reduced. As a result of the revenue decrease, staff reduced expenditures by \$383,00 to offset the decrease as follows:

- decrease of \$104,000 in general government;
- increase of \$34,000 in public safety;
- decrease of \$38,000 in community development;
- decrease of \$4,000 in public works; and
- a decrease of \$279,000 in facilities.

Ms. Hampton also noted expenditure reductions in the amount of \$3,000 in the vehicle replacement fund and \$8,000 in the CDBG-DR (Galveston) fund.

Councilmember Branson asked what the reduction in the facilities fund expenditures was. Ms. Hampton noted that the reduction was due to the city now owning the Blackhawk building and no longer having to pay for a lease agreement.

Councilmember Rockey requested that staff give an overview of the adopted tax rates between the school district (FISD) and the city (City). City Manager Morad Kabiri gave an overview of this item using the following chart:

Tax Rate Comparison (FISD vs. City)					
FRIENDSWOOD INDEPENDENT SCHOOL DISTRICT					
Tax Year	Valuation (Increased or Decreased)	Prior Year Tax Rate	No New Revenue Rate (NNRR)	Adopted Tax Rate	Delta (Adopted minus NNRR)
2020	Increased	\$1.2594	\$1.1898	\$1.2594	\$0.0696
2021	Increased	\$1.2594	\$1.1572	\$1.2394	\$0.0822
CITY OF FRIENDSWOOD					
Tax Year	Valuation (Increased or Decreased)	Prior Year Tax Rate	No New Revenue Rate (NNRR)	Adopted Tax Rate	Delta (Adopted minus NNRR)
2020	Increased	\$0.5214	\$0.4873	\$0.4873	\$0.0000
2021	Increased	\$0.4873	\$0.4530	\$0.4873	\$0.0343

Mr. Kabiri noted that the question has been asked how is it that the school district is able to lower its tax rate by \$0.02 for the upcoming fiscal year, and the city is not able to do the same. Mr. Kabiri stated that staff tried to do an apples-to-apples comparison of FISD and the city related to the no new revenue tax

rate. He noted that from one tax year to the next, there is a calculation that is prescribed by the State of Texas that determines the tax rate that an entity has to set in order to offset any fluctuation in taxable values, so as values go up the tax rates go down in order to bring in the same amount of revenue, and if the tax values go down then the tax rate needs to go up to offset those changes. Mr. Kabiri further stated that said calculation does not consider new construction, so if there is not an existing improvement on a blank piece of property, and a new structure is built on it, that does not count in the change in valuation. Therefore, despite lowering the rate by \$0.02, FISD will still be increasing taxes by more than double what the city is proposing (\$0.0822 – FISD versus \$0.0343 – City of Friendswood). Mr. Kabiri further clarified that the city's increase is only to cover the cost of debt issuance related to the voter approved bond programs from 2019. Mr. Kabiri noted that ultimately, this is not a reduction in FISD's tax rate and is also not a case where FISD was able to achieve something that the city was not and further stated that the drastic difference between the school district and the city's no new revenue rate is because of the difference in valuation and tax base because the district is solely located in Galveston County, while the city has jurisdiction in both Harris County and Galveston County.

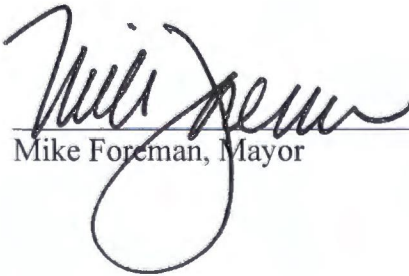
Councilmember Hanks noted that it is very difficult to do an apples-to-apples comparison between the two entities because they really are very different, the most important differences are: (1) the debt service is not included in FISD's budget, and (2) the state has increased its funding of school districts (compression) in order for those districts to reduce the tax burden on its tax-payers.

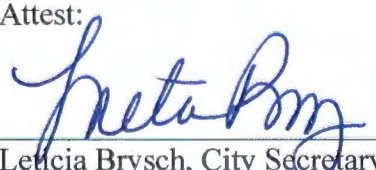
Ms. Hampton noted that the next steps on this item are to hold a public hearing on the tax rate as well as the consideration of the budget and tax rate adoption on September 13, 2021.

With there being no speakers on this item, Mayor Foreman closed the public hearing regarding the Proposed Fiscal Year 2021-2022 General Operating Budget for the City of Friendswood.

7. ADJOURNMENT

With there being no further business to discuss, Mayor Foreman adjourned the August 30, 2021, City Council Special Meeting at 5:54 P.M.


Mike Foreman, Mayor

Attest:

Leticia Brysch, City Secretary

