



TOWN COUNCIL SPECIAL MEETING - BUDGET WORKSHOP

Monday, August 07, 2023 at 9:00 AM

Fulton Council Chambers, 201 N. 7th Street

MINUTES

CALL TO ORDER

PRESENT

Mayor Kelli Cole
Mayor Pro Tem Robert Loflin
Place 3 MaryAnn Pahmiyer
Place 4 Margo Nielsen
Place 5 Laura McCorkle

ABSENT

Place 2 Chris Garis

STAFF PRESENT

Stephanie Garcia, City Secretary
Matt Olenick, Director of Operations
Steven Robertson, Comptroller
Johnny Davis, Building Official
Hal George, Town Attorney
John Harrell, Police Chief

Mayor Cole called the meeting to order at 9:00 a.m.

PLEDGE OF ALLEGIANCE – U.S. Flag and Texas Flag

Mayor Cole led everyone in the pledges.

OBSERVE A MOMENT OF SILENCE/PRAAYER

Mayor Cole led everyone in a moment of silence.

CITIZENS TO BE HEARD (PUBLIC FORUM)

Public participation is valued and at this time, comments limited to three (3) minutes will be taken from persons who have signed the Speaker's Card located on the table inside the Council Chambers and delivered to the City Secretary before the meeting begins. Written comments received by submission to the City Secretary in person or emailed to citysec@fultontexas.org by 3:00 p.m. on the day of the meeting, on any subject matter that is not on the agenda, will be read and summarized in the minutes of the meeting. Persons wishing to address the Council and who have registered using the Speaker's Card will have up to three (3) minutes to speak. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda. While civil public criticism is

not prohibited; disorderly conduct or disturbance of the peace as prohibited by law shall be cause for the chair to terminate the offender's time to speak.

No one came forward.

BUDGET WORKSHOP

1. Presentations and general discussion of Hotel Occupancy Tax (HOT) fund request from the Rockport-Fulton Chamber of Commerce.

Shanon Biggerstaff with the Rockport-Fulton Chamber of Commerce introduced herself and referred to the provided application. Mrs. Biggerstaff indicated that the Chamber is asking for an increase due to increases they have incurred from the advertising agency they work with, print creator, and inflation. She further gave a brief explanation of how the Town of Fulton is promoted. Mrs. Biggerstaff asked for any questions from the Council. There were no questions at this time.

2. Presentations and general discussion of Hotel Occupancy Tax (HOT) fund request from the Aransas County Council on Aging.

Debbie Thompson, Director of Operations with the Aransas County Council on Aging introduced herself and gave a brief explanation of what services they provide. Mrs. Thompson indicated they are asking for HOT funds to help with advertising to promote the Bountiful Bowl, which is their largest fund raiser. Councilwoman Nielson noted that she should mention the social activities that are provided for senior citizens. Mrs. Thompson reviewed those events. Mrs. Thompson asked for any questions from the Council. There were no questions at this time.

3. Presentations and general discussion of Hotel Occupancy Tax (HOT) fund request from the Texas Maritime Museum.

Justin Parkoff, Curator with the Texas Maritime Museum introduced himself and thanked everyone for having him. He began with a historical review of the Maritime Museum then went into the review of his presentation and collection of data. Mr. Parkoff asked for any questions from the Council. There were no questions at this time.

4. Presentation and general discussion of proposed FY 2023-24 Budget.

Steven Robertson, Comptroller began with a general overview of the Town's budget and discussed the tax rate for 2023 – 2024. The Town will be enacting a No-New Revenue Tax Rate for the upcoming fiscal year. This would be a slight increase of \$19 for Fulton residents. Mr. Robertson asked for any questions from the Council. There were no questions at this time.

Mr. Robertson used an example of total taxable property value stands at \$500 million, and we're looking to collect \$1 million in property taxes. Currently, we can achieve this with a tax rate of 0.2%.

He reviewed the history of the sales tax for the Town and discussed the possibility of a recession in the coming year.

Mr. Robertson indicated that permit revenue is a large portion of the Town's revenue. The building permits are beginning to slow; therefore, reflected in our revenue income.

Mr. Robertson discussed the changes in the general fund and noted street maintenance was slightly reduced. This reduction will help forgo a hirer tax rate for the Town's citizens. He discussed the dispatch cost paid to the City of Rockport and the large increase in that cost. Councilwoman McCorkel inquired as to whether the Town was under contract for the dispatch costs. Mr. George explained that the percentage is based on calls and what comes out of the Town of Fulton. It was noted that the election costs have also increased, we will have a single audit that will be paid in FY 2024, and there will be a three percent cost of living for employees, which is routine. Mr. Robertson also noted that health insurance costs increased by 50%. The mayor and city secretary reviewed the plans and was able to reduce the cost by approximately 30%.

Debt Service: Mr. Robertson indicated that the principal payments increased over time, and we have not issued new debt since 2016.

Police Fund: Mr. Robertson noted that the revenue has increased along with court costs. There were also multiple capital purchases last year.

Sewer: Mr. Robertson indicated that the Town does not have a planned rate increase at this time. He projects to have a four percent increase due to businesses and new homes. It was noted that the interest income has increased, and the Town has healthy reserves. Mr. Robertson mentioned an increase in fuel costs due to prices and additional vehicles. The City of Rockport had previously charged incorrect rates for the Fulton accounts; therefore, those updated fees should produce an increase. It was noted that the budget has increased in order to hire a new sewer employee.

Hotel Motel: Mr. Robertson noted he conservatively budgeted within the hotel motel fund and will adjust once requests are considered by the Council. The fund balance will be projected at approximately \$381,000.00.

FCC: Mr. Robertson noted an increase in revenues due to the phasing out of COVID discounts. He reviewed the routine charges that are paid out of the fund. Ms. Pina mentioned upcoming improvements that are planned for the upcoming year.

CLOSE BUDGET WORKSHOP

Mayor Cole closed the budget meeting at 9:44 a.m.

CONSENT AGENDA

All consent agenda items listed are considered to be routine by the Town Council and will be enacted by one motion. There will be no separate discussion of these items unless a council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

- 5. Discuss/Approve/Disapprove** minutes of the Regular Meeting held on July 19, 2023.

Motion made by Mayor Pro Tem Loflin, Seconded by Place 5 McCorkle to approve the Consent Agenda as presented.

Voting Yea: Mayor Pro Tem Loflin, Place 3 Pahmiyer, Place 4 Nielsen, Place 5 McCorkle

ITEMS FOR CONSIDERATION

6. Receive a report from Shelly Stuart, President/CEO, of the quarterly expenditures and activity for the HOT funds for the Rockport-Fulton Chamber of Commerce.

Shanon Biggerstaff with the Rockport-Fulton Chamber of Commerce reviewed the provided report and advertising that takes place for the Town of Fulton. She noted that Hummingbird and Seafair celebrations bring many visitors to the area. Hummingbird is in September. They will be preparing a marketing plan for the Pathways which will include Fulton and have started an editorial in the Pilot that highlights attractions and events. Mrs. Biggerstaff also discussed Geo Cache and the value of it.

CLOSED SESSION

The Town Council may elect to go into closed session pursuant to Chapter 551, Government Code on any Agenda item where appropriate and particularly Sections 551.071 (consultation with attorney) and 551.074 (personnel matters), Government Code.

Council convened into Closed Session at 9:56 a.m.

OPEN SESSION

Discuss/Approve/Disapprove any and all action necessary with regard to the preceding matter(s).

Council reconvened into Open Session at 10:16 a.m.

7. **Discuss/Approve/Disapprove** the resignation of John Harrell as the Chief of Police.

Mayor Cole asked Chief Harrell to speak. Chief Harrell overviewed his time with the Town. The Council thanked him for his service, accepted his resignation, and recommended the appointment of Ty Gerstenberger as interim chief.

Motion made by Mayor Pro Tem Loflin, Seconded by Place 3 Pahmiyer to accept Chief John Harrell's resignation and to appoint Ty Gerstenberger as Interim Chief of Police.

Voting Yea: Mayor Pro Tem Loflin, Place 3 Pahmiyer, Place 4 Nielsen, Place 5 McCorkle

ANNOUNCEMENTS

8. The next Regular Fulton Town Council Meeting will be held Wednesday, August 16, 2023, beginning at 6:00 pm.

Mayor Cole informed the Council of the upcoming regular Town Council Meeting. She also noted that the Neighborhood Watch meeting is August 8, 2023, 6 p.m. at the Fulton Convention Center and will be discussing hurricane watch.

ADJOURNMENT

There being no further business, Mayor Cole entertained a motion to adjourn.

Motion made by Mayor Pro Tem Loflin, Seconded by Place 5 McCorkle to adjourn the meeting.

Voting Yea: Mayor Pro Tem Loflin, Place 3 Pahmiyer, Place 4 Nielsen, Place 5 McCorkle

The meeting was adjourned at 10:27 a.m.

Kelli Cole, Mayor

Stephanie Garcia, City Secretary