

THE LEVELLAND CITY COUNCIL MET IN A SPECIAL MEETING ON MONDAY, THE 11th DAY OF AUGUST, 2025, AT LEVELLAND CITY HALL, R. O. DENNIS COUNCIL CHAMBERS, 1709 AVENUE H, WITH THE FOLLOWING MEMBERS PRESENT:

Breann Buxkemper	Honorable Mayor	Present
Michael Stueart	Mayor Pro Tem	Present
Bill Powell	Council Member	Present
Max Ledesma	Council Member	Present
Jaime McCabe	Council Member	Absent
Slater Elza	City Attorney	Absent
James Fisher	City Manager	Present
Justin Balderas	Asst. City Manager	Present
Andréa Corley	City Secretary	Present

The City Council meeting was called to order at 6:01pm by Mayor Buxkemper.

The Pledge was led by Mayor Breann Buxkemper.

The Invocation was led by Mayor Breann Buxkemper.

Statements by Citizens:

There were no statements by citizens.

FIRST ITEM OF BUSINESS:

Consider and take necessary action regarding Fiscal Year 2023/2024 Audit.

David Copeland, a representative from our auditing firm, Bolinger, Segars, Gilbert & Moss, L.L.P., presented the Fiscal Year 2023/2024 audit. He reported there were no significant findings in the audit.

Motion by Michael Stueart

Seconded by Max Ledesma

To approve the Fiscal Year 2023/2024 Audit

Motion carried unanimously.

SECOND ITEM OF BUSINESS:

Presentation of Fiscal Year 2025-2026 Budget.

City Manager James Fisher said the budget was not ready to be presented at this time, as the health insurance numbers were not plugged into the budget yet. He anticipates being ready to present the budget at the next meeting on August 18, 2025.

No Action Taken.

THIRD ITEM OF BUSINESS:

Consider and take necessary action to propose a tax rate for Fiscal Year 2025/2026.

One of the first steps in setting the tax rate for the next budget year is for the City Council to establish a tax rate ceiling tax rate. This number is a proposed tax rate number that the City Council states it will not go above this number. They can go below this number, but not over.

The next step for the City Council is to set the Public Hearing dates for the tax rate and adoption of the proposed annual budget. City staff is recommending two Public Hearings on the Proposed Tax Rate and the FY 26 Annual Budget (October 1, 2025 – September 30, 2026) on Monday, September 8th and Monday, September 15th at 6 pm.

Finally, the City Council consider the new tax rate to support the FY 26 Annual Budget. Please see below the meaning of each individual rate that will be discussed and considered by the City Council.

No-New-Revenue Tax Rate: The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.
\$0.536706 (FY 2025-2026)

Voter-Approval Tax Rate: The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

\$0.600688 (FY 2025-2026)

De Minimis Tax Rate: The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current

debt rate for a taxing unit. This section should only be completed by a taxing unit that is a municipality of less than 30,000.

\$0.652514 (FY 2025-2026)

Motion by Michael Stueart

Seconded by Bill Powell

To set a tax rate of .575000 as the Tax Rate Ceiling for the FY 26 Annual Budget.

Bill Powell voted FOR the motion.

Max Ledesma voted FOR the motion.

Breann Buxkemper voted FOR the motion.

Michael Stueart voted FOR the motion.

Jaime McCabe was absent. No vote recorded.

Motion carried unanimously.

FOURTH ITEM OF BUSINESS:

Consider and take necessary action to establish the date for a Public Hearing on the Fiscal Year 2025/2026 Tax Rate.

City Council must set the Public Hearing dates for the tax rate and adoption of the proposed annual budget. City staff is recommending two Public Hearings on the Proposed Tax Rate and the FY 26 Annual Budget (October 1, 2025 – September 30, 2026) on Monday, September 8th and Monday, September 15th at 6 pm.

Motion by Bill Powell

Seconded by Michael Stueart

To order two Public Hearings on the Proposed FY 26 Tax Rate for Monday, September 8th and Monday, September 15th at 6 pm.

Motion carried unanimously.

FIFTH ITEM OF BUSINESS:

Consider and take necessary action to establish the date for a Public Hearing on the Fiscal Year 2025/2026 Budget.

City Council must set the Public Hearing dates for the tax rate and adoption of the proposed annual budget. City staff is recommending two Public Hearings on the Proposed Tax Rate and the FY 26 Annual Budget (October 1, 2025 – September 30, 2026) on Monday, September 8th and Monday, September 15th at 6 pm.

Motion by Michael Stueart

Seconded by Max Ledesma

To order two Public Hearings on the FY 26 Annual Budget for Monday, September 8th and Monday, September 15th at 6 pm.

Motion carried unanimously.

SIXTH ITEM OF BUSINESS:

Consider and take necessary action on a payment request from MH Civil Constructors, Inc. in the amount of \$562,925.54 for construction of the 1.8 MGD Wastewater Treatment Plant.

Consider and take necessary action on a payment request from MH Civil Constructors, Inc. in the amount of \$562,925.54 for construction of the 1.8 MGD Wastewater Treatment Plant.

Motion by Bill Powell

Seconded by Max Ledesma

To approve a payment request #1 from MH Civil in the amount of \$562,925.54 for the new 1.8 MGD Wastewater Treatment Plant pursuant to the contract approved between the City and MH Civil Constructors on May 5, 2025.

Motion carried unanimously.

SEVENTH ITEM OF BUSINESS:

Discussion about issuance of Certificates of Obligation.

City Manager James Fisher updated Council on the final workings of the issuance of certificates of obligation. He reported that S&P has verified the City's A+ credit rating.

No Action Taken.

EIGHTH ITEM OF BUSINESS:

Discussion about the proposed FY26 Budget.

City Manager James Fisher said that the health insurance numbers are mostly complete and mentioned some changes in the plans going forward. Health Insurance costs were the final expense needing to be plugged in to the budget. The budget will officially be presented to Council on August 18.

NINTH ITEM OF BUSINESS:

City Manager Report: Staff Updates, Project Updates, Staff/Citizen recognition, Items of Community Interest. No action will be taken.

City Manager James Fisher updated Council on some upcoming event dates, like Texas Night Out. He made mentioned of several staff promotions. He informed Council of the CPR/AED/First Aid trainings that are taking place each Friday for staff members.

No Action Taken.

There being no further business, the meeting adjourned.

Respectfully Submitted,

Andréa Corley, TRMC
City Secretary

Breann Buxkemper, Mayor