

THE LEVELLAND CITY COUNCIL MET IN A REGULAR MEETING ON MONDAY, THE 15th DAY OF SEPTEMBER, 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	Present
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 6:00pm by Mayor Buxkemper.

The Pledge was led by Mayor Breann Buxkemper.

The Invocation was led by Mayor Breann Buxkemper.

Statements by Citizens:

There was one statement by a citizen regarding cemetery policies.

FIRST ITEM OF BUSINESS:

Consider and take necessary action to approve the minutes of the September 8, 2025, regular meeting.

Motion by Bill Powell

Seconded by Max Ledesma

To approve the minutes of the September 8, 2025, regular meeting.

Motion carried unanimously.

SECOND ITEM OF BUSINESS:

Hold a public hearing on the proposed fiscal year 2025/2026 budget.

The proposed budget is available on the City of Levelland website at <https://www.levellandtexas.org/363/Financial-Transparency> and a copy is available for viewing in the City Secretary's office.

THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$274,816, WHICH IS A 4.00 PERCENT INCREASE FROM LAST YEAR'S BUDGET, AND OF THAT AMOUNT \$86,093 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.

Mayor Buxkemper opening the Public Hearing at 6:10pm.
Two citizens gave their input.
Mayor Buxkemper closed the Public Hearing at 6:15pm.

No Action Taken.

THIRD ITEM OF BUSINESS:

Hold a public hearing on the proposed Tax Rate for fiscal year 2025/2026.

Mayor Buxkemper opening the Public Hearing at 6:16pm.
Mayor Buxkemper closed the Public Hearing at 6:17pm.

No Action Taken.

FOURTH ITEM OF BUSINESS:

Consider and take necessary action to approve Resolution No. 2025-14 adopting the Fiscal Year 2025-2026 City of Levelland Budget.

One of the many steps that the City needs to take in order to adopt a budget is to hold a public hearing on the proposed budget. The vote on the proposed fiscal year 2025-2026 budget is scheduled for September 15, 2025, after the public hearing.

Over the past several months city staff and Council have worked through the budget process and have developed the proposed FY 2025-2026 budget. It is now time to take official action on the proposed budget. The resolution following this memo will allow Council to adopt the proposed FY 2025-2026 budget. Be aware, this must be a record vote meaning that the City Secretary will ask each individual City Council member how he or she votes individually.

Since the 2025-2026 Budget is reflecting a total property tax revenue from the previous year, Texas Local Government Code 102.007(c), states that City Council must also take a separate ratification vote for the budget adoption.

Motion by Michael Stueart
Seconded by Max Ledesma

To approve Resolution No. 2025-14 adopting the Fiscal Year 2025-2026 City of Levelland Budget.

VOTE OCCURRED AS FOLLOWS:

Breann Buxkemper-	VOTED IN FAVOR
Michael Stueart-	VOTED IN FAVOR
Bill Powell-	VOTED IN FAVOR
Max Ledesma-	VOTED IN FAVOR
Jaime McCabe-	VOTED IN FAVOR

Motion carried unanimously.

FIFTH ITEM OF BUSINESS:

Consider and take necessary action to ratify the property tax increase reflected in the proposed Fiscal Year 2025-2026 City of Levelland Budget.

Since the 2025-2026 Budget is reflecting a total property tax revenue from the previous year, Texas Local Government Code 102.007(c), states that City Council must also take a separate ratification vote for the budget adoption.

Motion by Bill Powell

Seconded by Michael Stueart

To ratify the adoption of the budget that will raise more revenue from property taxes than in the previous year.

VOTE OCCURRED AS FOLLOWS:

Breann Buxkemper-	VOTED IN FAVOR
Michael Stueart-	VOTED IN FAVOR
Bill Powell-	VOTED IN FAVOR
Max Ledesma-	VOTED IN FAVOR
Jaime McCabe-	VOTED IN FAVOR

Motion carried unanimously.

SIXTH ITEM OF BUSINESS:

Consider and take necessary action to approve Ordinance No. 1099 setting the 2025/2026 tax rate by setting the Maintenance and Operation component of the 2025/2026 tax rate (General Fund and Cemetery Fund) and the Debt component of the 2025/2026 tax rate. (Interest and Redemption Fund)

The city's property tax provides approximately \$3.8 million to the General Fund. The Property tax is measured by the value of a taxpayer's property. It is also called ad valorem tax, a Latin phrase meaning "according to value." Our property tax rate is made up of two parts, an interest and sinking rate (otherwise known as the debt service rate) and a maintenance/operations rate (this funds the daily operations of the city). The proposed tax rate for FY 26 is .555000/\$100 valuation, maintenance/operations is .4785000/\$100 valuation, the Cemetery Fund receives .03/\$100 valuation and interest/sinking (debt service)

is .046500/\$100 valuation. The No New Revenue tax rate is .536706/\$100 valuation. One penny of property tax generates approximately \$76,000.

The proposed interest/sinking (debt service) rate for FY 26 is .0465/\$100 valuation. This is an increase of .010229.

Staff has also proposed increasing the Wastewater Improvement Fee from \$21.62/ month to \$28.00/month. The WWTP construction bid is \$26,265,000. This amount is approximately \$6,615,000 higher than projected. This fee will need to be reviewed in 3 years to determine if there is an additional increase needed to pay the debt service and to provide reserve funds within the Wastewater Fund. The projected Fund Balance for the Wastewater Improvement Fund at the end of FY 25 is approximately \$20,847,367 (this balance includes funds from the Certificate of Obligations). City Council approved this fee increase on August 25, 2025.

Staff has also proposed to increase the Water Improvement Fee from \$1/ month to \$5.00/month. The adjustment is due to new water treatment costs from the City of Lubbock. The projected Fund Balance for the Water Improvement Fund at the end of FY 25 is approximately \$299,570. City Council approved this fee increase on August 25, 2025.

The 2022 Certificate of Obligation series (original WWTP construction bond), and the 2025 Certificate of Obligation series (additional WWTP construction costs) have an estimated annual payment of \$2,070,575. The city has approximately 5200 active utility accounts; $[5200 * \$28.00 = \$145,600/\text{month}; \$145,600 * 12 = \$1,747,200]$. The city receives approximately \$320,000/year from the sale of effluent water. $[\$1,747,200 + \$320,000 = \$2,067,200]$ This leaves a shortfall of \$3,375. We will utilize WW Improvement Fee funds (reserve funds) to cover the difference. Once the WWTP comes online (Winter 2026), we will review our financial status at that time.

The City Council authorized the issuance of the Certificates of Obligation for the Wastewater Treatment Plant Construction (additional funds) and for the Animal Services Facility (Animal Shelter) on Monday, August 25th.

***25% of the Series 2025 CO Debt Service for the WWTP is paid for with I & S taxes.

****The city has an additional \$516,000 annual payment in Utility Revenue Supported Debt Service due to the issuance of debt for the replacement of water meters. The funds to pay this debt will come from recovered revenue due to inefficient meters.

Motion by Michael Stueart
Seconded by Bill Powell

To approve and adopt Ordinance No. 1099, and that the property tax rate be increased by the adoption of a tax rate of \$0.55500, which is effectively a 3.74% percent increase in the tax rate with the components of the tax rate being as follows:

Maintenance and Operations - General Fund \$0.478500; Cemetery Fund \$0.03;

Debt - Interest and Redemption Fund \$0.046500

VOTE OCCURRED AS FOLLOWS:

Breann Buxkemper- VOTED IN FAVOR

Michael Stueart- VOTED IN FAVOR

Bill Powell- VOTED IN FAVOR

Max Ledesma- VOTED IN FAVOR

Jaime McCabe- VOTED IN FAVOR

Motion carried unanimously.

SEVENTH ITEM OF BUSINESS:

Consider and take necessary action on a transfer and assumption agreement with Covenant Ambulance Service.

Newman Wheeler, Chief Administration Officer for Covenant Hospital- Levelland, reached out to us. He indicated that Covenant has internally reorganized their region Ambulance services to all one department, it requires them to transfer all ambulance contracts to same department. The internal change does not change any operational responsibilities they currently have or will have in the future. Ownership is still Covenant Health.

This agreement is simply the paperwork that goes along with that sort of reorganization.

Motion by Jaime McCabe

Seconded by Bill Powell

To approve a transfer and assumption agreement with Covenant Ambulance Service.

Motion carried unanimously.

EIGHTH ITEM OF BUSINESS:

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

Apprised Council of fraudulent phone calls being received by our residents. The callers are claiming to be with the City, but are NOT affiliated with the City in any way.

There being no further business, the meeting adjourned at 6:24pm

Respectfully Submitted,

Andréa Corley, TRMC
City Secretary

Breann Buxkemper, Mayor