

**MERCEDES CITY COMMISSION
SPECIAL MEETING
AUGUST 5, 2021 AT 6:30 P.M
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar Montoya	Mayor
	Joe Martinez	Mayor Pro-Tem
	Leonel Benavidez	Commissioner
	Jacob Howell	Commissioner
	Jose M. Gomez	Commissioner
STAFF PRESENT:	Alberto Perez	City Manager
	Joselynn Castillo	City Secretary
	Mark Sossi	City Attorney
	Marisol Vidales	Library Director
	Ervin Vilchis	IT Liaison
	Joaquin Hernandez	PW Director
	Javier Campos	Fire Chief/EMC
	Roy Quintanilha	Police Chief
	Nereida Perez	Finance Director
	Javier Chapa	I.T Director
	Richard Morin	Recreational Director
	George Diaz	Police Officer

1) CALL MEETING TO ORDER

Mayor Montoya called the meeting to order at 6:30 PM.

2) ESTABLISH QUORUM

All members of the Commission were present which constitutes a full quorum.

3) INVOCATION

Commissioner Gomez said the invocation.

4) PLEDGE OF ALLEGIANCE

Mayor Montoya led in the Pledge of Allegiance.

5) DISCUSSION AND POSSIBLE ACTION ON CITY'S HISTORICAL FINANCIAL PERFORMANCE BUDGET AND PLAN OF FINANCE FOR ISSUANCE OF CERTIFICATES OF OBLIGATIONS TO THE MATTER RELATED THERETO.

Mr. Bobby Villarreal and Mr. Don Gonzalez from Estrada & Hinojosa presented to the Commission the history of the City's financials and explained the issuance of certificates of obligations. They informed the Commission that the Utility Fund should be able to sustain itself but is being sustained by the General Fund. They provided a proposal that will help improve the Utility Fund which included increasing the Tax Rate and Water/Wastewater Rates. Mr. Gonzalez stated that the City currently has an A+ rating which is good when issuing the Certificates of Obligation. There was discussion regarding the need for the Certificates of Obligation and the City's finances. It was stated that the City should not be going out for Certificates of Obligation if the City is losing monies. The Commission was concern with raising the tax & water rate for the residents. Mr. Gonzalez stated that the City has been losing money for several years and increasing the rates will only help the city which will also help on being issued the CO's. The CO's would assist in addressing the drainage and infrastructure needs of the city. After

discussion, Mayor Pro-Tem Martinez made a motion to approve item 5. Commissioner Howell seconded the motion. Upon a called vote, the motion passed with Commissioner Gomez and Commissioner Benavidez voting against.

6) DISCUSSION AND POSSIBLE ACTION ON PROPOSED BUDGET FOR FY 21-22.

It was stated that the August 17, 2021 meeting will be to discuss and propose the Tax Rate and Budget. The Public Hearing will be September 7, 2021 for the Tax Rate.

Commissioner Howell made a motion to have the City Manager balance the budget. Mayor Pro-Tem Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

7) ADJOURN

Mayor Pro-Tem Martinez made a motion to adjourn. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously. The meeting was adjourned at 9:55 p.m.