

## MINUTES

A regular meeting of the City Council of the City of Pinehurst was held on September 9, 2025, at 6:00p.m. at Pinehurst City Hall Council Room. The following council members were present: Sarah McClendon, Cynthia Adams, J. Michael Shahan, Joey Vance, Troy Pierce, and Greg Willis. Mayor Sarah McClendon called the meeting to order and established a quorum. Mayor Pro-Tem J. Michael Shahan gave the invocation followed by the reciting of the United States and Texas Pledges of Allegiance. The following business was transacted.

On a motion made by Councilwoman Cynthia Adams and seconded by Councilman Troy Pierce, council members unanimously voted to approve the minutes of the August 4, 2025 special session and the regular session held on August 12, 2025.

Council members reviewed the budgeted expenditures for July 2025. City Secretary Michele Andreu discussed the July 2025 Budgeted Expenditures. The July 2025 YTD General Fund revenue exceeded July 2024 YTD General Fund revenue by \$7,557.00. The July 2025 YTD Garbage revenue fell short July 2024 YTD Garbage revenue by (\$695.00). The July 2025 YTD W/S revenue exceeded July 2024 YTD W/S revenue by \$21,017. Overall, the 2025 YTD revenue exceeded 2024 YTD revenue by \$27,879.00 and the YTD Revenue exceeded YTD expenditures in all funds except W/S in which expenditures were \$361,262 more than revenues. The July Reserves are 7.9 months. There were no questions from council members regarding this report.

Ladonna Breaux and Kendal Pierce signed up to address the Council under the Citizen Comments section of this agenda. Ms. Breaux had concerns about the City Administrators' qualifications not being placed on the website. Mr. Kendal Pierce also stated that he would like the ditches cleaned on Sparrow.

At 6:08p.m., Mayor McClendon opened a public hearing on the Proposed Budget for fiscal year October 1, 2025 through September 30, 2026. City Secretary Michele Andreu advised that absolutely nothing had changed since the proposed budget was presented to the Council on August 4, 2025. Ms. Andreu then read aloud the budget statement regarding the additional revenue to be received from this budget. Mayor McClendon closed the public hearing at 6:09 p.m.

On consideration of ratifying the property tax increase reflected in the 2025-2026 proposed budget, Ms. Andreu advised that this was in conjunction with the budget statement that she just read. Councilman Joey Vance made a motion to ratify the property tax increase reflected in the 2025-2026 proposed budget. Councilman Greg Willis seconded the motion and the motion unanimously passed.

On consideration of adopting the proposed budget for fiscal year October 1, 2025 through September 30, 2026, Ms. Andreu advised that this item would require a record vote. Councilman Troy Pierce made a motion to adopt the proposed budget. Councilman Joey Vance seconded the motion. A record vote was taken with the following results:

J. Michael Shahan – Aye

Cynthia Adams – Aye

Troy Pierce – Aye

Greg Willis – Aye

Sarah McClendon – present but not voting

Joey Vance – Aye

The motion to adopt the proposed budget unanimously passed.

At 6:11p.m., Mayor McClendon opened a public hearing regarding the proposed ad valorem tax rate for the 2025 tax year. Ms. Andreu advised that the budget that was just approved was based on a total tax rate of \$0.695461/\$100 valuation. She reminded council members of two sets of tax documents presented at the meeting in August: one prepared by Ms. Andreu and the other prepared by Orange County Tax Assessor-Collector Octavia Gusman. She reminded council members that the two documents were identical up to the sixth decimal point. She advised that there were two components to the total tax rate:

|                          |            |
|--------------------------|------------|
| Maintenance & Operations | \$0.633445 |
|--------------------------|------------|

|              |            |
|--------------|------------|
| Debt Service | \$0.062016 |
|--------------|------------|

Mayor McClendon closed the public hearing at 6:12p.m.

On consideration of adopting an Ordinance setting the total property tax rate at \$0.695461/\$100 value for tax year 2025, City Attorney Tommy Gunn read the ordinance aloud and in its entirety. Councilman Troy Pierce made a motion that the property tax rate be increased by the adoption of a tax rate of \$0.695461, which was effectively a 4.47 percent increase in the tax rate. Councilman Joey Vance seconded the motion. A record vote was taken with the following results:

J. Michael Shahan – Aye

Cynthia Adams – Aye

Troy Pierce – Aye

Greg Willis – Aye

Sarah McClendon – present but not voting

Joey Vance – Aye

The motion to adopt the proposed property tax rate unanimously passed.

On consideration of approving a Resolution renewing the Line of Credit (LOC) with First Financial Bank, Michele Andreu advised that none of the terms of the LOC had changed. She stated that it was based on current Wall Street Prime Rate, which was still 8.5%. City Attorney Tommy Gunn read the resolution aloud and in its entirety. On a motion made by Mayor Pro-Tem J. Michael Shahan and seconded by Councilwoman Cynthia Adams, council members unanimously voted to renew the Line of Credit with First Financial Bank.

On consideration of approving a Resolution establishing fees for the Collection and Disposal of Residential and Commercial Solid Waste, Bulk Waste and Brush/Limbs for FY 2025-2026, City Attorney Tommy Gunn read the resolution in its entirety. Ms. Andreu stated that there was no changes to rates except the prices on temporary dumpsters such as roll off containers. On a motion made by Councilman Troy Pierce and seconded by Councilman Greg Willis, council members unanimously voted to approve the Resolution.

On consideration to approve the amendment revision of the City of Pinehurst ordinance Article III officers and employees division, 1. Generally, Section 2-2-84 Powers and Duties (1), City Attorney Tommy Gunn read the amended ordinance in its entirety. Stephen Stroud explained that by changing this ordinance it gave the power to the council to appoint and remove the chief of police. On a motion made by Councilman Greg Willis and seconded by Councilman Troy Pierce, council members unanimously voted to approve the amended Ordinance.

At 6:28 p.m., council members convened in a closed meeting pursuant to the Texas Local Government Code, Section 551.071, Consultation with Attorney to discuss pending or contemplated litigation.

At 8:42 p.m., council members reconvened in open session. There was no action taken by the Council.

At 8:43 p.m. council members convened in a closed meeting pursuant to the Texas Local Government Code Section 551.074, Personnel Matters to perform the evaluation of Police Chief/acting City Administrator Stephen Stroud.

At 9:44 p.m., council members reconvened in open session. On a motion made by Mayor Pro-Tem J. Michael Shahan and seconded by Councilman Greg Willis, council members voted to suspend Stephen Stroud, Acting City Administrator/Chief of Police with pay effective immediately to allow for negotiations about future employment. The ayes were Mayor Pro-Tem J. Michael Shahan, Councilwoman Cynthia Adams and Councilman Greg Willis. The nay votes were Councilman Troy Pierce and Councilman Joey Vance.

There were no announcements, comments or requests from Council.

There being no further business to transact, Councilwoman Cynthia Adams made a motion to adjourn. Mayor McClendon adjourned the meeting at 9:45 p.m.

  
Mayor

  
City Secretary