



**NOTICE AND AGENDA
CITY COUNCIL
TUESDAY, AUGUST 8, 2023, 7:00 P.M.
SPECIAL CALLED CITY COUNCIL MEETING**

Notice is hereby given that the City Council of the City of Glenn Heights, Texas will hold a Special Called City Council Meeting on Tuesday, August 8, 2023, beginning at 7:00 P.M., in the City Hall, City Council Chambers, located at 1938-C South Hampton Road, Glenn Heights, Texas, 75154, as prescribed by Vernon's Texas Civil Statutes, Government Code Section §551.041, to consider and possibly take action on the following agenda items. Items do not have to be taken in the same order as shown in this meeting Notice and Agenda.

This Notice and Meeting Agenda, and the Agenda Packet, are posted online at <https://www.glennheightstx.gov/129/Agendas-Minutes>.

This City Council Meeting will be live streamed at <https://www.glennheightstx.gov/229/City-Council-Meeting-Videos>.

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

AGENDA

1. Formal Presentation of the City Manager's Proposed Fiscal Year 2023-2024 Budget for the City of Glenn Heights, in conformance with the City of Glenn Heights Home Rule Charter, Section 7.02, Preparation and Submission of Budget. (Clifford Blackwell, Deputy, City Manager)
2. Discuss and take action to approve \$0.564729 as the proposed ad valorem tax rate for the year 2023 (Fiscal Year 2023-2024). (Record Vote) (Clifford Blackwell, Deputy City Manager)
3. Announce the Public Hearing and anticipated adoption dates for the Proposed Fiscal Year 2023-2024 Budget, Proposed 2023 Property Tax Rate, and Amended Fiscal Year 2022-2023 Budget. (Clifford Blackwell, Deputy City Manager)
 - A. Proposed Fiscal Year 2023-2024 Budget: Public Hearing Date and anticipated adoption date - September 19, 2023
 - B. Proposed 2023 Property Tax Rate: Public Hearing Date and anticipated

adoption date - September 19, 2023

- C. Amended Fiscal Year 2022-2023 Budget: anticipated adoption date - September 19, 2023

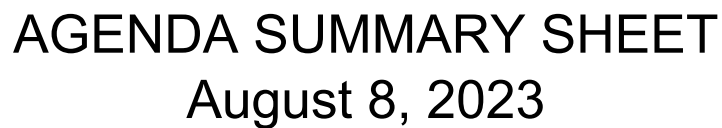
ADJOURNMENT

In accordance with the Americans with Disabilities Act, if you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodations, please contact the City Secretary at least 48 hours in advance of the event at 972-223-1690 ext. 125 or email brandi.brown@glennheightstx.gov. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

I, Brandi Brown, City Secretary, do hereby certify that the above Meeting Notice and Agenda was posted in a place convenient to the Public at Glenn Heights City Hall, 1938-C South Hampton Road, Glenn Heights, Texas by 5:00 P.M. on Friday, August 4, 2023.

Pursuant to Section 551.071 of the Texas Government Code, the City Council reserves the right to consult in closed session with its attorney at any time during the course of this meeting and to receive legal advice regarding any item listed on this agenda.

Brandi Brown, City Secretary



Formal Presentation of the City Manager's Proposed Fiscal Year 2023-2024 Budget for the City of Glenn Heights, in conformance with the City of Glenn Heights Home Rule Charter, Section 7.02, Preparation and Submission of Budget. (Clifford Blackwell, Deputy, City Manager)

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FY 2023-24 Budget & Tax Rate Presentation



CLIFFORD BLACKWELL
DEPUTY CITY MANAGER
AUGUST 8, 2023

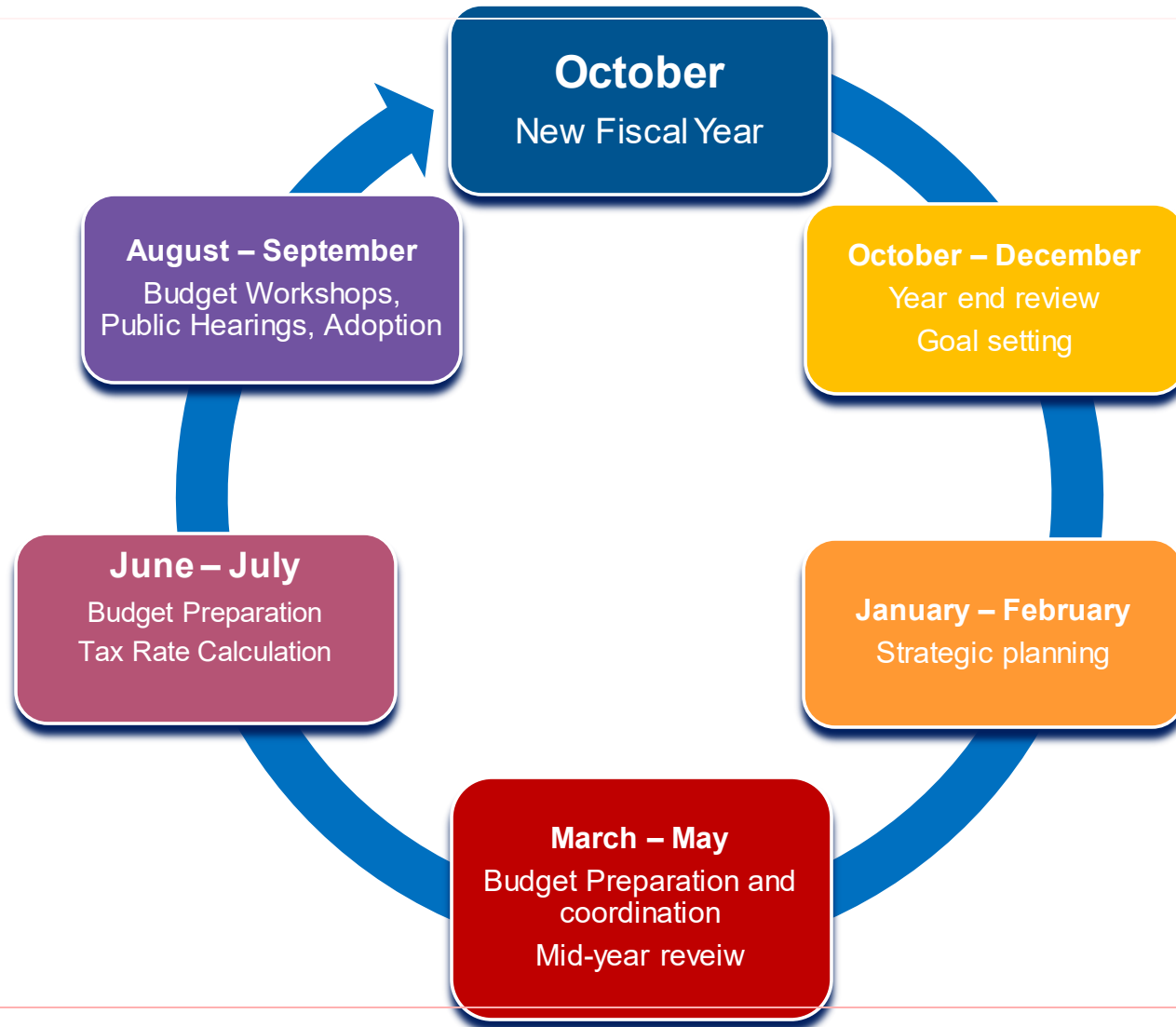
The Agenda for Today

Discussion Topics



- Budget Process
- Overview
- Tax Rate
- Major Operating Funds
- Special Funds
- Capital Improvement Projects
- Supplemental Requests
- Feedback

Budget Process



WHY IS IT IMPORTANT?



- THE LAW REQUIRES IT....

◦ **Chapter 102 – Local Government Code**

- Sec. 102.002 Budget officer shall prepare each year a municipal budget to cover to the proposed expenditures of the municipal government for the succeeding year.
- Sec. 102.006 The governing body ... shall hold a public hearing on the proposed budget ... shall set the hearing date shall provide for public notice of the hearing.
- Sec. 102.007 The governing body shall take action to adopt the budget by record vote.

◦ **Chapter 26.04 – Tax Code**

- Sec. 26.01 Chief appraiser certifies tax roll by July 25.
- Sec. 26.04 Submit certified tax roll to the governing body
- Sec. 26.04 Defines No-New Revenue Rate and Voter-Approval Rate calculations as well as submit both rates to the governing body

GOVERNMENTAL FUND TYPES



❑ OPERATING FUNDS

❑ General Fund	51.4%
❑ Water and Sewer Fund	39.6%
❑ Debt Fund	5.8%
❑ Drainage Fund	2.9%
❑ Court Technology	< 1%
❑ Court Security	< 1%
❑ E911 Wireless	< 1%

❑ CAPITAL FUNDS

❑ ARPA Fund	32.4%
❑ 2016 GO Bond	21.6%
❑ EPA Community Grant	17.9%
❑ Grant Fund	10.2%
❑ Capital Projects Fund	7.3%
❑ Park Development	4.4%
❑ Water/Sewer Impact	4.0%
❑ Vehicle Replacement	1.8%
❑ Street Impact	<1%

Budget Overview



TWO (2) BUDGETS

OPERATING BUDGET (ALL FUNDS):

◦ REVENUES	\$24,557,812
◦ EXPENDITURES	<u>\$24,217,150</u>
	\$ 340,662

CAPITAL IMPROVEMENT (ALL FUNDS):

◦ REVENUES	\$ 7,399,995
◦ EXPENDITURES	<u>\$17,102,910</u>
	(\$ 9,702,915)

TAX RATE & APPRAISAL VALUES



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Property Tax Rate



The Tax Rate comprises of 2 components:

- **Maintenance & Operations Rate**
 - Used to fund the operational cost associated with the General Fund.
- **Interest & Sinking Rate**
 - Used to fund all [property] tax supported debt service

CURRENT RATE



M & O RATE	\$0.532646
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I & S RATE	\$0.099565
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TOTAL TAX RATE	\$0.632211
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Standard Rule of Thumb for Property Tax Calculations!

The Property Tax Rate is a fraction.

$$\frac{\text{Numerator}}{\text{Denominator}} = \text{Property Tax Rate}$$

- As the Denominator  Property Tax Rate 

- As the Denominator  Property Tax Rate 

$$\frac{\text{Tax Levy}}{\text{Taxable Values}}$$

No-New Revenue Rate Calculation



BEFORE

2022 Taxable Value **1,376,223,680**

Values lost due to court appeals 1,079,640

Taxable values subject to appeal as of July 25 17,659,503

Values lost - first qualified exemptions (9,085,578)

2022 Adjusted Taxable Value **1,385,877,245**

2022 Adopted Tax Rate **\$0.632211**

2022 Adjusted Tax Levy **\$8,761,668**

Add back any refunds given for preceding tax year 21,508

Total 2022 Adjusted Tax Levy **\$8,783,176.39**

AFTER

2023 Taxable Value **1,644,394,310**

Values under ARB protest 49,836,430

Remove New Construction Values (93,907,160)

2023 Adjusted Taxable Value **1,600,323,580**

Target Levy **\$8,783,176.39**

Target Levy / 2023 Adj Tax Value =

$(\$8,783,176 \div \$1,600,323,580 \times 100) = \text{NNR}$

No-New Revenue (NNR) = \$ 0.548837

Voter Approval Rate Calculation



2022 M&O Tax Rate		\$0.532646		
2022 Adjusted Taxable Value (w/o exemptions)	1,394,962,823		Tax Supported Debt Amount	1,412,677
2022 Adjusted M&O Levy	\$7,430,214		Anticipated Collection	100.40%
Refunded M&O taxes for years preceding 2022	\$17,570			1,407,048
Total Adjusted M&O Levy	\$7,447,784		2023 Total Tax Value	1,644,394,310
2023 Adjusted Taxable Value	1,600,323,580		Debt Rate Calculation	0.083049
NNR M&O Rate (Unadjusted)	\$0.465392		2023 New M&O Rate	\$0.481680
2023 Voter Approval M&O rate + 3.5% increase	\$0.481680		2023 M&O + Debt Rate = VAR	\$0.564729

**PUBLISHED
TAX RATES
Per Sec. 26.04
Tax Code**



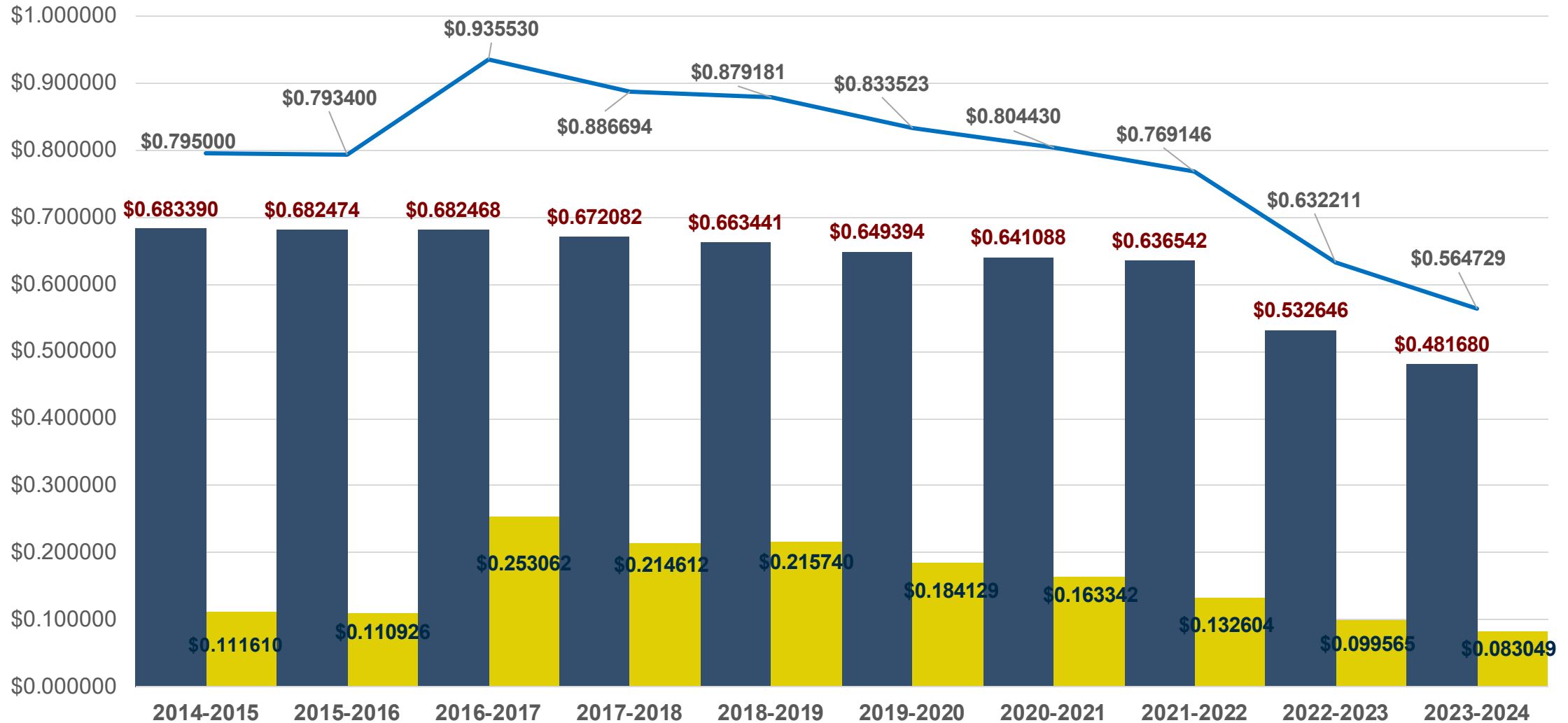
No-New Revenue \$0.548837 per \$100 AV

Voter Approval Rate \$0.564729 per \$100 AV

De Minimis Rate \$0.577952 per \$100 AV

Proposed Tax Rate \$0.564729 per \$100 AV

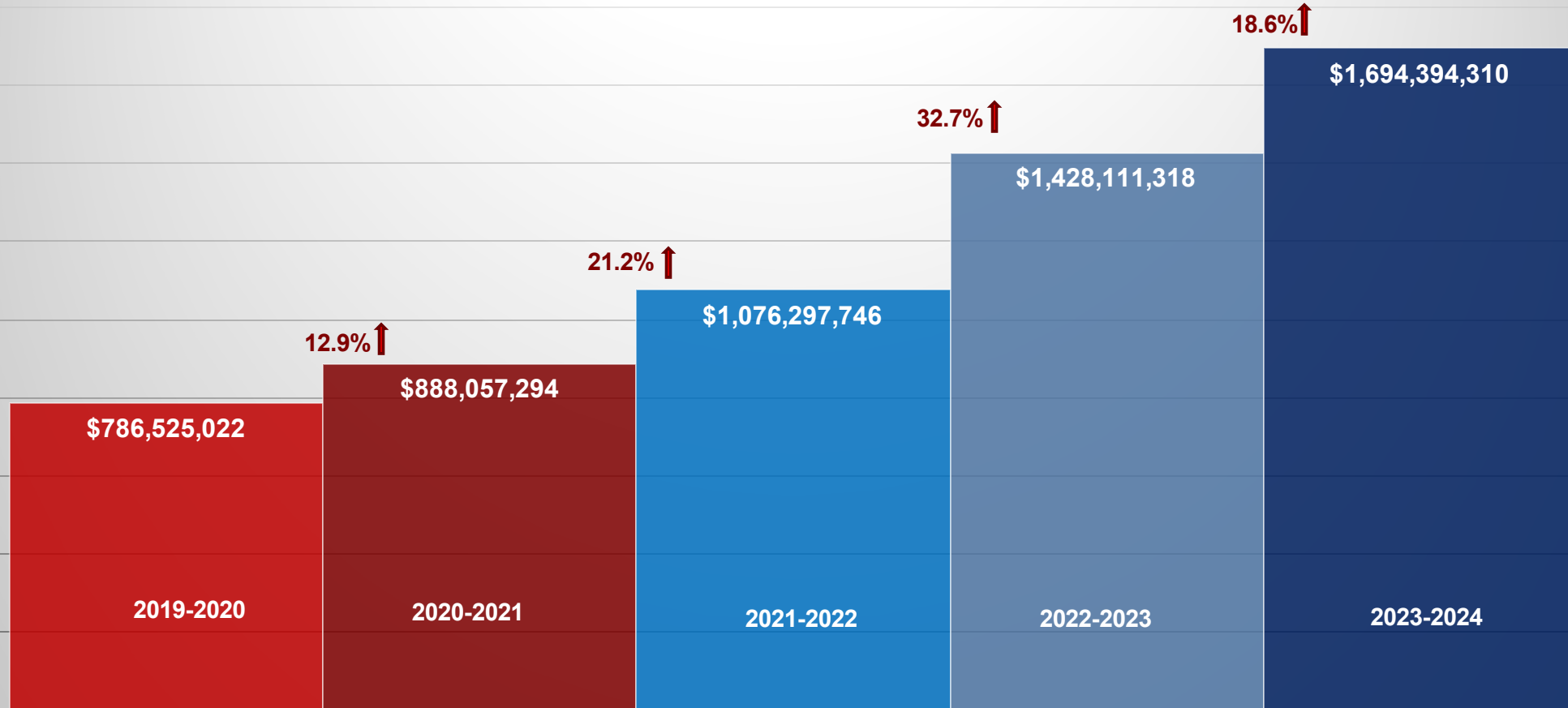
10-YR TAX RATE HISTORY



APPRAISAL VALUES



Taxable Value History – Glenn Heights

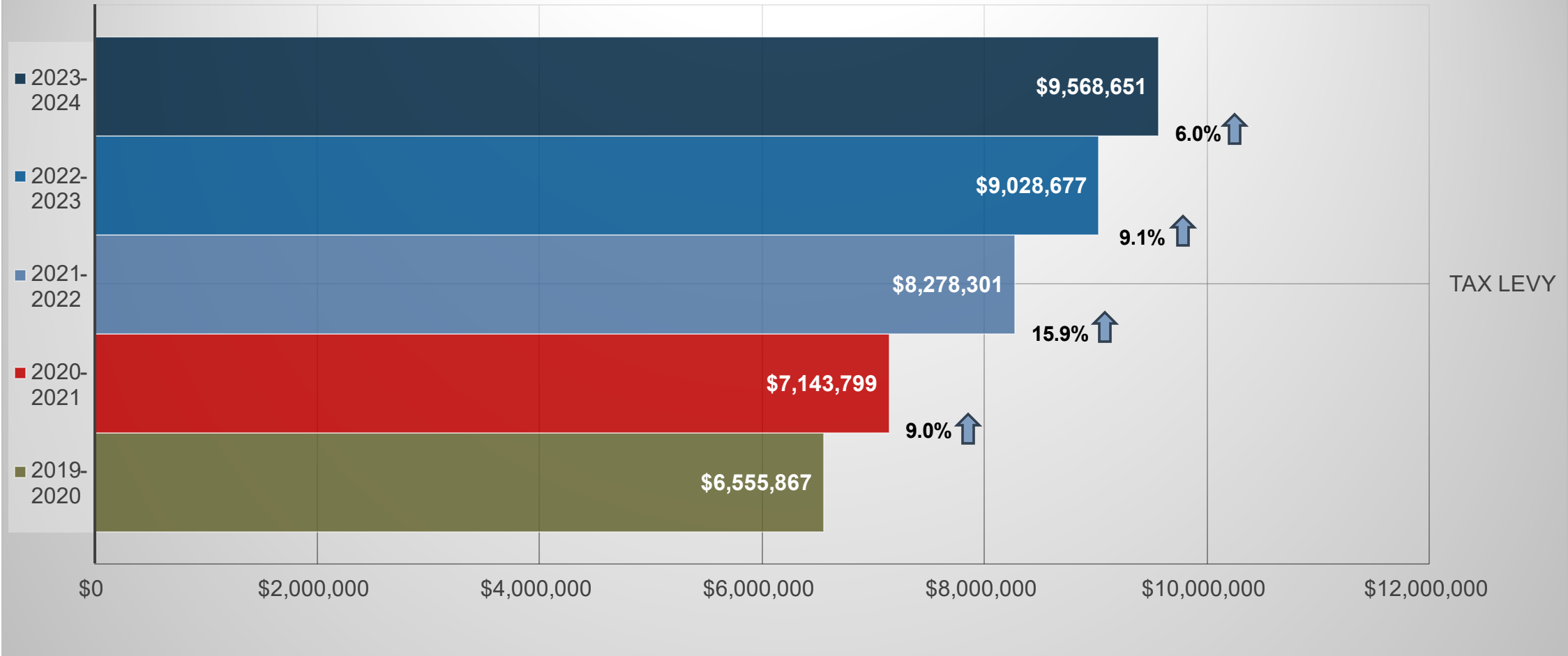


TAXABLE VALUATION

TAX LEVY HISTORY



Tax Levy History



MAJOR OPERATING FUNDS



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GENERAL FUND REVENUES



	FY2022-23	FY2023-24
PROPERTY TAXES	7,514,642	8,215,757
PERMITS AND LICENSES	1,242,040	758,650
CHARGE FOR SERVICES	1,508,050	1,502,000
SALES TAXES	915,000	965,000
FRANCHISE TAXES	573,250	596,500
COURT FINES	467,000	247,000
MAJOR DONATION	1,000,000	220,000
INTEREST	50,000	150,000
TRANSFERS IN/(OUT)	125,775	125,775
OTHER FINANCING RESOURCES	-	-
MISCELLANEOUS	3,700	20,200
RECREATION	158,350	154,800
GRANTS & CONTRIBUTIONS	218,570	-
	13,776,377	12,955,682
	-6.0%	

General Fund



Total Revenues **\$12,955,682** **overall -6.0% decrease**

Significant changes:

- Property Taxes 9.3% increase
- Sales Tax 5.5% increase
- Interest earnings 200.0% increase
- Major Donation (GHHFC) -78.0% decrease
- Court Fines -47.1% decrease
- Permits and Licenses -38.9% decrease

GENERAL FUND EXPENDITURES



	FY2022-23		FY2023-24
PERSONNEL COSTS	7,204,370		8,423,765
SUPPLIES	474,965		402,552
CONTRACTUAL SERVICES	1,996,480		1,958,880
OPERATING EXPENSES	959,330		869,115
REPAIRS AND MAINTENANCE	304,500		390,500
DEBT/ LEASE PAYMENTS	138,610		143,083
SPECIAL EVENTS	153,400		216,370
GRANT EXPENDITURES	10,000		10,000
CAPITAL OUTLAY	323,330		30,900
TRANSFERS	982,180		-
	12,547,165	-0.8%	12,445,165

General Fund



Total Expenditures **\$12,445,165** **overall -0.8% decrease**

Significant changes:

- Personnel Cost 16.9% increase
- Special Events 41.0% increase
- Repairs & Maintenance 28.2% increase
- Supplies -15.2% decrease
- Operating Cost -9.4% decrease

SPECIAL EVENTS FOR FY2023-24



FY2022-23

100,000

20,000

-

2,700

4,000

2,500

2,500

1,600

2,500

135,800

\$64,470

FY2023-24

125,000 Family Festival

20,000 Christmas Celebration

10,000 Veteran's Event

4,000 Veteran's Memorial 5K

2,970 Glenn Heights Connect

2,200 Back-to-school DISD

2,200 Back-to-school ROISD

2,750 Black History Month

2,750 Hispanic Heritage

1,400 Movies with the Mayor

1,500 Season of Service-Thanksgiving

1,500 Season of Service - Christmas

2,500 State of the City

10,000 Small Business Expo

5,000 Battle of Badges-Health Fair

2,500 Father/Daughter Dance

2,500 Mother/Son Dance

1,500 Parents Night Out

200,270

WATER/SEWER FUND REVENUES



	FY2022-23	FY2023-24
WATER SALES	4,623,705	4,764,520
SEWER SALES	4,310,975	4,601,540
LATE CHARGES	145,000	145,000
WATER METER SALES	186,000	65,000
RECONNECT FEES	30,000	30,000
TAP FEES	5,000	5,000
MISCELLANEOUS	2,200	2,200
INTEREST	2,300	7,500
TRANSFERS IN/(OUT)	-	-
GRANT	-	-
INFRASTRUCTURE & INSPECTION	40,000	-
	9,345,180	9,620,760

2.9%

Water and Sewer Fund



Total Revenues **\$9,620,720** **overall -2.9% decrease**

Significant changes:

- Water Sales 3.0% increase
- Sewer Sales 6.7% increase
- Water Meters -65.1% decrease

WATER/SEWER FUND EXPENSES



	FY2022-23	FY2023-24
PERSONNEL COSTS	831,440	799,236
SUPPLIES	91,850	101,520
REPAIRS AND MAINTENANCE	97,500	91,500
OPERATING EXPENSES	293,700	332,351
CONTRACTUAL SERVICES	7,087,810	7,945,310
DEBT	225,160	225,160
GRANTS	-	-
CAPITAL OUTLAY	60,000	70,000
TRANSFERS	21,000	21,000
	-	-
	8,708,460	9,586,077
	10.1%	

Water and Sewer Fund



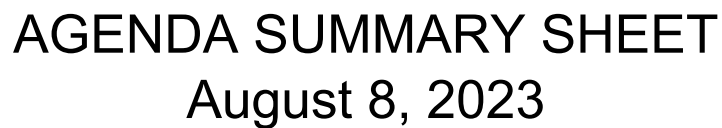
Total Expenditures **\$9,620,720** **overall -10.1% increase**

Significant changes:

- Utility Billing 11.2% increase
- Water Operations -3.0% decrease
- Sewer Operations 19.3% increase
- Meter Services -34.6% decrease

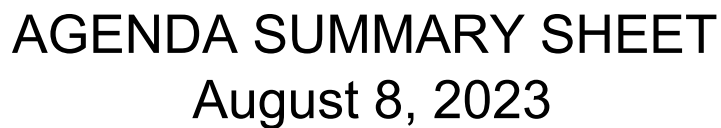
Questions?





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