



MEETING AGENDA
City Council
PRE-BUDGET WORKSHOP
August 4, 2023

HAL BALDWIN MUNICIPAL COMPLEX
COUNCIL CHAMBERS
1400 SCHERTZ PARKWAY, BUILDING #4
SCHERTZ, TEXAS 78154

CITY OF SCHERTZ CORE VALUES
Do the right thing
Do the best you can
Treat others the way you want to be treated
Work cooperatively as a team

AGENDA
FRIDAY, AUGUST 4, 2023 at 8:30 a.m.

Call to Order

Hearing of the Residents

This time is set aside for any person who wishes to address the City Council. Each person should fill out the speaker's register prior to the meeting. Presentations should be limited to no more than 3 minutes.

All remarks shall be addressed to the Council as a body, and not to any individual member thereof. Any person making personal, impertinent, or slanderous remarks while addressing the Council may be requested to leave the meeting.

Discussion by the Council of any item not on the agenda shall be limited to statements of specific factual information given in response to any inquiry, a recitation of existing policy in response to an inquiry, and/or a proposal to place the item on a future agenda. The presiding officer, during the Hearing of Residents portion of the agenda, will call on those persons who have signed up to speak in the order they have registered

WELCOME AND OVERVIEW-City Manager Steve Williams

1. Budget Prioritization Process

- Discussion and direction for prioritizing the FY2023-24 budget, including but not limited to funding all programs needed to accomplish the City Mission and taking into consideration factors such as population growth, tax base development, large time sensitive infrastructure projects, right of way issues, staffing levels and structure, school safety, Schertz Magazine and magazine printing costs, and prioritizing expanded programs that may be required in the future. (S. Williams/Executive Team)
- Discussion and direction for setting the preliminary maximum tax rate for fiscal year 2024 and setting Public Hearing dates.(S.Williams/J.Walters)

Discussion and Action Items

- 2. **Resolution 23-R-75** - a Resolution by the City Council of the City of Schertz, TX accepting the state defined tax rates and setting the preliminary 2023 tax rate. (S. Gonzalez/J. Walters)

Adjournment

CERTIFICATION

I, SHEILA EDMONDSON, CITY SECRETARY OF THE CITY OF SCHERTZ, TEXAS, DO HEREBY CERTIFY THAT THE ABOVE AGENDA WAS PREPARED AND POSTED ON THE OFFICIAL BULLETIN BOARDS ON THIS THE 31ST DAY OF JULY 2023 AT 6:30 P.M., WHICH IS A PLACE READILY ACCESSIBLE TO THE PUBLIC AT ALL TIMES AND THAT SAID NOTICE WAS POSTED IN ACCORDANCE WITH CHAPTER 551, TEXAS GOVERNMENT CODE.

SHEILA EDMONDSON

**I CERTIFY THAT THE ATTACHED NOTICE AND AGENDA OF ITEMS TO BE CONSIDERED BY THE CITY COUNCIL WAS REMOVED BY ME FROM THE OFFICIAL BULLETIN BOARD ON ____ DAY OF _____, 2023.
TITLE: _____**

This facility is accessible in accordance with the Americans with Disabilities Act. Handicapped parking spaces are available. If you require special assistance or have a request for sign interpretative services or other services, please call 210-619-1030.

The City Council for the City of Schertz reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Open Meetings Act.

Closed Sessions Authorized: This agenda has been reviewed and approved by the City’s legal counsel and the presence of any subject in any Closed Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

COUNCIL COMMITTEE AND LIAISON ASSIGNMENTS

<p>Mayor Gutierrez Audit Committee Board of Adjustments Investment Advisory Committee Main Street Committee Senior Center Advisory Board-Alternate</p>	<p>Councilmember Davis– Place 1 Interview Committee for Boards and Commissions Main Street Committee - Chair Parks & Recreation Advisory Board Schertz Housing Authority Board Transportation Safety Advisory Commission TIRZ II Board</p>
<p>Councilmember Watson-Place 2 Audit Committee Library Advisory Board Senior Center Advisory Board Interview Committee for Boards and Commissions Cibolo Valley Local Government Corporation-Alternate</p>	<p>Councilmember Whittaker – Place 3 Historical Preservation Committee Interview Committee for Boards and Commissions-Chair TIRZ II Board</p>
<p>Councilmember Dahle – Place 4 Cibolo Valley Local Government Corporation Interview Committee for Boards and Commissions Planning & Zoning Commission TIRZ II Board</p>	<p>Councilmember Scagliola – Place 5 Animal Advisory Commission - Alternate Hal Baldwin Scholarship Committee Schertz-Seguin Local Government Corporation</p>
<p>Councilmember Heyward – Place 6 Animal Advisory Commission Audit Committee Building and Standards Commission Economic Development Corporation - Alternate Investment Advisory Committee Main Street Committee Interview Committee for Boards and Commissions-Alternate Senior Center Advisory Board</p>	<p>Councilmember Brown – Place 7 Economic Development Corporation Main Street Committee Schertz-Seguin Local Government Corporation - Alternate</p>

CITY COUNCIL MEMORANDUM

City Council Meeting: August 4, 2023
Department: Finance
Subject: Resolution 23-R-75 - a Resolution by the City Council of the City of Schertz, TX accepting the state defined tax rates and setting the preliminary 2023 tax rate. (S. Gonzalez/J. Walters)

BACKGROUND

On July 25, 2023 the City received the certified property tax rolls from the Guadalupe, Comal, and Bexar appraisal districts. The Guadalupe Tax Assessor-Collector used this information, and information provided by the City of Schertz, to calculate the No-new-revenue and Voter-approval tax rates for the 2023 Tax Year.

The No-new-revenue rate is a calculated rate that would provide the city with same amount of revenues it received the year before on properties taxed in both years. The Voter-approval Rate is a calculated maximum rate allowed by law without voter approval. If Council adopts a rate higher than the Voter Approval Rate, the tax rate will automatically be on the November 2023 ballot.

The 2023 No-new-revenue Rate is \$0.4554 per \$100 of valuation and the 2023 Voter-approval Base Rate is \$0.4872 per \$100 of valuation. There is no unused increment rate this year. Staff is recommending a preliminary maximum property tax rate of \$0.4872 per \$100.

In accordance with Chapter 26.05(d) of the State's Property Tax Code, a governing body must hold a public hearing on the tax rate if the proposed tax rate exceeds the lower of the No-new-revenue or Voter-approval Tax Rate. In this case, the hearing is required as the proposed rate does exceed the No-new-revenue rate. Staff recommends holding public hearings on August 15th and September 5th and encourages citizen participation and input in the adoption process.

A one-quarter page "Notice of Public Hearing on Tax Increase" must be published in the local newspaper and online in compliance with the Tax Code 26.06. The notice will contain information based upon a preliminary tax rate to be determined by the City Council and the dates of the public hearings.

During the final tax rate adoption process Council can approve a lower rate at that time, however they will not be able to approve a higher rate without republishing the notices and holding additional public hearings.

GOAL

To set a preliminary tax rate and start the adoption process.

COMMUNITY BENEFIT

Setting a tax rate will provide for existing and expanded services for residents.

SUMMARY OF RECOMMENDED ACTION

Per the Texas Tax Code Chapter 26, City Council will need to accept the calculated tax rates and set a preliminary maximum tax rates to use in the public notices. Council will do this by resolution.

FISCAL IMPACT

The proposed maximum rate maintains quality service to residents and businesses and provides growth in service offerings based on the classification and compensation study, staffing study and City priorities. The current property tax rate is \$0.4950 per \$100 valuation. The proposed maximum tax rate is \$0.4872 per \$100 valuation.

The M&O portion of the property tax rate will decrease to \$0.3324 from \$0.3470 per \$100 valuation.

The I&S portion will increase to \$0.1548 from \$0.1480 per \$100 valuation.

The annual impact on the average home value of \$324,600 will be a \$103.79 increase in the tax bill or an additional \$8.65 in monthly escrow payments.

RECOMMENDATION

Staff recommends Council approve resolution 23-R-75, accepting the No-new-revenue and Voter-approval rate as submitted by the Guadalupe Tax Assessor Collector, setting a preliminary tax rate, and scheduling public hearings.

Attachments

Resolution 23-R-75

RESOLUTION NO. 23-R-75

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AUTHORIZING A PRELIMINARY MAXIMUM TAX RATE FOR FISCAL YEAR 2023-24, AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Guadalupe Tax Assessor Collector calculates the No-new-revenue and the Voter-approval Tax Rates using the Certified Tax Rolls received from the Appraisal Districts of Guadalupe, Comal, and Bexar Counties; and

WHEREAS, the Texas Tax Code Chapter 26 outlines the rate calculations and adoption requirements of a tax rate set by the City Council based on the No-new-revenue and Voter-approval Rates; and

WHEREAS, the City staff of the City of Schertz (the “City”) has recommended that the City Council accept the No-new-revenue and Voter-approval Tax Rates as submitted by the Guadalupe Tax Assessor Collector; and

WHEREAS, the City staff of the City of Schertz (the “City”) has recommended that the City Council approve a preliminary maximum tax rate for Fiscal Year 2023-24; and

WHEREAS, the City Council has determined that it is in the best interest of the City to establish a preliminary maximum tax rate.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS THAT:

Section 1. The City Council hereby accepts the No-new-revenue Tax Rate of \$0.4554 per \$100 of valuation and the Voter-approval Tax Rate of \$0.4872 as submitted by the Guadalupe Tax Assessor Collector.

Section 2. The City Council hereby authorizes a preliminary maximum tax rate of \$.4872 per \$100 valuation which is composed of the Maintenance & Operation Tax Rate of \$0.3324 and the Interest & Sinking Tax Rate of \$0.1548.

Section 3. The City Council sets public hearings on the tax rate to be held during the regular Council Meeting dates of August 15th, 2023 and September 5th, 2023.

Section 4. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

Section 5. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the

provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 7. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

Section 8. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 9. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this ____ day of August, 2023.

CITY OF SCHERTZ, TEXAS

Ralph Gutierrez, Mayor

ATTEST:

Sheila Edmondson, City Secretary

(CITY SEAL)