Duncanville City Council Meeting Minutes
Special Meeting
Tuesday, August 9, 2022

CALL TO ORDER

A special meeting of the Duncanville City Council was called to order on Tuesday, August 9, 2022, at 6:00 p.m. in the Council Briefing Room at City Hall with a quorum to wit:

COUNCIL PRESENT:

Mayor Barry L. Gordon
Councilmember At-Large Patrick Harvey
Mayor Pro Tem Joe Veracruz
Councilmember Don McBurnett
Councilmember Jeremy Koontz
Councilmember Karen Cherry
Councilmember Greg Contreras

SUPPLEMENTAL NOTICE OF MEETING BY VIDEO CONFERENCE

In accordance with an Order of the Office of the Governor issued on March 16, 2020, as extended, the City Council for the City of Duncanville, Texas will conduct a City Council Regular Meeting in person and by video conference at 6:00 pm on Tuesday, August 9, 2022 in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") in an effort to slow the spread of the Coronavirus (COVID-19) pandemic.

This is an open meeting conducted by in person and video conference.

Due to limited seating in council chambers, persons or participants may attend by video conference in order to maintain safe social distance as provided in this notice.

To submit a comment via email and for your comments to be read, the following information is required:

- Submit a comment by 4:00 p.m. on Tuesday, August 9, 2022
- Email citysecretary@duncanville.com
- Email title: Public Comment – August 9th – Budget Workshop.
- First and Last Name; and address.
- *The City Secretary will still set a two-minute time limit on the comments as they are read*

BUDGET WORK SESSION

1. CALL TO ORDER

2. RECEIVE PUBLIC COMMENTS

To submit a comment via email and for your comments to be read, the following information is required:

- Submit a comment by 4:00 p.m. on Tuesday, August 9, 2022
- Email citysecretary@duncanville.com
- Email title: Public Comment – August 9th – Budget Workshop.
- First and Last Name; and address.
- *The City Secretary will still set a two-minute time limit on the comments as they are read.*

Patricia Ebert, 115 South Greenstone – submitted a comment on Homestead Exemption.

Joe Cole, 434 E Mona Ave – submitted a comment on budget planning.

3. REPORTS

A. Present, discuss, and deliberate all revenues, expenditures, and projects for the Fiscal Year (FY) 2022-2023 Proposed Annual Budget and the FY 2023 Five-Year Capital Improvement Plan (CIP). The City Council may direct staff to make additions, deletions, or corrections to the proposed budget and CIP projects per current and future goals.

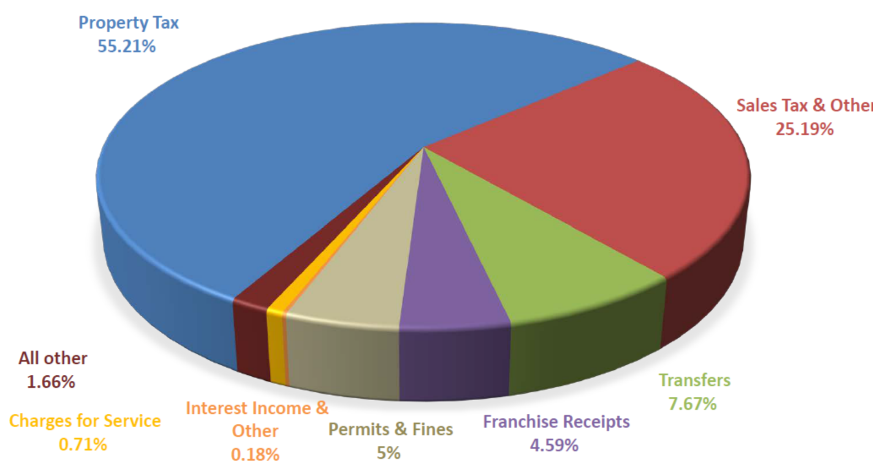
City Manager Ferrell-Benavides, Chief Innovation Officer Otey, and Managing Director of Fiscal Services Atmore presented the item.

FY 2022-23 GENERAL FUND
PROPOSED BUDGET REVENUES

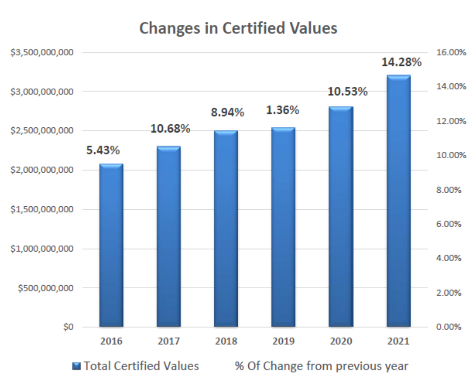
GENERAL FUND REVENUE	FY 2018-19 ACTUAL	FY 2019-20 ACTUAL	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED	% of CHANGE
50 - PROPERTY TAXES	15,967,241	17,354,227	19,219,947	18,614,836	20,901,940	
51 - SALES & OTHR TAXES	8,106,163	7,810,935	8,939,100	8,413,523	9,538,417	
52 - PERMITS & LICENSES	1,346,318	1,513,142	1,603,365	1,395,050	1,422,050	
53 - FINES & FEES	805,895	591,751	644,322	476,730	386,600	
54 - INTERGOVERNMENTAL	173,036	133,327	153,621	165,000	237,500	
55 - INTEREST	554,234	400,153	139,903	150,000	67,700	
56 - FRANCHISE FEE REV	1,949,561	1,779,687	1,798,295	1,710,000	1,739,000	
57 - CHARGES FOR SERVICES	304,011	185,799	268,742	283,000	270,300	
58 - TRANS FROM OTHR FUND	2,622,660	3,031,332	2,631,399	2,715,194	2,905,293	
59 - OTHER SOURCES	802,047	460,739	580,185	386,600	391,000	
Grand Total	**$32,631,166**	**$33,261,091**	**$35,978,879**	**$34,309,933**	**$37,859,800**	**10.35%**

FY 2022-23 GENERAL FUND
PROPOSED BUDGET REVENUES

$37,859,800



FY 2022-23 PROPOSED BUDGET TAX RATE



Certified Taxable Values		
Residential	$	2,234,310,131
Commercial and BPP	$	972,311,181
Total Certified Values	$	3,206,621,312
Lowest Value under Protest	$	113,196,006
Total Taxable Value	$	3,319,817,318
Proposed Tax Rate	$	0.650462
Divide Values / $100	$	33,198,173.18
Total Property Tax Revenue	**$**	**21,594,150**

UNDERSTANDING YOUR PROPERTY TAXES

Property Tax Calculation Example

	TAX YEAR 2021			
AVG MARKET VALUE	$195,587			
	Homestead Exemptions Only			
	RATE	HOMESTEAD REDUCTION IN VALUE	TAXABLE VALUE	AMOUNT
CITY	0.700000	0	195,587	$1,369.11
DUNCANVILLE ISD	1.315900	-25,000	170,587	$2,244.75
DALLAS COUNTY	0.237946	-39,117	156,470	$372.31
PARKLAND HOSPITAL	0.255000	-39,117	156,470	$399.00
DALLAS COLLEGE	0.123510	-39,117	156,470	$193.26
TOTAL PROPERTY TAX				$4,578.43

	TAX YEAR 2022 (Projected)			
AVG MARKET VALUE	$262,913			
	Homestead Exemptions Only			
	RATE	HOMESTEAD REDUCTION IN VALUE	TAXABLE VALUE	AMOUNT
CITY	0.650462	0	262,913	$1,710.15
DUNCANVILLE ISD *	1.315900	-40,000	222,913	$2,933.31
DALLAS COUNTY *	0.237946	-52,583	210,330	$500.47
PARKLAND HOSPITAL *	0.255000	-52,583	210,330	$536.34
DALLAS COLLEGE *	0.123510	-52,583	210,330	$259.78
TOTAL PROPERTY TAX				$5,940.05

	TAX YEAR 2021			
AVG MARKET VALUE	$195,587			
	Homestead Exemptions & Over 65			
	RATE	HOMESTEAD REDUCTION IN VALUE	TAXABLE VALUE	AMOUNT
CITY	0.700000	-30,000	165,587	$1,159.11
DUNCANVILLE ISD	1.315900	-40,000	155,587	$2,047.37
DALLAS COUNTY	0.237946	-108,117	87,470	$208.13
PARKLAND HOSPITAL	0.255000	-108,117	87,470	$223.05
DALLAS COLLEGE	0.123510	-114,117	81,470	$100.62
TOTAL PROPERTY TAX				$3,738.28

	TAX YEAR 2022 (Projected)			
AVG MARKET VALUE	$262,913			
	Homestead Exemptions & Over 65			
	RATE	HOMESTEAD REDUCTION IN VALUE	TAXABLE VALUE	AMOUNT
CITY	0.650462	-30,000	232,913	$1,515.01
DUNCANVILLE ISD *	1.315900	-55,000	207,913	$2,735.93
DALLAS COUNTY *	0.237946	-121,583	141,330	$336.29
PARKLAND HOSPITAL *	0.255000	-121,583	141,330	$360.39
DALLAS COLLEGE *	0.123510	-127,583	135,330	$167.15
TOTAL PROPERTY TAX				$5,114.77

FY 2022-23 PROPOSED BUDGET TAX RATE

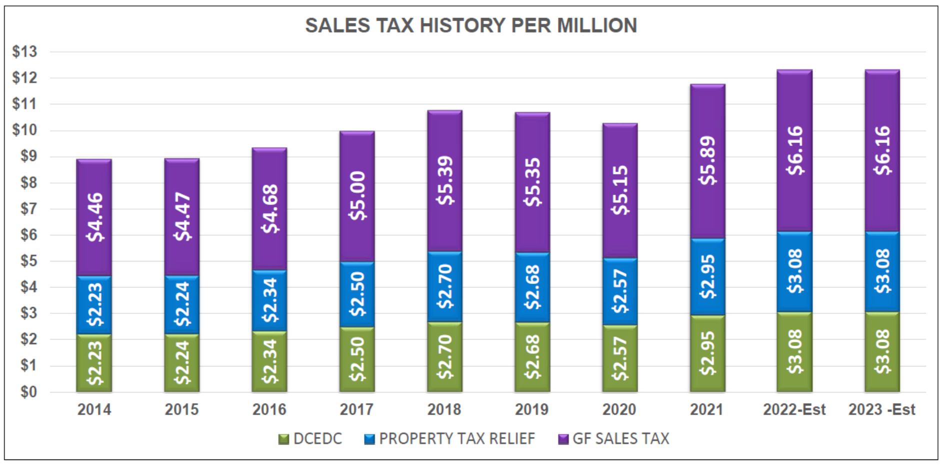
Tax Rate Comparison			
Fiscal Year	Tax Rate	No-New-Revenue Rate Formerly Effective Tax Rate	Voter-Approval Rate Formerly Rollback Tax Rate
2017	$0.758447	$0.704578	$0.763848
2018	$0.758447	$0.717895	$0.780079
2019	$0.748448	$0.689904	$0.748940
2020	$0.743447	$0.686452	$0.751442
2021	$0.716852	$0.698962	$0.721852
2022	$0.700000	$0.673838	$0.702073
2023	**$0.650462**	**$0.599304**	**$0.650462**

- The proposed budget for FY 2022-23 incorporates a proposed certified tax rate of $0.650462 per $100 valuation.
- This is a reduction of $0.049538 (-7.1%).
- This is the fifth consecutive year for a rate reduction.
- This is not above the calculated Voter-Approval rate but above the No-New-Revenue Rate.

FY 2022-23 PROPOSED BUDGET TAX RATE

2022 PROPOSED TAX RATES				
CITY	2021	2022	% of Change	2022 Avg Home Value
Cedar Hill	$0.697029	$0.646409	-7.26%	$321,237
Dallas	$0.773300	$0.745800	-3.56%	$410,175
DeSoto	$0.701554	$0.691554	-1.42%	$307,458
Duncanville	$0.700000	$0.650462	-7.07%	$262,913
Lancaster	$0.762987	$0.691822	-9.33%	$235,115

FY 2022-23 GENERAL FUND
PRPOSED BUDGET REVENUES



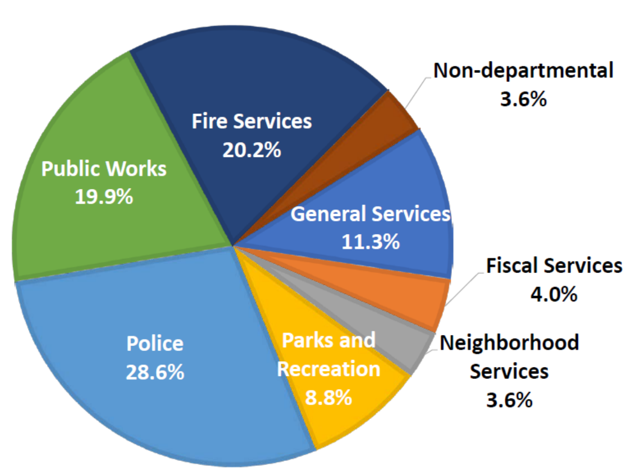
FY 2022-23 GENERAL FUND
PROPOSED BUDGET EXPENDITURES

GENERAL FUND EXPENDITURES BY TYPE	FY 2018-19 ACTUAL	FY 2019-20 ACTUAL	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED	% of CHANGE
60 - SALARY AND BENEFITS	20,253,050	20,528,773	20,397,639	21,960,830	24,154,239	
72 - SUPPLIES & MATERIALS	1,349,278	1,244,803	1,286,365	1,835,678	2,026,341	
73 - CONTRACT & PROF SVCS	5,468,006	6,152,739	6,761,427	7,320,849	7,027,930	
74 - MAINT & REPAIR SVCS	685,189	575,999	681,843	715,683	1,385,657	
75 - UTILITIES	783,324	830,404	1,007,560	922,676	952,225	
76 - CAPITAL OUTLAY	511,196	139,006	139,651	163,085	161,175	
77 - DEBT SERVICES	240,228	240,228	240,228	60,057	0	
78 - TRANS TO OTHR FUNDS	777,324	1,400,681	1,776,481	3,460,456	1,085,066	
79 - OTHR EXP/FINANCE USE	557,262	235,659	114,171	370,402	479,461	
Grand Total	**$30,624,858**	**$31,348,292**	**$32,405,366**	**$36,809,715**	**$37,272,093**	**1.26%**

Priority 1: People
- $750,000 – COLAs – 3%-to-5% - tiered approach
- -$81,000 – Medical insurance rate decrease
- $134,000 – Fuel Stipend

Priority 2: Council Requests - Customer Service
- $42,880 – 2 Part-Time Customer Service Advocates
- $300,000 – for Merit awards

FY 2022-23 GENERAL FUND
PROPOSED BUDGET EXPENDITURES BY DEPARTMENT



FY 2022-23 GENERAL FUND

GENERAL FUND BALANCE	2021-22 AUDITED ACTUAL	FY 2022-23 REVISED	FY 2022-23 PROPOSED	FY 2022-23 PROPOSED w/ FIRE STATION
BEG BALANCE	$11,714,696	$15,268,748	$14,084,074	$14,084,074
NET REVENUE (EXPENSES)	$3,556,264	($1,184,674)	$587,707	($2,412,293)
ENDING BALANCE	**$15,268,748**	**$14,084,074**	**$14,671,781**	**$11,671,781**
DAYS OF OPERATIONS	172	142	144	106
UNRESERVED FUNDS REMAINING AFTER 60 DAY RESERVE	**$9,940,647**	**$8,122,600**	**$8,544,862**	**$5,544,862**

The fund balance will be reduced by $3 million if used for the completion for Fire Station project.

FY 2022-23 UTILITY FUND

UTILITY FUND	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED
Revenue			
53 - FINES & FEES	4,202	5,000	4,000
54 - INTERGOVERNMENTAL	677	600	600
55 - INTEREST	33,292	32,000	17,100
57 - CHARGES FOR SERVICES	16,924,527	17,953,946	19,132,989
59 - OTHER SOURCES	34,490	34,550	70,777
Revenue Total	**16,997,188**	**18,026,096**	**19,225,466**
Expense			
60 - SALARY AND BENEFITS	(1,783,078)	(2,300,829)	(2,255,320)
71 - OFFSET EXP ACCOUNTS	(45,135)	0	0
72 - SUPPLIES & MATERIALS	(371,643)	(475,800)	(689,121)
73 - CONTRACT & PROF SVCS	(9,060,122)	(9,430,662)	(9,779,393)
74 - MAINT & REPAIR SVCS	(277,524)	(338,385)	(333,600)
75 - UTILITIES	(116,180)	(121,416)	(122,612)
76 - CAPITAL OUTLAY	(301,705)	(21,368)	(9,490)
77 - DEBT SERVICES	(96,047)	0	0
78 - TRANS TO OTHR FUNDS	(7,409,208)	(7,527,483)	(5,998,881)
79 - OTHR EXP/FINANCE USE	(7,784)	(19,085)	(19,950)
Expense Total	**(19,468,427)**	**(20,235,028)**	**(19,208,367)**
Net Grand Total	**($2,471,238)**	**($2,208,932)**	**$17,099**
PROJECTED BEGINNING FUND BALANCE			11,489,324
PROJECTED ENDING FUND BALANCE			11,506,423

PAGES 131 - 137

<u>OVERALL PROPOSED IMPACTS</u>

- $2,000,000 Cash transfer to Utility CIP
- $202,402 increase in Dallas Water Utilities
- $135,041 increase in Trinity River Authority
- 47% of total expenses goes toward DWU + TRA
- $1,199,370 increase in revenues with proposed rates, which includes Senior Discounts

FY 2022-23 DRAINAGE FUND

DRAINAGE FUND	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED
Revenue	806,290	841,000	780,200
Expense	(736,155)	(1,933,214)	(1,732,430)
Net Grand Total	**$70,135**	**($1,092,214)**	**($952,230)**
PROJECTED BEGINNING FUND BALANCE			1,229,697
PROJECTED ENDING FUND BALANCE			277,467

<u>OVERALL PROPOSED IMPACTS</u> - PAGES 151-154

- $85,977 – Street Sweeping
- $25,000 – Stormwater Management Program – required for MS4 permit (Municipal Separate Storm Sewer System – TxDOT)
- $1,686,888 – CIP – Swan Ridge/Ten Mile Creek

FY 2022-23 SANITATION FUND

SANITATION FUND	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED	FY 2022-23 PROPOSED WITH RATE INCREASE
Revenue	4,245,935	4,168,500	4,150,500	4,369,534
Expense	(4,157,321)	(4,453,612)	(4,699,211)	(4,699,211)
Net Grand Total	**$88,614**	**($285,112)**	**($548,711)**	**(329,677)**
PROJECTED BEGINNING FUND BALANCE			378,252	378,252
PROJECTED ENDING FUND BALANCE			(170,459)	48,575

OVERALL PROPOSED IMPACTS - PAGES 145-149

- $2,827,683 – Garbage Collection expenditures – Residential + Commercial - 4% increase over FY 22 rates.
- $1,219,113 – Landfill Charge – increase of 18.38%
- Recommend passing along rate increase

FY 2022-23 ECONOMIC DEVELOPMENT FUND

ECONOMIC DEVELOPMENT FUND	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED
Revenue	2,946,859	2,781,174	3,151,139
Expense	(1,642,392)	(1,830,881)	(3,777,928)
Net Grand Total	**$1,304,467**	**$950,293**	**($626,789)**
PROJECTED BEGINNING FUND BALANCE			4,741,498
PROJECTED ENDING FUND BALANCE			4,114,709

OVERALL PROPOSED IMPACTS - PAGES 159 - 163

- $1,500,000 - Retail Center Revitalization
- $600,000 - Demo and other incentive grants
- $32,000 – Star Transit
- $67,600 – Beautification & Sustainable Beautification

FY 2022-23 HOTEL/MOTEL FUND

HOTEL MOTEL FUND	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED
Revenue	849,018	734,550	891,500
Expense	(363,562)	(739,821)	(828,124)
Net Grand Total	**$485,457**	**($5,271)**	**$63,376**
PROJECTED BEGINNING FUND BALANCE			2,870,941
PROJECTED ENDING FUND BALANCE			2,934,317

OVERALL PROPOSED IMPACTS - PAGES 155-157

- $85,010 – Special Events Coordinator
- $85,000 – Hoopfest
- $60,000 – Parks/Recreation multi-day event
- $267,945 – other event grants

FY 2022-23 AMERICAN RESCUE PLAN FUND

ARPA	FY 2021-22 REVISED	FY 2022-23 PROPOSED
Revenue	4,800,000	4,803,000
Expense	(3,491,430)	(3,306,392)
Net Grand Total	**$1,308,570**	**$1,496,608**
PROJECTED BEGINNING FUND BALANCE		1,308,570
PROJECTED ENDING FUND BALANCE		2,805,178

<u>ONE-TIME PROJECTS – IN FY 2023</u>

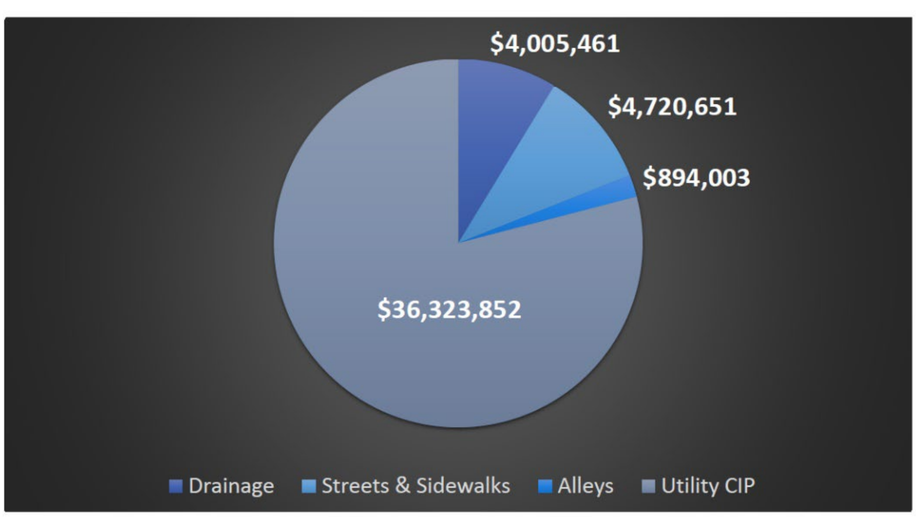
- $78,918 – Police/Public Safety
- $411,773 – Fire – SCBA and 2nd bunker gear
- $100,000 – Dog Park
- $450,701 – Network Infrastructure replacement, Virtual environment, Energov/EAM implementations

FY 2022-23 DEBT SERVICE

DEBT SERVICE FUND	FY 2020-21 ACTUAL	FY 2021-22 ADOPTED	FY 2022-23 PROPOSED
Revenue	1,469,743	1,410,657	857,329
Expense	(1,484,131)	(1,482,357)	(1,484,600)
Net Grand Total	**($14,388)**	**($71,700)**	**($627,271)**
PROJECTED BEGINNING FUND BALANCE			1,313,275
PROJECTED ENDING FUND BALANCE			686,004

- GO Bonds issued 2019
  - Last Payment Feb 2039
  - Callable in 2028 (re-finance if rates are favorable)
  - Principal amount as of 10/01/22 - $18,920,000
- Fieldhouse Debt (DCEDC Funded)
  - Last payment Aug 2025
  - Principal outstanding as of 10/01/22 - $1,540,000

FY 2023 – 2028 PROPOSED CIP



- Streets & Sidewalks have no identified funding source other than General Fund support when available.

Mayor Gordon recessed the meeting at 7:28 p.m.
Mayor Gordon reconvened the meeting at 7:37 p.m.

City Council viewed City Staff's budget video.

Councilmember McBurnett questioned employee retention and service credits.

Councilmember Contreras questioned and spoke on the Fire Marshal.

City Manager Ferrell-Benavides stated that discussion on that particular topic would need to be in private.

Councilmember Koontz stated he would like to see an additional person to support the Communications Director. Council agreed.

B. Announcement of and establishing a budget and tax rate.
No discussion.

4. ADJOURNMENT

The meeting was adjourned at 9:32 p.m.

APPROVED:

MAYOR

ATTEST:

CITY SECRETARY