



EST. 1955

SPRING VALLEY

V I L L A G E

**Special Called
City Council Meeting
July 14, 2020
5:00 p.m.**



Notice is Hereby Given of a Special Called Meeting of the City Council City of Spring Valley Village, Texas, 1025 Campbell Road, Spring Valley Village, Texas, in the Council Chambers, Tuesday, July 14, 2020, beginning at 5:00 p.m., For the Purpose of Considering and Acting upon the Following Items of Business:

In accordance with order of the Office of the Governor issued March 16, 2020, the City Council of Spring Valley Village will conduct the meeting scheduled at 5:00 p.m. on Tuesday, July 14, 2020 in the City Hall Council Chambers, located at 1025 Campbell Road, in part by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19).

The meeting agenda and agenda packet are posted online at www.springvalleytx.com.

The video link to this meeting is <https://us02web.zoom.us/j/84372196301>

The public toll-free dial-in numbers to participate in the telephonic meeting are 1-346-248-7799 (Houston), 1-253-215-8782 (US), and 1-301-715-8592 (US); enter the Meeting ID: 843 7219 6301 and #.

The public will be permitted to offer public comments as provided by the agenda and as permitted by the presiding officer during the meeting.

An audio recording of the meeting will be made, and will be available to the public in accordance with the Open Meetings Act upon written request.

- 1. CALL THE ROLL AND ANNOUNCE A QUORUM IS PRESENT**
- 2. PRESENTATION, DISCUSSION, AND DIRECTION CONCERNING:** Budget Policy Assumptions To Use In Development of Fiscal Year 2020-2021 Budget.
- 3. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Scheduling of Special Council Meeting to Propose A Tax Rate for Fiscal Year 2020-2021 in Compliance with Section 26.04 of the Texas Tax Code.
- 4. ADJOURNMENT**

Agenda items may not necessarily be considered in the order that they appear. With regard to any item, Council may take various actions, including but not limited to rescheduling an item in its entirety or for particular action at a future date or time.

I certify that a copy of the July 14, 2020 agenda of items to be considered by City Council was posted on or before the 9th day of July, 2020 at 11:00 a.m. pursuant to the Open Meetings Act, Chapter 551 of the Texas Government Code.

Attest:


Roxanne Benitez, TRMC, CPM, CMCC
City Secretary

In compliance with the Americans with Disabilities Act, this facility is wheelchair accessible and accessible parking spaces are available. To better serve attendees, requests for accommodations or interpretive services should be made 48 hours prior to this meeting. Please contact the City Secretary's office at 713-465-8308, Fax 713-461-7969, or Email secretary@springvalleytx.com for further information.

**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: July 14, 2020

TOPIC: **DISCUSSION AND DIRECTION CONCERNING:** Budget Policy Assumptions To Use In Development of Fiscal Year 2020-2021 Budget

BACKGROUND: During the June 23, 2020 Budget Workshop, the City Council provided direction concerning most of the Budget Policy Assumptions to be used by City staff in developing the FY 2021 Proposed Budget. The one item that the Council requested additional information on before providing direction was the salary increase for employees to include in the Proposed Budget.

The original Budget Policy Assumption presented to the Council related to employee base salary increases was 4% for all City employees. During the June 23, 2020 Budget Workshop, the Council requested that Staff provide information for a 2% and a 3% salary increase for employees.

	2%	3%	4%
All City Employees Total	\$60,037	\$91,251	\$119,048
Police Department	\$36,664	\$56,198	\$73,251
All Other City Departments	\$23,373	\$35,053	\$45,797

During the discussion, I advised Council that the City had already approved the FY 2021 Budget for the Village Fire Department, and the approved Budget included a 1.5% cost-of-living adjustment as well as the “standard Department merit increase” for the employees. Since I was not clear on what the “standard Department merit increase” was, I contacted Chief Foster for clarification, and, essentially, it is based on the step program and equates to anywhere from 3%-5% dependent upon the step made by an employee. Therefore, the City has already approved salary increases for the Village Fire Department employees of 4.5% - 6.5%.

I was also asked to find out what the other Villages and Memorial Villages Police Department have included in their budgets for employee salary increases. With the exception of Piney Point Village, the rest of the Villages and Memorial Villages Police Department have included 4% for employee salary increases based on the salary increases that have already been approved for the Village Fire Department.

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Agenda Item Data Sheet**

City/Entity	Proposed Salary Increase for FY 2021
Village Fire Department (adopted)	1.5% COLA + 3%-5% based on step (total of 4.5% - 6.5%)
Memorial Villages Police Department	4% COLA
Bunker Hill Village	4% merit pool
Hunter's Creek Village	4% COLA
Hedwig Village	4% COLA
Hilshire Village	4%
Piney Point Village	Will not be discussing until November/December

Additionally, I was asked to put together pay information for all City employees for the last 3 fiscal years, and the requested information will be provided at the meeting.

While the Council provided direction to include a 12% increase for health insurance instead of the original 15% increase, Council requested a 3-year history of the percentage budgeted increase vs. the percentage actual increase in health insurance. Staff was able to pull the information for the last 6 fiscal years, and the requested information is provided with this agenda item.

RECOMMENDATION: Staff requests direction concerning the Budget Policy Assumption related to the percentage increase for employee base salaries in order to continue developing the FY 2021 Proposed Budget.

ATTACHMENTS: • 6-Year Health Insurance Budgeted vs. Actual

FUNDING ISSUES:

Not applicable – no dollars are being spent or received.

Full amount already budgeted in Acct/Project# _____

Not budgeted, if approved, the following will be included in the next Budget Amendment:

\$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____

\$_____ from unassigned fund balance will be used and added to Acct/Project# _____

\$_____ will be added to Revenue Acct# __-__ and \$_____ added to Expenditure Acct/Project# _____

FINANCE VERIFICATION OF FUNDING:



SUBMITTING STAFF MEMBER: Julie M. Robinson, City Administrator	CITY ADMINISTRATOR APPROVAL: 
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Health Insurance Budget VS. Actual

Fiscal Year	% Increase Budgeted	% Increased Actual
2020	15%	5.07%
2019	15%	2.28%
2018	15%	6.14% PPO 10.59% EPO
2017	15%	9.50%
2016	20%	9.60%
2015	15%	10.60%

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MEETING DATE: July 14, 2020

TOPIC:	Scheduling of Special Council Meeting to Propose A Tax Rate for Fiscal Year 2020-2021 in Compliance with Section 26.04 of the Texas Tax Code.
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BACKGROUND:	<p>During a meeting with SBISD Tax Assessor/Collector Christine Porter (the City's Tax Assessor/Collector) and Debbie Wheeler with Perdue, Brandon, Fielder, Collins & Mott on Wednesday, July 8, 2020, Staff learned about some specific changes to the budget process that were incorporated in Senate Bill 2 (Property Tax Relief Bill) that became effective in January of this year and of which we were not aware when the Budget Calendar was developed in April. Effectively, these changes have compressed the budget process schedule.</p>
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Pursuant to Section 26.01 of the Texas Tax Code, the Chief Appraiser must deliver the certified appraisal roll or certified estimate of taxable value to the tax assessor by July 25 (actually July 27 since the date falls on a Saturday). The delivery of a certified estimate of taxable value in lieu of the certified appraisal roll is new from Senate Bill 2 and allowed if the appraisal review board does not approve the appraisal records for Harris County Appraisal District ("HCAD") by July 20. This is typically the case for HCAD, so we anticipate that our Tax Assessor/Collector will receive a certified estimate of taxable value the week of July 27 and send the certified estimate to the City no later August 3.

Pursuant to Section 26.04 of the Texas Tax Code, our Tax Assessor/Collector must use the certified estimate to calculate the "no-new-revenue" tax rate (previously known as the effective tax rate) and the "voter-approval" tax rate (previously known as the rollback rate) – and a new "de minimis rate" created by Senate Bill 2 that is made up of the no-new-revenue ("effective") maintenance and operations rate, "the rate that, when applied to a taxing current total value, will impose an amount of taxes equal to \$500,000," and the City's current debt rate.

Our Tax Assessor/Collector must now submit the three tax rate calculations to the City no later than August 7, and, on or about August 7, the Chief Appraiser is now required to send a postcard to each property owner about a new tax database website required by Senate Bill 2 that contains not only the three tax rate calculations but also the proposed tax rate established by the Council. Consequently, the City Council must propose a tax rate for Fiscal Year 2020-2021 before August 7.

Since we do not have another meeting scheduled between the July 14 Council meeting and the regular Council meeting on

**Spring Valley Village City Council
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August 25, we must schedule a special Council meeting between August 3 and 6 in order to propose a tax rate for Fiscal Year 2020-2021 and submit it to the Tax Assessor/Collector and HCAD before August 7. We will also set and announce the public hearing on the proposed tax rate, accept the certified estimate of taxable value, and the calculated tax rates provided by the Tax Assessor/Collector.

Staff proposes Tuesday, August 4 at either 5:00 pm or 6:00 pm as a possible date for the special Council meeting, and this meeting may be held completely by Zoom if needed to accommodate everyone's schedules.

Once the special Council meeting date has been set, the Budget Calendar will be revised with all new deadlines created by Senate Bill 2.

RECOMMENDATION: Staff requests direction from Council concerning the proposed date for a special Council meeting to propose a tax rate for Fiscal Year 2020-2021.

ATTACHMENTS: • None

FUNDING ISSUES:

- Not applicable – no dollars are being spent or received.
- Full amount already budgeted in Acct/Project# _____
- Not budgeted, if approved, the following will be included in the next Budget Amendment:
 - \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____
 - \$_____ from unassigned fund balance will be used and added to Acct/Project# _____
 - \$_____ will be added to Revenue Acct# __-__ and \$_____ added to Expenditure Acct/Project# _____

FINANCE VERIFICATION OF FUNDING:



SUBMITTING STAFF MEMBER:
Julie M. Robinson, City Administrator

CITY ADMINISTRATOR APPROVAL:

