



MINUTES
CITY COUNCIL MEETING
AUGUST 31, 2021

CALL TO ORDER – Roll Call and Determination of a Quorum

The Parker City Council met in a special meeting on the above date at Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002.

Mayor Lee Pettle called the meeting to order at 7:14 p.m. Mayor Pro Tem Cindy Meyer and Councilmembers Terry Lynch, Jim Reed (present by phone at 7:14 p.m.), and Michael Slaughter were present. Councilmember Diana M. Abraham was absent (due to family emergency).

Staff Present: City Administrator Luke Olson, Asst. City Administrator/City Secretary Patti Scott Grey, Finance/Human Resources Director Grant Savage, Interim City Attorney Scott D. Levine, Public Works Director Gary Machado, Fire Chief Mike Sheff, and Police Officer/Investigator Kyle Boles

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: Fire Chief Mike Sheff led the pledge.

TEXAS PLEDGE: Public Works Director Gary Machado led the pledge.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

Mayor Pettle noted there were no comments from the audience tonight, but there was one (1) emailed public comment from Scott & Theresa Livesay, 7305 Moss Ridge Road, regarding the FY2021-2022 Budget and Tax Rate. The emailed comment will be attached to tonight's meeting minutes. (See Exhibit 1 – Scott & Theresa Livesay's email, dated August 25, 2021.)

ITEMS OF COMMUNITY INTEREST

• PEANUT BUTTER FOOD DRIVE FOR NORTH TEXAS FOOD BANK

There is a box in the foyer of City Hall to place food donations with an emphasis on peanut butter and jelly September 1-30, 2021, for the North Texas Food Bank.

• Canceled - PARKS AND RECREATION COMMISSION (P&R) – WEDNESDAY, SEPTEMBER 8, 2021, 6 PM

The Wednesday, September 8, 2021, Parks & Recreation Commission (P&R) meeting is canceled.

• COMPREHENSIVE PLAN (COMP) COMMITTEE - WEDNESDAY, SEPTEMBER 15, 2021, 6 PM

The Wednesday, September 15, 2021, Comprehensive Plan (Comp) Committee meeting is planned, and the agenda will be available on the City's website, www.parkertexas.us, in early September.

Please mark your calendars for the following upcoming events:

- NATIONAL NIGHT OUT (NNO) – TUESDAY, OCTOBER 5, 2021, 6:00 P.M. – 9:00 P.M
- EARLY VOTING OCTOBER 18, 2021 – OCTOBER 29, 2021 & NOVEMBER 2, 2021, ELECTION

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
October 17	October 18 Early Voting 8am–5pm	October 19 Early Voting 8am–5pm	October 20 Early Voting 8am–5pm	October 21 Early Voting 8am–5pm	October 22 Early Voting 8am–5pm	October 23 Early Voting 7am–7pm
October 24 Early Voting 1pm–6pm	October 25 Early Voting 7am–7pm	October 26 Early Voting 7am–7pm	October 27 Early Voting 7am–7pm	October 28 Early Voting 7am–7pm	October 29 Early Voting 7am–7pm	October 30
October 31	November 1	November 2 Election Day 7am-7pm				

- NATIONAL PRESCRIPTION DRUG TAKE BACK EVENT SATURDAY, OCTOBER 23, 2021, 10:00 AM – 2:00 PM
- HOUSEHOLD HAZARDOUS WASTE DISPOSAL SATURDAY, OCTOBER 23, 2021, 10:00 AM – 2:00 PM, AT PARKER CITY HALL, 5700 E. PARKER ROAD, PARKER, TEXAS
- PARKERFEST - SUNDAY, OCTOBER 24, 2021, 3:00 PM to 6:00 PM

INDIVIDUAL CONSIDERATION ITEMS

1. PUBLIC HEARING ON FY2021-2022 BUDGET AND TAX RATE.

Finance/H.R. Director Savage reviewed the FY2021-2022 Tax Rate and FY 2021-2022, stating the first public hearing was tonight, August 31, 2021, and the second public hearing would be September 7, 2021. He then presented a PowerPoint, stating the proposed tax rate is the same as the last few years, \$0.365984 and noting the 2021 Certified Totals. (See Exhibit 2 – Finance/H.R. Manager Savage's FY2021-2022 Tax Rate/FY 2021-2022 Proposed Budget 1st Public Hearing PowerPoint, dated August 31, 2021.)

Finance/H.R. Director Savage asked if anyone had questions. There were no questions.

Mayor Lee Pettle opened a public hearing to receive comments regarding FY2021-2022 Budget and Tax Rate at 7:20 p.m.

No one came forward. The Mayor declared the public meeting closed at 7:21 p.m.

Mayor Lee Pettle stated again there would be a second (2nd) and final Public Hearing for the Budget and Tax Rate on September 7, 2021.

There was no action taken.

ROUTINE ITEMS

2. FUTURE AGENDA ITEMS

Mayor Pettle said the next regularly scheduled meeting would be Tuesday, September 7, 2021.

3. ADJOURN

Mayor Lee Pettle adjourned the meeting at 7:22 p.m.

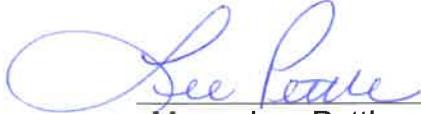


ATTESTED:



Patti Scott Grey, City Secretary

APPROVED:



Lee Pettle

Approved on the 21st day
of September, 2021.

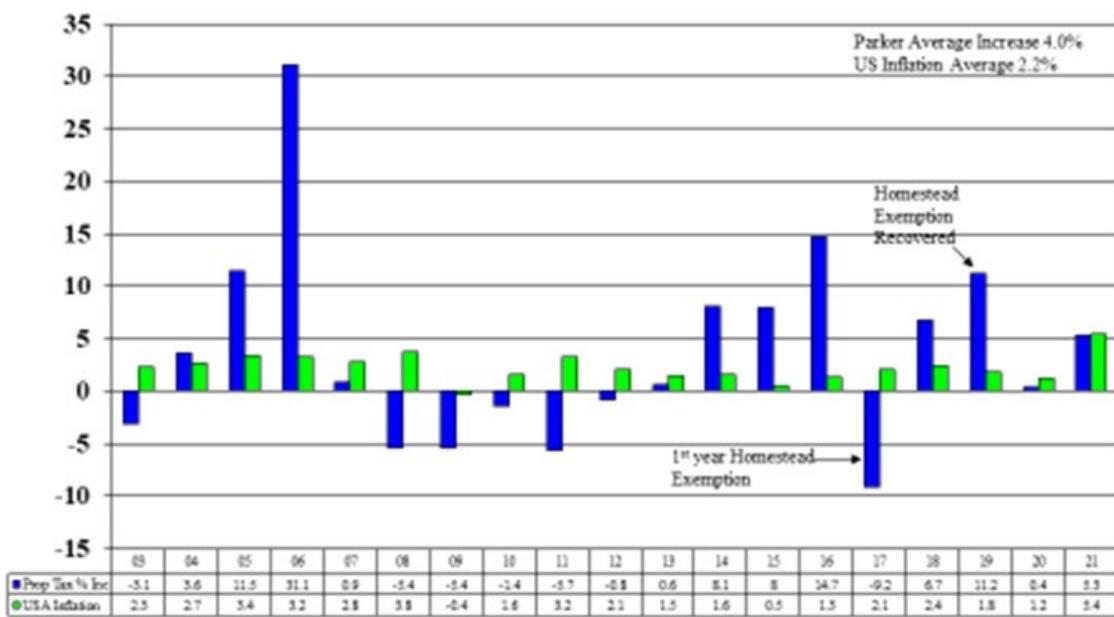
From: Scott & Therese Livesay
To: Patti Grey
Cc: lpettle@aol.com
Subject: Comments Letter for the Aug 31st City Council Budget Review
Date: Wednesday, August 25, 2021 2:40:17 PM
Attachments: image004.png
image007.png

Patti:

Unfortunately I will not be able to attend the Aug 31st City Council meeting. Please enter this to be read during the budget discussions. As Always, Thank you.

Greetings. I am Scott Livesay and live at 7305 Moss Ridge Road in Parker. I would like the following comments and observations read with the public comments during the August 31st City Council meeting discussing next year's budget and tax rate. I developed a comparison looks at the last 20 years, comparing Parker tax increase/decrease to the USA inflation rate and comparing the Parker Tax rate to the valuation trend. The first chart shows that while there are ups and downs in the percentage change, over a 20 year period, Parker increased taxes an average of 4% per year, while the US inflation rate averaged just over 2%, meaning our tax increases out-paced inflation.

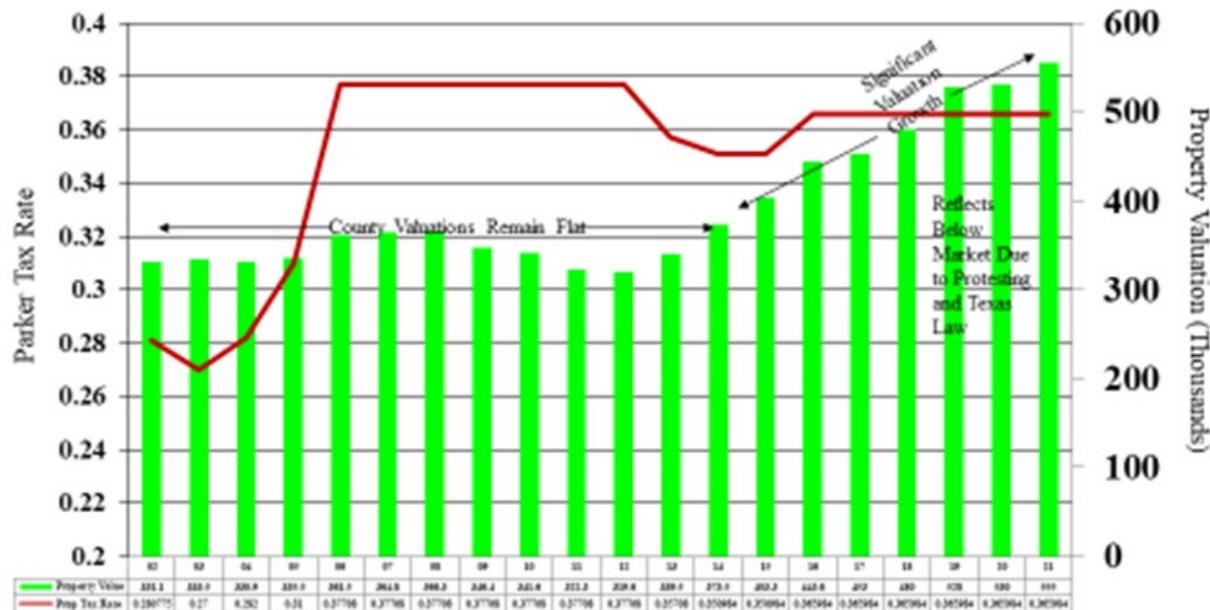
Annual Parker Property Tax Percentage Increase Compared to US Inflation – Bureau of Labor Statistics



The second comparison shows that overall, property valuations remained fairly flat for the first 12 years, then over the last 8 years property valuations rose dramatically, close to 50%. During the same first 12 years, Parker raised the tax rate around 35%, but lowered it in years 13 and 14 offsetting some of the tax increase from property valuations. However in year 15 through 20, Parker raised the tax rate to its current tax rate, and reaped the benefit

of increasing tax created from higher property values with the same tax rate applied.

Annual Parker Property Tax Rate Analysis



Noteworthy:

- 1) from 2013 to 2015 Parker offset the increase in property value by reducing tax rate
- 2) in 2017 Parker raised the tax rate 15 percent and held it flat for 6 years
- 3) from 2016 forward Parker has increased taxes 30% while holding the rate flat
- 4) Parker did include a \$50k homestead exemption in 2017, which reduced a 37% increase to 30%

The question then, is what is the City of Parker doing with the increasing tax revenue generated each year? According to the budget data provided by the City, \$5,349k of Revenue is generated for the General Funds. Of that, \$4,069k goes toward expenses. That leaves \$1,279k which goes into the bank for future use. Within that amount is an increase in property taxes on existing property (not the new buildouts) of over \$200k. In effect, the City of Parker is raising property taxes in order to put more money in the bank for future use. To be honest, the city plan is growing separate funds to offset the financial cost in future years, thereby not having to look to only those future year taxes to cover those costs or having to get bonds to cover the cost. These separate funds are the wastewater fund, solid waste fund, capital projects fund (the largest), parks fund, technology replacement fund, equipment replacement fund, and other fund. It seems like a worthwhile effort to earmark the excess revenue created from property tax within these funds for future expenditures. What I question is the need to continue to increase the taxes on the citizens of Parker to place it in bank accounts for future expenditure. Why not reduce the tax rate to keep the taxes the same as last year, and still have \$1Million of excess revenue with which to increase the funds?

In summary:

- Holding the tax rate is not the same as holding taxes level. It is ultimately the taxing authority that determines how much tax revenue is generated via the tax rate established by the taxing authority (City of Parker).
- Saving for the future is a worthwhile effort, but not by increasing taxes on the citizens when there is already 20% of the revenue going into the pre-funded funds.
- The City of Parker should consider reducing the tax rate similar to what was done in 2013 and 2014 to offset the impact from the rising property valuations

Thank you for your consideration on the above.

Regards:

Scott Livesay
7305 Moss Ridge Rd



City Council Work Session

FY 2021-2022

Tax Rate 1st Public Hearing

Tuesday, August 31, 2021



FY 2021-2022

Proposed Tax Rate

1st Public Hearing on Proposed Tax Rate

- Proposed tax rate is \$0.365984 (same as last year)

- Although the rate remained the same, the City Council must hold public hearings on the proposed tax rate because it exceeds the “No-New Revenue” or “Voter Approval Tax Rate”.
 - Tuesday, August 31 at 7:00 p.m.
 - Tuesday, September 7 at 7:00 p.m.



FY 2021-2022

Proposed Tax Rate

- **Tax Rate**

	2020	2021
No-New-Revenue Tax Rate	0.360198	0.349195
Voter-Approval Tax Rate (3.5%)	0.360515	0.360290
M&O Rate	0.329560	0.331870
Debt Tax Rate	0.036424	0.034114
De minimis Rate	0.394399	0.389999
Adopted Tax Rate	0.365984	



FY 2021-2022
Proposed Budget
1st Public Hearing



Budget Process

Date	Budget Action
June	Department Heads Submit Budgets to Finance Manager
Tuesday, July 13	1st Budget Workshop
Tuesday, August 3	2nd Budget Workshop
Tuesday, August 3	Vote on Proposed Tax Rate - Regular Council Meeting
Friday, August 6	File Proposed Budget with City Secretary
Friday, August 6	Post Proposed Budget on City Website
Tuesday, August 31	1st Public Hearing on Proposed Tax Rate and Budget
Tuesday, September 7	2nd Public Hearing & Final Action on Tax Rate and Budget



FY 2021-2022

Proposed Budget

Property Tax

- 2021 Certified Totals - \$1,229,947,992
 - Increase of \$103,726,572 (9.2%) from previous year (\$379,623)
 - Of that amount, \$48,821,881 is from new taxable property added (\$178,680)
- Budget has been prepared using the current tax rate of \$0.365984 per \$100 of tax assessed value
 - \$0.01 change in property tax affects City budget by \$120,000
 - \$0.01 change in property tax affects average homeowner by \$67.87 (based on average value of home \$678,700)



FY 2021-2022

Proposed Budget

Fund	Fund Title	Total Revenues	Total Expenditures	Net Inc/(Dec)
01	General Fund	5,399,423	5,369,620	29,803
03	Water/Wastewater Fund	3,782,850	3,768,730	14,120
05	Solid Waste Fund	485,690	478,915	6,775
21	Law Enforcement Fund	-	6,947	(6,947)
22	Equipment Replacement Fund	275,000	54,000	221,000
23	Court Security Fund	3,800	3,800	-
24	Court Technology Fund	3,600	2,700	900
25	Child Safety Fund	5,000	5,000	-
26	Police Donations Fund	1,000	2,500	(1,500)
27	Fire Donations Fund	2,150	54,200	(52,050)
28	Technology Replacement Fund	55,000	55,000	-
29	Parks Fund	7,500	7,500	-
40	General Obligations Debt Service Fund	420,991	420,823	168
41	Revenue Bond I&S Fund	555,826	555,826	-
60	Utility Impact Fee Fund	200,000	-	200,000
61	Street Construction Fund	500,000	650,000	(150,000)
62	Utility Construction Fund	-	3,550,000	(3,550,000)
63	Drainage Improvement Fund	100,000	100,000	-
65	Facilities Improvement Fund	350,000	350,000	-
		12,147,830	15,435,561	



Supplementals



FY 2021-2022 Proposed Budget

CITY OF PARKER Supplements FY 2021-22			
Item	Department Name	Description	Cost
1	Fire	Replace Fire Hose	5,500
2	Fire	McGrath MAC EMS Laryngoscope	2,700
3	Public Works	Grapple Bucket	6,500
4	Admin	Everbridge	12,490
5	Admin	Swagit	20,340
TOTAL:		\$ 47,530	\$ 32,830
			\$ 14,700
			One-time
		Reoccuring	



Comments or
Questions?