

CITY OF OVILLA MINUTES

Wednesday, August 3, 2022
Special Council Meeting and Budget Workshop
105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Dormier called the Council Meeting of the Ovilla City Council to order at 4:03 PM, in the Ovilla Council Chamber Room, 105 S. Cockrell Hill Road Ovilla TX 75154, with notice of the meeting duly posted.

The following City Council Members were present:

Kimberly Case	Council Member, Place 1
Dean Oberg	Council Member, Place 2
David Griffin	Council Member, Place 3
Doug Hunt	Mayor Pro Tem, Place 4
Brad Piland	Council Member, Place 5

Mayor Dormier noted that all members of the council were in attendance, thus constituting a quorum. The city manager, city secretary, department directors, and various staff were also present.

CALL TO ORDER

PL2 Oberg gave the invocation and PL3 Griffin led the reciting of the U.S. Pledge of Allegiance and the Pledge to the Texas Flag.

ANNOUNCEMENTS, PROCLAMATIONS, PRESENTATIONS, COMMENTS

- None

CITIZEN COMMENTS:

- None

REGULAR AGENDA

ITEM 1. DISCUSSION/ACTION – Workshop and review of the preliminary Fiscal Year 2022-2023 Budget and direct staff as necessary.

City Manager Pam Woodall advised the council that based on the Texas Property Tax Code, the council must propose a rate for the FY2022-23 Budget if it intends to fund that budget with tax revenue. Ms. Woodall explained the tax rate is split into two parts. The first part is the maintenance and operation rate or commonly referred to as the M&O rate and the second is the debt rate or I&S rate. Ms. Woodall noted that the M&O rate is used to fund the day-to-day operations and is unrestricted revenue in the general fund, and the debt rate is used to fund any bond payments from bonds that have been issued by the city.

The council reviewed and discussed the budget prepared by department directors and the city finance department. Finance Director Sharon Jungman explained to the council that after their direction at

Richard Dormier, Mayor
Rachel Huber, Place One
Dean Oberg, Place Two

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Doug Hunt, Place Four
David Griffin, Place Three
Michael Myers, Place Five

the previous workshops department directors have scaled back on the budget to have a balanced budget. Ms. Jungman advised the council that the proposed budget does not allow for any capital purchases.

No action

ITEM 2. DISCUSSION – Discuss the preliminary tax rate for the Fiscal Year 2022-2023 Budget.

The council discussed the following preliminary tax rate as presented by city staff:

<u>Options</u>	<u>Rates</u>	<u>Revenue Generated</u>
Current Rate	\$0.6600	\$2,404,000.00
No-New Revenue Rate	\$0.418178	\$2,404,034.00
Voter Approval Rate	\$0.551388	\$2,557,979.00
Below Voter Approval Rate	\$0.551378	\$2,556,979.00
De minimis Rate	\$0.626213	\$2,822,785.00

Staff advised the council of the financial impact of the proposed tax rates which included the following rates and scenarios:

1. If the council proposes the No-New Rate of 0.418178 Ad Valorem Revenue will increase by 0, as compared to the prior year at \$0.6600.
2. If the council proposes the Voter Approval Rate (formerly rollback rate) of 0.551388 Ad Valorem Revenue will increase by \$95,880, as compared to the prior year at \$0.6600.
3. If the council proposes the Proposed-Recommended Rate (De Minimis Rate) of 0.626213 Ad Valorem Revenue will increase by \$361,631, as compared to the prior year at \$0.6600.

Following the discussion of the council, the consensus from the city council was to base the budget on the De Minimis Tax Rate.

EXECUTIVE SESSION

None

REQUESTS FOR FUTURE AGENDA ITEMS AND/OR ANNOUNCEMENTS BY COUNCIL AND STAFF

None

ADJOURNMENT

PL2 Oberg made a motion to adjourn.

PL3 Griffin seconded the motion.

There being no further business, Mayor Dormier adjourned the meeting at 5:15 p.m.

No oppositions, no abstentions.

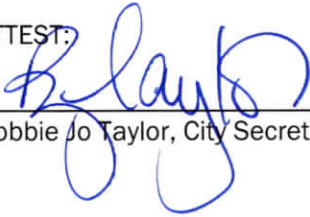
Richard Dormier, Mayor
Kimberly Case, Place One
Dean Oberg, Place Two

VOTE: The motion to approve carried unanimously: 5-0



Richard Dormier, Mayor

ATTEST:



Bobbie Jo Taylor, City Secretary

APPROVED: September 12, 2022



Richard Dormier, Mayor
Kimberly Case, Place One
Dean Oberg, Place Two

Doug Hunt, Place Four
David Griffin, Place Three
Brad Piland, Place Five