

**Regular City Council Meeting
Meeting Minutes**



Tuesday, September 5, 2023 @ 6:00 PM

**Anna Municipal Complex - Council Chambers
120 W. 7th Street, Anna, Texas 75409**

The City Council of the City of Anna met on September 5, 2023 at 6:00 PM in the Anna Municipal Complex-Council Chambers, located at 120 W. 7th Street, to consider the following items.

1. Call to Order, Roll Call, and Establishment of Quorum.

Mayor Pro Tem Miller called the meeting to order at 6:15 PM.

Members Present:

Mayor Pro Tem Lee Miller

Council Member Kevin Toten

Council Member Stan Carver

Council Member Elden Baker

Council Member Pete Cain

Members Absent:

Mayor Nate Pike

Deputy Mayor Pro Tem Randy Atchley

2. Invocation and Pledge of Allegiance.

Council Member Cain led the Invocation and Pledge of Allegiance.

3. Neighbor Comments.

No comments.

4. Items For Individual Consideration.

- a. Conduct a Public Hearing on the Proposed FY2024 Budget. (Budget Manager Terri Doby)

The Annual Budget is one of the most important financial responsibilities of a local government, and preparation of the budget typically takes 6 months to complete. The Annual Budget is developed through an extensive process of reviewing requests received from various City departments, then prioritizing those requests in a manner that utilizes resources effectively, within fiscal constraints, while working to achieve the City's strategic goals. The proposed budget was presented

to the City Council on August 8th and can be found on our website at www.annatexas.gov/912/Budget

The proposed budget is funded by a property tax rate of \$0.510717, which is lower than the current tax rate. When compared with other cities in our area, the City of Anna continues to have one of the lowest per-capita property tax levies. According to the most recent population estimates, the City of Anna's population is approximately 23,960. We anticipate a steady increase of 7 to 10 percent annual growth over the next few years. As Anna continues to grow, the City remains committed to its Strategic Success Statements. The FY2024 budget is designed to preserve and enhance the quality of existing services and respond appropriately to our city's continuing growth and development.

The Council will vote to adopt the FY2024 budget on September 12, 2023.

Mayor Pro Tem Miller opened the public hearing at 6:19 PM.

No comments.

Mayor Pro Tem Miller closed the public hearing at 6:19 PM.

- b. Conduct a Public Hearing on the Proposed FY2024 Tax Rate. (Budget Manager Terri Doby)

At the Tuesday, August 8th meeting, the City Council set the date, time and location of tonight's public hearing on the FY2024 proposed tax rate as required by the Texas Tax Code. The Notice of Public Hearing was published in the Anna Melissa Tribune on August 17, 2023.

After properties are appraised by the Collin County Appraisal District, the Collin County Tax Assessor-Collector calculates both the No-New-Revenue tax rate and the Voter Approval tax rate for the City of Anna as the designated officer to complete the tax rate calculation forms created by the Texas Comptroller and to certify the calculations as accurate.

No-New-Revenue tax rate: The No-New-Revenue tax rate is a calculated rate that would provide the taxing unit with the same amount of maintenance and operations property taxes on existing property as the previous year after taking into account changes in appraised value. If property values rise, the No-New-Revenue tax rate will go down and vice versa. **The No-New Revenue tax rate for FY2024 is \$0.464353 per \$100.**

Voter-Approval tax rate: The Voter-Approval tax rate provides the taxing unit with the same amount of maintenance and operations property taxes on existing property as the previous year plus a 3.5 percent increase for those operations, in addition to sufficient funds to pay debts in the coming year. If a taxing unit adopts a tax rate higher than the Voter-Approval tax rate, a tax rate approval election must

be held on the November uniform election date. **The Voter-Approval tax rate for FY2024 is \$0.507024 per \$100.**

De minimis rate: The De minimis rate is the rate equal to the sum of the taxing unit's current debt rate, the no-new-revenue maintenance and operations rate, and the rate that when applied to a taxing unit's current total value, will impose an amount of taxes equal to \$500,000. The de minimis rate is an option for small cities with a population of 30,000 or less. **The De Minimis rate for FY2024 is \$0.510717 per \$100.**

The proposed budget is supported by a tax rate of \$0.510717. Under the Texas Property Tax Reform and Transparency Act of 2019, a city that adopts a rate exceeding the lower of the No-New-Revenue tax rate or the Voter-Approval tax rate must hold one public hearing. The following table is a comparison between the proposed tax rate, last year's rate, the No-New-Revenue rate, the De Minimis rate and Voter-Approval tax rate.

Proposed FY2024 Tax Rate	\$0.510717 per \$100
Preceding FY2023 Tax Rate	\$0.539750 per \$100
No-New-Revenue Tax Rate	\$0.464353 per \$100
Voter-Approval Tax Rate	\$0.507024 per \$100
De Minimis Tax Rate	\$0.510717 per \$100

The budget and tax rate are scheduled for adoption at the September 12th City Council meeting. Since the proposed tax rate is higher than the No-New-Revenue rate, section 26.05 of the Texas Tax Code requires a minimum of 60% of the Council members to vote in favor of that rate. That would require at least 5 Council members to vote in favor of the proposed tax rate.

	FY2023	FY2024	Change
Total tax rate (per \$100 of value)	\$0.539750	\$0.510717	(0.029033)
Average homestead taxable value	\$273,417	\$315,578	\$42,161
Tax on average homestead	\$1,475.77	\$1,611.71	\$135.94
Total tax levy on all properties	\$12,959,888	\$16,017,734	\$3,057,846

Mayor Pro Tem Miller opened the public hearing at 6:22 PM.

No comments.

Mayor Pro Tem Miller closed the public hearing at 6:22 PM.

5. Closed Session (Exceptions).

Under Tex. Gov't Code Chapter 551, the City Council may enter into Closed Session to discuss any items listed or referenced on this Agenda under the following exceptions:

- a. Consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071). City Regulations.
- b. Discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov't Code §551.072).
- c. Discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (Tex. Gov't Code §551.087).
- d. Discuss or deliberate personnel matters (Tex. Gov't Code §551.074).

MOTION: Council Member Cain moved to enter closed session. Council Member Toten seconded. Motion carried 5-0.

Mayor Pro Tem Miller recessed the meeting at 6:24 PM.

Mayor Pro Tem Miller reconvened the meeting at 6:42 PM.

6. Consider/Discuss/Action on any items listed on any agenda - work session, regular meeting, or closed session - that is duly posted by the City of Anna for any City Council meeting occurring on the same date as the meeting noticed in this agenda.

No action taken.

7. Adjourn.

Mayor Pro Tem Miller adjourned the meeting at 6:42 PM.

Approved on the 12th day of September 2023



Mayor Pro Tem Miller

ATTEST:

Carrie L. Land

City Secretary Carrie L. Land