



**A G E N D A**  
**SPECIAL MEETING OF THE**  
**HIGHLAND VILLAGE CITY COUNCIL**  
**HIGHLAND VILLAGE MUNICIPAL COMPLEX**  
**1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS**  
**MONDAY, SEPTEMBER 18, 2023 at 8:30 A.M.**

**OPEN SESSION**  
**City Council Chambers**

1. Call Meeting to Order

**ACTION AGENDA**

2. Consider Ordinance 2023-1307 approving and adopting the Fiscal Year 2023-2024 Annual Budget (2<sup>nd</sup> and final read)
3. Consider Ordinance 2023-1308 levying the Ad Valorem Taxes for the Year 2023 at a Rate of \$0.501394 per \$100 Assessed Valuation on all Taxable Property within the Corporate Limits of the City of Highland Village as of January 1, 2023 (2<sup>nd</sup> and final read)
4. Consider Resolution 2023-3086 ratifying the Property Tax Revenue Increase reflected in the Fiscal Year 2023-2024 Budget
5. Adjournment

I HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE PUBLIC BULLETIN BOARD AT THE MUNICIPAL COMPLEX, 1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS IN ACCORDANCE WITH THE *TEXAS GOVERNMENT CODE, CHAPTER 551*, ON THE 14<sup>TH</sup> DAY OF SEPTEMBER 2023 NOT LATER THAN 5:00 P.M.

  
Angela Miller, City Secretary

*Anyone wishing to address the City Council on any item posted on the City Council agenda for possible action must complete a Speakers' Request Form available at the entrance to the City Council Chambers and present it to the City Secretary prior to the Open Session being called to order. Speakers may be limited to three (3) minutes and given only one opportunity to speak on an item. Other procedures regarding speaking on matters posted for action on the City Council agenda are set forth on the Speakers' Request Form. Subject to applicable law, the City Council reserves the right to modify or waive at any time the procedures relating to members of the public speaking on matters placed the Council's agenda.*

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (972) 899-5132 or Fax (972) 317-0237 for additional information.

Removed from posting on the \_\_\_\_\_ day of \_\_\_\_\_, 2023 at \_\_\_\_\_

am / pm by \_\_\_\_\_.

**CITY OF HIGHLAND VILLAGE**  
**COUNCIL BRIEFING**

**AGENDA# 2**

**MEETING DATE: 09/18/2023**

**SUBJECT: Consider Ordinance 2023-1307 Adopting the FY 2023-2024  
Annual Budget (2<sup>nd</sup> and final read)**

**PREPARED BY: Ken Heerman, Assistant City Manager**

**BACKGROUND:**

City Staff initiated the FY 2024 Budget process in May of this year with departments reviewing programs and related costs in their respective areas. The budget was developed with Council in a series of workshops: the Capital Improvement Program was presented, followed by the General Fund Budget, Special Revenue Funds, and the Utility Fund. The proposed budget has been available on the City Web Site for review by residents. The final document presented is a joint product of Staff and Council to reflect priorities established by Council in the initial stages of this budget process. The required public hearing was conducted at the September 12, 2023 City Council meeting.

**IDENTIFIED NEED/S:**

The FY 2023/2024 Budget is presented for Council approval. The presented budget mirrors the expressed consensus of Council from the budget work sessions.

Truth in Taxation, specifically Local Government Code Section 102.007, requires specific action in adoption of the budget. A vote to adopt the budget must be a record vote, and the adopted budget must contain a cover page that includes a number of specifically worded statements regarding revenue, delineation of the record vote to adopt the budget, tax rates, and debt obligation amounts. All the pertinent information is likewise included in the City Manager Recommended Budget posted on-line, save the record vote of council – which will be updated subsequent to the actual council vote.

Additionally, adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of council to ratify the property tax increase reflected in the budget. As this budget does indeed raise more revenue, this is to be presented as a separate companion agenda item with the second reading of the budget ordinance.

**OPTIONS & RESULTS:**

The complete budget is available for viewing on the City website via the following link, and is on file in the City Secretary's Office:

[City Manager Recommended Budget](#)

### **PROGRESS TO DATE: (if appropriate)**

All notices have been published and public hearing conducted as required by law. An ordinance has been presented at this meeting that adopts the proposed budget for the City's fiscal year beginning October 1, 2023.

### **BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)**

A budget ordinance follows. Fund expenditure totals are enumerated in the ordinance along with parameters regarding amendments to the approved budget.

### **RECOMMENDATION:**

City Council approved the first read of Ordinance 2023-1307 at their September 12, 2023 meeting. Recommendation is to approve the second read of Ordinance 2023-1307 approving and adopting the Fiscal Year 2023 / 2024 Annual Budget.

**CITY OF HIGHLAND VILLAGE, TEXAS**

**ORDINANCE NO. 2023-1307**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, APPROVING AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024, AND CATEGORY APPROPRIATIONS FOR EACH FUND AND DEPARTMENT, PROJECT AND ACCOUNT; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR INTER-FUND TRANSFERS; PROVIDING FOR INVESTMENT OF CERTAIN FUNDS; PROVIDING FOR FISCAL AND BUDGETARY POLICY GUIDELINES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, as required by Article VI of the City Charter, the City Manager has prepared and submitted to the City Council a Budget Estimate of expenditures and revenues of all city departments, activities and offices for the fiscal year beginning October 1, 2023, and ending September 30, 2024 (“the FY 2023-2024 Budget”); and

**WHEREAS**, the proposed FY 2023-2024 Budget has been filed with the City Secretary of the City of Highland Village as required by law; and

**WHEREAS**, notice of public hearing upon the proposed FY 2023-2024 Budget has been duly and legally posted or published as required by law; and

**WHEREAS**, said public hearing was held on September 12, 2023, and whereon full and final consideration was given the proposed FY 2023-2024 Budget; and

**WHEREAS**, the City Council of the City of Highland Village, Texas, has determined that the proposed FY 2023-2024 Budget will be sufficient to provide the needed services to Highland Village residents.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT**

**SECTION 1.** For the purpose of providing the funds necessary and proposed to be expended in the Budget of the City of Highland Village for the fiscal year beginning October 1, 2023 and ending September 30, 2024, the FY 2023-2024 Budget heretofore prepared by the City Manager and submitted to the City Council for its consideration and approval, said Budget for the different funds of the City of Highland Village are hereby fixed as follows:

General Fund	22,895,143
Debt Service Fund	2,716,690
Corps Leased Parks Fund	710,521
HV Drainage Utility Fund	764,654
Capital Projects Fund	5,912,537
Public Safety Special Revenue Fund	16,100
Park Development Fee Fund	-0-
PEG Fee Fund	7,000
Municipal Court Technology Fee Fund	3,600
Municipal Court Building Security Fund	-0-

Utility Fund	15,529,127
HV Community Development Fund	990,809
Total Funds	49,546,182

The above said budget is hereby approved for a total of \$49,546,182, and the available resources and revenues of the City of Highland Village for said fiscal year be and the same are hereby appropriated and set aside for the maintenance and operation of the various departments of the Government of the City of Highland Village, together with the various activities and improvements as set forth in said FY 2023-2024 Budget, and expenditures under these appropriations shall not exceed the enumerated line items unless and until the line item(s) shall be amended by a Council-approved budget amendment, and further the expenditures shall be in accordance with the uses and purposes of the respective departments, as such are more specifically identified by the line items, and activities as provided for in said FY 2023-2024 Budget. Amendments to the FY 2023-2024 Budget, including appropriations and expenditures which deviate from this FY 2023-2024 Budget shall be approved by the City Council by presentation of the item on a form in substantial conformity to that attached hereto as Exhibit A. Notwithstanding the foregoing, the City Manager is hereby authorized to make expenditures under this FY 2023-2024 Budget, without budget amendment, which exceed specific line items within expenditure categories, these categories being Personnel, Services/Supplies, and Capital. In no event shall expenditures for any department, expended under the City Manager's authority, exceed the departmental appropriation for said department.

**SECTION 2.** The Budget for the fiscal year beginning October 1, 2023, and ending September 30, 2024, approved herein, is on file in the City Secretary Office.

**SECTION 3.** The expenditures during the fiscal year beginning October 1, 2023, and ending September 30, 2024, shall be made in accordance with the FY 2023-2024 Budget approved by this ordinance unless otherwise authorized by duly enacted ordinance of the City of Highland Village.

**SECTION 4.** The City Manager be and is hereby authorized in accordance with the provisions of Section 6.17 of the City Charter to approve expenditures up to the amount set forth in the financial policies adopted by the City Council, with any expenditure over such amount requiring the approval of the City Council.

**SECTION 5.** The City Manager be and is hereby authorized to make interfund transfers in accordance with budgeted appropriations during the fiscal year.

**SECTION 6.** The City Manager and/or the designated Investment Officer is authorized to invest idle funds, whether operating funds or bond funds in accordance with the City's Investment Policy as prescribed by the Public Funds Investment Act.

**SECTION 7.** The administration and execution of said budget for fiscal year beginning October 1, 2023 and ending September 30, 2024 shall be subject to certain fiscal and budgetary policies as adopted by the City Council.

**SECTION 8.** This Ordinance shall take effect immediately from and after its passage on second reading.

**UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE ON FIRST READING, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:**

	<b>Aye</b>	<b>Nay</b>
<b>Daniel Jaworski, Mayor – Place 1</b>	<b>X</b>	
<b>Jon Kixmiller, Councilmember – Place 2</b>	<b>X</b>	
<b>Kevin Cox, Councilmember – Place 3</b>	<b>X</b>	
<b>Shawn Nelson, Councilmember – Place 4</b>	<b>X</b>	
<b>Rhonda Hurst, Councilmember – Place 5</b>	<b>X</b>	
<b>Robert Fiester, Councilmember – Place 6</b>	<b>X</b>	
<b>Brian Fiorenza, Councilmember – Place 7</b>	<b>X</b>	

**WITH 7 VOTING “AYE” AND 0 VOTING “NAY,” THIS ORDINANCE NO. 2023-1307 WAS PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THE 12<sup>th</sup> DAY OF SEPTEMBER 2023.**

**UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE ON SECOND AND FINAL READING, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:**

	<b>Aye</b>	<b>Nay</b>
<b>Daniel Jaworski, Mayor – Place 1</b>		
<b>Jon Kixmiller, Councilmember – Place 2</b>		
<b>Kevin Cox, Councilmember – Place 3</b>		
<b>Shawn Nelson, Councilmember – Place 4</b>		
<b>Rhonda Hurst, Councilmember – Place 5</b>		
<b>Robert Fiester, Councilmember – Place 6</b>		
<b>Brian Fiorenza, Councilmember – Place 7</b>		

**WITH \_\_\_ VOTING “AYE” AND \_\_\_ VOTING “NAY,” THIS ORDINANCE NO. 2023-1307 WAS PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THIS THE 18<sup>th</sup> DAY OF SEPTEMBER 2023.**

**APPROVED:**

\_\_\_\_\_  
**Daniel Jaworski, Mayor**

**ATTEST:**

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**Angela Miller, City Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

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**Kevin B. Laughlin, City Attorney**

(kbl:9/7/2023:4882-1761-9326v1)

**ORDINANCE NO. 2023-1307  
EXHIBIT A**

**Budget Amendment Request Worksheet  
Expenditure Line Item for Proposed Change:**

<u>Department</u>	<u>Category</u>	<u>Current Budget (Annual)</u>	<u>Proposed Budget (Annual)</u>	<u>Increase / Decrease</u>
<u>Expenditures</u>				
<u>Total</u>				-

**Reason for Request**

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**FUND BALANCE**

GENERAL FUND BALANCE

Details: **Net Change \$ -**

UTILITY FUND WORKING CAPITAL BALANCE

Details: **Net Change \$**

**COUNCIL APPROVAL  
REQUIRED**

**Inter-Departmental, offset by equal decrease  
or offset by increase in revenue item.**



**CITY OF HIGHLAND VILLAGE**  
**COUNCIL BRIEFING**

**AGENDA# 3**

**MEETING DATE: 09/18/2023**

**SUBJECT: Consider Ordinance 2023-1308 Levying the Ad Valorem Taxes for the Year 2023 at a Rate of \$.501394 Per \$100 Assessed Valuation on all Property Within the Corporate Limits of the City of Highland Village as of January 1, 2023 (2<sup>nd</sup> and final read)**

**PREPARED BY: Ken Heerman, Assistant City Manager**

**BACKGROUND:**

Texas Tax Code §26.05 requires a tax rate be adopted by official action following passage of a budget. The tax rate must be adopted in two separate components – Maintenance and Operations (M&O), and Interest and Sinking (I&S). The total tax rate of \$.501394/\$100 is reduced from last year’s rate of \$.546825. The “no-new-revenue” tax rate is the rate that will provide the same amount of funds for FY 2023-24 that were raised from property taxes for the FY 2022-23. The “voter-approved” tax rate is the maximum tax rate that City Council may approve without requiring an election be conducted to allow voters to approve the tax rate. State law requires a public hearing if the proposed tax rate exceeds the lower of the voter-approved tax rate or the no-new-revenue tax rate. The proposed tax rate of \$.501394/\$100 is equal to the voter-approved tax rate (calculated at \$.501394/\$100) but exceeds the no-new-revenue tax rate (calculated at \$.485019/\$100). Thus, state law requires one public hearing be held regarding the proposed tax rate, as well as placement of associated notices in the City’s official newspaper, posting to the City Website, and notices broadcast on HVTV. State law also requires a public hearing be held prior to adoption of the City’s annual budget. Accordingly, notice was published, and the public hearing was conducted at the September 12, 2023 City Council Meeting.

**IDENTIFIED NEED/S:**

Ordinance No. 2023-1307 provides for the adoption of the City’s official budget for Fiscal Year 2023-24. Pursuant to the direction of the City Council, the City Manager has prepared the FY 2023-24 budget based on anticipated revenues to the City from various sources, including the assessment of taxes on real and business personal property located within the City. In order to provide for sufficient revenues to pay the City’s operation and maintenance obligations as well as the City’s outstanding debt obligations, the FY 2023-24 budget requires the City receive property tax revenues that would be generated through the adoption of the proposed tax rate. Staff has prepared for consideration, Ordinance No. 2023-1308 which provides for the adoption of a total tax rate of \$.501394 per \$100 valuation (composed of a Maintenance and Operation rate of \$.433681 per \$100 valuation and a debt service rate of \$.067713 per \$100 valuation) to fund the FY 2023-2024 budget.

- Because the proposed M&O tax rate will exceed the no-new-revenue M&O tax rate of \$.419016 per \$100 valuation, state law requires certain language in larger font be

included in the ordinance adopting the tax rate for the next fiscal year (see Section 2 of Ordinance No. 2023-1308).

- In addition, as the proposed tax rate exceeds the no-new-revenue tax rate, at least 60 percent of the governing body must vote in favor of the ordinance by a record vote. State law also requires that the motion approving an ordinance adopting a tax rate that is greater than the no-new-revenue tax rate include specific language (see **Recommendation** section below).

### **PROGRESS TO DATE: (if appropriate)**

All notices have been published and public hearing conducted as required by law. Required ordinances have been prepared and presented for consideration at this meeting.

### **BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)**

The ordinance adopting the tax rate follows this briefing.

### **RECOMMENDATION:**

Council approved the first read of Ordinance 2023-1308 at their September 12, 2023 meeting. Staff recommends approval of Ordinance No. 2023-1308 on second and final read. State law requires the motion to approve Ordinance No. 2023-1308 be made in the following form:

***“I move that the property tax rate be increased by the adoption of a tax rate of \$.501394, which is effectively a 3.4 percent increase in the tax rate and, therefore, I further move that Ordinance No. 2023-1308 be approved on second and final reading.”***

**CITY OF HIGHLAND VILLAGE, TEXAS**

**ORDINANCE NO. 2023-1308**

**AN ORDINANCE OF THE CITY OF HIGHLAND VILLAGE, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE YEAR 2023 AT A RATE OF \$0.501394 PER \$100 ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF HIGHLAND VILLAGE AS OF JANUARY 1, 2023; TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING AN INTEREST AND SINKING FUND FOR ALL OUTSTANDING DEBT OF THE CITY OF HIGHLAND VILLAGE; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; APPROVING THE 2023 TAX ROLL CERTIFIED BY THE CHIEF APPRAISER OF THE DENTON CENTRAL APPRAISAL DISTRICT; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, assessments and renditions of all taxable property in the City of Highland Village have been made for the year 2023 by the Denton Central Appraisal District; and

**WHEREAS**, the City Council has approved Ordinance No. 2023-1307 adopting the City's annual budget for fiscal year 2023-2024; and

**WHEREAS**, the City Council of the City of Highland Village, Texas, has determined that a total tax rate of \$0.501394 per \$100 assessed valuation should be adopted in order to provide funds necessary for the operations and maintenance obligations of the City and to fund required debt payments; and

**WHEREAS**, the City Council of the City of Highland Village, Texas, upon full consideration of the matter, is of the opinion the tax rate hereinafter set forth is proper and should be approved and adopted.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:**

**SECTION 1.** There should be and is hereby levied for the year 2023 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Highland Village, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$0.501394 on each \$100 assessed value of taxable property, which tax shall be apportioned and distributed as follows:

- (a) For the purpose of defraying the current operational and maintenance expenses of the municipal government of the City, a tax of \$0.433681 on each one hundred dollars (\$100.00) assessed value of all taxable property within the City of Highland Village.
- (b) For the purpose of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Highland Village, not otherwise provided for, a tax of \$0.067713 on each one hundred dollars (\$100.00) of assessed value of taxable property within the City of Highland Village and shall be applied to the payment of interest and maturities of all such outstanding debt, including paying agent fees.

**SECTION 2. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.50 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$14.67.**

**SECTION 3.** All ad valorem taxes shall become due and payable on October 1, 2023, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2024. There shall be no discount for payment of taxes prior to February 1, 2024. A delinquent tax shall incur all penalty and interest authorized by law, to wit:

- (a) A penalty of six percent on the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.
- (b) Provided, however, a tax delinquent on July 1, 2024, incurs a total penalty of twelve percent of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent for each month or portion of a month the tax remains unpaid. Taxes for the year 2015 and taxes for all future years that become delinquent on or after February 1 but not later than May 1, that remain delinquent on July 1 of the year in which they become delinquent, incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and 33.07, as amended. Taxes assessed against tangible personal property for the year 2014 and for all future years that become delinquent on or after February 1 of a year incur an additional penalty on the later of the date the personal property taxes become subject to the delinquent tax attorney's contract, or 60 days after the date the taxes become delinquent, such penalty to be in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 33.11. Taxes for the year 2015 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and Section 33.08, as amended.

**SECTION 4.** The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this Ordinance.

**SECTION 5.** The assessments and renditions for the year 2023 on all taxable property and the Tax Roll certified by the Chief Appraiser of the Denton Central Appraisal District as presented to the City Council are hereby approved.

**SECTION 6.** The fact that it is necessary that this Ordinance be enacted in order to authorize the collection of ad valorem taxes for the fiscal year 2023-2024 requires that this Ordinance shall take effect immediately from and after its passage on second reading, as the law in such cases provides.

**UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE ON FIRST READING, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:**

	<b>Aye</b>	<b>Nay</b>
<b>Daniel Jaworski, Mayor- Place 1</b>	<b>X</b>	
<b>Jon Kixmiller, Councilmember-Place 2</b>	<b>X</b>	
<b>Kevin Cox, Councilmember – Place 3</b>	<b>X</b>	
<b>Shawn Nelson, Councilmember – Place 4</b>	<b>X</b>	
<b>Rhonda Hurst, Councilmember – Place 5</b>	<b>X</b>	
<b>Robert Fiester, Councilmember – Place 6</b>	<b>X</b>	
<b>Brian Fiorenza, Councilmember – Place 7</b>	<b>X</b>	

**WITH 7 VOTING “AYE” AND 0 VOTING “NAY,” THIS ORDINANCE NO. 2023-1308 WAS PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THE 12<sup>th</sup> DAY OF SEPTEMBER 2023.**

**UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE ON SECOND AND FINAL READING, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:**

	<b>Aye</b>	<b>Nay</b>
<b>Daniel Jaworski, Mayor- Place 1</b>		
<b>Jon Kixmiller, Councilmember-Place 2</b>		
<b>Kevin Cox, Councilmember – Place 3</b>		
<b>Shawn Nelson, Councilmember – Place 4</b>		
<b>Rhonda Hurst, Councilmember – Place 5</b>		
<b>Robert Fiester, Councilmember – Place 6</b>		
<b>Brian Fiorenza, Councilmember – Place 7</b>		

**WITH     VOTING “AYE” AND     VOTING “NAY,” THIS ORDINANCE NO. 2023-1308 WAS PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THIS THE 18<sup>th</sup> DAY OF SEPTEMBER 2023.**

**APPROVED:**

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**Daniel Jaworski, Mayor**

**ATTEST:**

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**Angela Miller, City Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

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**Kevin B. Laughlin, City Attorney**

(kbl:9/7/2023:4885-7872-2430 v1)

**CITY OF HIGHLAND VILLAGE**  
**COUNCIL BRIEFING**

**AGENDA# 4**

**MEETING DATE: 09/18/2023**

**SUBJECT: Consider Resolution No. 2023-3086 Ratifying the Property Tax Revenue Increase Reflected in the 2023-24 Fiscal Year Budget**

**PREPARED BY: Ken Heerman, Assistant City Manager**

**BACKGROUND:**

City Staff initiated the FY 2024 Budget process in May of this year with departments reviewing programs and related costs in their respective areas. The budget was developed with Council in a series of workshops: the Capital Improvement Program was presented, followed by the General Fund Budget, the Special Revenue funds, followed by the Utility Fund. The proposed budget has been available in the Office of the City Secretary and on the City's Web Site for review by residents for the required period of time. The final document presented is a joint product of Staff and Council to reflect priorities established by Council in the initial stages of this budget process. A public hearing was conducted as required by law and the City Charter at the September 12, 2023 City Council meeting.

**IDENTIFIED NEED/S:**

In accordance with Local Government Code §102.007(c), adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of Council to "ratify the property tax increase reflected in the budget". Essentially, this action acknowledges that Council is aware this budget will cost more than last year's budget. As this budget does indeed raise more revenue, this is required action.

**OPTIONS & RESULTS:**

While the property **tax rate actually decreased** from last year, overall tax dollars are increased – this year collecting \$15,983,904 compared to \$15,257,276 last year. The \$726,629 increase is reflective of a 14.3 percent increase in valuation (inclusive of new valuation of \$42,228,171 added to the tax base), partially offset by a tax rate decrease from \$.546825 to \$.501394.

**PROGRESS TO DATE: (if appropriate)**

N/A

**RECOMMENDATION:**

To approve Resolution No. 2023-3086, "ratifying the property tax increase reflected in the budget" as required by Local Government Code §102.007(c).

**CITY OF HIGHLAND VILLAGE, TEXAS**

**RESOLUTION NO. 2023-3086**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, RATIFYING THE PROPERTY TAX INCREASE REFLECTED IN THE 2023-2024 FISCAL YEAR BUDGET; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, Texas Local Government Code §102.007(c) requires that adoption of a budget that raises more property tax revenue than was generated the previous year requires a vote of the City Council to ratify the property tax increase reflected in the budget in addition to and separate from the votes to approve the ordinance adopting the annual budget and the ordinance adopting the tax rate for the current tax year; and

**WHEREAS**, the City Council has approved Ordinance No. 2023-1307 adopting the 2023-2024 fiscal year budget which will require the City to raise more revenue from property taxes than in the 2022-2023 fiscal year budget by an amount of \$726,629, which is a 4.8% increase from the 2022-2023 fiscal year budget, of which \$211,730 is tax revenue to be raised from new property added to the tax roll this year; and

**WHEREAS**, the City Council of the City of Highland Village, Texas, desires to ratify the property tax increase reflected in Ordinance No. 2023-1307 approving the 2023-2024 Fiscal Year Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:**

**SECTION 1.** The property tax increase reflected in the 2023-2024 Fiscal Year Budget and approved pursuant to Ordinance No. 2023-1307 is hereby ratified.

**SECTION 2.** This Resolution shall take effect immediately from and after its passage.

**PASSED AND APPROVED THIS THE 18<sup>th</sup> DAY OF SEPTEMBER 2023.**

**APPROVED:**

\_\_\_\_\_  
**Daniel Jaworski, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Angela Miller, City Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

\_\_\_\_\_  
**Kevin B. Laughlin, City Attorney**

(kbl:9/7/2023:4893-7931-0462 v1)