

**MINUTES OF THE CITY COUNCIL OF THE  
CITY OF NORTH RICHLAND HILLS, TEXAS  
HELD IN THE CITY HALL 4301 CITY POINT DRIVE  
AUGUST 17, 2020**

**Via Webex Video Conference**

**SPECIAL MEETING**

**A. CALL TO ORDER**

Mayor Trevino stated in accordance with the Texas Governor's March 13, 2020 Disaster Declaration and subsequent suspension of certain Texas Open Meetings Act Provisions, this August 17, 2020 special meeting of the North Richland Hills City Council is hereby called to order at 7:00 p.m.

Mayor Trevino stated that tonight's meeting will be conducted using Webex video conference in order to observe physical distancing to mitigate the spread of COVID-19.

Mayor Trevino conducted a roll call of City Council members to confirm the presence of a quorum.

Present via video conference:

Oscar Trevino, Mayor

Scott Turnage, Mayor Pro Tem, Place 6

Tito Rodriguez, Deputy Mayor Pro Tem, Place 1

Rita Wright Oujesky, Place 2

Suzy Compton, Place 3

Mason Orr, Associate Mayor Pro Tem, Place 4

Mike Benton, Place 5

Tim Welch, Place 7

Staff present via video conference:

Mark Hindman, City Manager

Alicia Richardson, City Secretary

Maleshia B. McGinnis, City Attorney

**A.1 INVOCATION**

Council member Compton gave the invocation.

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## **A.2 PLEDGE**

Council member Compton led the Pledge of Allegiance to the United States and Texas flags.

## **A.3 CITIZENS PRESENTATION**

There were no requests to speak from the public.

## **A.4 PUBLIC COMMENTS**

There were no requests to speak from the public.

## **B. GENERAL ITEMS**

### **B.1 CONSIDER ORDINANCE NO. 3660, ADOPTING THE TAX RATE FOR TAX YEAR 2020.**

#### **APPROVED**

Director of Budget and Research Robert Myers informed City Council the purpose for this item is adopt the fiscal year 2019/2020 revised budget and fiscal year 2020/2021 proposed budgets. Mr. Myers reminded City Council the City held a public hearing on the revised fiscal year 2019/2020 budget and proposed fiscal year 2020/2021 budget on Thursday, August 13, 2020 to gather public input. Mr. Myers stated the proposed tax rate for tax year 2020 is \$0.5757 cents per \$100 of value, which will be used to fund the fiscal year 2020/2021 proposed budget. The proposed tax rate is an increase of \$0.0037 cents or a 0.65% increase from the tax year 2019 adopted tax rate. The City's proposed tax rate this fiscal year is below both the no-new-revenue tax rate and voter-approval tax rate. Tax year 2020 taxable values total \$6.34 billion. This reflects an increase of 2.6% over tax year 2019 net taxable values. The increase in value for tax year 2020 was driven by increases from new construction and appreciation in existing property values. Residential values account for 65% of the taxable value, commercial accounts for roughly 34% of the taxable value and 1% is mixed between industrial, minerals, and agriculture. The City tax bill for an average single-family home in North Richland Hills with a value of \$206,645 and based on the tax year 2020 proposed tax rate of \$0.5757 cents would be \$1,189.66, which is equivalent to \$99.14 per month.

Mr. Myers shared with City Council there are a number of exemptions eligible to residents to reduce their tax burden. A homestead exemption of 15% or a senior or disabled person tax ceiling. The City's property tax rate accounts for roughly 22% of the total tax rate before factoring exemptions and the senior tax ceiling. The bulk of the total property tax rate goes to the school district and Tarrant County. Mr. Myers was available

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to answer questions.

The City Council discussed citizen impact, long term financial health for the city, difficult decisions now and in the future, citizen comments on Tarrant County website.

**A MOTION WAS MADE BY MAYOR PRO TEM TURNAGE, SECONDED BY COUNCIL MEMBER COMPTON TO APPROVE THE PROPERTY TAX RATE FOR MAINTENANCE AND OPERATION BE SET AT \$0.343611 PER \$100 OF VALUATION.**

**MOTION TO APPROVE CARRIED 7-0.**

**A MOTION WAS MADE BY COUNCIL MEMBER WELCH, SECONDED BY MAYOR PRO TEM TURNAGE TO APPROVE THE PROPERTY TAX RATE FOR INTEREST AND SINKING BE SET AT \$0.232089 PER \$100 OF VALUATION.**

**MOTION TO APPROVE CARRIED 7-0.**

**A MOTION WAS MADE BY COUNCIL MEMBER BENTON, SECONDED BY DEPUTY MAYOR PRO TEM RODRIGUEZ TO APPROVE ORDINANCE NO.3660, ADOPTING A TOTAL TAX RATE OF \$0.5757 PER \$100 OF VALUATION FOR TAX YEAR 2020.**

**MOTION TO APPROVE CARRIED 7-0.**

**B.2 CONSIDER ORDINANCE NO. 3661, ADOPTING THE FISCAL YEAR 2019/2020 REVISED BUDGET AND THE FISCAL YEAR 2020/2021 PROPOSED BUDGET.**

**APPROVED**

Director of Budget and Research Robert Myers presented item and informed City Council the fiscal year 2019/2020 revised budget included significant impacts in the City's major funds due to the COVID-19 pandemic, particularly in the general fund, parks fund, and aquatic park fund. These funds saw a combination of significant drops in revenues, cuts in operational expenditures, and impacts in reserves. This fiscal year a \$2.3 million interfund loan is being made to the aquatic fund to mitigate significant impacts to operations from the COVID-19 pandemic.

Mr. Myers reviewed the fiscal year 2020/2021 proposed operating budget. The proposed budget is \$125.9 million and the general fund is approximately 40%. This fund is used to account for the city's primary services including police, fire, emergency medical services, street maintenance, and parks & library services. Approximately 61% of expenditures in the general fund are dedicated towards public safety services.

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Approximately 61% of revenue in the general fund comes from property and sales taxes, with the rest of the funding sources coming from fees, fines, charges, miscellaneous revenues and transfers.

Mr. Myers reviewed the special revenue funds. The parks and recreation development fund is \$9.75 million. This fund is used to account for the maintenance of City parks and grounds, the NRH Centre, the NRH Tennis Center, and athletic programs. The primary funding source for this fund comes from a dedicated portion of the sales tax and user fees. This year's budget includes funding \$689,000 in capital projects including funding for the replacement of the Richfield Park Tennis & Pickleball court. The crime control district fund is \$5.6 million. This fund is used to account for crime control and prevention programs including, but not limited to patrol activities, the City's school-resource-officer program, criminal investigations, and community crime prevention. The primary funding source for this fund comes from a dedicated portion of the sales tax.

Mr. Myers reviewed the enterprise funds. The utility fund is \$38.4 million. This fund is used to account for the operation and maintenance of the city's water and sewer system. The utility fund is supported through user fees for water and sewer treatment services. Roughly 48% of the expenses in this fund are for fixed costs, which includes water purchases, sewer treatment services, and debt service. Water purchases and sewer treatment services are direct charges from the Trinity River Authority and the City of Fort Worth who serve as the City's suppliers. Due to the estimated performance of the fund for fiscal year 2020/2021, the proposed budget does not include utility rate increases this fiscal year. The aquatic fund is \$4.2 million. This fund accounts for the operation of the City's water park, NRH20, and related capital projects. The aquatic park fund is supported through user fees. The proposed budget includes \$100,000 for cash funded capital projects. The golf course fund budget is \$2.7 million. This fund is for the operation and maintenance of the Iron Horse Golf Course. The golf course fund is supported through user fees. The fund this year reflects a return to normal operation levels with the expected grand re-opening of the Iron Horse Golf Course in September after the completion of significant renovations and improvements to the course made during the current fiscal year.

Lastly, Mr. Myers shared the capital budget is \$19.3 million. The majority of the projects included in this year's proposed budget are related to public works projects. Proposed street projects include funding for the reconstruction of Glenview Drive East from Boulevard 26 to Flory Street, a traffic signal at Davis Boulevard and Hightower Drive, and reconstruction of Iron Horse Boulevard from York Street to Browning Drive, which is proposed to be 80% funded through a federal grant in the amount of \$7.3 million. Mr. Myers was available to answer questions from the City Council.

**A MOTION WAS MADE BY COUNCIL MEMBER WRIGHT OUJESKY, SECONDED BY DEPUTY MAYOR PRO TEM RODRIGUEZ TO APPROVE ORDINANCE NO. 3661, ADOPTING THE FISCAL YEAR 2019/2020 REVISED BUDGET AND THE FISCAL YEAR 2020/2021 PROPOSED BUDGET.**

**MOTION TO APPROVE CARRIED 7-0.**

**B.3 CONSIDER RATIFYING AN INCREASE IN PROPERTY TAX REVENUES REFLECTED IN THE FISCAL YEAR 2020/2021 ADOPTED BUDGET.**

**APPROVED**

Director of Budget and Research Robert Myers informed City Council State law requires a separate vote of the governing board to ratify the property tax increase when a City adopts a budget that will raise more revenue from property taxes than in the previous year. The proposed operations and maintenance accounts for 0.343611 cents of the total 0.5757 cent tax rate and will generate \$20 million in tax revenue for the general fund, which is an increase of \$935,000 from prior year collections. The debt service rate is 0.232089 cents of the total 0.5757 cent tax rate and will generate \$11.2 million in tax revenue for debt service, which is an increase of \$1,700 from the prior fiscal year. Mr. Myers was available to answer questions.

**A MOTION WAS MADE BY DEPUTY MAYOR PRO TEM RODRIGUEZ, SECONDED BY COUNCIL MEMBER COMPTON TO RATIFY THE INCREASE IN PROPERTY TAX REVENUE FOR FISCAL YEAR 2020/2021.**

**MOTION TO APPROVE CARRIED 7-0.**

**B.4 CONSIDER RESOLUTION NO. 2020-035, APPROVING THE CERTIFIED TAX ROLL FOR TAX YEAR 2020.**

**APPROVED**

Director of Budget and Research Robert Myers informed City Council State law requires that the governing body approve the certified tax roll as a separate action item during the budget and tax rate approval process. The City received the certified tax roll from the Tarrant Appraisal District on Friday July 24, 2020. This year's total estimated net taxable value totals \$6.34 billion, which reflects an increase of 2.6% over tax year 2019 values. Mr. Myers was available to answer questions.

A MOTION WAS MADE BY ASSOCIATE MAYOR PRO TEM ORR, SECONDED BY COUNCIL MEMBER WRIGHT OUJESKY TO APPROVE RESOLUTION NO. 2020-035, APPROVING THE CERTIFIED TAX ROLL FOR TAX YEAR 2020.

MOTION TO APPROVE CARRIED 6-0. ASSOCIATE MAYOR PRO TEM ORR WAS ABSENT WHEN THE VOTE WAS TAKEN.

#### **EXECUTIVE SESSION**

#### **C. EXECUTIVE SESSION ITEMS - CITY COUNCIL MAY TAKE ACTION ON ANY ITEM DISCUSSED IN EXECUTIVE SESSION LISTED ON WORK SESSION AGENDA**

Mayor Trevino announced that City Council did not convene into Executive Session.

#### **D. ADJOURNMENT**

Mayor Trevino adjourned the meeting at 7:36 p.m.

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Oscar Trevino, Mayor

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Alicia Richardson, City Secretary