

**MINUTES OF THE CITY COUNCIL OF THE  
CITY OF NORTH RICHLAND HILLS, TEXAS  
HELD IN THE CITY HALL 4301 CITY POINT DRIVE  
AUGUST 2, 2021**

**SPECIAL MEETING**

**WORK SESSION**

The City Council of the City of North Richland Hills, Texas met in work session on the 2nd day of August at 6:45 p.m. in the City Council Workroom prior to the 7:00 p.m. regular City Council meeting.

Present:	Oscar Trevino	Mayor
	Tito Rodriguez	Place 1
	Suzy Compton	Deputy Mayor Pro Tem, Place 3
	Mason Orr	Mayor Pro Tem, Place 4
	Patrick Faram	Place 5
	Kelvin Deupree	Place 7
Absent:	Rita Wright Oujesky	Associate Mayor Pro Tem, Place 2
	Scott Turnage	Place 6
Staff Members:	Mark Hindman	City Manager
	Paulette Hartman	Deputy City Manager
	Karen Manila	Assistant City Manager
	Jimmy Perdue	Director of Public Safety
	Alicia Richardson	City Secretary
	Maleshia B. McGinnis	City Attorney

**CALL TO ORDER**

Mayor Trevino called the meeting to order at 6:45 p.m.

**1. PRESENTATION AND DISCUSSION OF EXCESS DEBT COLLECTIONS AS REPORTED BY THE TARRANT COUNTY TAX ASSESSOR / COLLECTOR**

Assistant City Manager Karen Manila informed City Council that staff is in receipt of correspondence from the Tarrant County Tax Assessor-Collector's Office ("Tax Office"). The correspondence states that the City of North Richland Hills has excess debt collection in the amount of \$2,875,923. Staff disagrees with the excess debt collection reported by the Tax Office. Staff believes that the methodology utilized by the Tax Office to determine excess collections is incorrect. Following the implementation of Senate Bill

2, the Tax Office has changed their interpretation for the method of determining excess debt. Ms. Manila shared that the Tax Office reported the actual 2020 collection rate (99.89%) did not exceed the anticipated collection rate (100%). Based on their report, staff does not believe the Tax Office should have reported an excess debt collection.

State law requires municipalities utilize the Truth in Taxation worksheet to calculate their Maintenance and Operations (M&O) and Interest and Sinking Fund (I&S) tax rates. The state law specifically omits property values associated with Tax Increment Reinvestment Zones (TIFs). The city does not disagree that the Tax Office collected \$34,878,520 in property tax revenues. Where staff disagrees with the Tax Office is their report of \$14,078,480 for I&S. The difference of \$2,875,923 should be allocated toward TIF debt. Ms. Manila explained that TIF debt is separate from regular debt service of the city.

Ms. Manila stated that the reported excess debt collection poses a problem for the city. The Truth in Taxation states that any excess collections towards debt service will be applied against the following year's property tax rate. Ms. Manila stated that staff is in discussions with the tax office and Linebarger Goggans Blair & Simpson, LLP ("Linebarger") regarding the new methodology. Linebarger is the law firm the tax office consulted with to develop its methodology to determine excess debt collections.

## **EXECUTIVE SESSION**

Mayor Trevino announced that there are no items listed on Executive Session. City Council will adjourn to the special City Council meeting at 7:04 p.m.

## **SPECIAL MEETING**

### **A. CALL TO ORDER**

Mayor Trevino called the meeting to order at 7:08 p.m.

Present:	Oscar Trevino Tito Rodriguez Suzy Compton Mason Orr Patrick Faram Kelvin Deupree	Mayor Place 1 Deputy Mayor Pro Tem, Place 3 Mayor Pro Tem, Place 4 Place 5 Place 7
Absent:	Rita Wright Oujesky Scott Turnage	Associate Mayor Pro Tem, Place 2 Place 6
Staff Members:	Mark Hindman Alicia Richardson Maleshia B. McGinnis	City Manager City Secretary City Attorney

## **A.1 INVOCATION**

Council member Compton gave the invocation.

## **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 SUBMISSION OF THE JULY 21, 2021 APPRAISAL ROLL AND TARRANT COUNTY ASSESSOR / COLLECTOR COLLECTION RATES TO THE GOVERNING BODY.**

Director of Finance Mark Mills presented item and was available to answer questions.

Mayor Trevino announced that no action was necessary by the City Council.

### **B.2 SETTING AUGUST 12, 2021 AS THE DATE FOR THE TAX RATE PUBLIC HEARING AND VOTE ON PLACING THE TAX RATE ADOPTION ON THE AGENDA OF THE AUGUST 16, 2021 CITY COUNCIL MEETING.**

#### **APPROVED**

Director of Budget and Research Robert Myers presented item. The City Council is requested to set the date for the public hearing on the proposed tax rate of \$0.572184 per \$100 of taxable valuation on August 12, 2021. The City Council is also requested to vote to place the adoption of the tax rate on the August 16, 2021 City Council agenda. The public hearing was published in the paper for August 16, 2021 at 7:00 p.m.

**A MOTION WAS MADE BY COUNCIL MEMBER DEUPREE, SECONDED BY COUNCIL MEMBER RODRIGUEZ TO APPROVED. VOTE TO SET THURSDAY, AUGUST 12, 2021 AS THE DATE FOR PUBLIC HEARING ON THE PROPOSED \$0.572184 PER \$100 OF TAXABLE VALUATION AND TO PLACE THE ADOPTION OF THE TAX RATE AS AN ACTION ITEM ON THE MONDAY, AUGUST 16, 2021 CITY COUNCIL AGENDA.**

**MOTION TO APPROVE CARRIED 5-0.**

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

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

**D. ADJOURNMENT**

Mayor Trevino adjourned the meeting at 7:16 p.m.

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Oscar Trevino, Mayor

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Alicia Richardson  
City Secretary/Chief Governance Officer