



## A G E N D A

**Special Session of the Bedford City Council  
Monday, August 17, 2020 at 6:30 p.m.  
Bedford City Hall Building A  
2000 Forest Ridge Drive  
Bedford, Texas 76021**

The agenda packet and meeting information are posted online at <https://bedfordtx.gov/AgendaCenter/City-Council-2>. You may attend the meeting in person or you may provide written comments on the public hearings prior to the meeting by filling out the Comment Form at <https://bedfordtx.gov/FormCenter/City-Council-11/City-Council-Meeting-Sign-Up-Form-51>, emailing [citysecretary@bedfordtx.gov](mailto:citysecretary@bedfordtx.gov) or calling 817-952-2104. You may also use the Comment Form to sign up to speak during the public hearings by phone or videoconference. You must provide a valid phone number and you will be called during the meeting at the appropriate time or given the access information for videoconference. All comments and requests to speak by phone or videoconference must be received by 3:00 p.m. the day of the meeting.

### CALL TO ORDER

### SPECIAL SESSION

1. Public hearing on the annual budget for the City of Bedford, Texas for the fiscal period of October 1, 2020 through September 30, 2021; levying taxes for 2020 tax year.
2. Public hearing to consider the proposed 2020 tax rate.

### ADJOURNMENT

#### **CERTIFICATION**

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted on the outside window in a display cabinet at the City Hall of the City of Bedford, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted by the following date and time: Friday, August 14, 2020 at 5:30 p.m., and remained so posted at least 72 hours before said meeting convened.

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**Michael Wells, City Secretary**

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**Date Notice Removed**

(Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in City functions and activities. Auxiliary aids and services or accommodations must be requested in writing to the City Secretary's Office a minimum of seventy-two hours (72) hours prior to the scheduled starting time of the posted meeting. Requests can be delivered in person or mailed to the City Secretary's Office at 2000 Forest Ridge Drive, Bedford, TX 76021, or emailed to [citysecretary@bedfordtx.gov](mailto:citysecretary@bedfordtx.gov). Some requests may take longer due to the nature, extent and/or availability of such auxiliary aids, services or accommodations.)

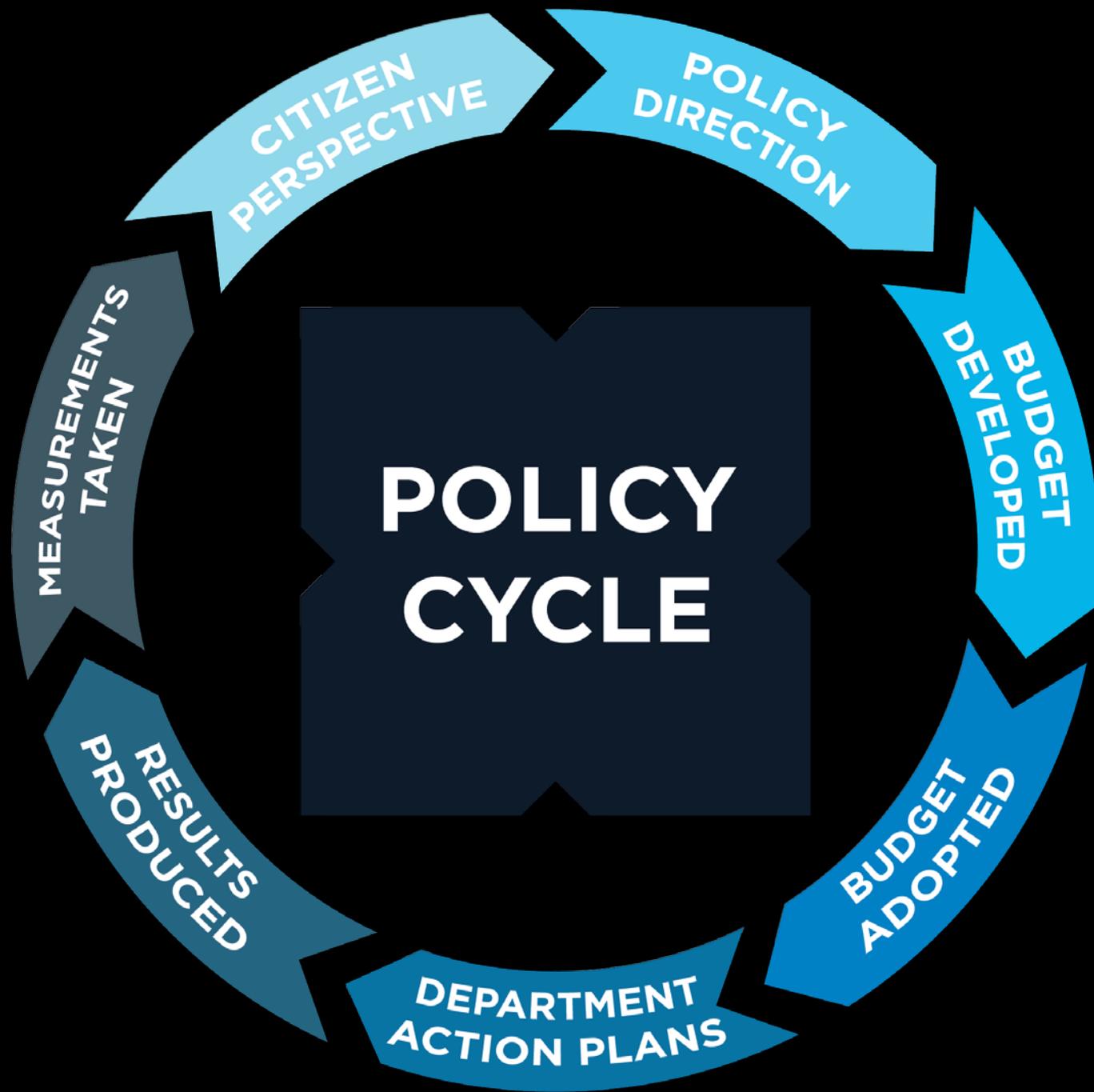


# Council Agenda Background

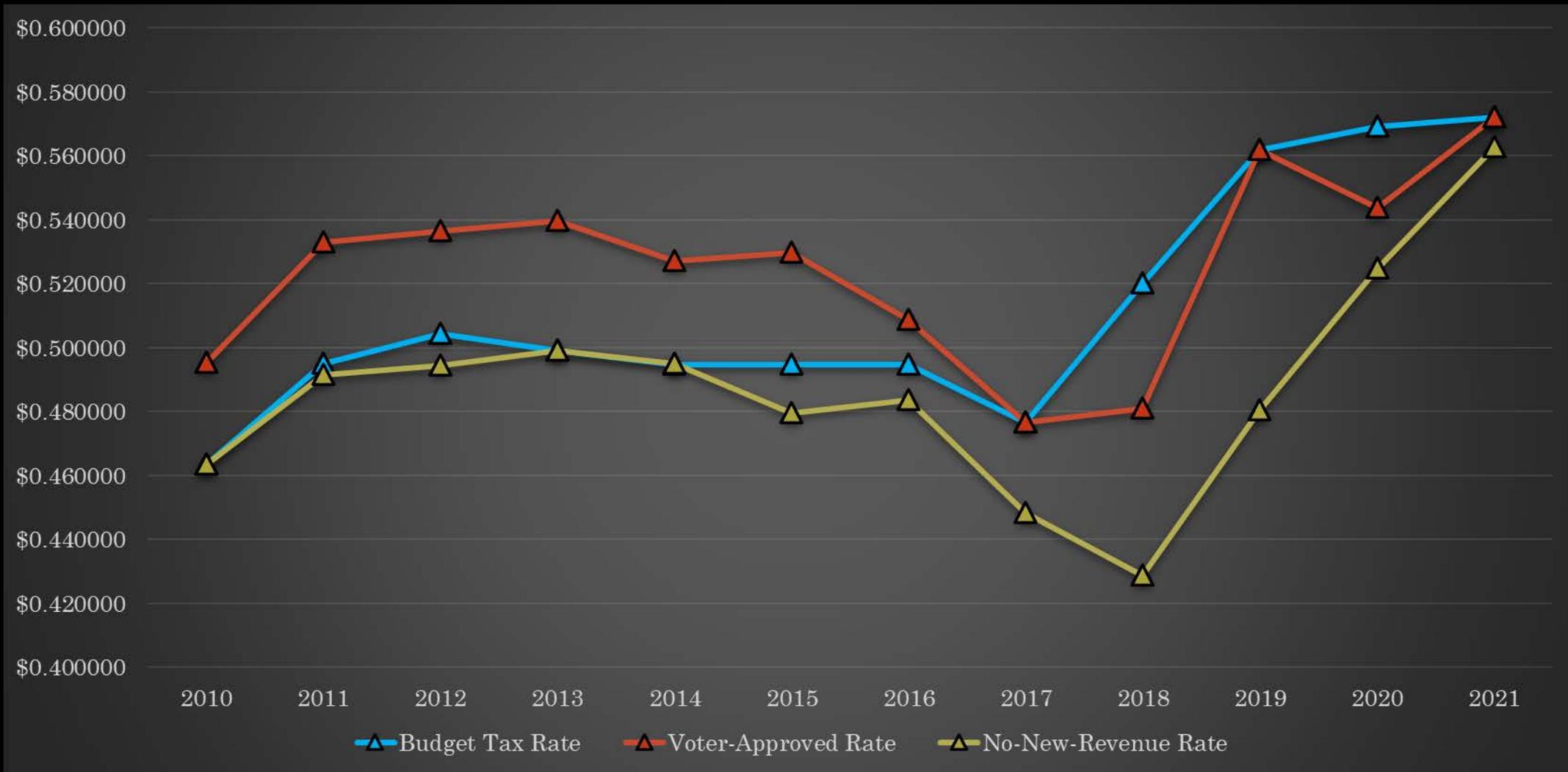
<b><u>PRESENTER:</u></b> Meg Jakubik, C.G.F.O., Strategic Services Manager		<b><u>DATE:</u></b> 08/17/20
<b>Council Mission Area:</b> Be responsive to the needs of the community.		
<b><u>ITEM:</u></b>  Public hearing on the annual budget for the City of Bedford, Texas for the fiscal period of October 1, 2020 through September 30, 2021; levying taxes for 2020 tax year.  City Attorney Review: N/A		
<b><u>SUMMARY:</u></b>  As part of the budget process, the City Charter requires a public hearing to be held prior to adoption. The public hearing was called at the August 3, 2020 City Council meeting and a notice published in the newspaper.		
<b><u>BACKGROUND:</u></b>  Article IV, Section 4.06 of the City Charter states that “At the time advertised or at any time to which such a public hearing shall be adjourned, the council shall hold a public hearing on the budget as submitted, at which time all interested persons shall be given an opportunity to be heard for or against the estimates or any item therein. After the conclusion of the public hearing, the council may make such changes, if any, in the budget as in their judgment the law warrants and the best interests of the taxpayers of the city demand. The budget, as amended, shall then be adopted by ordinance which shall also fix the property tax rate per one hundred dollars (\$100.00) assessed value, which shall apply to the current tax year.”  In accordance with the requirements in the City Charter, the budget for the City of Bedford, as compiled by the City Manager, has been submitted. On August 3, 2020, the City Council called for a public hearing to be held on August 17, 2020 to receive public comments on the budget.  Exhibit A to this agenda item reflects a summary of the budget as amended by the City Council during their discussions on the budget. The 2020-2021 Proposed Budget includes an ad valorem tax of \$0.569000 per \$100 valuation, which is the maximum tax rate the City Council can consider.  Upon conclusion of the public hearing, staff will be prepared to answer questions and provide additional information as needed.		
<b><u>RECOMMENDATION:</u></b>  Staff recommends the following motion:  Hold a public hearing to receive citizen comments on the proposed budget for FY2020-2021.		
<b><u>FISCAL IMPACT:</u></b>  N/A	<b><u>ATTACHMENTS:</u></b>  PowerPoint Presentation Exhibit A: Summary of Revenue and Expenditures by Fund	

# FY 2020-21 Budget Public Hearing

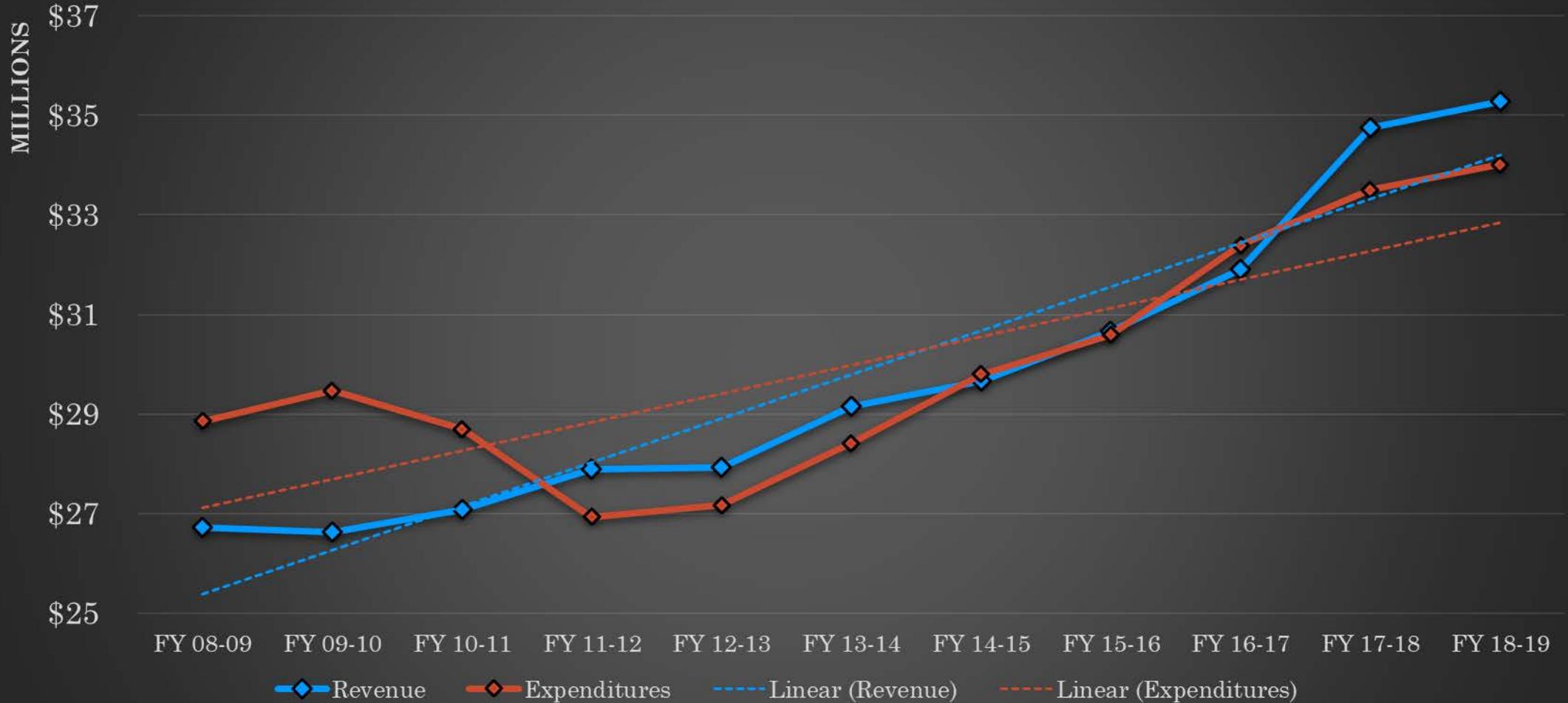
August 17, 2020



# ANNUAL BUDGET PROCESS

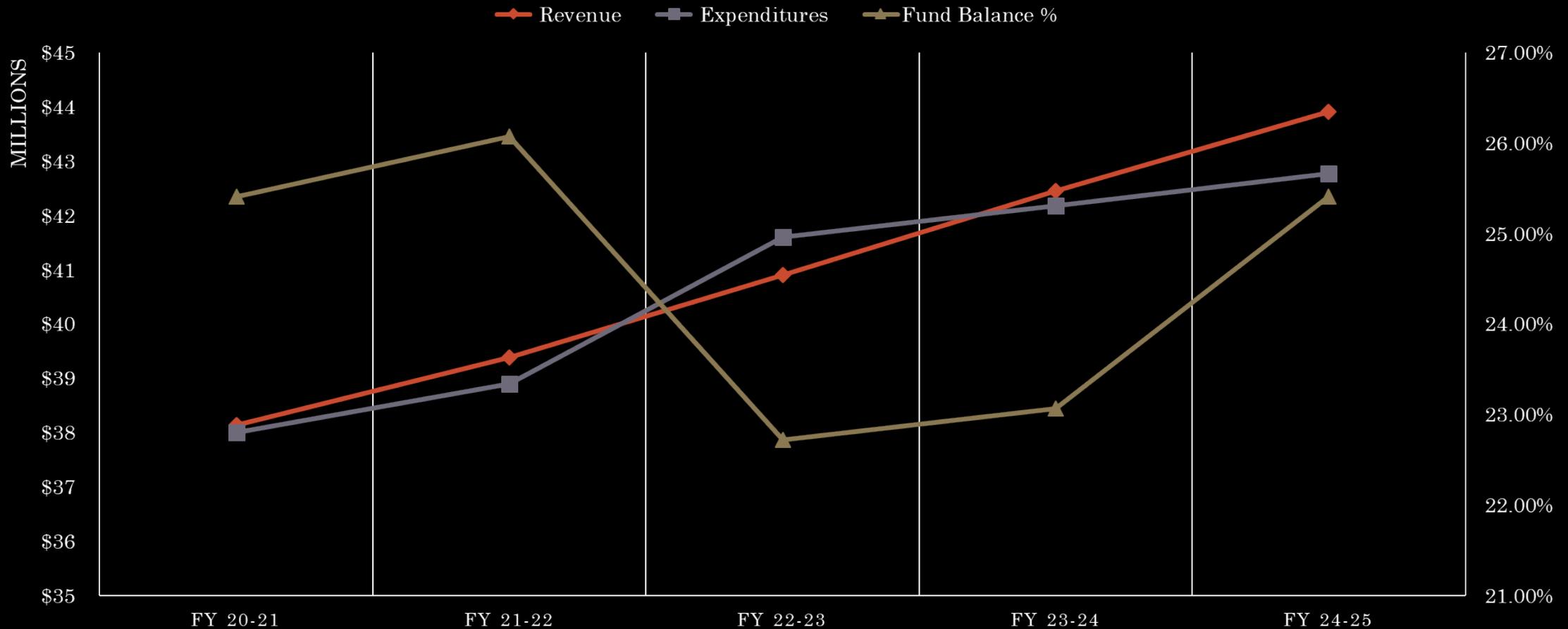


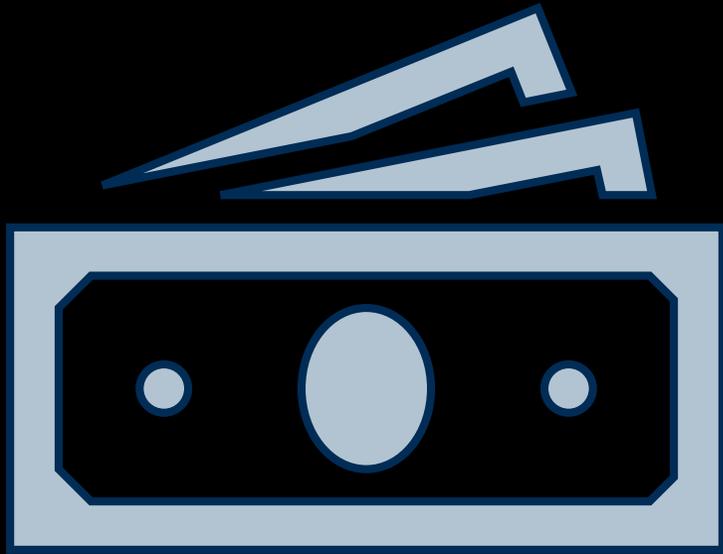
# TAX RATE HISTORY



# GENERAL FUND REVENUE & EXPENSE TREND

# FIVE YEAR FORECAST



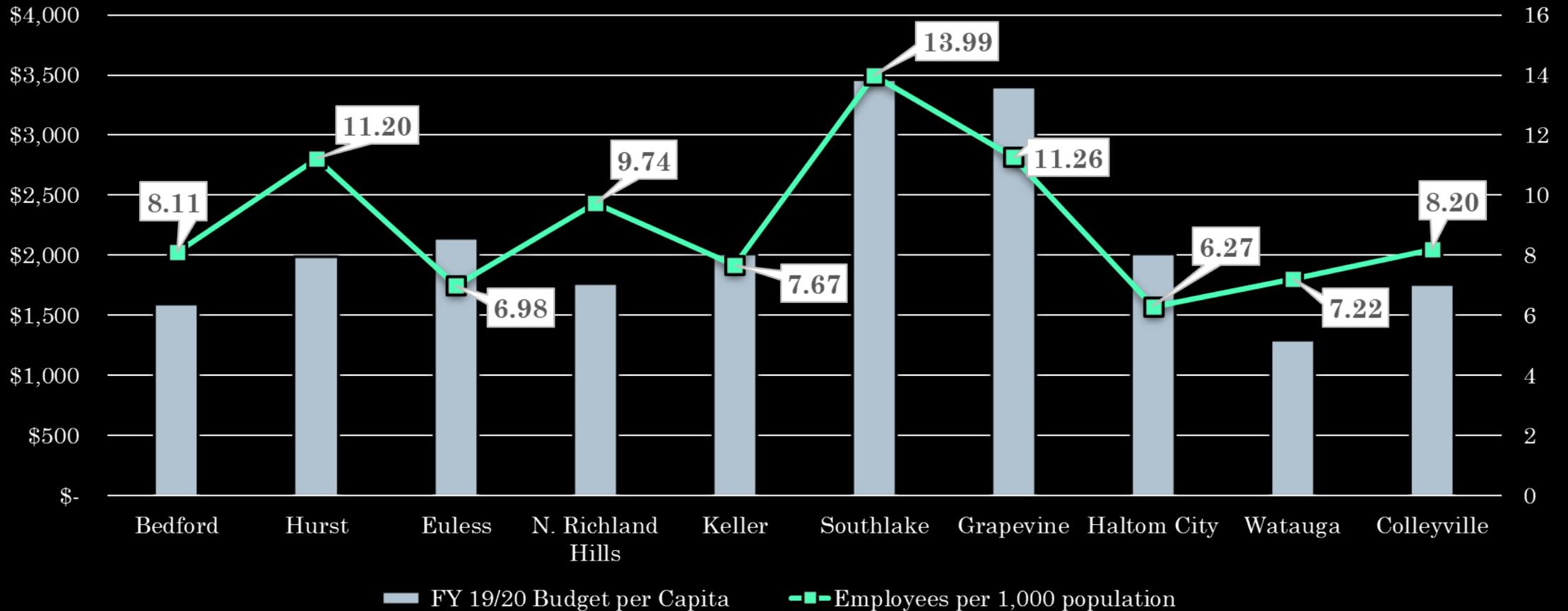


# ECONOMIC CONDITIONS & FINANCIAL OVERVIEW

Type	2016	2017	2018	2019	2020	Average
MCI % Change	0.9%	3.1%	3.4%	1.2%	0.2%	1.61%
CPI % Change	1.3%	2.1%	2.4%	1.8%	0.6%	1.58%

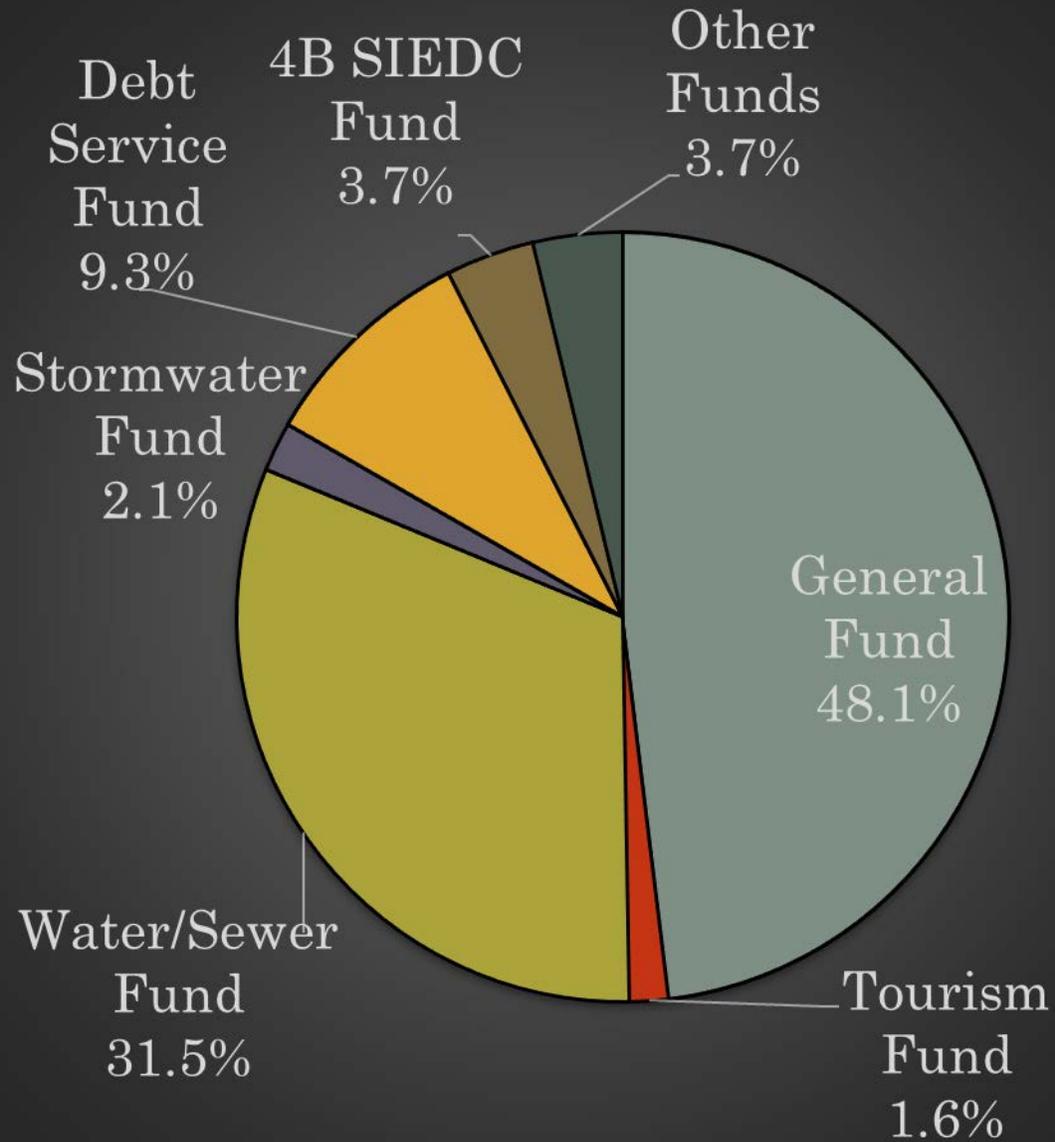
## CONSUMER PRICE INDEX (CPI) VS. MUNICIPAL COST INDEX (MCI)

# AREA PER CAPITA COMPARISONS



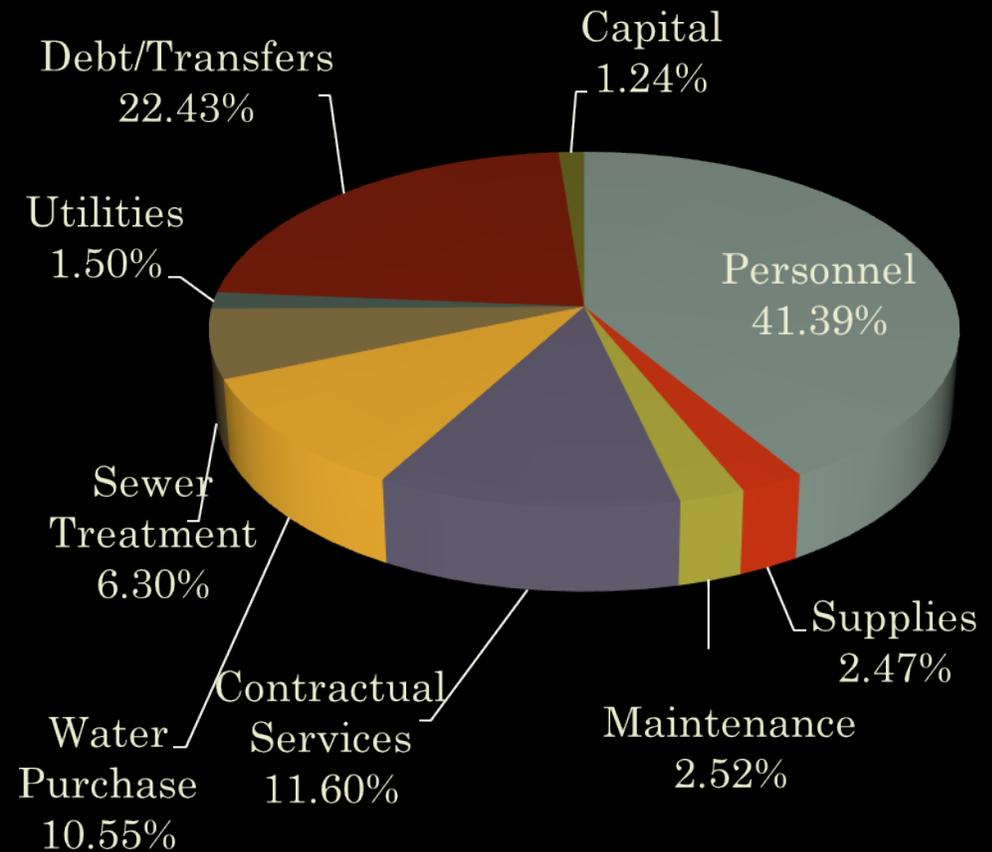
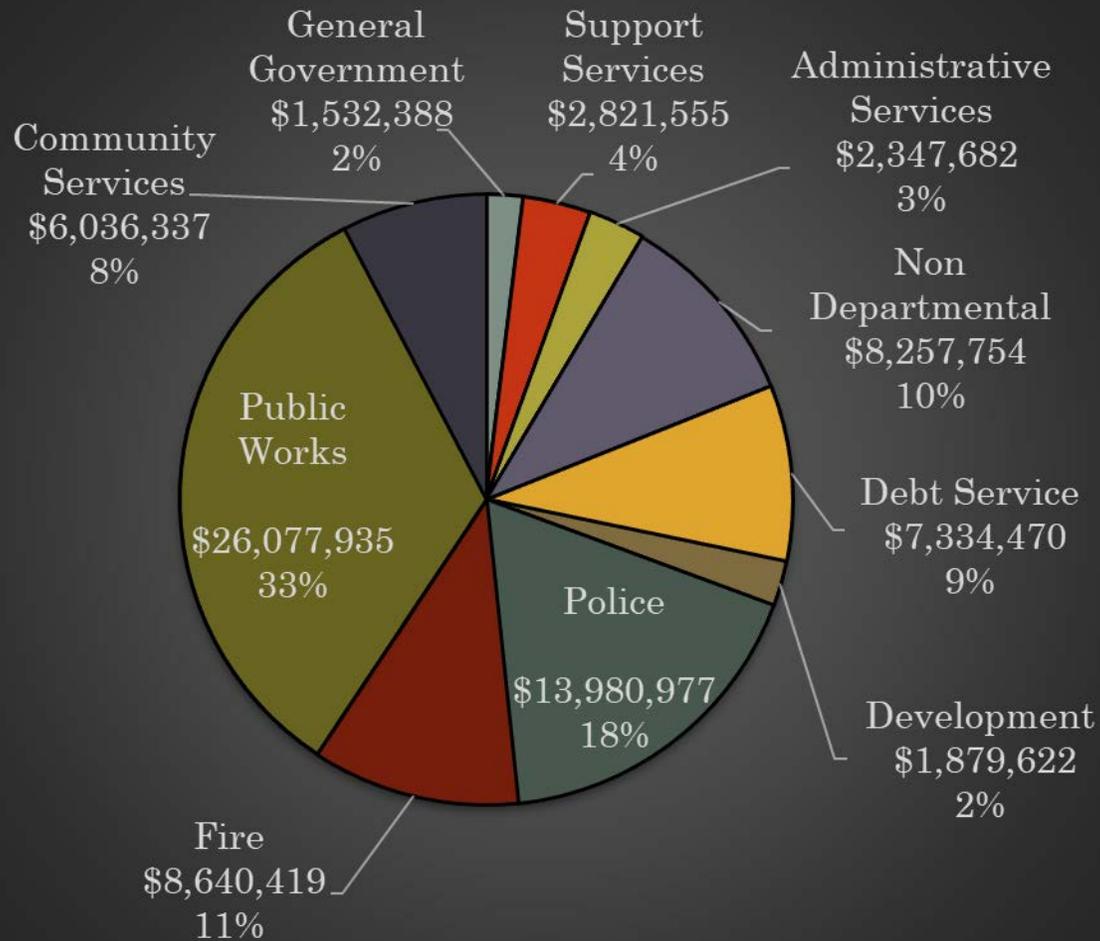
# SALES TAX HISTORY

MONTH	COMPARE TO AVG	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
OCT	11.09%	<b>995,085</b>	907,339	784,758	778,942	1,250,879
NOV	3.15%	<b>878,302</b>	848,716	827,365	748,102	1,065,636
DEC	5.79%	<b>1,223,859</b>	1,154,946	1,091,668	1,071,462	1,398,372
JAN	7.27%	<b>928,370</b>	891,065	776,941	809,763	1,075,348
FEB	3.80%	<b>826,946</b>	793,534	769,496	658,878	1,195,716
MAR	-4.90%	<b>1,061,740</b>	1,195,192	1,092,526	1,027,607	1,416,636
APR	-3.08%	<b>842,552</b>	923,586	841,738	788,052	1,102,469
MAY	-0.63%	<b>921,587</b>	936,034	924,726	840,262	813,001
JUN	6.18%	<b>1,196,941</b>	1,102,249	1,082,679	986,746	1,039,571
JUL		-	919,927	858,542	803,485	788,908
AUG		-	920,965	952,569	832,844	815,261
SEPT		-	1,145,289	1,091,932	1,027,032	976,107
TOTAL		<b><u>8,875,383</u></b>	<b><u>11,738,843</u></b>	<b><u>11,094,941</u></b>	<b><u>10,373,174</u></b>	<b><u>12,937,903</u></b>



# REVENUES BY FUND

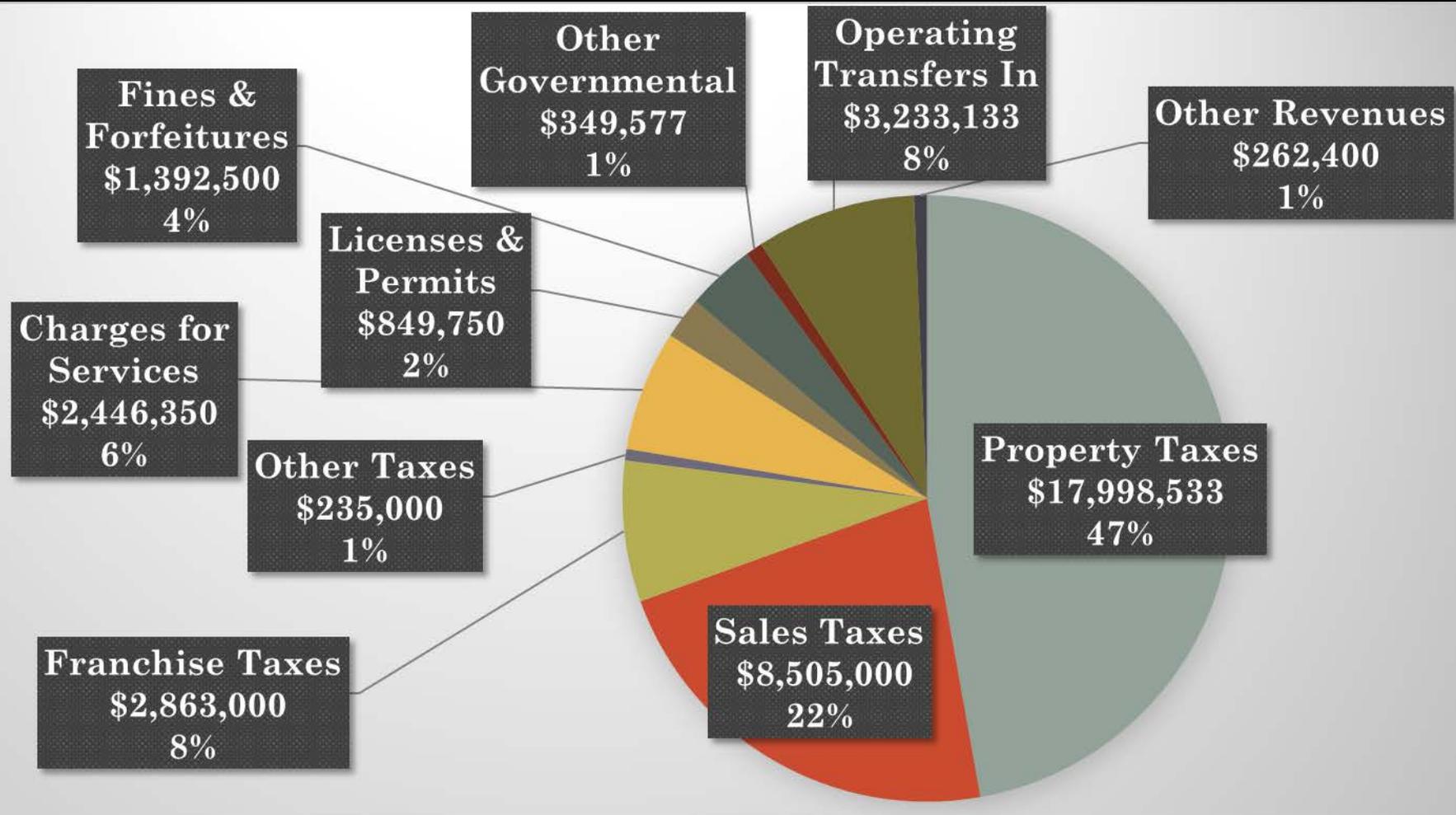
# EXPENDITURES BY DEPARTMENT & CLASSIFICATION ALL FUNDS





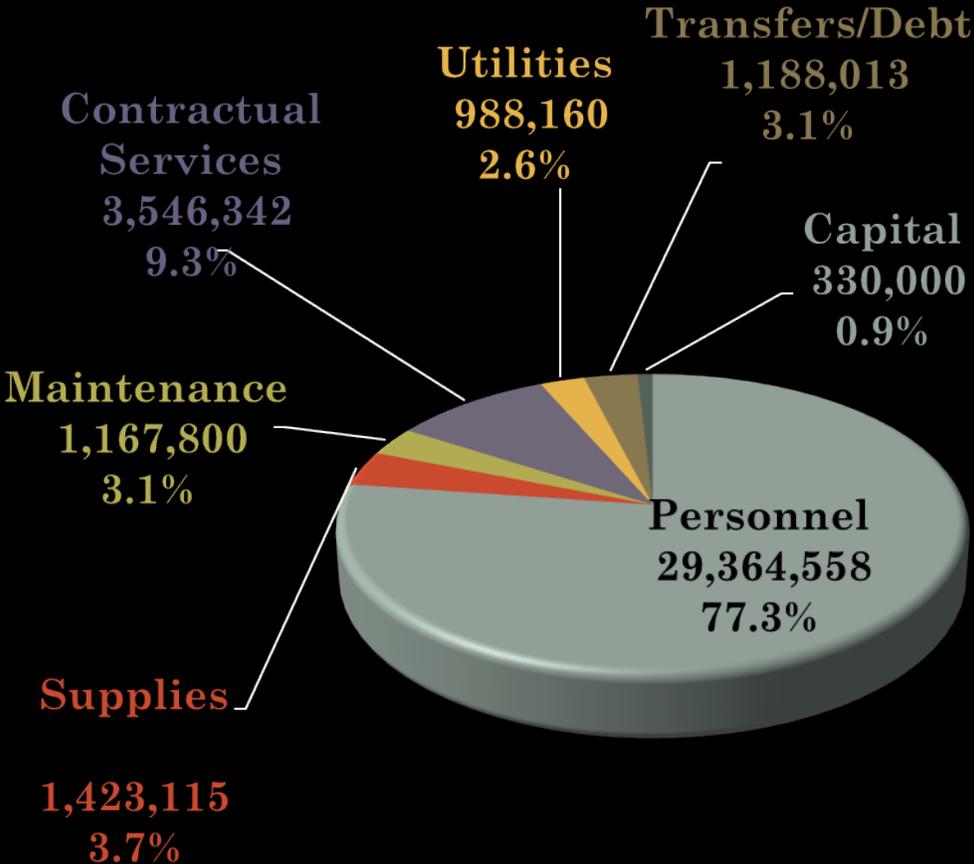
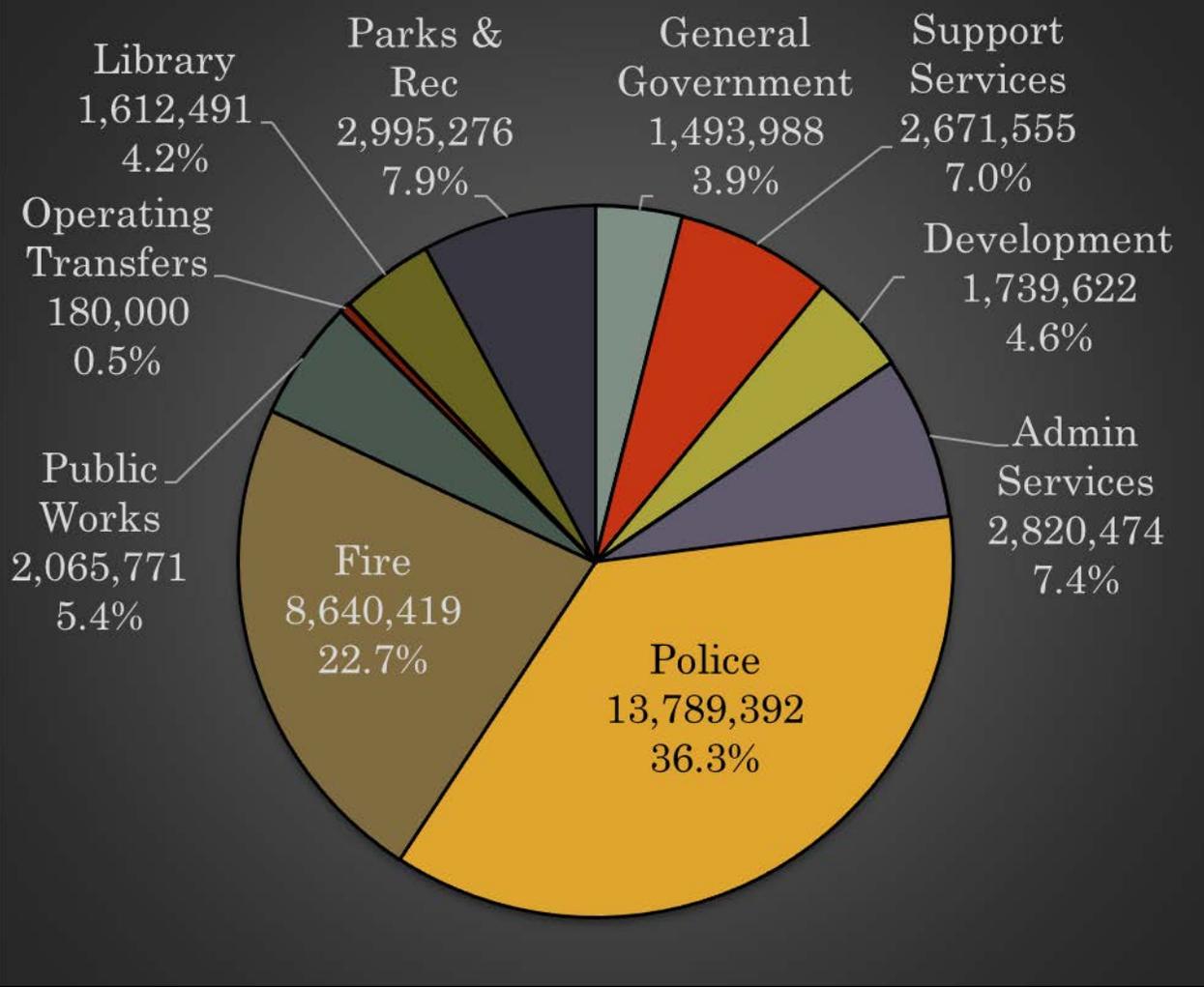
# GENERAL FUND

# WHERE THE MONEY COMES FROM...



**\$38,135,243**

\$38,008,988



WHERE THE MONEY GOES...

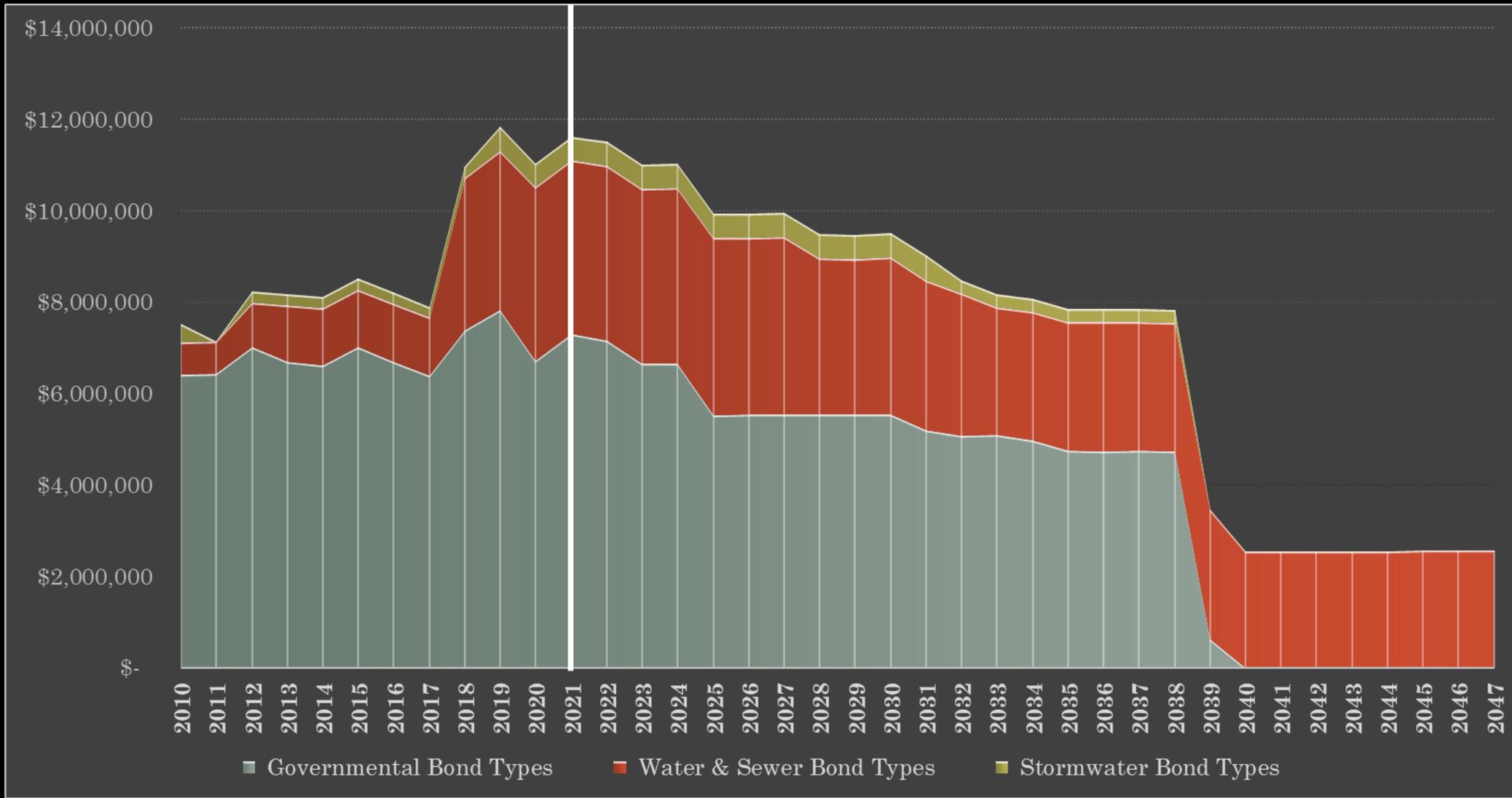
Parks and



# DEBT SERVICE FUND

# CURRENT DEBT SERVICE SCHEDULE

Series 2011, Combo Tax/Rev C.O. ( <i>General Fund portion</i> )	\$	170,750
Series 2011, G.O. Refunding Bonds ( <i>General Fund portion</i> )	\$	460,094
Series 2013, G.O. Refunding & Improvement Bonds	\$	522,475
Series 2014, G.O. Bonds	\$	218,622
Series 2014, P.P.F.C.O. Bonds	\$	255,075
Series 2016, Tax Note	\$	226,463
Series 2018, G.O. Bonds	\$	3,898,706
Series 2019, Tax Note	\$	608,350
Series 2019, G.O. Refunding & Improvement Bonds	\$	613,000
Series 2019, G.O. Taxable Bonds	\$	337,935
<b>TOTAL GENERAL DEBT SERVICE PAYABLE</b>	\$	<b>7,311,470</b>
Fiscal Agent Fees	\$	6,000
Contractual Services	\$	17,000
<b>DEBT SERVICE FUND TOTAL</b>	\$	<b>7,334,470</b>

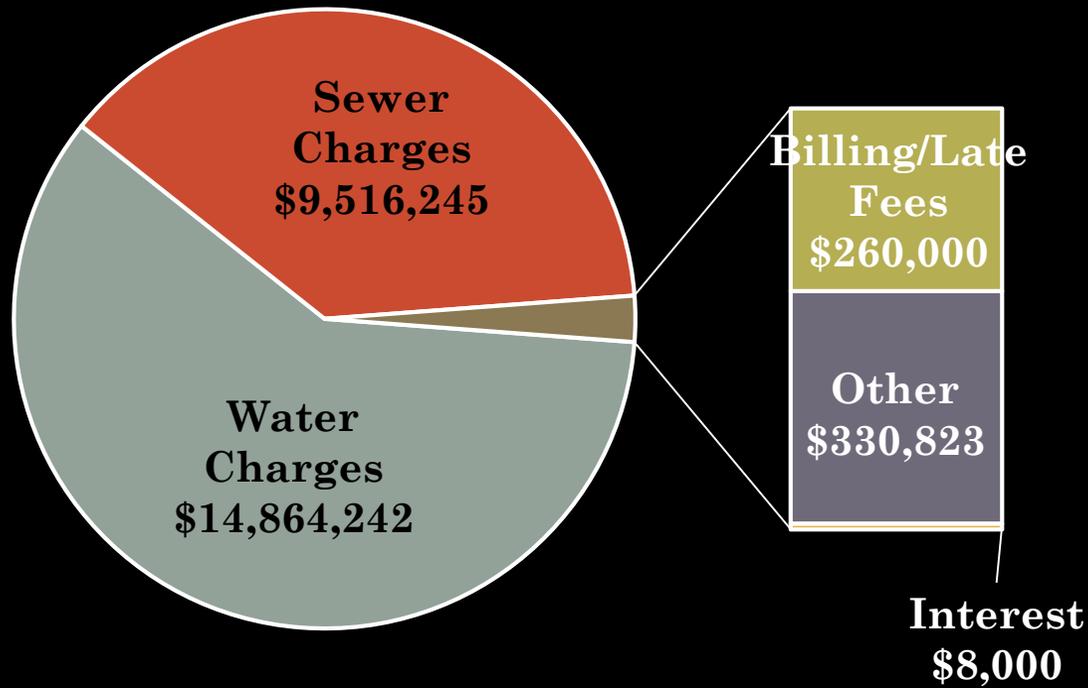


# ANNUAL FUNDING REQUIREMENTS

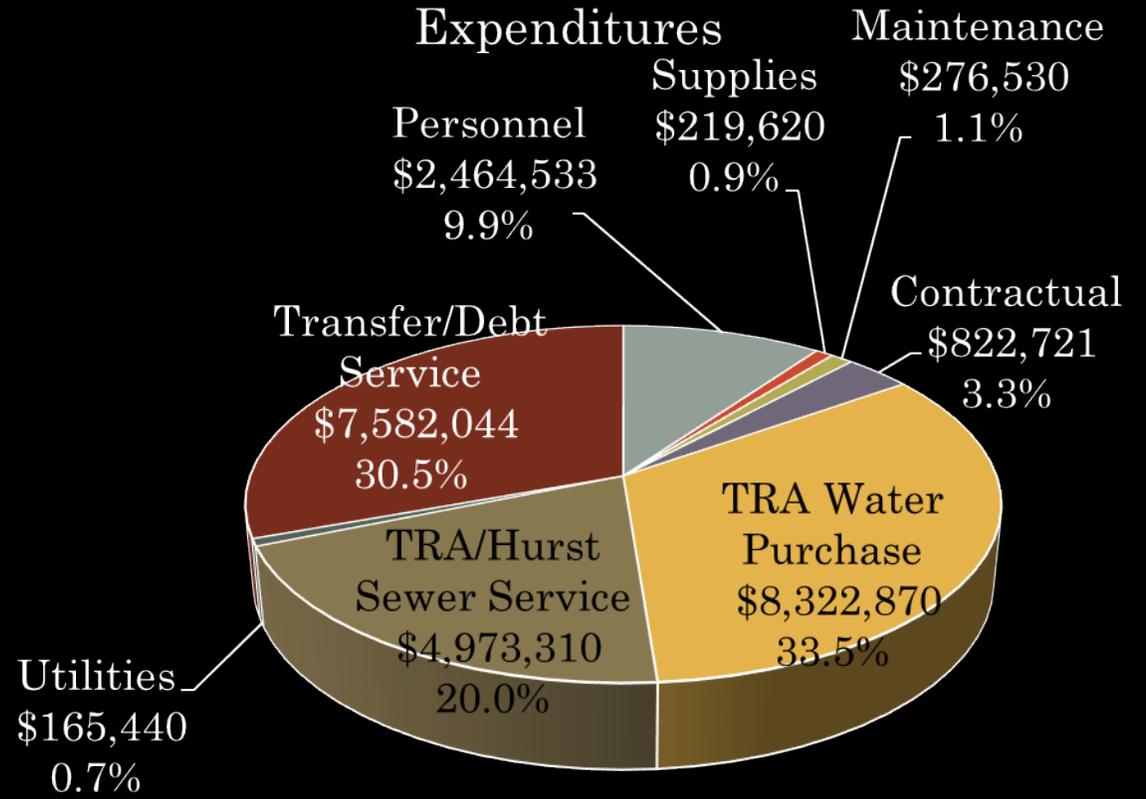


# ENTERPRISE FUNDS

# WATER & SEWER FUND



**\$24,979,310**



**\$24,827,068**

# TRINITY RIVER AUTHORITY PROJECTIONS

Fiscal Year Ending Nov. 30	Projected Flow (MGD) – Water	Cost per 1,000 Gal – Water	Projected Flow (MGD) – Wastewater	Cost per 1,000 Gal - Wastewater
2021	27.900	\$3.910	143.536	\$3.043
2022	28.179	\$4.203	143.936	\$3.110
2023	28.461	\$4.438	144.336	\$3.183
2024	28.745	\$4.822	144.736	\$3.266
2025	29.033	\$5.046	145.136	\$3.343

# CURRENT RATES

*\* Since January 2020*

## WATER RATES:

Base Rate	\$19.30/month
Base Rate (age 65 & older)	\$17.54/month
Volume Rate	\$4.24/1,000 gal.

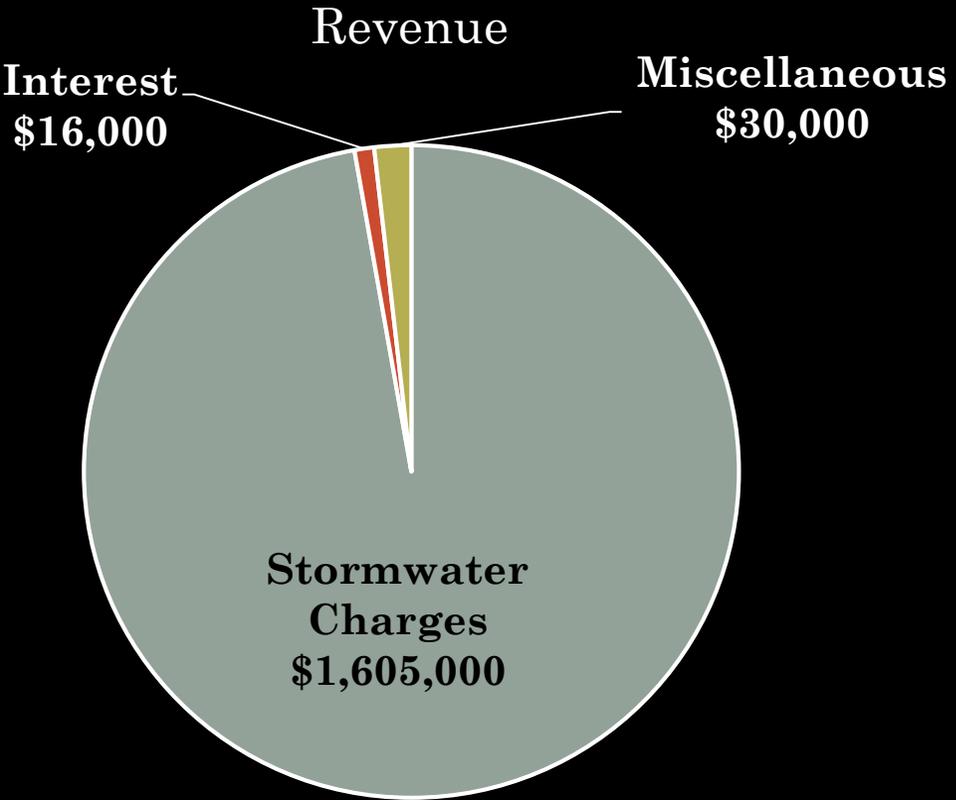
## SEWER RATES:

Base Rate	\$12.73/month	
Base Rate (age 65 & older)	\$11.55/month	
Volume Rate	\$3.42/1,000 gal.	Up to 12,000 gal. max

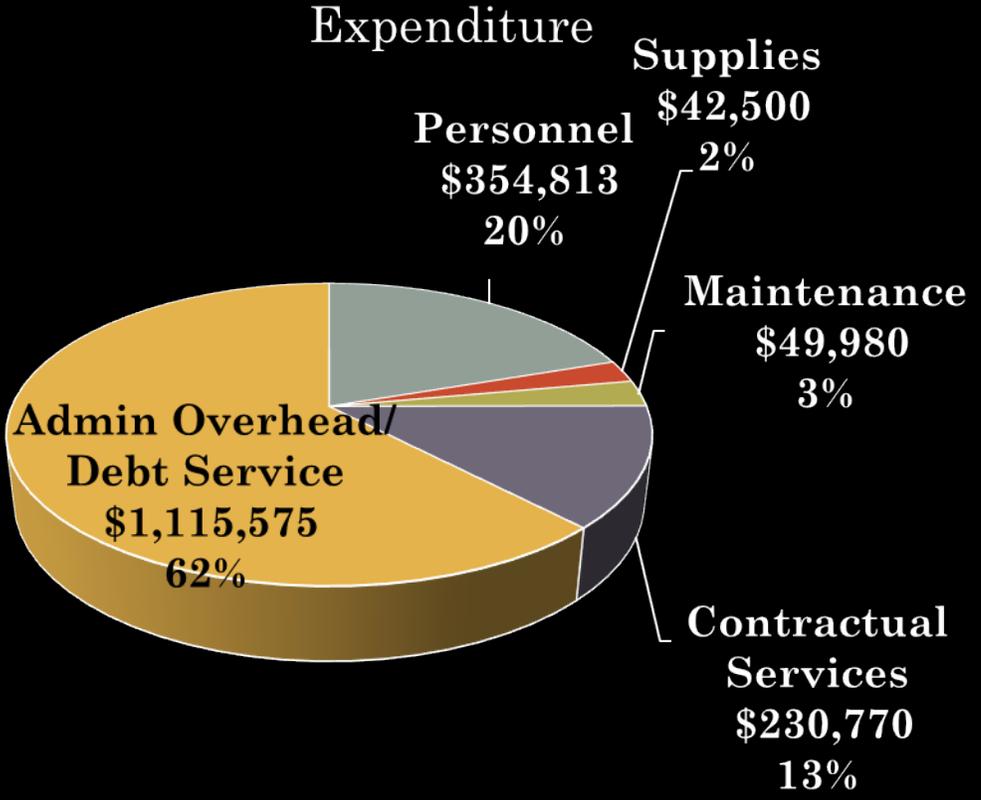
# WATER & WASTEWATER RATE DECISION PACKAGES

- Decision Package 1: TRA Pass-Through
- Decision Package 2: TRA Pass-Through & Capital Investment
- Decision Package 3: Even Revenue Adjustment (FY 2021-2024)
- Decision Package 4: TRA Pass-Through (FY 2021) & Even Revenue Adjustment (FY 2022-2024)

# STORMWATER FUND



**\$1,651,000**



**\$1,793,638**

# CURRENT RATES

## RESIDENTIAL:

Base Rate \$4.50/month

Base Rate (age 65 & older) \$4.00/month

## COMMERCIAL:

Calculated on lot size/impervious surface

# STORMWATER DECISION PACKAGES

- Decision Package 1: Revenue Adjustment to Reach Revenue Metrics
- Decision Package 2: Even Revenue Adjustments in all Years
- Decision Package 3: Even Revenue Adjustments in FY 2022-2024



2020  
TAX  
RATE

FY 2019-2020 Tax Rate \$0.569000

FY 2020-2021 No-New-  
Revenue Tax Rate \$0.562799

FY 2020-2021 Voter-  
Approved Rate \$0.571968

## TAX RATE SUMMARY

Tax Rate used in Proposed Budget:

\$0.569000

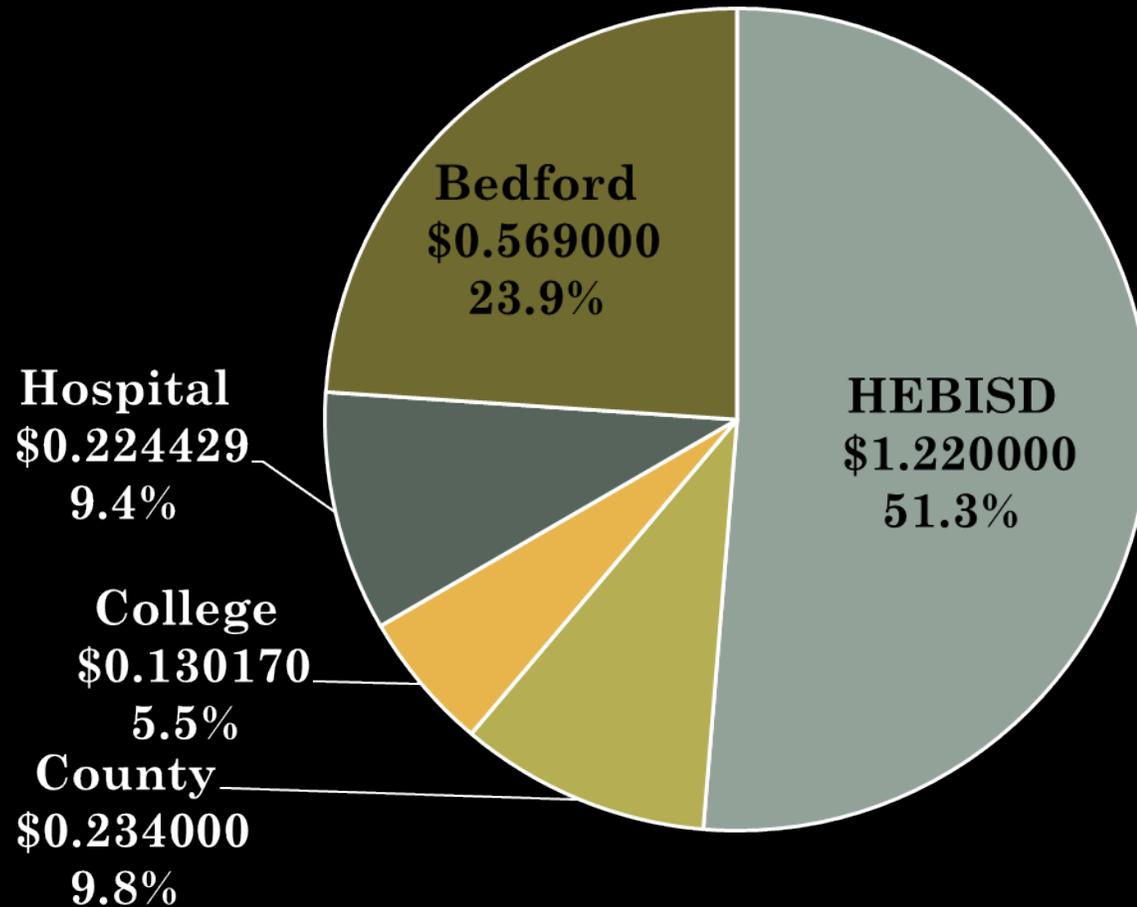
# TAX RATE COMPARISON

## FY 2019-2020 VS FY 2020-2021

	<u>FY 2019-20</u>	<u>FY 2020-21</u> <u>PROPOSED</u>		<u>DIFF</u>
M&O RATE	\$0.377409	\$0.384633	1.9%	\$0.007224
I&S RATE	<u>\$0.191591</u>	<u>\$0.184367</u>	-3.8%	<u>(\$0.007224)</u>
	\$0.569000	\$0.569000		\$0.000000

# FY 2019-2020 OVERLAPPING TAX RATE

## \$2.377599

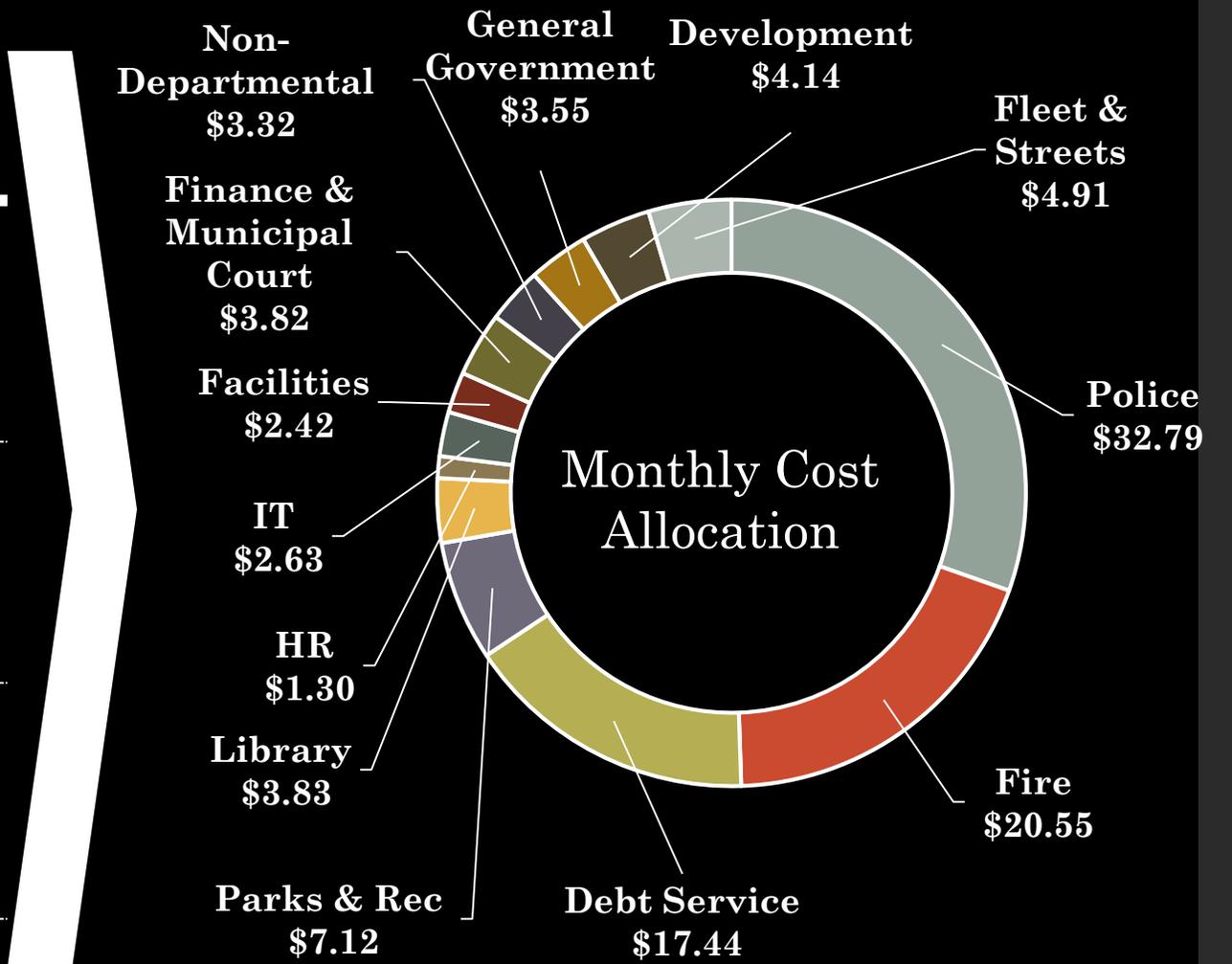


# TAX RATE IMPACT

	FY 19-20 ADOPTED	FY 20-21 PROPOSED
Tax Rate	\$0.569000	\$0.569000
<b>Average Homeowner Impact</b>		
Average Home Value	\$220,040	\$227,410
<b>Annual Tax Bill:</b>	<b>\$1,252.03</b>	<b>\$1,293.96</b>
<b>Monthly:</b>	<b>\$104.34</b>	<b>\$107.83</b>
<b>Senior Exemption Property Impact (Newly Qualified Property)</b>		
Average Home Value	\$220,040	\$227,410
Less: Over 65 Exemption:	<i>(\$50,000)</i>	<i>(\$50,000)</i>
Net Taxable Value	<u>\$170,040</u>	<u>\$177,410</u>
<b>Annual Tax Bill:</b>	<b>\$967.53</b>	<b>\$1,009.46</b>
<b>Monthly:</b>	<b>\$80.63</b>	<b>\$84.12</b>

# AVERAGE HOME IMPACT

Average Taxable Value	\$227,410
<i>Annual Cost</i>	\$1,293.96
<i>Monthly Cost</i>	\$107.83
<i>Daily Cost</i>	\$3.55



ITEM		AMOUNT
Cost Savings from Premium Reductions, Position Freezes	\$	(482,460)
Division Reallocations	\$	401,988
2% Pay Grade Adjustments	\$	400,377
Cancer Screening	\$	10,000
TMRS Benefit Expansion	\$	1,320,460
Perimeter Fence at Law Enforcement Center	\$	220,000
Plymovent System for Fire Station 1 & 2	\$	110,000

# COUNCIL CHANGES

# NEXT STEP



AUG  
24

Approve Budget  
Ordinance & Tax Rate

# Exhibit A

CITY OF BEDFORD  
SUMMARY OF REVENUE AND EXPENDITURES BY FUND  
FISCAL YEAR 2020-2021

FUND NAME	BEGINNING BALANCE	REVENUE		EXPENDITURES			FY 20-21 DIFFERENCE	ENDING BALANCE	CHANGE IN FUND BALANCE	
		PROPOSED	SUPPLEMENTAL	PROPOSED	SUPPLEMENTAL					
GENERAL FUND	\$ 9,530,674	\$ 38,135,243	\$ -	\$ 38,135,243	\$ 36,028,621	\$ 1,980,367	\$ 38,008,988	\$ 126,255	\$ 9,656,929	1.32%
TOURISM FUND	303,123	1,291,750	-	1,291,750	1,142,547	106,023	1,248,570	43,180	346,303	14.25%
WATER AND SEWER FUND	2,937,147 *	24,979,310	-	24,979,310	25,105,875	(278,807)	24,827,068	152,242	3,089,389	205.18%
STORMWATER UTILITY FUND	862,714 *	1,651,000	-	1,651,000	1,773,126	20,512	1,793,638	(142,638)	720,076	-16.53%
UTILITY REPAIR & MAINTENANCE FUND	4,001,066 *	1,070,000	-	1,070,000	600,000	-	600,000	470,000	4,471,066	11.75%
COURT SECURITY FUND	91	25,000	-	25,000	25,000	-	25,000	-	91	0.00%
TRUANCY PREVENTION & DIVERSION FUND	-	20,000	-	20,000	20,000	-	20,000	-	-	0.00%
MUNICIPAL JURY FUND	-	200	-	200	200	-	200	-	-	0.00%
COURT TECHNOLOGY FUND	52,129	45,450	-	45,450	45,710	-	45,710	(260)	51,869	-0.50%
PARK DONATIONS FUND	67,996	12,750	-	12,750	50,000	-	50,000	(37,250)	30,746	-54.78%
BEAUTIFICATION COMMISSION FUND	56,525	10,500	-	10,500	25,000	-	25,000	(14,500)	42,025	-25.65%
PUBLIC SAFETY TRAINING FUND	10,918	7,200	-	7,200	3,000	-	3,000	4,200	15,118	38.47%
ECONOMIC DEVELOPMENT FUND	492,179	53,000	-	53,000	140,000	-	140,000	(87,000)	405,179	-17.68%
STREET IMPROVEMENT ECONOMIC DEVELOPMENT CORP.	1,886,886	2,945,000	-	2,945,000	3,071,080	-	3,071,080	(126,080)	1,760,806	-6.68%
DEBT SERVICE FUND	890,656	7,339,220	-	7,339,220	7,334,470	-	7,334,470	4,750	895,406	0.53%
PEG FUND	1,029,610	207,000	-	207,000	38,400	-	38,400	168,600	1,198,210	16.38%
COMMERCIAL VEHICLE ENFORCEMENT FUND	15,881	123,100	-	123,100	122,418	6,167	128,585	(5,485)	10,396	-34.54%
SWAT - NETCAST FUND	33,547	60,250	-	60,250	60,000	-	60,000	250	33,797	0.75%
PARK MAINTENANCE FUND	224,762	51,500	-	51,500	50,000	-	50,000	1,500	226,262	0.67%
COMPUTER REPLACEMENT FUND	194,156	61,000	-	61,000	20,000	-	20,000	41,000	235,156	21.12%
AQUATICS MAINTENANCE FUND	151,173	26,200	-	26,200	10,000	-	10,000	16,200	167,373	10.72%
LIBRARY MAINTENANCE FUND	63,670	25,500	-	25,500	-	45,000	45,000	(19,500)	44,170	-30.63%
FACILITY MAINTENANCE FUND	239,704	47,500	-	47,500	30,000	100,000	130,000	(82,500)	157,204	-34.42%
EQUIPMENT REPLACEMENT FUND	256,235	1,037,550	-	1,037,550	1,116,930	-	1,116,930	(79,380)	176,855	-30.98%
WATER/SEWER VEHICLE REPLACEMENT FUND	82,619 *	51,200	-	51,200	117,500	-	117,500	(66,300)	16,319	-80.25%
	\$ 23,383,459	\$ 79,276,423	\$ -	\$ 79,276,423	\$ 76,929,877	\$ 1,979,262	\$ 78,909,139	\$ 367,284	\$ 23,750,743	

\* The beginning balance for these funds are based on Working Capital.



# Council Agenda Background

<b><u>PRESENTER:</u></b> Meg Jakubik, C.G.F.O., Strategic Services Manager		<b><u>DATE:</u></b> 08/17/20
<b>Council Mission Area:</b> Encourage citizen involvement.		
<b><u>ITEM:</u></b>  Public hearing to consider the proposed 2020 tax rate.  <b>City Attorney Review:</b> N/A		
<b><u>SUMMARY:</u></b>  Per the Tax Code, if the City is considering a rate above the no-new-revenue rate, a public hearing must be held. A public hearing was called at the August 3, 2020 City Council meeting and the notice has been published in the newspaper as required.		
<b><u>BACKGROUND:</u></b>  Per Section 26.05 (d) of the Tax Code, “the governing body of a taxing unit ... may not adopt a tax rate that exceeds the lower of the voter-approval tax rate [\$0.571968] or the no-new-revenue tax rate [\$0.562799] calculated as provided by this chapter until the governing body has held a public hearing on the proposed tax rate.” The hearing must be publicized in the local newspaper, published on the City’s website, and advertised on the City’s television channel in accordance with Tax Code Section 26.06.  The budget for the City of Bedford, as compiled by the City Manager, was submitted to the City Council, and the tax rate information was published as required by the Tax Code. On August 3, 2020, the City Council voted on the maximum tax rate that could be considered to fund the recommended program of services for the fiscal year ending September 30, 2021. That maximum rate was established at \$0.569000 per \$100 assessed valuation.  The 2020-2021 Proposed Budget as amended by the City Council includes an ad valorem tax of \$0.569000 per \$100 valuation. This tax rate would increase taxes for maintenance and operations on a home valued at \$100,000 by approximately \$7.22 per year and decrease taxes for interest and sinking (debt) by approximately \$7.22 per year.		
<b><u>RECOMMENDATION:</u></b>  Staff recommends the following motion:  Hold a public hearing to receive citizen comments on the proposed 2020 tax rate.		
<b><u>FISCAL IMPACT:</u></b>  N/A	<b><u>ATTACHMENTS:</u></b>  Tax Rate Slide	

FY 2019-2020 Tax Rate \$0.569000

FY 2020-2021 No-New-  
Revenue Tax Rate \$0.562799

FY 2020-2021 Voter-  
Approval Rate \$0.571968

## TAX RATE SUMMARY

Tax Rate used in Proposed Budget:

\$0.569000