

**YOLANDA FORD**  
Mayor

**VASHAUNDRA EDWARDS**  
Councilmember at Large Position No. 1

**CHRIS PRESTON**  
Mayor Pro Tem  
Councilmember at Large Position No. 2



**REGINALD PEARSON**  
Councilmember District A  
**JEFFREY L. BONEY**  
Councilmember District B  
**ANTHONY G. MAROULIS**  
Councilmember District C  
**FLOYD EMERY**  
Councilmember District D

## CITY COUNCIL SPECIAL MEETING AGENDA

Notice is hereby given of a Special City Council Meeting to be held on **Monday, July 1, 2019, at 6:00 p.m.** at: **City Hall, Council Chamber, 2nd Floor**, 1522 Texas Parkway, Missouri City, Texas, 77489, for the purpose of considering the following agenda items. All agenda items are subject to action. The City Council reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

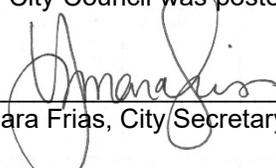
1. **CALL TO ORDER**
2. **DISCUSSION/POSSIBLE ACTION**
  - (a) Update regarding the Police Mini Station.
  - (b) Presentation on City special events.
  - (c) Presentation by Performance Services on 21st century self-funding smart city infrastructure.
  - (d) Discussion regarding the City Council budget work sessions and required budget and property tax public hearings.
3. **CLOSED EXECUTIVE SESSION**

*The City Council may go into Executive Session regarding any item posted on the Agenda as authorized by Title 5, Chapter 551 of the Texas Government Code.*
4. **RECONVENE** into Special Session and consider action, if any, on items discussed in Executive Session.
5. **ADJOURN**

**In compliance with the Americans with Disabilities Act, the City of Missouri City will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Maria Jackson, City Secretary, at 281.403.8686.**

### CERTIFICATION

I certify that a copy of the July 1, 2019, agenda of items to be considered by the City Council was posted on the City Hall bulletin board on June 27, 2019, at 4:00 p.m.

  
\_\_\_\_\_  
Yomara Frias, City Secretary Department

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the \_\_\_\_ day of \_\_\_\_\_, 2019.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_



## Event Community Benefits

- Strengthens community image and sense of place
- Supports economic development
- Strengthens safety and security
- Fosters human development and social equity
- Increases cultural unity



## MCTX Family Fest

*May, Community Park*

MCTX Family Fest is Missouri City's newest event. This family friendly event provides a wide variety of free activities, entertainment, and food geared towards kids.

Partner booth opportunities are available, providing local businesses and organizations a place to share their programs and services. In addition to information distribution, partner booths provide activities such as face painting, touch a snake, and much more!

**Estimated Attendance: 1,000**

**Overall Event Total: \$21,367.25**



## 4<sup>th</sup> of July Celebration

*July 4, Buffalo Run Park*

Missouri City's patriotic tradition offers plenty of fun and excitement for the whole family. Attendees can enjoy a variety of free entertainment and tasty treats from local vendors. Stadium seating is available to enjoy the amazing fireworks show.

**Estimated Attendance: 8,000**

**Overall Event Total: \$45,620.43**



## Oktoberfest

*September, Quail Valley City Centre*

Missouri City's Oktoberfest offers a chance for the whole family to experience traditional German culture. The City Centre is transformed into a beer hall complete with Oktoberfest pennants and traditional décor. Guests enjoy authentic German music, games, food, and beverages from local vendors.

**Estimated Attendance: 1,000**

**Overall Event Total: \$9,692.00**



## Tricks & Treats in the Park

*October, Buffalo Run Park*

Tricks and Treats in the Park provides a variety of fall activities, pumpkin patch photo station, and food for purchase. Guests are in for spooky surprises along the haunted trail.

Partner booths offer an opportunity for local businesses and organizations to share about their programs and services while providing candy and activities for little ones.

**Estimated Attendance: 2,500**

**Overall Event Total: \$8,029.50**



## Snowfest

*December, City Hall Complex / Cartwright Road*

Snowfest is one of Missouri City's most beloved holiday traditions. Snowfest weekend kicks off with the lighting of the City Christmas tree and fireworks. The festival offers a variety of free activities including a variety of family friendly activities, 3-lane snow hill, and of course a visit with Santa!

The celebration continues on the following day with the annual Snowfest Shuffle and Snowfest Parade. Community organizations are invited to be a part of the parade and decorate festive holiday floats. Crowds line Cartwright road to take in the sites and performances along the parade route.

**Estimated Attendance: 8,000**

**Overall Event Total: \$73,950.04**



## Missouri City Event Analysis

By Presenter: Julia Thompson



	Recreation					Parks					Public Works			Police			
	Reg Staffing Hours	Reg Staffing Cost	OT Staffing Hours	OT Staffing Cost	Total Cost Rec Department	Reg Staffing Hours	Reg Staffing Cost	OT Staffing Hours	OT Staffing Cost	Total Cost Parks Department	OT Staffing Hours	OT Staffing Cost	Total Cost PW Department	Patrol Car Hours	Patrol Car Cost	OT Staffing Hours	OT Staffing Cost
<b>Dad &amp; Daughter Dance 2018</b>	10	\$ 102.50	26	\$ 683.25	\$ 785.75	29	\$ 435.00	0	\$ -	\$ 435.00	0	\$ -	\$ -	0	\$ -	0	\$ -
<b>Black History Month Celebration 2018</b>	0	\$ -	0	\$ -	\$ -	71	\$ 1,065.00	125	\$ 2,812.50	\$ 3,877.50	0	\$ -	\$ -	0	\$ -	0	\$ -
<b>Crazy Hare Dash 2018</b>	2	\$ 24.00	11	\$ 297.00	\$ 321.00	1.5	\$ 22.50	18	\$ 405.00	\$ 427.50	0	\$ -	\$ -	0	\$ -	0	\$ -
<b>MCTX Fest 2018</b>	28	\$ 262.50	28.5	\$ 769.50	\$ 1,032.00	159	\$ 2,385.00	144	\$ 3,240.00	\$ 5,625.00	36	\$ 1,135.61	\$ 1,135.61	54	\$ 294.00	54	\$ 2,471.00
<b>Juneteenth 2018</b>	0	\$ -	0	\$ -	\$ -	108	\$ 1,620.00	228	\$ 5,130.00	\$ 6,750.00	87	\$ 2,580.58	\$ 2,580.58	0	\$ 300.00	55	\$ 2,520.00
<b>4th of July Celebration 2018-PARTIALLY CANCELLED</b>	0	\$ -	0	\$ -	\$ -	142	\$ 2,130.00	160	\$ 3,588.75	\$ 5,718.75	0	\$ -	\$ -	70	\$ 382.00	70	\$ 2,750.00
<b>Access Health Back to School 2018 (Est.)</b>	0	\$ -	0	\$ -	\$ -	4	\$ 60.00	28.5	\$ 641.25	\$ 701.25	0	\$ -	\$ -	0	\$ -	25	\$ 2,550.00
<b>Oktoberfest 2018</b>	6.5	\$ 78.00	24	\$ 648.00	\$ 726.00	30	\$ 450.00	0	\$ -	\$ 450.00	0	\$ -	\$ -	0	\$ -	32	\$ 1,467.00
<b>Community Night Out 2018</b>	5	\$ 90.00	0	\$ -	\$ 90.00	137	\$ 2,055.00	161.5	\$ 3,633.75	\$ 5,688.75	91	\$ 2,726.25	\$ 2,726.25	0	\$ -	40	\$ 1,833.00
<b>Tricks and Treats 2018</b>	15	\$ 252.00	0	\$ -	\$ 252.00	50	\$ 750.00	24	\$ 945.00	\$ 1,695.00	0	\$ -	\$ -	0	\$ -	6	\$ 275.00
<b>Snowfest 2018-CANCELLED</b>	0	\$ -	0	\$ -	\$ -	161.5	\$ 2,422.50	0	\$ -	\$ 2,422.50	0	\$ -	\$ -	0	\$ -	0	\$ -
<b>Dad &amp; Daughter Dance 2019</b>	30	\$ 435.10	0	\$ -	\$ 435.10	27.25	\$ 408.75	0	\$ -	\$ 408.75	0	\$ -	\$ -	0	\$ -	0	\$ -
<b>Mother Son Challenge 2019</b>	6	\$ 51.00	0	\$ -	\$ 51.00	4	\$ 60.00	5	\$ 101.25	\$ 161.25	0	\$ -	\$ -	0	\$ -	0	\$ -
<b>MCTX Family Fest 2019</b>	5	\$ 60.00	6	\$ 139.50	\$ 199.50	40	\$ 600.00	83	\$ 1,856.25	\$ 2,456.25	0	\$ -	\$ -	20	\$ 109.00	20	\$ 920.00
<b>Juneteenth 2019 (Est.)</b>	0	\$ -	0	\$ -	\$ -	108	\$ 1,620.00	228	\$ 5,130.00	\$ 6,750.00	123	\$ 3,658.15	\$ 3,658.15	0	\$ -	55	\$ 2,520.00
<b>4th of July Celebration 2019 (Est.)</b>	25	\$ 212.50	5	\$ 116.25	\$ 328.75	142	\$ 2,130.00	160	\$ 3,588.75	\$ 5,718.75	132	\$ 3,905.93	\$ 3,905.93	70	\$ 382.00	70	\$ 2,750.00
<b>Access Health Back To School 2019 (Est.)</b>	0	\$ -	0	\$ -	\$ -	4	\$ 60.00	28.5	\$ 641.25	\$ 701.25	0	\$ -	\$ -	0	\$ -	25	\$ 2,550.00
<b>Oktoberfest 2019 (Est.)</b>	10	\$ 85.00	0	\$ -	\$ 85.00	30	\$ 450.00	0	\$ -	\$ 450.00	0	\$ -	\$ -	0	\$ -	32	\$ 1,467.00
<b>Community Night Out 2019 (Est.)</b>	0	\$ -	0	\$ -	\$ -	137	\$ 2,055.00	161.5	\$ 3,633.75	\$ 5,688.75	144	\$ 4,307.59	\$ 4,307.59	0	\$ -	40	\$ 1,835.00
<b>Tricks and Treats 2019 (Est.)</b>	7	\$ 59.50	0	\$ -	\$ 59.50	50	\$ 750.00	24	\$ 945.00	\$ 1,695.00	0	\$ -	\$ -	0	\$ -	6	\$ 275.00
<b>Snowfest 2019 (Est.)</b>	25	\$ 212.50	5	\$ 116.25	\$ 328.75	215	\$ 3,225.00	146	\$ 3,279.00	\$ 6,504.00	156	\$ 4,614.44	\$ 4,614.44	33	\$ 381.00	70	\$ 3,208.10

**Marketing Types Code**

- Social Media (Facebook) A
- Print (Flyers distributed through Rec) B
- Monthly Parks & Rec eNewsletter C
- Road Signage (6 Missouri City Intersections) D
- City Website E
- Peachjar (FBISD Online Flyers) F
- TV G
- Newspaper H
- Mass Mailing I
- Billboards J
- Radio K

Total Cost Police Department	Fire			IT			Total Overall Staffing Cost	HOT Funds Utilized	Non-Recreation Department Event Expenditures	Recreation Department Event Expenditures	Overall Event Expenditures Total	Est. Attendance	Marketing
	OT Staffing Hours	OT Staffing Cost	Total Cost to Fire Department	OT Staffing Hours	OT Staffing Cost	Total Cost to IT Department							
\$ -	0	\$ -	\$ -	10	\$ 345.00	\$ 345.00	\$ 1,565.75	\$ -	\$ -	\$ 8,756.00	\$ 10,321.75	265	A,B,C,D, E
\$ -	0	\$ -	\$ -	20	\$ 690.00	\$ 690.00	\$ 4,567.50	\$ -	\$ 15,501.60	\$ -	\$ 20,069.10		
\$ -	0	\$ -	\$ -	0	\$ -	\$ -	\$ 748.50	\$ -	\$ -	\$ 1,500.00	\$ 2,248.50	150	A,B,C,D, E
\$ 2,765.00	0	\$ -	\$ -	20	\$ 690.00	\$ 690.00	\$ 11,247.61	\$ -	\$ -	\$ 24,493.28	\$ 35,740.89	600	A,B,C,D, E
\$ 2,820.00	0	\$ -	\$ -	30	\$ 1,035.00	\$ 1,035.00	\$ 13,185.58	\$ 20,000.00		\$ 3,000.00	\$ 36,185.58		
\$ 3,132.00	0	\$ -	\$ -	0	\$ -	\$ -	\$ 8,850.75	\$ -	\$ -	\$ 30,534.17	\$ 39,384.92	6,000	A,B,C,D, E
\$ 2,550.00	0	\$ -	\$ -	0	\$ -	\$ -	\$ 3,251.25	\$ -	\$ -	\$ 5,000.00	\$ 8,251.25	800	
\$ 1,467.00	0	\$ -	\$ -	0	\$ -	\$ -	\$ 2,643.00	\$ -	\$ -	\$ 4,297.70	\$ 6,940.70	500	A,B,C,D, E
\$ 1,833.00	6	\$ 223.75	\$ 223.75	20	\$ 690.00	\$ 690.00	\$ 11,251.75	\$ 31,310.00	\$ 31,020.00	\$ 2,500.00	\$ 76,081.75	4,000	
\$ 275.00	0	\$ -	\$ -	0	\$ -	\$ -	\$ 2,222.00	\$ -	\$ -	\$ 5,335.25	\$ 7,557.25	2,010	A,B,C,D, E, F
\$ -	0	\$ -	\$ -	0	\$ -	\$ -	\$ 2,422.50	\$ -	\$ -	\$ 17,719.97	\$ 20,142.47	N/A	A,B,C,D, E
\$ -	0	\$ -	\$ -	2	\$ 70.00	\$ 70.00	\$ 913.85	\$ -	\$ -	\$ 9,313.00	\$ 10,226.85	300	A,B,C,D, E, F
\$ -	0	\$ -	\$ -	0	\$ -	\$ -	\$ 212.25	\$ -	\$ -	\$ 3,343.79	\$ 3,556.04	125	A,B,C,D, E
\$ 1,029.00	0	\$ -	\$ -	20	\$ 690.00	\$ 690.00	\$ 4,374.75	\$ -	\$ -	\$ 16,992.50	\$ 21,367.25	1,000	A,B,C,D, E, F
\$ 2,520.00	8	\$ 298.00	\$ 298.00	0	\$ -	\$ -	\$ 13,226.15	\$ 20,000.00		\$ 3,000.00	\$ 36,226.15		
\$ 3,132.00	0	\$ -	\$ -	30	\$ 1,035.00	\$ 1,035.00	\$ 14,120.43	\$ -	\$ -	\$ 31,500.00	\$ 45,620.43	8,000	A,B,C,D, E
\$ 2,550.00	0	\$ -	\$ -	0	\$ -	\$ -	\$ 3,251.25	\$ -		\$ 5,000.00	\$ 8,251.25	900	
\$ 1,467.00	0	\$ -	\$ -	20	\$ 690.00	\$ 690.00	\$ 2,692.00	\$ -	\$ -	\$ 7,000.00	\$ 9,692.00	1,000	A,B,C,D, E
\$ 1,835.00	6	\$ 223.75	\$ 223.75	30	\$ 1,035.00	\$ 1,035.00	\$ 13,090.09	\$ 25,000.00		\$ 2,500.00	\$ 40,590.09		
\$ 275.00	0	\$ -	\$ -	0	\$ -	\$ -	\$ 2,029.50	\$ -	\$ -	\$ 6,000.00	\$ 8,029.50	2,500	A,B,C,D, E, F
\$ 3,589.10	6	\$ 223.75	\$ 223.75	20	\$ 690.00	\$ 690.00	\$ 15,950.04	\$ -	\$ -	\$ 58,000.00	\$ 73,950.04	8,000	A,B,C,D, E



# Performance Services

City of Missouri City- July 1, 2019  
21<sup>st</sup> Century Smart City Infrastructure Improvement Project





# Performance Services

*A smart city is simply one that uses technology to improve outcomes across every aspect of city operations and enhance the services it offers to its residents.*



# Performance Services, Inc.



- ✓ Established in 1998
- ✓ **Guaranteed** Energy Savings Contracts and Design-Build Public Sector Projects
- ✓ 400+ projects complete nation wide
- ✓ **\$1.4 billion in project value**
- ✓ Financially secure company w/ bonding capacity of \$300M
- ✓ **130 Energy Star® certified buildings**
- ✓ 52% Customers have done repeat business
- ✓ 170+ full-time employees in 8 states

**100% Customer Satisfaction Commitment**

# Performance Services, Inc.



- ✓ There are 669,000 construction firms in the US.
- ✓ 40,900 are located in Texas.
- ✓ PSI is 1 of 20 companies Nationally that have received a year-after-year accreditation to be NAESCO Accredited organization.



[Home](#) > [About Us](#) > [Member Companies](#) > [Member Profile](#)

## Energy Service Companies (ESCOs) Performance Services, Inc.

**Contact:**  
Timothy P. Thoman  
President  
Indianapolis, IN  
[www.performanceservices.com](http://www.performanceservices.com)

Performance Services is a design-build engineering company that specializes in the design and construction of high performing buildings with optimal environments through both the Guaranteed Energy Savings Contract and Design-Build procurement methods. Renewable energy solutions, including solar power systems are integral to the services portfolio. Markets served include K-12 schools, universities, healthcare and municipal government. The company has provided energy-focused solutions to customers since 1998 and is a leading qualified provider of guaranteed energy savings projects, Energy Leadership programs and Energy Star buildings. With company headquarters in Indianapolis, Indiana, the company currently has regional offices in Indiana, Illinois, Arkansas, Kentucky, Michigan, Missouri, Texas and Wisconsin.



Member Video



# Strength in Numbers



- 4 Engineers dedicated to Texas
- 3 are State of Texas licensed Professional Engineers
- 25 Engineers company wide
- 4 Project Managers dedicated to Texas
- 30 Project Managers company wide

**100% Customer Satisfaction Commitment**

# Texas- Performance Contracting Solutions



**PARIS**  
INDEPENDENT SCHOOL DISTRICT



 **AUSTIN**  
Independent School District

 **POTH**  
INDEPENDENT  
SCHOOL DISTRICT



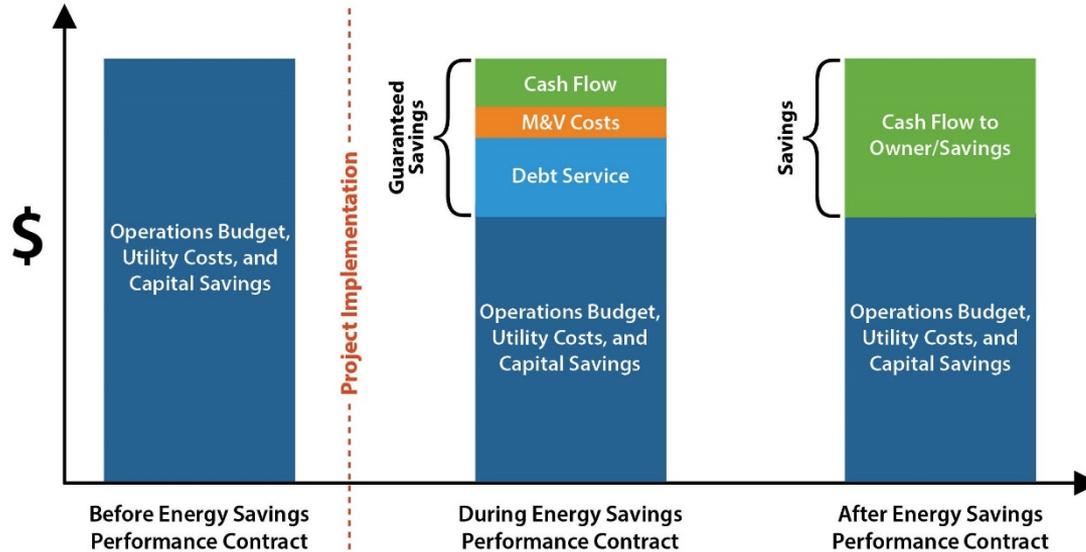
**AGUA**  
SPECIAL UTILITY DISTRICT

**LYTLE**  
**PIRATES**

 **City of Jacksonville, Texas**  
The Star in East Texas



# Guaranteed Energy Savings Performance Contracting



Guaranteed Energy Savings Performance Contracting, Local Government Code 302.001, is an alternative procurement process that helps local governments monetize future guaranteed savings from energy, utility & maintenance budgets to finance needed infrastructure improvements today.

# Guaranteed Energy Savings Performance Contracting



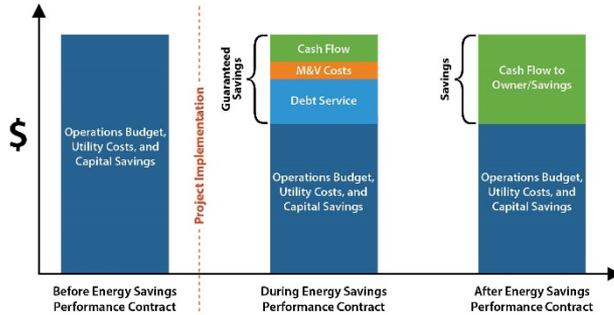
- *Interior/Exterior Lighting*
- *Pumps/Motors*
- *HVAC*
- *Energy Management Systems*
- *Solar PV*
- *Roofs, Doors, Windows, Building Envelope*
- *Retro-Commissioning*
- *Power-Conditioning*
- *Water/Waste Water Treatment Plants*
- *Internet of Things*
- *Street Lights*
- *Traffic Lights*
- *Drainage/Overflow (EPA compliance)*
- ***Ancillary Projects! City Wants & Needs!!***

Guaranteed Energy Savings Performance Contracting, Local Government Code 302.001, is an alternative procurement process that helps local governments monetize future guaranteed savings from energy, utility & maintenance budgets to finance needed infrastructure improvements today.

# Guaranteed Energy Savings Performance Contracting



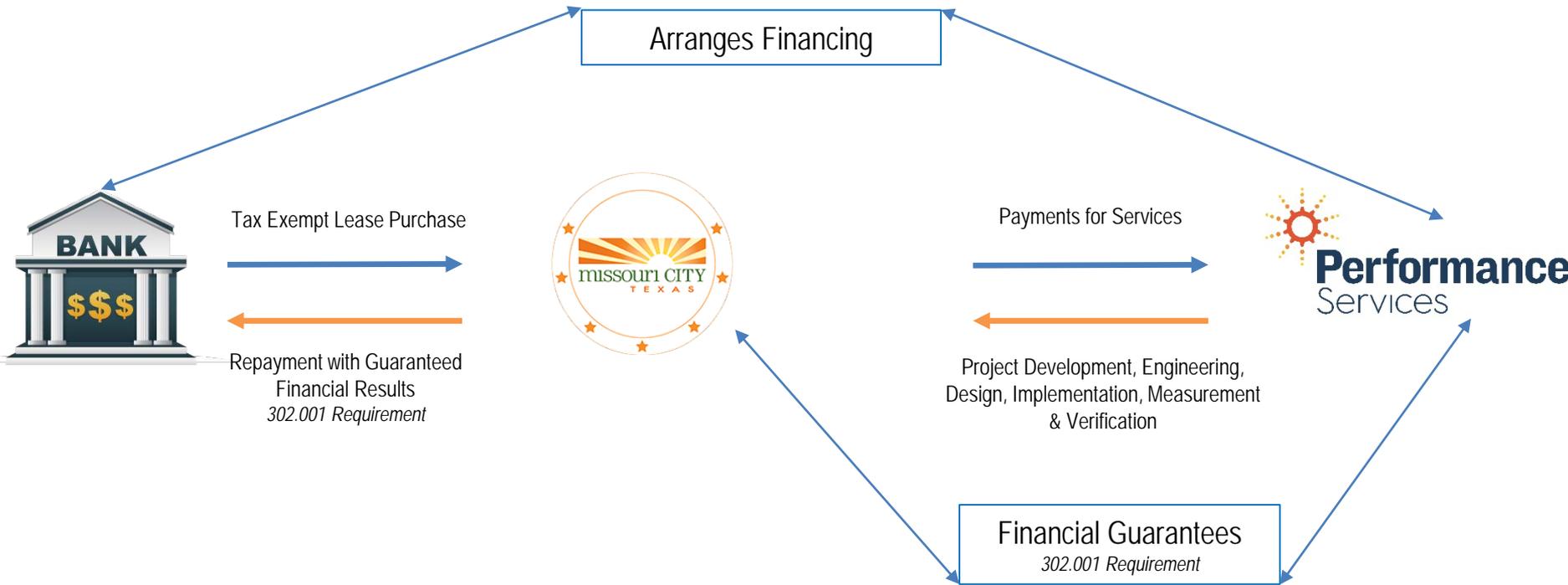
## Key Differentiators



- Client sub-contractor selection
- Open-Book Pricing = Full Transparency
- Margins & Overhead exposed
- Main Street vs Wall Street

Guaranteed Energy Savings Performance Contracting, Local Government Code 302.001, is an alternative procurement process that helps local governments monetize future guaranteed savings from energy, utility & maintenance budgets to finance needed infrastructure improvements today.

# Project Funding Structure



# Open Book Accounting- A Differentiator



			
Subcontractor	IGA	Base Project	Alternate #1
	Investment Grade Audit	Performance Contract at 12 AISD Schools	Alternate Scope (if applicable)
<b>UCRM</b>			
ABC Company			
DEF Company			
XYZ Company			
<b>Other Costs</b>			
PSI - Construction Management			
PSI - Engineering			
Warranty			
Payment & Performance Bonds			
Guaranteed Savings Bond			
Commissioning			
Training			
Owner Directed Allowance			
<b>Direct Costs</b>			
Overhead			
<b>Total Costs</b>			
Profit			
<b>Construction Cost</b>			
<b>TOTAL</b>			

- Transparency of cost, overhead, and profit
- Line item costs identified
- Detailed Schedule of Values for construction phase

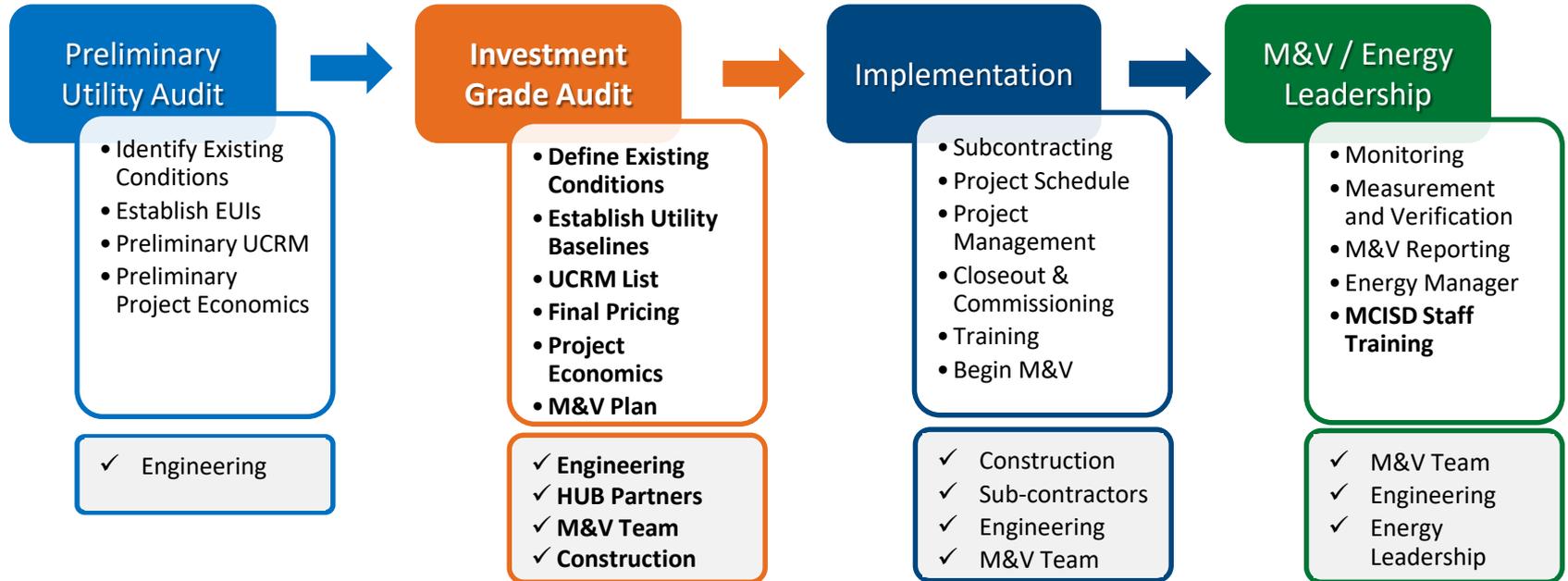
# Competitive Pricing Assurance- A Differentiator



- Create RFP Packages for each sub-contracting trade
- Utilize Open-Book Pricing Spreadsheet with Edinburg CISD
- Deep Relationships with Local Sub-contractors
- Best Value Selection

Subcontractor	Base Proposal	Option #1	Totals
<b>Mechanical</b>			
ABC Company	\$314,200		\$314,200
DEF Company	\$338,730		\$338,730
XYZ Company	\$358,587		\$358,587
<b>Test &amp; Balance</b>			
ABC Company	\$17,420		\$17,420
XYZ Company	\$16,420		\$16,420
DEF Company	\$18,587		\$18,587
<b>Boiler Equipment</b>			
ABC Company	\$215,210		\$215,210
DEF Company	\$246,550		\$246,550
XYZ Company	\$236,240		\$236,240

# The PSI Process



# Project Promotion



## PSI will help Promote and Highlight your Smart City Project

A Smart Financial Solution

A Smart Operational Solution

A Smart Environmental Solution

A Smart Customer Service Solution

A Smart Sustainable Solution

City of Missouri City, a Smart City!





# Performance Services

Questions?





## CITY COUNCIL AGENDA ITEM COVER MEMO

JULY 1, 2019

**To:** Mayor and City Council  
**Agenda Item:** 2(d) Discuss Budget Work Sessions and required Budget and Property Tax Public Hearings  
**Submitted by:** Allena J. Portis, Director of Financial Services

### SYNOPSIS

State law promulgates requirements related to dates for public hearings and adoption of the annual budget and property tax rate. Staff will provide the proposed dates, which are regular city council meeting dates with the exception of the date for the second property tax public hearing.

### STRATEGIC PLAN 2019 GOALS ADDRESSED

- Maintain a financially sound City

### BACKGROUND

The Property Tax Code requires adoption of the Property Tax Rate by September 30<sup>th</sup> or 60 days after receipt of certified tax rolls. Although we receive Fort Bend County's certified roll in July, Harris County does not provide the certified roll until mid-late August. If Harris County submits their roll prior to August 8, it is possible the date for Property Tax adoption would need to be scheduled earlier as a special meeting.

Local Government Code 102.006 requires a public hearing on the proposed budget. The hearing must occur after the 15<sup>th</sup> day of filing the proposed budget. Notice of the hearing must be provided not earlier than the 30<sup>th</sup> day or later than the 10<sup>th</sup> day before the date of the hearing.

The City Charter requires that the proposed budget be submitted to Council on or before the first day of September with adoption on one reading before the 25<sup>th</sup> day of September.

An overview of the proposed budget will be presented to Council on August 5<sup>th</sup>. The proposed dates for those items required by law are as follows:

Proposed Budget Filed	August 19
Adopt Proposed Property Tax Rate	September 3
Public Hearing and Budget Adoption	September 16
Property Tax Public Hearing (1 <sup>st</sup> of 2)	September 16
Property Tax Public Hearing (2 <sup>nd</sup> of 2)	September 23 – Special Meeting Date
Property Tax Rate Adoption	October 7

The only proposed meeting date that will not be on a regular council meeting date is the second property tax public hearing. The law requires that the second property tax hearing be conducted no earlier than 3 days after the first hearing. There is a three week period between council meetings and due to the date requirements for rate adoption, the rate must be adopted at the regular council meeting immediately following the 1<sup>st</sup> public hearing.

Tentative dates for budget work sessions are as follows:

Budget Work Session	July (Date contingent upon consultant availability)
Budget Work Session	August 19
Budget Work Session	September 3

**SUPPORTING MATERIALS**

1. Local Government Code Chapter 102
2. Property Tax Code Section 26.05

**STAFF'S RECOMMENDATION**

Staff recommends scheduling the 2<sup>nd</sup> hearing for the Property Tax Rate within requirements set by law, preferable 9/23, with other options ranging from September 20 – October 4, with the property tax rate adopted on October 7<sup>th</sup>.

**Director Approval:** **Allena J. Portis, Director of Financial Services**

**Assistant City Manager/  
City Manager Approval:** **Anthony J. Snipes, City Manager**

LOCAL GOVERNMENT CODE

TITLE 4. FINANCES

SUBTITLE A. MUNICIPAL FINANCES

CHAPTER 102. MUNICIPAL BUDGET

Sec. 102.001. BUDGET OFFICER. (a) The mayor of a municipality serves as the budget officer for the governing body of the municipality except as provided by Subsection (b).

(b) If the municipality has the city manager form of government, the city manager serves as the budget officer.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.002. ANNUAL BUDGET REQUIRED. The budget officer shall prepare each year a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.003. ITEMIZED BUDGET; CONTENTS. (a) The budget officer shall itemize the budget to allow as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes made for the preceding year. The budget must show as definitely as possible each of the projects for which expenditures are set up in the budget and the estimated amount of money carried in the budget for each project.

(b) The budget must contain a complete financial statement of the municipality that shows:

- (1) the outstanding obligations of the municipality;
- (2) the cash on hand to the credit of each fund;
- (3) the funds received from all sources during the preceding year;

- (4) the funds available from all sources during the ensuing year;
- (5) the estimated revenue available to cover the proposed budget; and
- (6) the estimated tax rate required to cover the proposed budget.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.004. INFORMATION FURNISHED BY MUNICIPAL OFFICERS AND BOARDS. In preparing the budget, the budget officer may require any municipal officer or board to furnish information necessary for the budget officer to properly prepare the budget.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.005. PROPOSED BUDGET FILED WITH MUNICIPAL CLERK; PUBLIC INSPECTION. (a) The budget officer shall file the proposed budget with the municipal clerk before the 30th day before the date the governing body of the municipality makes its tax levy for the fiscal year.

(b) A proposed budget that will require raising more revenue from property taxes than in the previous year must contain a cover page with the following statement in 18-point or larger type: "This budget will raise more total property taxes than last year's budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue to be raised from new property added to the tax roll this year."

(c) The proposed budget shall be available for inspection by any person. If the municipality maintains an Internet website, the municipal clerk shall take action to ensure that the proposed budget is posted on the website.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 1, eff. September 1, 2007.

Sec. 102.006. PUBLIC HEARING ON PROPOSED BUDGET. (a) The governing body of a municipality shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing.

(b) The governing body shall set the hearing for a date occurring after the 15th day after the date the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy.

(c) The governing body shall provide for public notice of the date, time, and location of the hearing. The notice must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 102.005(b).

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 2, eff. September 1, 2007.

Sec. 102.0065. SPECIAL NOTICE BY PUBLICATION FOR BUDGET HEARING. (a) The governing body of a municipality shall publish notice before a public hearing relating to a budget in at least one newspaper of general circulation in the county in which the municipality is located.

(b) Notice published under this section is in addition to notice required by other law, except that if another law requires the governing body to give notice, by publication, of a hearing on a budget this section does not apply.

(c) Notice under this section shall be published not earlier than the 30th or later than the 10th day before the date of the hearing.

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any

statement required to be included in the proposed budget under Section 102.005(b).

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 24, eff. Sept. 1, 1993.  
Amended by Acts 2001, 77th Leg., ch. 402, Sec. 9, eff. Sept. 1, 2001.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 3, eff. September 1, 2007.

The following section was amended by the 86th Legislature. Pending publication of the current statutes, see S.B. 2, 86th Legislature, Regular Session, for amendments affecting the following section.

Sec. 102.007. ADOPTION OF BUDGET. (a) At the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget. A vote to adopt the budget must be a record vote.

(b) The governing body may make any changes in the budget that it considers warranted by the law or by the best interest of the municipal taxpayers.

(c) Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the governing body by name voting on the adoption of the budget;

(3) the municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the effective tax rate;

(C) the effective maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of municipal debt obligations.

(e) In this section, "debt obligation" means an issued public security as defined by Section [1201.002](#), Government Code, secured by property taxes.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. [3195](#)), Sec. 4, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1329 (S.B. [656](#)), Sec. 1, eff. September 1, 2013.

Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL CLERK: POSTING ON INTERNET. (a) On final approval of the budget by the governing body of the municipality, the governing body shall:

(1) file the budget with the municipal clerk; and  
(2) if the municipality maintains an Internet website,  
take action to ensure that:

(A) a copy of the budget, including the cover page,  
is posted on the website; and

(B) the record vote described by Section 102.007(d)  
(2) is posted on the website at least until the first anniversary of  
the date the budget is adopted.

(b) The governing body shall take action to ensure that the  
cover page of the budget is amended to include the property tax  
rates required by Section 102.007(d)(3) for the current fiscal year  
if the rates are not included on the cover page when the budget is  
filed with the municipal clerk. The governing body shall file an  
amended cover page with the municipal clerk and take action to  
ensure that the amended cover page is posted on the municipality's  
website.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 5, eff.  
September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1329 (S.B. 656), Sec. 2, eff.  
September 1, 2013.

Sec. 102.009. LEVY OF TAXES AND EXPENDITURE OF FUNDS UNDER  
BUDGET; EMERGENCY EXPENDITURE. (a) The governing body of the  
municipality may levy taxes only in accordance with the budget.

(b) After final approval of the budget, the governing body may  
spend municipal funds only in strict compliance with the budget,  
except in an emergency.

(c) The governing body may authorize an emergency expenditure  
as an amendment to the original budget only in a case of grave  
public necessity to meet an unusual and unforeseen condition that  
could not have been included in the original budget through the use  
of reasonably diligent thought and attention. If the governing body  
amends the original budget to meet an emergency, the governing body  
shall file a copy of its order or resolution amending the budget

with the municipal clerk, and the clerk shall attach the copy to the original budget.

(d) After the adoption of the budget or a budget amendment, the budget officer shall provide for the filing of a true copy of the approved budget or amendment in the office of the county clerk of the county in which the municipality is located.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.010. CHANGES IN BUDGET FOR MUNICIPAL PURPOSES. This chapter does not prevent the governing body of the municipality from making changes in the budget for municipal purposes.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.011. CIRCUMSTANCES UNDER WHICH CHARTER PROVISIONS CONTROL. If a municipality has already adopted charter provisions that require the preparation of an annual budget covering all municipal expenditures and if the municipality conducts a public hearing on the budget as provided by Section [102.006](#) and otherwise complies with the provisions of this chapter relating to property tax increases, the charter provisions control. After the budget has been finally prepared and approved, a copy of the budget and the amendments to the budget shall be filed with the county clerk, as required for other budgets under this chapter.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. [3195](#)), Sec. 6, eff. September 1, 2007.

The following section was amended by the 86th Legislature. Pending publication of the current statutes, see S.B. [2](#), 86th Legislature, Regular Session, for amendments affecting the following section.

Sec. 26.05. TAX RATE. (a) The governing body of each taxing unit, before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, shall adopt a tax rate for the current tax year and shall notify the assessor for the unit of the rate adopted. The tax rate consists of two components, each of which must be approved separately. The components are:

(1) for a taxing unit other than a school district, the rate that, if applied to the total taxable value, will impose the total amount published under Section [26.04](#)(e) (3) (C), less any amount of additional sales and use tax revenue that will be used to pay debt service, or, for a school district, the rate calculated under Section [44.004](#)(c) (5) (A) (ii) (b), Education Code; and

(2) the rate that, if applied to the total taxable value, will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year.

(b) A taxing unit may not impose property taxes in any year until the governing body has adopted a tax rate for that year, and the annual tax rate must be set by ordinance, resolution, or order, depending on the method prescribed by law for adoption of a law by the governing body. The vote on the ordinance, resolution, or order setting the tax rate must be separate from the vote adopting the budget. For a taxing unit other than a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. For a school district, the vote on the ordinance,

resolution, or order setting a tax rate that exceeds the sum of the effective maintenance and operations tax rate of the district as determined under Section [26.08](#)(i) and the district's current debt rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the effective tax rate) percent increase in the tax rate." If the ordinance, resolution, or order sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must:

(1) include in the ordinance, resolution, or order in type larger than the type used in any other portion of the document:

(A) the following statement: "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE."; and

(B) if the tax rate exceeds the effective maintenance and operations rate, the following statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."; and

(2) include on the home page of any Internet website operated by the unit:

(A) the following statement: "(Insert name of unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE"; and

(B) if the tax rate exceeds the effective maintenance and operations rate, the following statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."

(c) If the governing body of a taxing unit does not adopt a tax rate before the date required by Subsection (a), the tax rate for the taxing unit for that tax year is the lower of the effective tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year. A tax rate established by this subsection is treated as an adopted tax rate. Before the fifth day after the establishment of a tax rate by this subsection, the governing body of the taxing unit must ratify the applicable tax rate in the manner required by Subsection (b).

(d) The governing body of a taxing unit other than a school district may not adopt a tax rate that exceeds the lower of the rollback tax rate or the effective tax rate calculated as provided by this chapter until the governing body has held two public hearings on the proposed tax rate and has otherwise complied with Section [26.06](#) and Section [26.065](#). The governing body of a taxing unit shall reduce a tax rate set by law or by vote of the electorate to the lower of the rollback tax rate or the effective tax rate and may not adopt a higher rate unless it first complies with Section [26.06](#).

(e) A person who owns taxable property is entitled to an injunction restraining the collection of taxes by a taxing unit in which the property is taxable if the taxing unit has not complied with the requirements of this section and the failure to comply was not in good faith. An action to enjoin the collection of taxes must be filed prior to the date a taxing unit delivers substantially all of its tax bills.

(f) Except as required by the law under which an obligation was created, the governing body may not apply any tax revenues

generated by the rate described in Subsection (a) (1) of this section for any purpose other than the retirement of debt.

(g) Notwithstanding Subsection (a), the governing body of a school district that elects to adopt a tax rate before the adoption of a budget for the fiscal year that begins in the current tax year may adopt a tax rate for the current tax year before receipt of the certified appraisal roll for the school district if the chief appraiser of the appraisal district in which the school district participates has certified to the assessor for the school district an estimate of the taxable value of property in the school district as provided by Section [26.01](#)(e). If a school district adopts a tax rate under this subsection, the effective tax rate and the rollback tax rate of the district shall be calculated based on the certified estimate of taxable value.

Acts 1979, 66th Leg., p. 2268, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 164, ch. 13, Sec. 117, eff. Jan. 1, 1982; Acts 1985, 69th Leg., ch. 657, Sec. 3, eff. June 14, 1985; Acts 1987, 70th Leg., ch. 699, Sec. 2, eff. June 19, 1987; Acts 1987, 70th Leg., ch. 947, Sec. 7, eff. Jan. 1, 1988; Acts 1987, 70th Leg., ch. 988, Sec. 2, eff. June 18, 1987; Acts 1991, 72nd Leg., ch. 404, Sec. 1, eff. Jan. 1, 1992; Acts 1997, 75th Leg., ch. 165, Sec. 29.06, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1039, Sec. 27, eff. Jan. 1, 1998; Acts 1999, 76th Leg., ch. 398, Sec. 3, eff. Aug. 30, 1999; Acts 1999, 76th Leg., ch. 423, Sec. 1, eff. Jan. 1, 2000; Acts 1999, 76th Leg., ch. 1358, Sec. 2, eff. Jan. 1, 2000.

Amended by:

Acts 2005, 79th Leg., Ch. 412 (S.B. [1652](#)), Sec. 13, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1368 (S.B. [18](#)), Sec. 1, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. [3167](#)), Sec. 14.001, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 668 (H.B. [2291](#)), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. [3646](#)), Sec. 86,  
eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. [1](#)), Sec. 57.28,  
eff. September 28, 2011.

Acts 2015, 84th Leg., R.S., Ch. 481 (S.B. [1760](#)), Sec. 5,  
eff. January 1, 2016.