

ANNA CITY COUNCIL

MINUTES
WORK SESSION

April 26, 2016

The City Council of the City of Anna met in Work Session on the above date at Anna City Hall, located at 111 N. Powell Parkway (Hwy 5), regarding the following items:

1. Call to Order, Roll Call and Establishment of Quorum.

Mayor Crist called the meeting to order at 6:30 pm.

Council Members Justin Burr, Lauren Lovato, John Beazley, Nathan Bryan, and Dick Dowd were present. Chad Barnes was absent

2. Discussion regarding FY 17 budget and goals (Clayton Fulton)

City Manager Sanders presented the preliminary programmatic goals and objectives for Fiscal Year 17 Budget.

3. CLOSED SESSION (EXCEPTIONS): Under Tex. Gov't Code Chapter 551, the City Council may enter into closed session to discuss any items listed or referenced on this agenda under the following exceptions:

- a. consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (**Tex. Gov't Code §551.071**); ETJ Boundary, Building Permit Requirements.
- b. discuss or deliberate the purchase, exchange, lease, or value of real property (**Tex. Gov't Code §551.072**); acquisition of right-of-way, easements, and land for municipal facilities.
- c. discuss or deliberate personnel matters (**Tex. Gov't Code §551.074**); City Attorney annual review.

MOTION: Council Member Bryan moved to enter closed session at 7:08 p.m. Council Member Lovato seconded. Motion carried 6-0.

Mayor Crist reconvened the open meeting at 7:31 p.m.

4. Consider/Discuss/Action on any items listed on the posted agenda or any closed session occurring during this meeting, as necessary.

No action.

5. Adjourn.

MOTION: Council Member Bryan moved to adjourn. Council Member Dowd seconded. Motion carried 6-0.

Mayor Crist adjourned the meeting at 7:32 p.m.



Approved on the 10th day of May, 2016.

ATTEST:

A handwritten signature in blue ink, reading "Carrie L. Smith", written over a horizontal line.

City Secretary Carrie L. Smith

A handwritten signature in blue ink, reading "Mike Crist", written over a horizontal line.

Mayor Mike Crist



FY 17 Budget Workshop



Preliminary Revenue Projections

General Fund

- Property Tax
- Sales Tax
- Development
- Franchise Fees
- Court

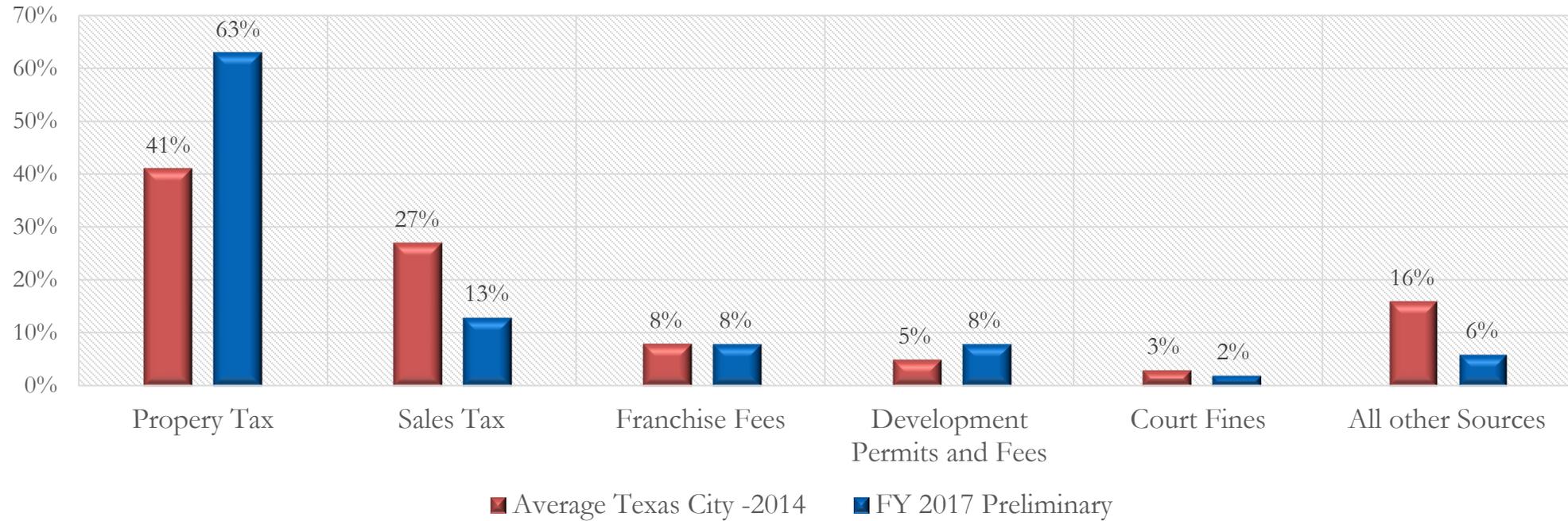


Realities, Constraints, Assumptions

- Collin CAD Estimates
 - Timing of valuations
- Truth in Taxation
 - Effective and Roll Back Rates
- Changes in economy
 - Future Development
 - Sales Tax
- 18 month prediction

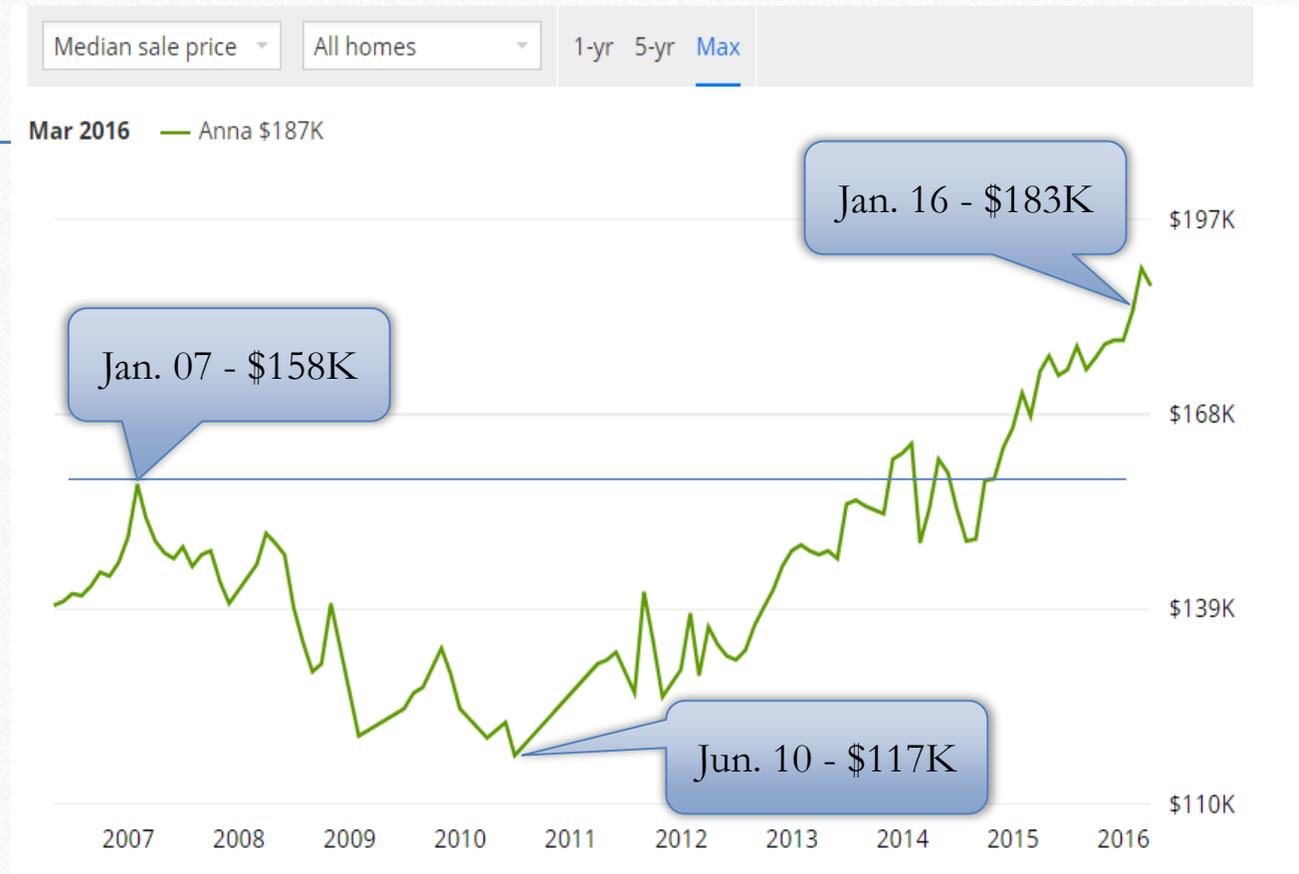


Average vs. Anna



Anna Home Values

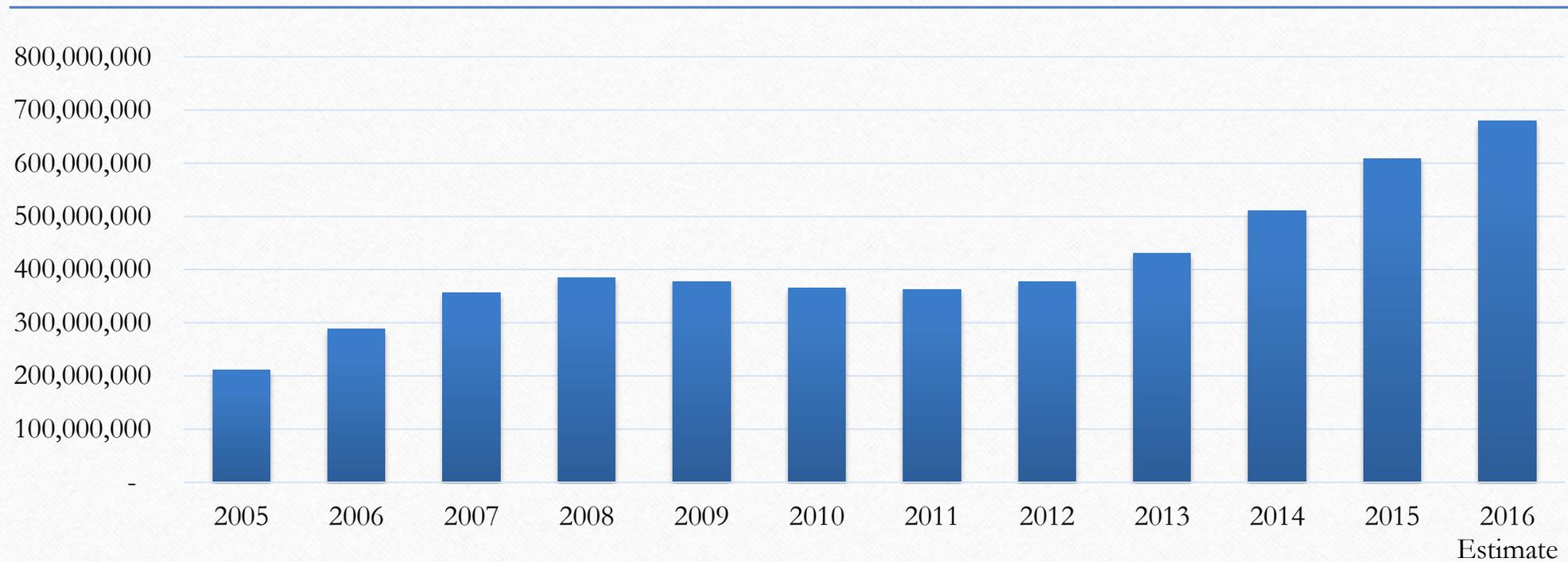
- Market is “warm” in Anna
 - Lot inventory has declined
 - Average days on market is low (38)
 - Closed sales has increased 24% from last year
- Increasing values
 - Fewer days on market, less supply, increased sales
- CCAD average market value \$158,000



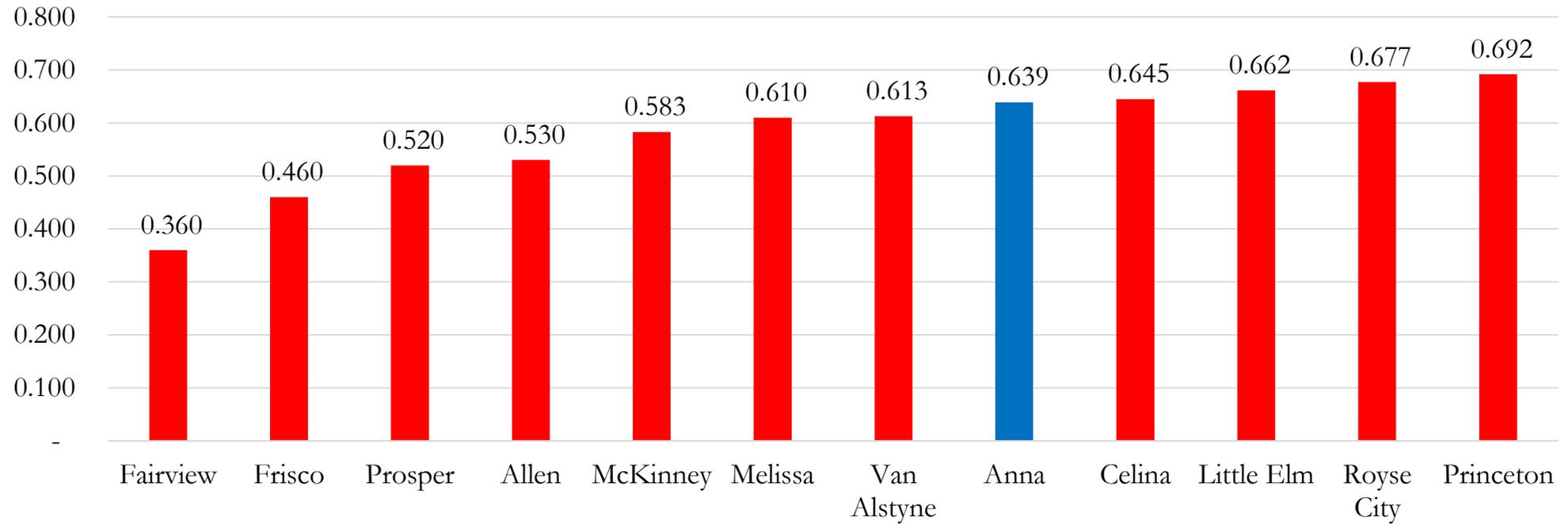
Property Valuations

- Timing of valuation – as of Jan. 1, 2016
 - Based upon real estate activity in latter part of 2015
- 2016 Preliminary Estimate of Taxable Assessed Value (TAV)
 - 2015 Certified TAV \$608,694,594
 - 2016 Estimate TAV \$680,000,000
 - Existing properties up 6.28%
 - New Value of \$30,678,000
- Preliminary increase of 11.51%
- One cent in the tax rate results in \$68,000

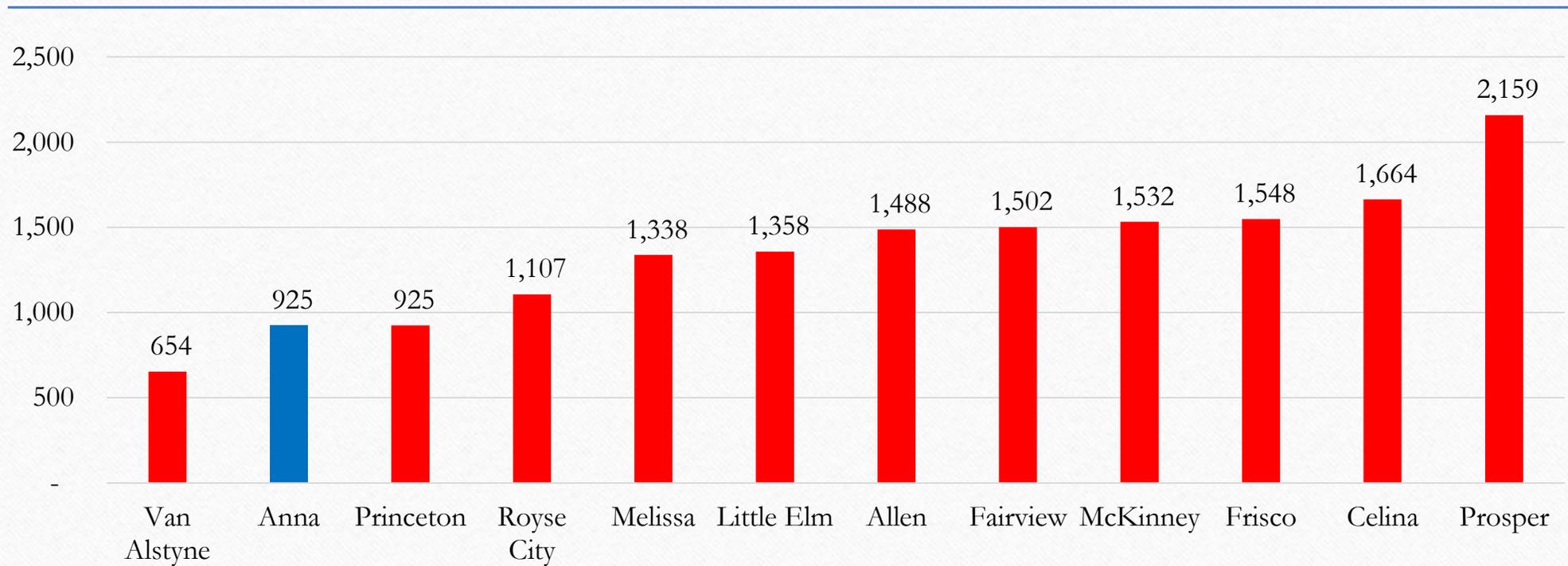
TAV Change Over Time



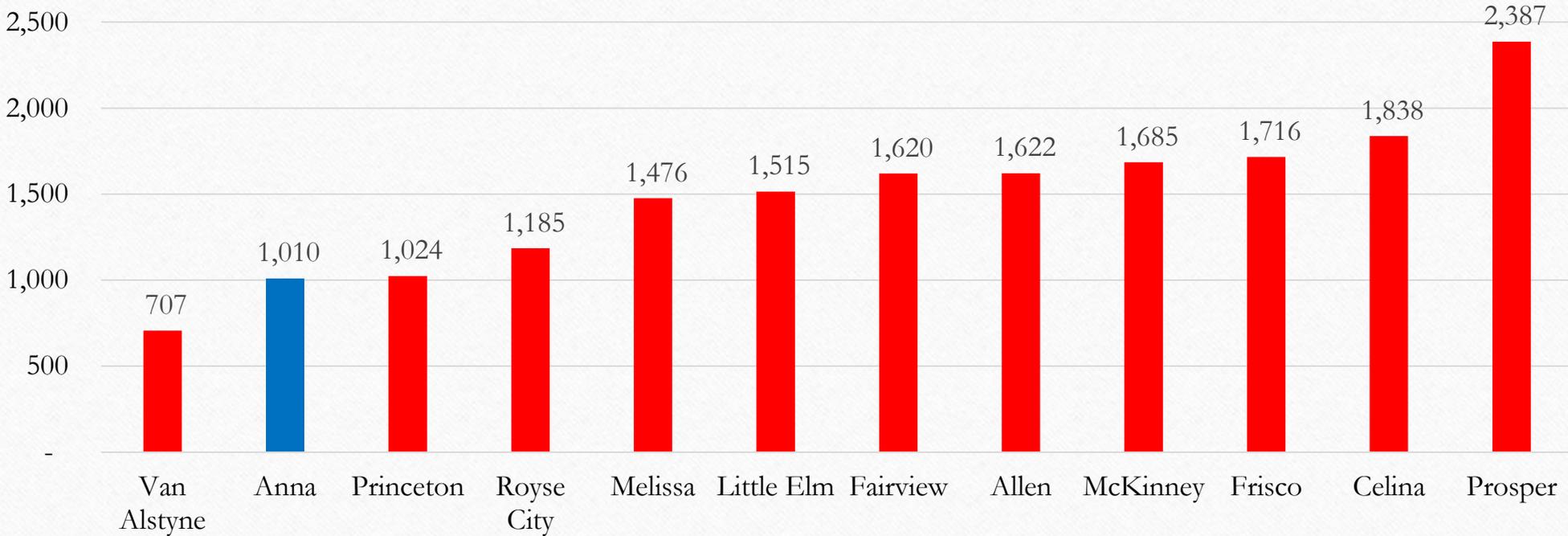
2015 Tax Rate



2015 Average Household Tax Levy



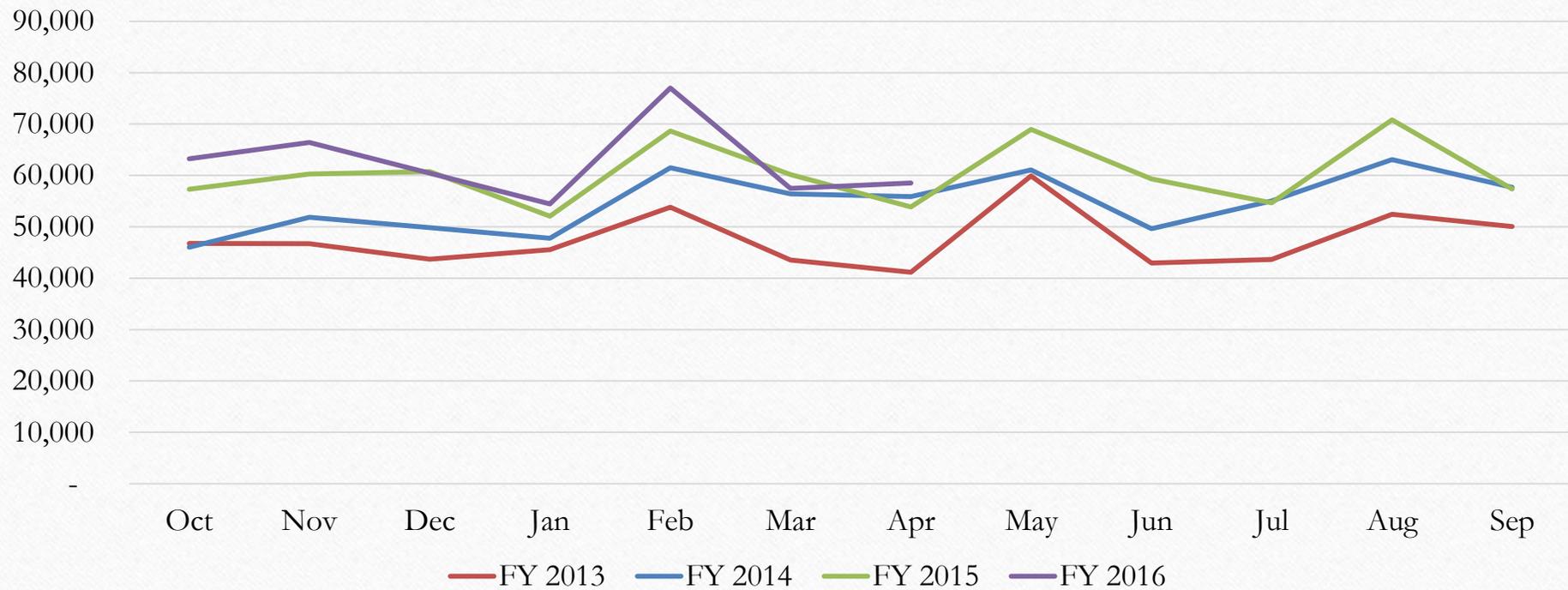
2016 Projected Average Household Tax Levy



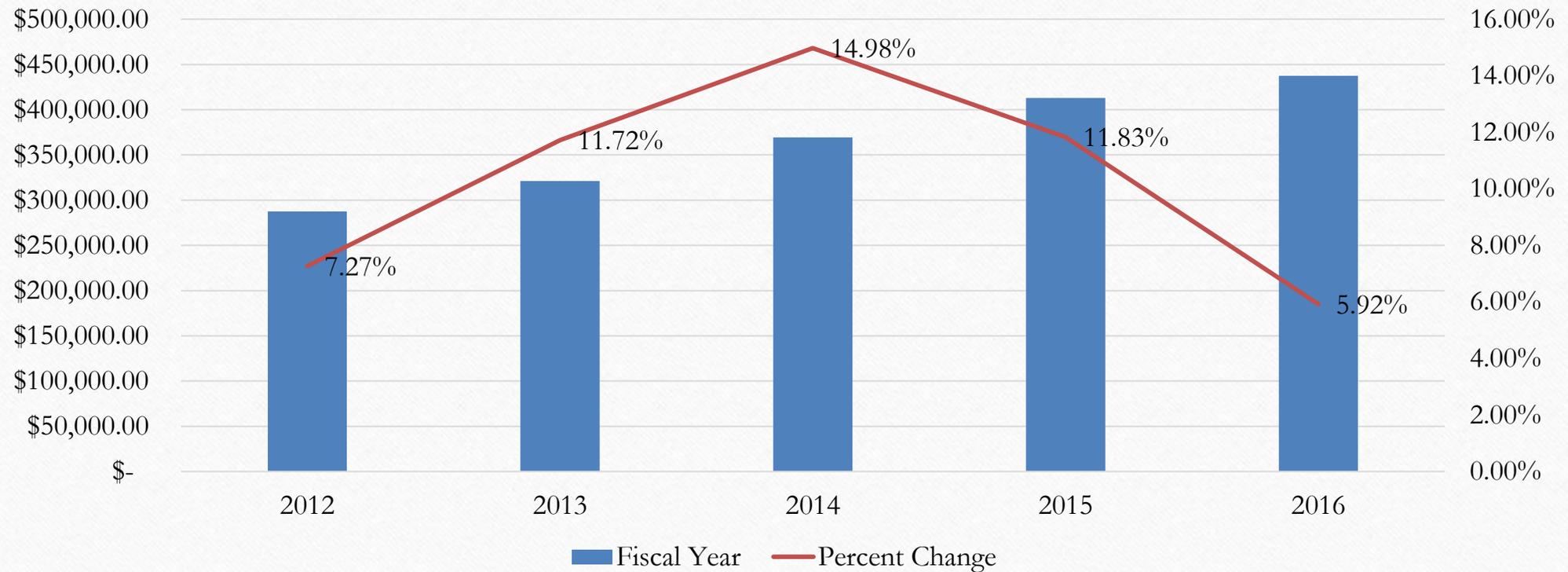
Sales Tax

- FY 16 has seen strong increases
 - Population growth
 - Construction activity
- Continued growth year over year
 - FY 16 is up 5.92% over FY 15
 - Average annual increase of 10% since 2010
- FY 17 outlook is conservative
 - Estimating flat revenue for remainder of FY 16 and flat through FY 17

General Fund Sales Tax Revenue Over Time

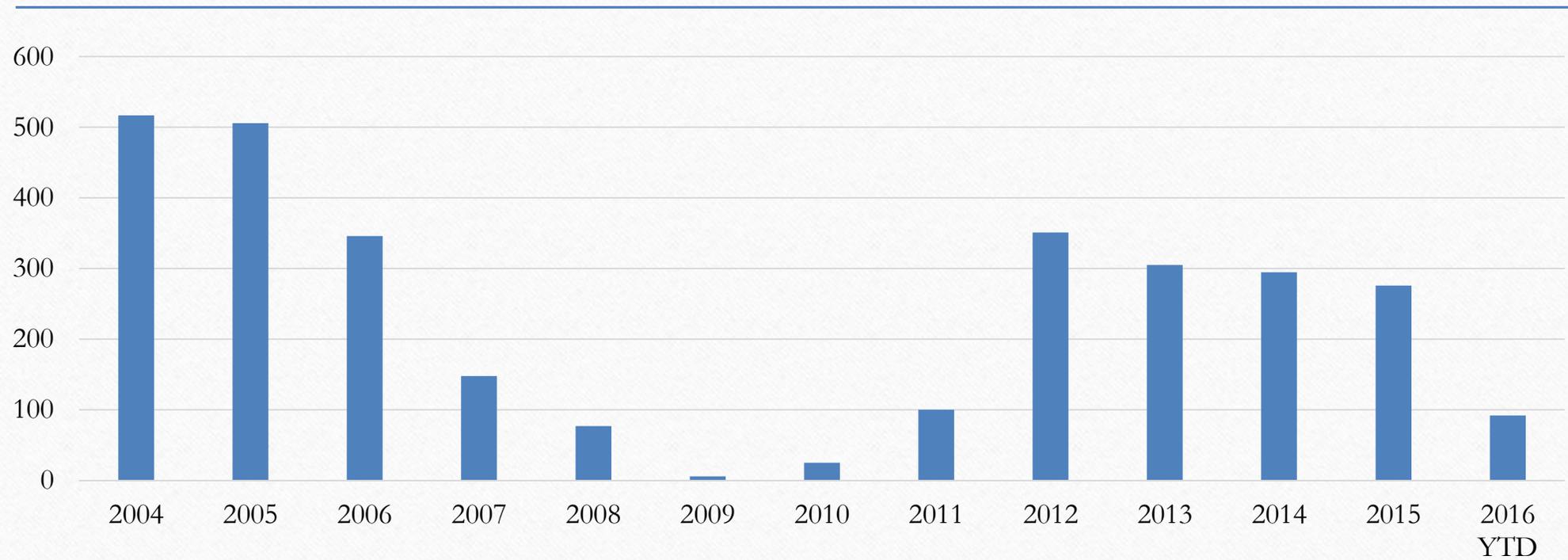


Annual Sales Tax Revenue Through April



Anna
CITY OF ANNA, TEXAS

SF Permits by Year



Development

- Ongoing interest and development of new additions
 - Lakeview Estates
 - Anna Town Square
 - West Crossing
 - Camden Park
 - Avery Point
 - Northpoint
- Assuming FY 17 activity of 200 homes



Franchise Fees

- When utilities and other industries use city property to distribute their services, cities are permitted by law to collect rental fees, also known as “franchise” fees, for the use of public property. Franchise fees are calculated by various methods, depending on industry type.
- Typically based upon sales
- Difficult to predict
- Assuming flat revenue for FY 17

FY 17 Starting Point

	FY 15 ACTUAL	FY 16 BUDGET	FY 16 ESTIMATE	FY 17 PROPOSED	% CHANGE
Property Tax	\$2,790,773	\$3,241,913	\$3,279,029	\$3,619,919	11.66%
Sales Tax	\$736,481	\$700,000	\$750,000	\$750,000	7.14%
Development	\$466,265	\$422,600	\$499,600	\$440,100	4.14%
Franchise Fees	\$450,799	\$420,000	\$450,000	\$450,000	7.14%
Court Fees	\$103,600	\$100,000	\$95,000	\$100,000	0.00%
Other	\$406,646	\$434,146	\$434,295	\$431,622	-0.58%
Total	\$4,954,564	\$5,318,659	\$5,507,924	\$5,791,641	8.89%



Recent Sales Tax Legislation

- HB 157 allows cities to reallocate a portion of their sales tax in 1/8 increments
- Must be approved by election
- Would allow a reallocation of the General, EDC, and CDC sales taxes.
- Staff evaluating various scenarios and the impact upon the corporations and General Fund
- Potential funding for street project

Revenue for Street Projects

- Sales tax reallocation of $\frac{1}{4}$ cent
 - Possible \$187,500 under conservative scenario
- Max Roadway Impact Fees
 - Budgeting \$161,000 under current fee structure (only includes residential)
 - Could be \$295,327 under maximum impact fee
 - Would increase service area 1 from \$1,000 to \$2,106.00
 - Would increase service area 2 from \$1,000 to \$1,849.50
 - Considerations for CIP eligible roadways constructed by developer

ANNA CITY COUNCIL

MINUTES REGULAR SESSION

April 26, 2016

The City Council of the City of Anna met in Regular Session on the above date at Anna City Hall, located at 111 North Powell Parkway (Hwy 5), to consider the following items.

1. Call to Order, Roll Call and Establishment of Quorum.

Mayor Crist called the meeting to order at 7:32 p.m.

Council Members Justin Burr, Lauren Lovato, John Beazley, Nathan Bryan and Dick Dowd were present. Chad Barnes was absent

2. Invocation and Pledge of Allegiance.

Mayor Crist led the Invocation and Pledge of Allegiance.

3. Citizen comments. *Citizens are allowed 3 minutes to speak. The Council is unable to respond to or discuss any issues that are brought up during this section that are not on the agenda, other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry.*

No Comments

4. Receive reports from Staff or the City Council about items of community interest. *Items of community interest include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen (but not including a change in status of a person's public office or public employment); a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.*

No Reports

5. Consent Items. *These items consist of non-controversial or “housekeeping” items required by law. Items may be considered individually by any Council member making such request prior to a motion and vote on the Consent Items.*

a. Approve the City Council Minutes for April 12, 2016. (Carrie Smith)

MOTION: Council Member Dowd moved to approve. Mayor Crist seconded. Motion carried 6-0.

6. (a) Conduct a Public Hearing on a request for a Specific Use Permit for an animal grooming and boarding facility on property located at the southwest corner of the intersection of Sam Rayburn Memorial Highway (State Highway 121) and FM 2862, generally known as 7522 Sam Rayburn Memorial Hwy.

AKA: Kane’s Sleepy Dog Resort

Mayor Crist opened the public hearing at 7:36 p.m.

Applicant Steve Mills, 11548 Makin Rd, Blue Ridge – requested Council approve the SUP.

Mary and Jesse Valverde, 7882 CR 513 spoke in favor.

Candace Frazee, 7927 CR 502 spoke in favor.

Mayor Crist closed the public hearing at 7:38 p.m.

(b) Consider/Discuss/Action regarding an Ordinance approving a Specific Use Permit for an animal grooming and boarding facility on property located at the southwest corner of the intersection of Sam Rayburn Memorial Highway (State Highway 121) and FM 2862, generally known as 7522 Sam Rayburn Memorial Hwy. (Maurice Schwanke)

MOTION: Council Member Bryan moved to approve. Council Member Lovato seconded. Motion carried 6-0.

7. Consider/Discuss/Action regarding a Resolution approving an Interlocal Agreement with Collin County for the US 75 Utility Relocation Project, and authorizing the City Manager to execute an engineering task order for the US 75 Utility Relocation Project. (Joseph Johnson)

On March 8, the City Council approved a Resolution authorizing an Interlocal (ILA) Agreement with Collin County for the US 75 Utility

Relocation Project. On April 18, the County Commissioner's Court approved the ILA but amended Article IV and Article V prior to their approval.

RESOLUTION 2016-04-168 - A RESOLUTION OF THE CITY OF ANNA, TEXAS APPROVING AN INTERLOCAL AGREEMENT WITH COLLIN COUNTY FOR THE US 75 UTILITY RELOCATION PROJECT; AUTHORIZING THE CITY MANAGER TO EXECUTE AN ENGINEERING TASK ORDER FOR THE US 75 UTILITY RELOCATION PROJECT; REPEALING RESOLUTION NO. 2016-03-149; AND REPEALING RESOLUTION NO. 2016-03-150.

MOTION: Council Member Beazley moved to approve. Council Member Bryan seconded. Motion carried 6-0.

8. CLOSED SESSION (EXCEPTIONS): Under Tex. Gov't Code Chapter 551, the City Council may enter into closed session to discuss any items listed or referenced on this agenda under the following exceptions:

- a. consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (**Tex. Gov't Code §551.071**); ETJ Boundary, Building Permit Requirements.
- b. discuss or deliberate the purchase, exchange, lease, or value of real property (**Tex. Gov't Code §551.072**); acquisition of right-of-way, easements, and land for municipal facilities.
- c. discuss or deliberate personnel matters (**Tex. Gov't Code §551.074**); City Attorney annual review.

The Council further reserves the right to enter into closed session at any time throughout any duly noticed meeting under any applicable exception to the Open Meetings Act.

MOTION: Council Member Burr moved to enter closed session at 7:46 p.m. Mayor Crist seconded. Motion carried 6-0.

Mayor Crist reconvened the meeting at 8:56 p.m.

9. Consider/Discuss/Action on any items listed on the posted agenda or any closed session occurring during this meeting, as necessary.

MOTION: Council Member Bryan moved to take no action. Council Member Beazley seconded. Motion carried 6-0.

10. Adjourn.

MOTION: Mayor Crist moved to adjourn. Council Member Bryan seconded. Motion carried 6-0.

Mayor Crist adjourned the meeting at 8:57 p.m.

Approved on the 10th day of May, 2016.

ATTEST:

Carrie L. Smith

City Secretary Carrie L. Smith

Mike Crist

Mayor Mike Crist

