

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this, the 24th day of September 2020, the City Council of the City of Corinth, Texas, met in Regular Session at the Corinth City Hall at 5:45 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place, and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Scott Garber, Council Member
Tina Henderson, Council Member
Kelly Pickens, Council Member

Staff Members Present:

Bob Hart, City Manager
Lee Ann Bunselmeyer, Finance, Administration, Communications & Marketing Director
Chris Rodriguez, Assistant Finance Director
Patricia Adams, Rockefeller, & Fort
Jason Alexander, Economic Development Corporation Director
Cody Collier, Public Works Director
Michael Ross, Fire Chief
Jerry Garner, Police Chief
Shea Rodgers, Technology Services & Communications Manager
Lana Wylie, Interim City Secretary
Lance Stacy, City Marshall
Miguel Inclan, Planner

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

Mayor Heidemann called the meeting to order at 5:45 P.M. The Invocation was delivered by Council Member Garber followed by the Pledge of Allegiance and the Texas Pledge.

Mayor Heidemann recessed the Special Session Meeting at 5:47 P.M. to convene into Closed Session. Mayor Heidemann recessed the Closed Session and reconvened back into Special Session at 6:04 P.M.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Council Member, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

1. Consider and act on the minutes from the August 13, 2020, workshop session.
2. Consider and act on minutes from the August 13, 2020, regular session.
3. Consider and act on minutes from the August 20, 2020, workshop session.
4. Consider and act on minutes from the August 20, 2020, regular session.

MOTION made by Council Member Garber to approve the Consent Agenda and seconded by Mayor Pro Tem Burke.

AYES: Burke, Garber, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

CITIZENS COMMENTS:

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

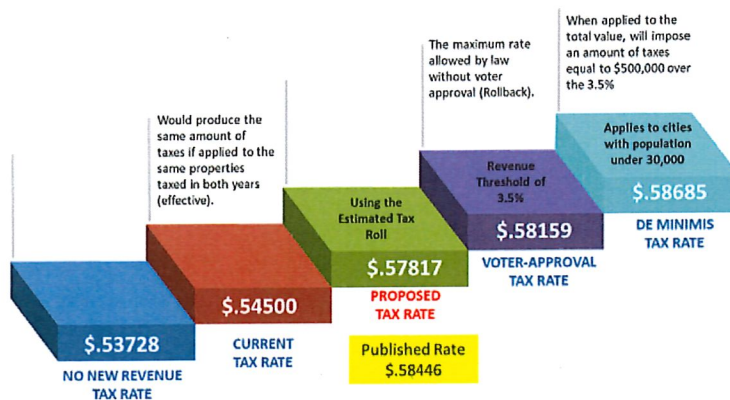
Wilma Stackhouse of 3812 Red Oak Drive filled out a citizen comment request form. She decided not to speak but wrote the following: This is not the time to burden the taxpayer with any of these items. People are out of jobs or their salaries have been cut. Covid-19 is not over. Spring might be a better time.

BUSINESS AGENDA:

1. Consider and act on an Ordinance adopting the 2020-2021 Annual Budget and appropriating resources for the budget year beginning October 1, 2020.

Finance Director Bunselmeyer gave a presentation to the City Council for the 2020-2021 Annual Budget. She responded to questions from the Council.

PROPERTY TAX RATE ANALYSIS
Using Certified Estimate Value of \$2,471,111,888



TAX RATE COMPARISON

	2016	2017	2018	2019	2020 Certified
Certified Value	\$1,799,383,154	\$1,952,654,794	\$2,159,281,283	\$2,376,455,965	\$2,471,111,888
Change in Value	9.82%	8.52%	10.58%	10.06%	3.98%
Property Tax Rate					
General Fund	\$0.44298	\$0.42791	\$0.42711	\$0.43211	\$0.43923
Debt Service	0.13895	0.10895	0.10289	0.11289	0.13894
Total Tax Rate	\$0.58193	\$0.53686	\$0.53000	\$0.54500	\$0.57817
Change in Tax Rate	(0.296¢)	(4.50¢)	(0.686¢)	1.50¢	3.31¢

NEW VALUE ADDED

	2016	2017	2018	2019	2020 Certified
New Value Added	\$33,390,497	\$19,490,199	\$56,348,794	\$62,590,319	\$42,562,941
Tax Rate	\$0.58913	\$0.53686	\$0.53000	\$0.54500	\$0.57817
Tax Bill Allocation:					
General Fund	\$147,913	\$83,400	\$240,671	\$270,459	\$186,949
Debt Service Fund	46,396	21,235	57,977	70,658	59,137
Total New Taxes	\$194,309	\$104,635	\$298,648	\$341,117	\$246,086

New Value equals 1.72% of the Ad Valorem Tax Growth

TAX REVENUE ANALYSIS

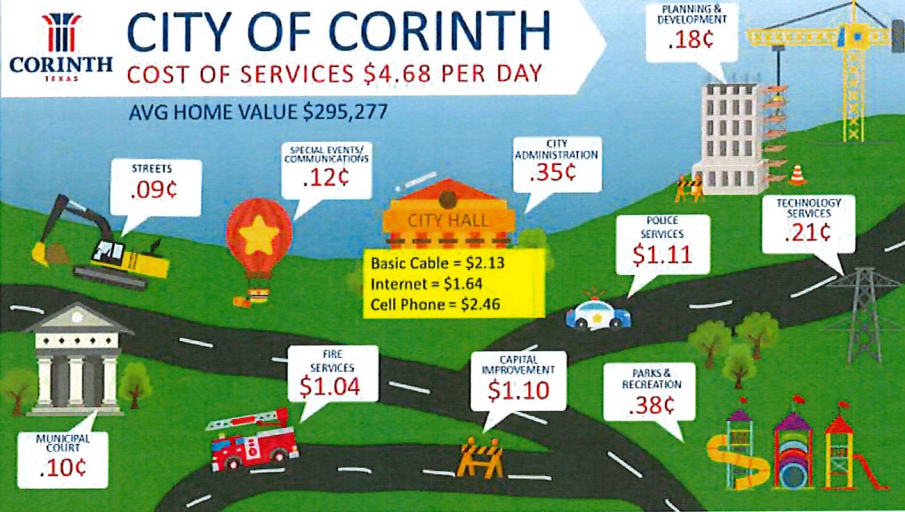
Property Tax Revenue	General Fund	Debt Service Fund	Total	2020 Tax Revenue Increase =
Tax Rate	.43923	.13894	.57817	\$1,280,759
FY19 Assessed Value	\$10,268,904	\$2,682,781	\$12,951,685	General Fund = \$530,175
Increase in Existing Properties	398,012	691,447	1,089,459	Debt Service Fund = \$750,584
New Improvements	186,949	59,137	246,086	
Less TIRZ Allocation	(54,786)	0	(54,786)	
Total Property Tax Revenue	\$10,799,079	\$3,433,365	\$14,232,444	

AVERAGE HOME VALUE COMPARISON

	2016	2017	2018	2019	2020
Avg Home Value	\$229,765	\$249,112	\$269,668	\$287,779	\$295,277
Tax Rate	.58193	.53686	.53000	.54500	.57817
Average Tax Bill:					
General Fund	\$1,018	\$1,066	\$1,152	\$1,244	\$1,297
Debt Service Fund	319	271	277	325	410
Total Taxes Due	\$1,337	\$1,337	\$1,429	\$1,569	\$1,707

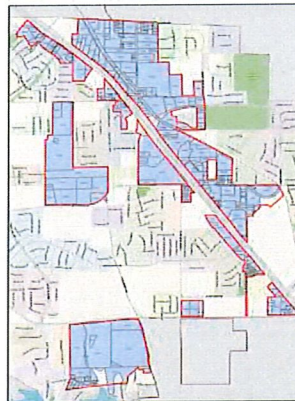


Average Home Value Tax Bill Impact
\$138 or
8.8% Increase



TAX INCREMENT REINVESTMENT ZONE

- ❖ The Reinvestment Zone #2 was created in September 2019.
- ❖ The City elected to dedicate 50% of the increment value in the Reinvestment Zone.
- ❖ FY2021 will be the first year of payments to the TIRZ.
- ❖ ~~Expenditures include \$70,000 Agora Park Design and Marketing~~



Base Year 2019	Taxable Value
	\$201,225,380
Tax Year 2020	\$226,171,568
Incremental Value	\$24,946,188
TIRZ Value (50%)	\$12,473,094
2020 TIRZ Revenue	\$54,786
2020 General Fund Revenue	\$54,786

PROACTIVE GOVERNMENT

FY2021 NEW PROGRAM FUNDING

Youth Advisory Council - \$5,000
 Lucas CPR Devices - \$21,000
 Pinnell Drainage - \$50,000
 Agora District Park Transfer - \$500,000
 Broadband Fund Transfer - \$52,500
 Smart Cities Initiative - \$10,000
 Public Works Facility Security - \$67,500

GENERAL FUND
\$656,000

SALES TAX FUNDS
\$1,686,914

TXDOT 4 Corners Acquisition - \$1,351,000
 Police Shields/Entry Tools - \$24,670
 Body Cameras/Server - \$81,000
 Fire MDT's - \$47,744
 Fire Training Facility - \$30,000
 Fire Radio Upgrade - \$112,000
 Fire Thermal Imaging Camera - \$8,500
 Lifepak Monitor/ Defibrillator - \$32,000

Water/Wastewater:
 TCEQ Risk Assessment - \$70,000
 Asset Management - \$45,000
 Garbage/Sales Tax - \$156,052
 Public Works Facility Security - \$67,500

UTILITY FUNDS
\$488,552

SPECIAL REVENUE FUNDS
\$309,188

Public Safety Statue - \$170,000
 ADA Community Park Bleachers - \$19,188
 Neighborhood Trees - \$50,000
 Agora District Design/Marketing - \$70,000

Broadband: Fiber - \$150,000

IMPACT FEE FUND
\$500,000

INTERNAL SERVICE FUNDS
\$136,208

Replace Medic 440 - \$41,667
 City Hall Access & Control System - \$19,149
 Patrol Vehicles Aftermarket - \$75,392

Dobbs Road Reconstruction - \$500,000

OPERATING BUDGET OVERVIEW

General Fund Assumes Proposed Tax Rate

	General Fund	Debt Service Fund	Utility Fund	Storm Drainage Fund	Broadband Utility Fund	Reinvestment Zone #2
	REVISED	REVISED	REVISED			REVISED
Estimated Beginning Fund Balance 10/1/20	\$5,305,460	\$118,491	\$3,643,837	\$236,776	\$0	\$0
Revenues	19,768,158	3,433,365	14,787,593	758,870	150,000	54,786
Use of Fund Balance	493,752	0	-	-	0	-
Total Resources	\$20,261,910	\$3,433,365	\$14,787,593	\$758,870	\$150,000	\$54,786
Expenditures	19,605,910	3,433,365	14,406,761	747,287	0	0
New on-going Programs	15,000	0	156,052	0	0	0
One-time Programs	641,000	0	182,500	0	150,000	0
Total Expenditures	\$20,261,910	\$3,433,365	\$14,745,313	\$747,287	\$150,000	\$0
Estimated Ending Fund Balance 9/30/21	\$4,811,708	\$118,491	\$3,686,117	\$248,359	\$0	\$54,786
% of Total Expenditures	23.74%		25.00%	33.23%		
Policy Target	20.00%		25.00%	25.00%		

CAPITAL PROJECT OVERVIEW

Project Name	Project Total Costs	Existing Bond Proceeds	FY21 Budget Allocation	Unfunded Project Amount
Agora District Parks & ROW	\$3,000,000	\$2,500,000	500,000	\$0
TOD West Land Acquisition	\$1,900,000	-	-	\$1,900,000
North Corinth Street	\$3,220,000	-	-	\$3,220,000
NCTC Way	\$2,500,000	-	-	\$2,500,000
Main Street	\$2,212,000	-	-	\$2,212,000
Agora Way	\$750,000	-	-	\$750,000
Lynchburg Creek Watershed	\$3,876,844	\$969,211	(Grant) \$2,907,633	\$0
Wetlands & Flood Mitigation	\$1,000,000	\$1,000,000	-	\$0
TOD North Land Acquisition	\$2,000,000	-	-	\$2,000,000
TX Dot 4 Corners Land Acquisition	\$1,351,000	-	\$1,351,000	\$0
Dobbs Rd Reconstruction	\$500,000	-	\$500,000	\$0
Public Safety Communication	\$172,000	-	\$172,000	\$0
Fiber Optic Line	\$150,000	-	\$150,000	\$0
TOTAL FY21 CIP	\$22,631,844	\$4,469,211	\$2,173,000	\$12,582,000

Mayor Heidemann opened communication for those who would like to speak

Terry Smith of 3804 Red Oak Drive stated: I'm a registered voter, one of 15,000. I've been researching this for over a week since the last council meeting, and it was quite interesting, what I discovered by Mr. Google on everything. A little background, I wanted the compliment Mr. Hart for doing an excellent job

with the detail on this budget, so we knew what was going on. Mr. Mayor, I look up to you and the years of experience and age. You are much older than I am, and you've got a life experience, which is excellent. I look at the council experience of being on this council, devotion and volunteering time, effort, and concern for the people in this community. I appreciate our city manager outlining, like I said, in depth, the budget and suggestions of improvement. I was surprised that he recommended that you all needed additional training and understanding of what your job description is. Two council members have five years each on the council. You have six, another council member has two, the other one has one collectively. I would think that you wouldn't have your positions, if you didn't know what you're doing. So, it's kind of a surprise, kind of shocked me as such, and it was really a recommendation. The citizens of this community are at a difficult time. As you might know, I'm in the exhibit trade show business, 6,000 people in one company didn't get laid off or furloughed, they were fired, completely lost their income so these guys are 55-56 years old. That's all we've ever known, is that industry. CES, which is a Consumer Electronics Show has been cancelled. It's one of the biggest revenue streams of the tradeshow industry. It's one of the big boys. All other things, yeah like dominoes. It affected everybody in the industry, so they're without money. They don't have anything. The \$1200 given by the government, gone. That lasted about a week, as you may all know. You only allowed three minutes; I understand my Constitutional rights are only three minutes. Okay, thank you.

There were no other comments.

MOTION made by Council Member Garber to approve an ordinance adopting the fiscal year 2020-2021 Annual Budget, and appropriating resources for the fiscal year beginning October 1, 2020, and ending September 30, 2021. Mayor Pro Tem Burke seconded the motion.

AYES: Burke, Garber, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

2. Consider and act on an Ordinance levying and adopting the tax rate for the 2020-2021 Fiscal Year.

City Manager Hart outlined the tax rate and recommendation in the budget of .57817 cents for the tax rate to cover both operations and maintenance and for the debt service.

MOTION made by Mayor Pro Tem Burke to move to approve an ordinance that the property tax rate be increased by the adoption of a tax rate .57817 per \$100 assessed valuation, which is effectively a 6.08% increase in the tax rate. Council Member Pickens seconded the motion.

AYES: Burke, Garber, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

3. Consider and act on an Ordinance approving the 2020 Tax Rolls and accepting the anticipated collection rate of 100 percent for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

This was covered by Mrs. Bunselmeyer on roughly the tax roll of \$2.46 billion and you are assuming a 100% collection rate. The recommendation is accepting roll from DCAD and assuming 100% collection rate.

MOTION made by Council Member Henderson to approve the ordinance, accept the 2020 tax roll, and accept the submission on the certified collection rate of 100% for the fiscal year beginning October 1, 2020, and ending September 30, 2021. Council Member Pickens seconded the motion.

AYES: Burke, Garber, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

4. Consider vote to ratify the property tax increase reflected in the city's annual budget for FY 2020-2021.

MOTION made by Council Member Garber to ratify the property tax increase reflected in the city's annual budget for fiscal year 2020-2021. Mayor Pro Tem Burke seconded the motion.

AYES: Burke, Garber, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each Council Member the opportunity to provide general updates and/or comments to fellow Council Members, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Council Member may direct that an item be added as a business item to any future agenda.

Mayor Pro Tem Burke thanked the staff for the clarity of the budget. For our residents, I appreciate this a hard time for many people. If I were in their position, I might be questioning why my representative was raising my tax rate. We are doing that because we think it is in the long-term best interest of this community. We feel we have an opportunity to borrow money at a historically low rate, to improve our downtown area, and in a way that this kind of once in a generation, I think, based on opportunities we have with possibly DCTA and with the County; to create a transit-oriented development (TOD) with the timing we've got with open land surrounding City Hall with our partnership and the chance to expand our partnership with NCTC. I think it's an opportunity that we had to seize. It's not something that we started planning a few weeks or a few months ago, it's a result of a multiyear effort, feedback from the community, and a lot of thoughtful deliberation of the other members of the Council and our great staff and city manager. If anybody has any questions about why we are doing it, why now is the time we needed to do it, there are answers to those questions. You may not agree with those answers, but there are answers, and any of us are happy to answer them. So, if you've got them, you don't have to Google it, you can reach out to us, and we will answer them. Thank you.

Council Member Garber thanked the staff for getting them through this year. With House Bill 2, the state legislature that went on record saying that these next four years, and we're two years into it, were going to be the most challenging legislative sessions for cities, in the most restrictive way, and we still have many

things in the air. You know, potentially, where our sales tax will go and who knows what will happen through this next session. The presented budget, the way it was presented with all those what if's, I thought was excellent. I could not have been prouder, so thank you.

Council Member Henderson echoed the sentiments of Burke and Garber, stating this year was amazing. The first year I didn't understand anything, and this year I had a million questions; thank you, Lee Ann, for not making me feel like they were not important, and I appreciate your time. I also appreciate Mr. Hart for the time he took to educate me on the budget process. Thank you all very much, and I would also thank Shea for your time today with the cyber protection.

Council Member Pickens echoed her appreciation for the staff and hard work they have put into the budget. Before I sat on Council, I guess I took for granted all the work it takes to run a city, and I have had a crash course, this is number two for me. The first one, like, Tina, I was just trying to understand. I'm getting a better grasp on it, understand the complexities of it. Through COVID, you powered through and didn't let it stop you, and our city operated, like the fine machine that it is, and Mr. Hart, we must all appreciate your time and all your effort that went into this.

Mr. Hart thanked the City Council and how this goes back to the strategic plan and the workshops held in May. It makes the process easier for us. We have some exciting opportunities coming up at a really fast pace.

Mayor Heidemann said there is no I in a team. You have a great staff, a great Council, and we are doing this to benefit Corinth's residents. Corinth is a great place to be and a great place to live.

CLOSED SESSION

The City Council will convene into closed session to consider any matters regarding matters pursuant to Chapter 551 of the Texas Government Code.

Closed Session convened at 5:47 P.M.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

a. Update on internal control review.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

a. Right-of-way consisting of .198 acres located at 6801 S I-35E and 3404 Dobbs Road along Dobbs Road within the H. Garrison Survey, Abstract No. 507, within the City of Corinth, Denton County, Texas (F)

b. Being 10.49 acres of land located in the J. WALTON SURVEY, Abstract No. 1389, City of Corinth, Denton County, Texas, and being a portion of the tract of land conveyed to Anchor City Investments, LLC, by the deed recorded in Instrument No. 2006-90896, of the Deed Records of Denton County, Texas (D)

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties,

discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

a. Project Agora

b. Project Daylight

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

Mayor Heidemann recessed Closed Session at 6:04 P.M.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

MOTION made by Mayor Pro Tem Burke to approve the City Manager enter into and closing the purchase of a piece of real property, consisting of approximately 10.49 acres, currently owned by Anchor Bay properties for the purchase price of \$3,198,611.00, plus closing costs. Council Member Garber seconded the motion.

AYES: Garber, Henderson, Pickens
NOES: None
ABSENT: None

ADJOURN:

Mayor Heidemann adjourned the meeting at 6:39 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the 19th day of November 2020.

Lana Wylie
Lana Wylie, Interim City Secretary
City of Corinth, Texas

