MINUTES OF THE SPECIAL CALLED CITY COUNCIL MEETING
CITY OF SPRING VALLEY VILLAGE, TEXAS
TUESDAY, JUNE 25, 2024 AT 5:00 P.M.
IN THE COUNCIL CHAMBERS OF CITY HALL
1025 CAMPBELL ROAD, HOUSTON, TEXAS

1. CALL THE ROLL AND ANNOUNCE A QUORUM IS PRESENT

With a quorum of the Council Members present, the Special Called Meeting of the Spring Valley Village City Council was called to order by Mayor Vajdos at 5:05 p.m.

Members Present:
Mayor Marcus Vajdos
Council Member Steve Bass
Council Member Joy McCormack
Council Member David Dominy (arrived at 5:34 p.m.)
Council Member John Lisenby

Members Absent:
Mayor Pro-Tem Allen Carpenter

2. DISCUSSION AND POSSIBLE DIRECTION CONCERNING: Budget Policy Assumptions To Use In Development of Fiscal Year 2024-2025 Budget.

City Administrator John McDonald opened the discussion and presented the budget policy assumptions that City staff are currently using to develop the FY 2025 Budget and requested direction from the Council concerning the individual policy assumptions to ensure that both Staff and the Council are on the same page while development of the budget is underway. The budget policy assumptions were:

Revenues

- To use a conservative approach using trend analysis taking into account factors not yet reflected in data with the evolving changes in the economy. The trend of lower sales tax revenues will continue in 2024.
  - Property Tax Revenues
    - A copy of the 2024 Certified Estimate of Taxable Value from Harris County Appraisal District Dated April 30, 2024, was provided in the packet. The 2024 projected property values show an overall increase of 5.72%.
    - The projected increase for Residential is 6.07% (six-point zero seven percent) and 5.57% (five-point five seven percent) for Commercial.
    - Use the property tax rate of $0.39500, which is the same as the current tax rate. If financially prudent, evaluate possible property tax rate reduction options.
    - Use a 99% (ninety-nine) collection rate to estimate property tax revenues.
    - For Sales Tax Revenues and all Municipal Court-related Revenues, use an average of the three (3) previous fiscal years' averages to estimate the revenues.

- Continue to evaluate the fee schedules making sure that the charges are enough to cover our expenses because of the continual changes to the cost of doing business. Staff is currently reviewing existing fees and fee structure.

Expenditures/Expenses

- With the exception of Salaries & Benefits and specific line items that are already known, use the FY 2024 Adopted Budget as the FY 2025 base budget. The line items that have already been identified for an increase include Park Maintenance and activities, funding for the Village Fire Department, and Water Treatment.
- To forecast expenditures/expenses, use a conservative approach including trend analysis, and account for factors that may not be reflected in data yet such as unfunded mandates, and specific needs of Departments to maintain and/or improve service levels to the residents.
- The Group Health Insurance with Village Mutual Group changed medical insurance companies last year and it is expected that the increases for this year's renewal will be covered with the current budgeted amounts, but estimates should be available in July.
- The Budget Proposal for salaries has been set at an estimated 4% (four percent) Cost-of Living in adjustments.
- Replacement of three (3) Police Department vehicles. Chief Schulze proposing to replace two (2) patrol vehicles and one (1) administrative vehicle for the FY 2025 Budget.
- Replacement of one (1) Utility Pickup and addition of one (1) Medium Duty Dump Truck for the Public Works Department. The current 1990 Peterbilt Dump Truck will be retained for storm backup and heavy hauling.
- At this time, staff is still awaiting our IT contractor's proposal for recommended upgrades for the next fiscal year.

Capital Improvement Projects

- Continue with the 5-Year Capital Improvement Projects list approved on March 28, 2023, a copy of which was provided with this agenda item.

Following the discussion, it was the consensus of the Council for Staff to proceed with the development of the FY 2024 Budget using the Budget Policy Assumptions as presented. The Council also wants to take a dive into the sales tax revenue trends and compare them with surrounding villages as well as our retailers to see if they are experiencing and seeing the same trends. Continue to look at the landscaping and City monument signs near the sound wall and throughout the City. Council Member McCormack and Mayor Vajdos asked for staff to include the neighboring villages and other cities that are comparable in size in the salary survey and for staff to also look at TMRS for City employees and changing from a 25 (twenty-five) to a 20 (twenty) year city, updated services credits, and COLA (Cost-of Living adjustment). City Administrator McDonald continued the discussion and presented the Council with changes to the vacation policy specifically for shift officers to include additional leave for them and allow for an extra week of leave at 12 (twelve) years. He continued the discussion regarding staff holidays and the three most popular that other cities have that the City currently doesn't have are Martin Luther King Day, Juneteenth, and Veteran's Day. It was noted that most other cities offer 12 (twelve) days between federal and personal holidays. Lastly, the discussion continued regarding 3 (three) weeks of parental leave.

4. ADJOURNMENT

Council Member Dominy made a motion to adjourn the meeting at 5:55 p.m., and Council Member Bass seconded the motion. Motion carried 4-0.

Signed: ______________________________
Marcus Vajdos
Mayor

Attest: ______________________________
Jasmin Torres
City Secretary

CITY OF SPRING VALLEY VILLAGE ★ HARRIS COUNTY, TEXAS ★