

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF MCALLEN**

The McAllen Board of Commissioners convened in a Workshop on **Tuesday, August 2, 2022**, at 4:00 pm, at Champion Lakes Golf Course, 2701 South Ware Road, McAllen, Texas at 4:00 pm.

Mayor Javier Villalobos, Mayor Pro Tem Joaquin Zamora, Commissioner Antonio "Tony" Aguirre, Commissioner Rodolfo "Rudy" Castillo, Commissioner Omar Quintanilla, Commissioner Victor "Seby" Haddad and Commissioner Jose R. "Pepe" Cabeza de Vaca

Staff: City Manager Roel Rodriguez, City Attorney Isaac Tawil, Assistant City Manager Jeff Johnston, Assistant City Manager Michelle Rivera, City Secretary Perla Lara, Budget Director Angie Rodriguez, Finance Director Sergio Villasana

CALL TO ORDER

Mayor Javier Villalobos called the meeting to order.

1. DISCUSSION OF FY 2022-2023 CITY OF MCALLEN BUDGET.

City Manager gave an overview of the General Fund and the Capital Improvement Fund (CIP).

- General Fund – Five Year Summary
- Days in General Fund Balance (Reserves) Ending Balance vs. Minimum Requirement
- General Fund Revenues and Expenditures by Year
- 10 Year Sales vs Ad Valorem Revenue Trend
- Taxable Retail Sales (Comptroller)
- Total Tax Rate, M&O & Debt Rates
- Total Taxable Property Value
- Expenditure Increases, Decreases: 10 year trend
- Street Maintenance Increases, Decreases 10 year trend

Highlights of the 2023 budget were discussed as follows:

- Property Tax Rate Reduction
- \$620 M Total Budget
- Capital Projects
- Compensation/Benefits increases to all employees
- 32 New Employees
- Obligating all ARPA funds
- Increase General Fund Balance significantly
- Re/Exp = 6.2 MM
- 223 Days of Working Capital – Policy = 140
- Funding over \$6MM of Departments \$10MM Requests
- Funding Anzalduas POE
- Increases Transfers to Chamber
- \$80MM of Sales Tax Collection
- \$20MM of Sales Tax to Development Corporation
- Sales Tax Reduces Property Tax Rate by 19%
- Continue to fund a CIP through segregated Sales Tax from Insight and Gas Royalties

A recap of the General Fund Departments was also reviewed and discussed as follows:

- Summary of Revenues, Expenditures and Fund Balances and General Fund Revenues and Expenditures by Year
- General Fund Departments: Public Safety | Highway & Street | Health & Welfare | Culture & Recreation | Updated Service Credit

Additionally, staff reported on positions being recommended, proposed 3% cost-of-living adjustment and updated service credit. Also reviewed were personnel requests that were not being recommended.

A discussion ensued. Comments and concerns were shared by the Mayor and City Commission. Questions posed by the City Commission were answered.

Staff reviewed general fund decision packages for the following departments:

- City Commission
- City Manager
- City Secretary
- Special Services
- Audit
- Vitals
- Passport Facility
- Municipal Court
- Finance
- Management & Budget
- Tax Office
- Purchasing
- Legal
- Grants Office
- Human Resources
- Planning
- Information Technology
- Office of Communication
- 311 Call Center
- City Hall
- Building Maintenance
- Development Center
- Contingency
- Liability Insurance

- Police
- Radio Shop
- Fire
- Traffic Operations
- Building Permits & Inspections
- Engineering
- Street Maintenance
- Sidewalk Construction
- Street Lightning
- Drainage
- Environmental Health Code Compliance
- Graffiti
- Parks Administration
- Parks
- Pools
- Lark Community Center
- Las Palmas Community Center
- Palm View Community Center
- Quinta Mazatlán
- Library
- Library Lark
- Library Palm View
- Agencies

Additional funds reviewed:

Enterprise Fund:

- Ssanitation Fund
- Champion Lakes Golf Course
- Convention Center
- Performing Arts Center
- Airport
- Transit Terminal
- Metro McAllen
- Toll Bridge
- Anzalduas International Crossing

Internal Service Fund:

- Fleet/Material Management
- General Depreciation
- Health Insurance

- Retiree Health Insurance
- Workers Comp
- Property and Casualty Insurance

Staff briefly discussed the overall goals of said recommendations. A discussion ensued. Comments and concerns were shared by City Council. Questions posed by the City Council were answered.

Mayor Javier Villalobos thanked staff for their presentation.

EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH CITY ATTORNEY), SECTION 551.072 (DELIBERATION REGARDING REAL PROPERTY), SECTION 551.074 (PERSONNEL MATTERS) AND SECTION 551.087 (ECONOMIC DEVELOPMENT).

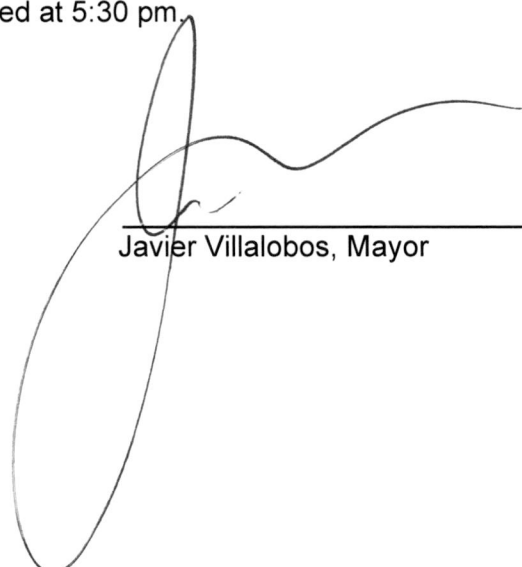
ADJOURNMENT

Without objection, the meeting was adjourned at 5:30 pm.

Attest



Perla Lara, TRMC/CMC, CPM
City Secretary



Javier Villalobos, Mayor