

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

The McAllen Board of Commissioners convened in a Workshop on **Tuesday, August 1, 2023**, 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 Omar Quintanilla, Commissioner Antonio "Tony" Aguirre, Commissioner Joaquin Zamora, Commissioner Rodolfo "Rudy" Castillo, 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 2023-2024 CITY OF MCALLEN BUDGET.

City Manager Roy Rodriguez welcomed everyone and briefly reviewed schedule of budget workshop meetings. Highlights of 2024 Budget were reviewed:

- Property Tax Rate Reduction – 0.4572
- \$655 MM Total Budget
- Capital Outlay/Projects -\$339 MM
- Compensation Increases to all employees
- 17 New Employees
- General Fund Ending Balance of - \$76.5 M
- General Fund Revenue/Expenditures - \$8.1 MM
- 201 Days of Working Capital for General Fund – 140
- Funding over \$7 MM of departments \$16 MM requests
- \$90MM of Sales Tax Collection
- \$22MM 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
- Street Maintenance – continue funding for streets repaving in the amount of \$3.4 M

A discussion ensued. Comments were shared by Council. Questions were asked by council and answered by staff.

Five year summary total days of working capital were reviewed and noted that 201 days is being projected. Questions were raised regarding money returned, sales tax revenue, 2017, 2020, metro area in red, proposed tax rate, no new revenue tax rate, total debt obligation, and budgeted monies. Staff answered questions relating to the five year summary.

Brief overview of the 2023-2024 proposed budget was discussed as follows:

- General Fund
- General Fund Departments
- Enterprise Fund
- Internal Service Fund
- Total General Fund Revenues by Source
- General Fund Expenditures by Service Areas
- Recommended New Employee Positions | General Fund | Enterprise | Internal Service Funds
- FY 2024 General Fund Departments' Budget Requests
- General Fund Decision Package Recap
- Capital Projects Funds Appropriations by Fund
- Development Corporation Fund
- Convention Center Fund
- Performing Arts Center Fund
- Hotel Occupancy Tax Fund
- Venue Tax Fund
- Airport Fund
- Toll Bridge Fund
- Anzalduas Crossing Fund
- Anzalduas CIP Fund
- Anzalduas Cargo Fund
- PEG Fund

- Drainage Fee Fund
- Traffic | Drainage Bond Fund
- Parks Facility Construction Fund
- Infrastructure & Improvement Fund (ARPA)
- Health Insurance Fund
- Agencies

A discussion ensued. Questions were raised regarding franchises, revenues, AT&T reports, cost of living increase, additional one time adjustment, associate municipal judge, general fund positions, decision packages, emergency repairs, building damage, transfers, operating expenses, revenue projections, decreases in hotel occupancy, another health benefits session, agency requests, and capital projects. Staff answered questions posed by Council.

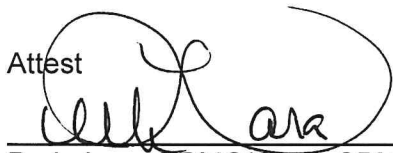
Mayor Javier Villalobos thanked staff for their presentation.

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).

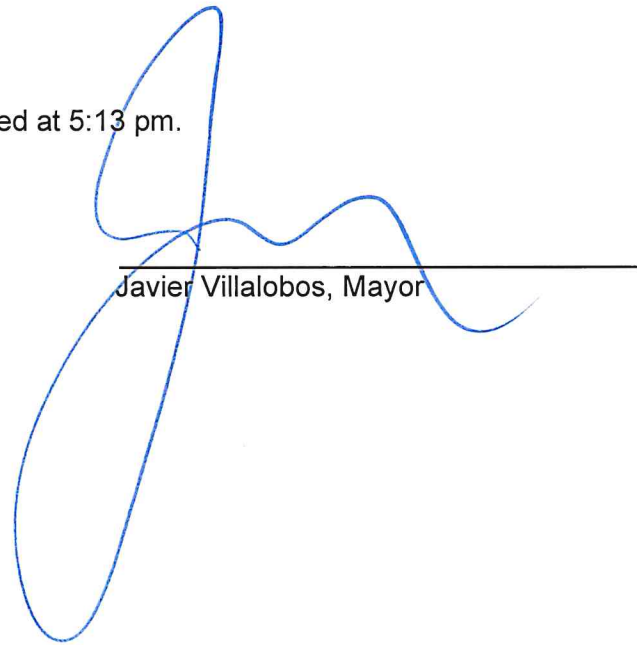
ADJOURNMENT

Without objection, the meeting was adjourned at 5:13 pm.

Attest



Perla Lara, TRMC/CMC, CPM
City Secretary



Javier Villalobos, Mayor