



ACTION AGENDA

CITY OF GRAPEVINE, TEXAS
SPECIAL CITY COUNCIL MEETING
THURSDAY, AUGUST 8, 2019

GRAPEVINE CITY HALL, SECOND FLOOR
200 SOUTH MAIN STREET
GRAPEVINE, TEXAS

5:00 p.m.	Dinner - City Council Conference Room
5:30 p.m.	Call to Order – Council Chambers

CALL TO ORDER: 5:33 p.m.

WORKSHOP:

1. City Council to conduct a workshop relative to the Fiscal Year 2019-2020 budget.
WORKSHOP HELD. NO ACTION TAKEN BY COUNCIL.

ADJOURNMENT: 6:34 p.m.

The Action Agenda is provided as a convenience to citizens, Council and Staff for a quick reference to actions taken at the City Council meeting. The Action Agenda is not the official minutes of the Council meeting. The minutes will be posted on the City's website after they are approved by City Council.

Please contact our office, if you have any questions or comments.



FY20 City Manager's Proposed Budget

presented by

Greg Jordan

August 8, 2019



Budget Agenda

- Workshop
- Gather input/feedback
- Outline budget priorities & highlights
- Economic Overview
- Fund-by-fund overview



Budget Priorities & Highlights

- ▣ Maintenance Budget
- ▣ Sustainability
- ▣ Compensation at 50th percentile
- ▣ Continuity of service (Quality of Life Transfer, Permanent Capital programs, vehicle replacement)
- ▣ Unfunded mandates – loss of franchise fee revenue, DFW revenue share



Budget Priorities & Highlights

FY20 General Fund	Cost
Compensation (Fire and General employees)	\$900,000
CCPD Transfer	350,000
State Mandated DFW Revenue Share	300,000
Full Restoration of the PCMF Transfer	259,000
Landscape maintenance	240,000
Retail items for Parks with offsetting revenue	200,000
Hardware maintenance at Public Safety Building	180,000
Economic Development Incentive	50,000
Community Distributions	30,000
Total	\$2,509,000

Loss of Revenue - Franchise Fees	Loss
Reduced franchise fees per SB 1152 (loss of revenue is equal to 4% of Ad Valorem revenue)	(\$500,000)



Compensation

FY20 Comp	Merit	Steps	Market	Total
General	2%	N/A	3%	5%
Police & Fire	N/A	3% or 5%	3%	6% or 8%

Max of Range	Lump Sum	Steps	Market	Total
General	N/A	N/A	3%	3%
Police & Fire	N/A	N/A	3%	3%

*All employees must successfully pass the annual evaluation to receive Merit/Step increases



Compensation Fund Perspective

Compensation (Salaries, TMRs, Medicare)	FY19 Budget	FY20 Prop	\$ Change	% Change
General Fund	\$29,045,806	\$29,994,366	\$948,560	3.3%
CVB	5,578,876	5,902,216	323,340	5.8%
Storm Drainage Utility	529,980	537,235	7,255	1.4%
CCPD	11,431,276	12,180,584	749,308	6.6%
Lake Parks	297,442	340,681	43,239	14.5%
Economic Development	493,629	510,426	16,797	3.4%
Water & Sewer	3,494,619	3,685,157	190,538	5.5%
Golf	1,229,676	1,277,942	48,266	3.9%
Grand Total	\$52,101,304	\$54,428,607	\$2,327,303	4.5%

Property Tax



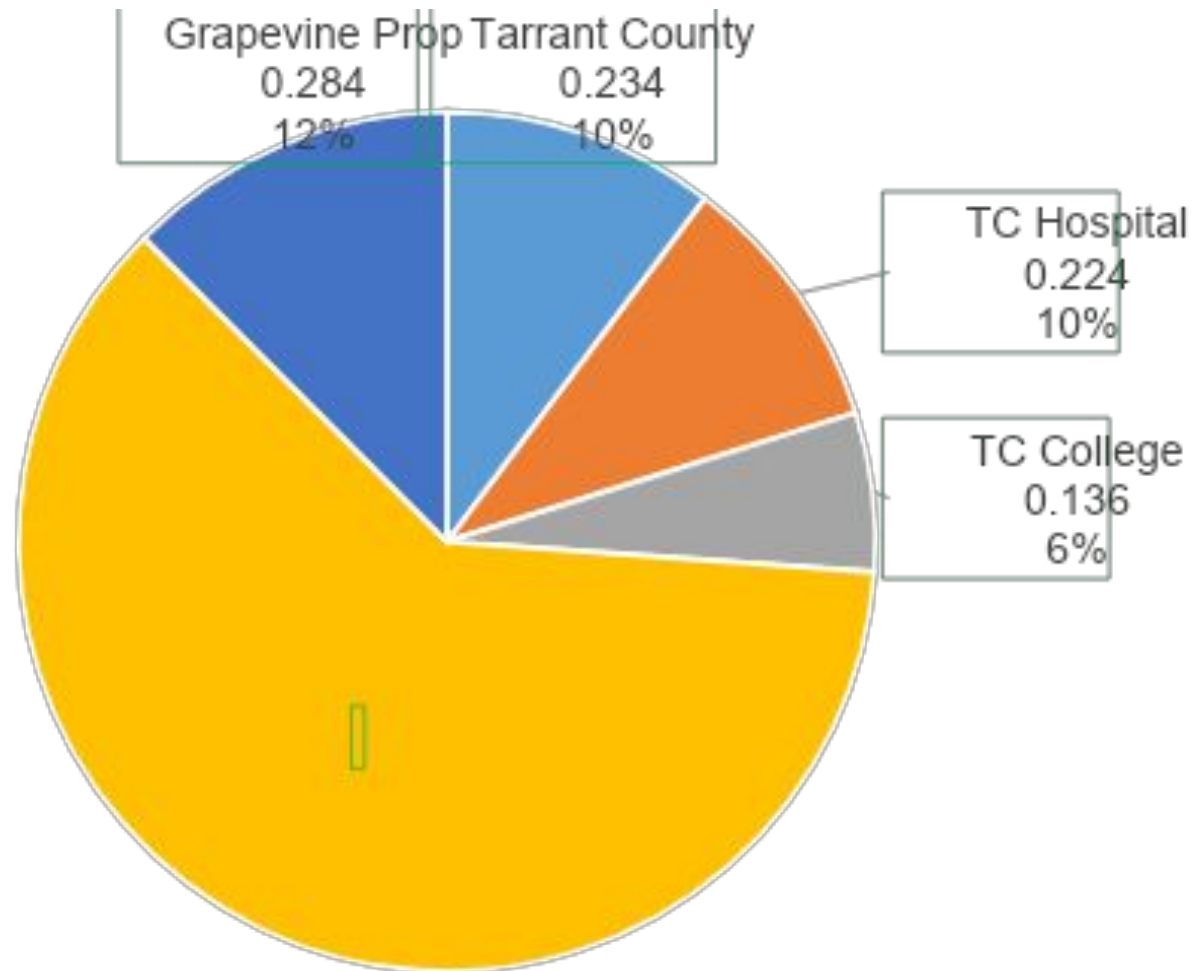
Budget Highlights

Property Tax

- FY19 Property Tax rate is 0.289271 per \$100 of valuation
- Proposed budget recommends a half-cent reduction to the property tax rate
- New rate **\$0.284271**



Property Tax Rate by Jurisdiction



General Fund

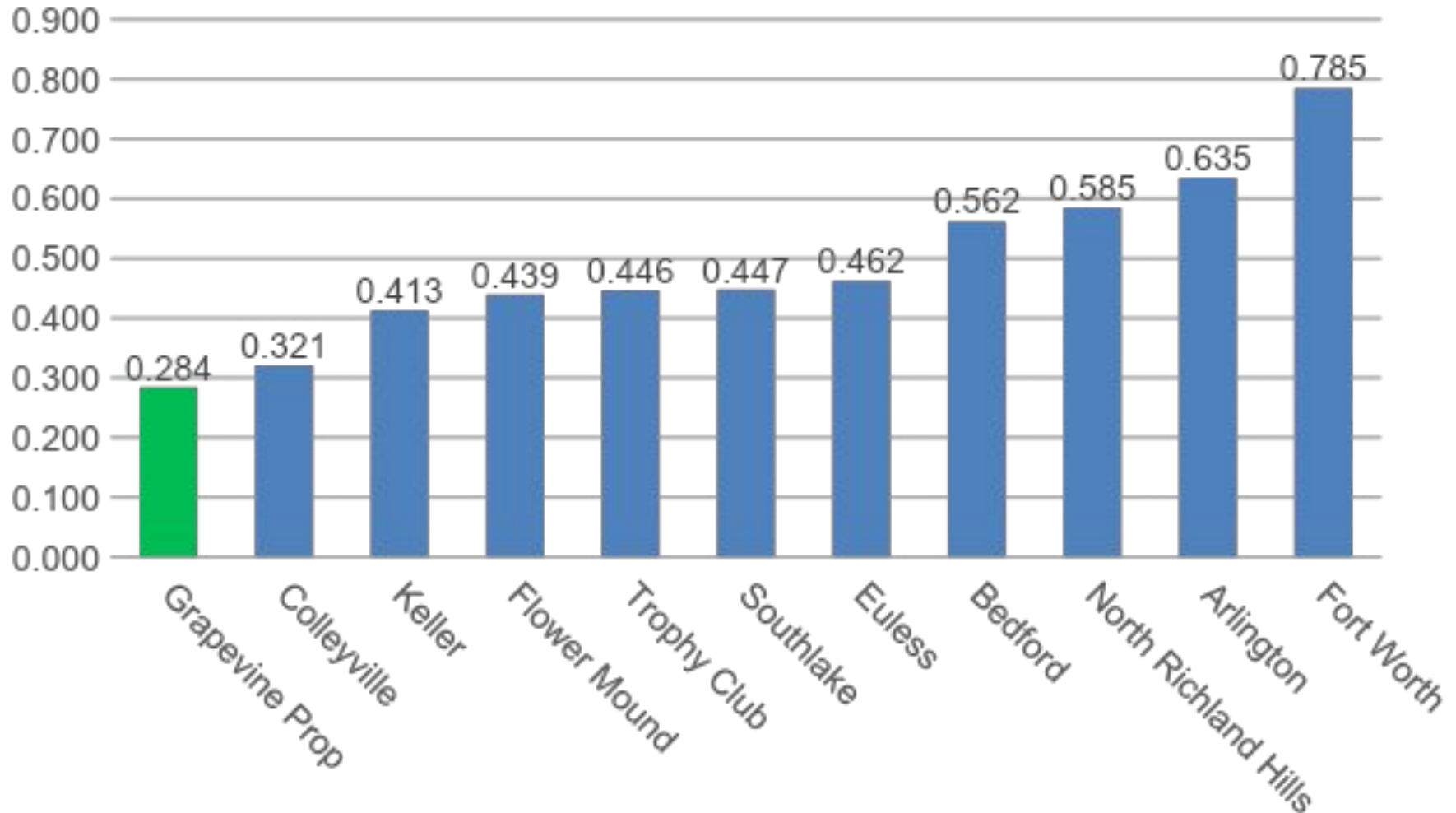
Ad Valorem Sources



Value Detail	Percent
Real Estate Residential	35.05%
Real Estate Commercial	42.21%
Real Estate Industrial	0.38%
Personal Property Commercial	21.76%
Personal Property Industrial	0.59%
Mineral Lease Properties	0.01%
Total Value	100.00%



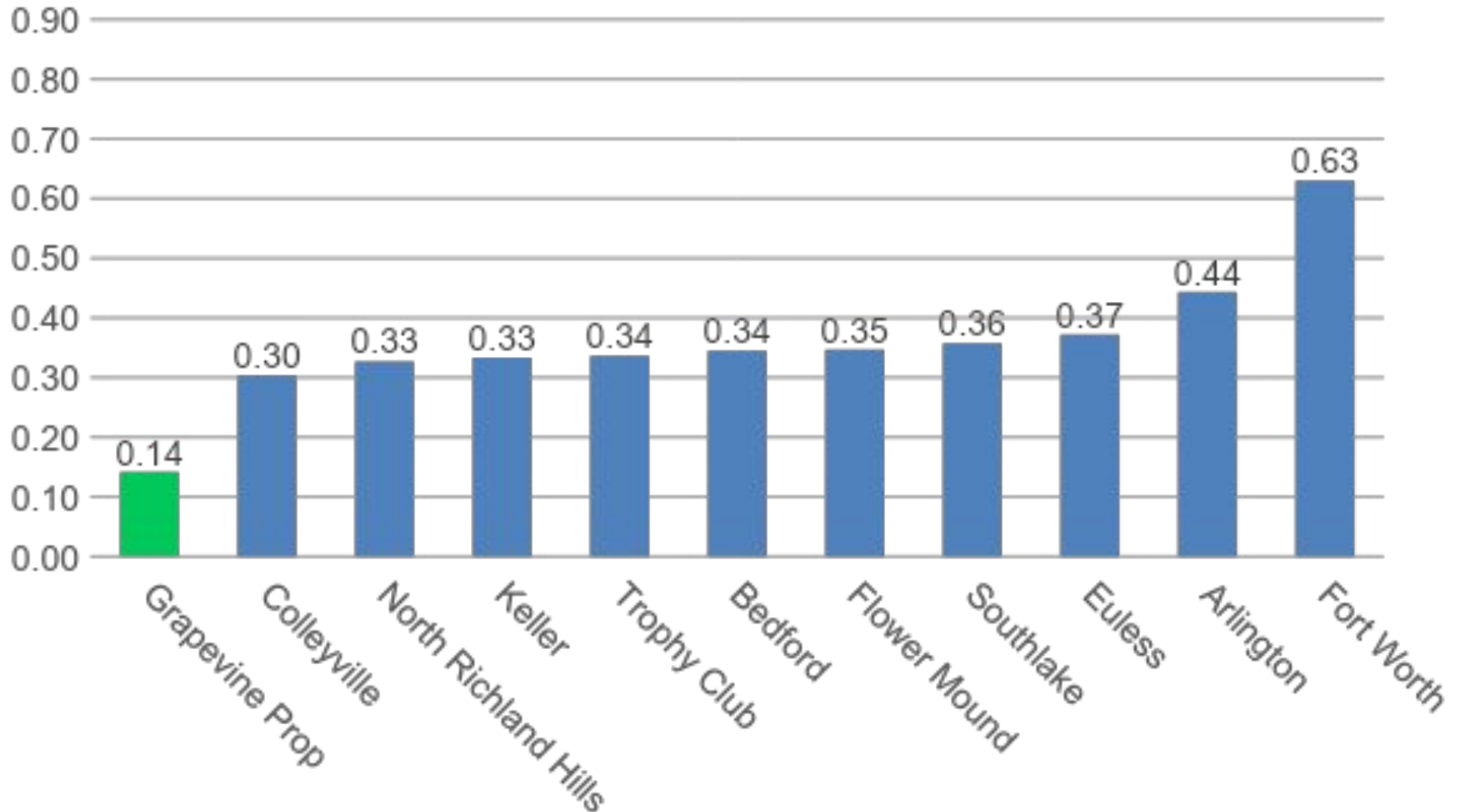
General Fund Total Tax Rate



Based on FY19 Adopted Budgets, Grapevine FY20 Proposed



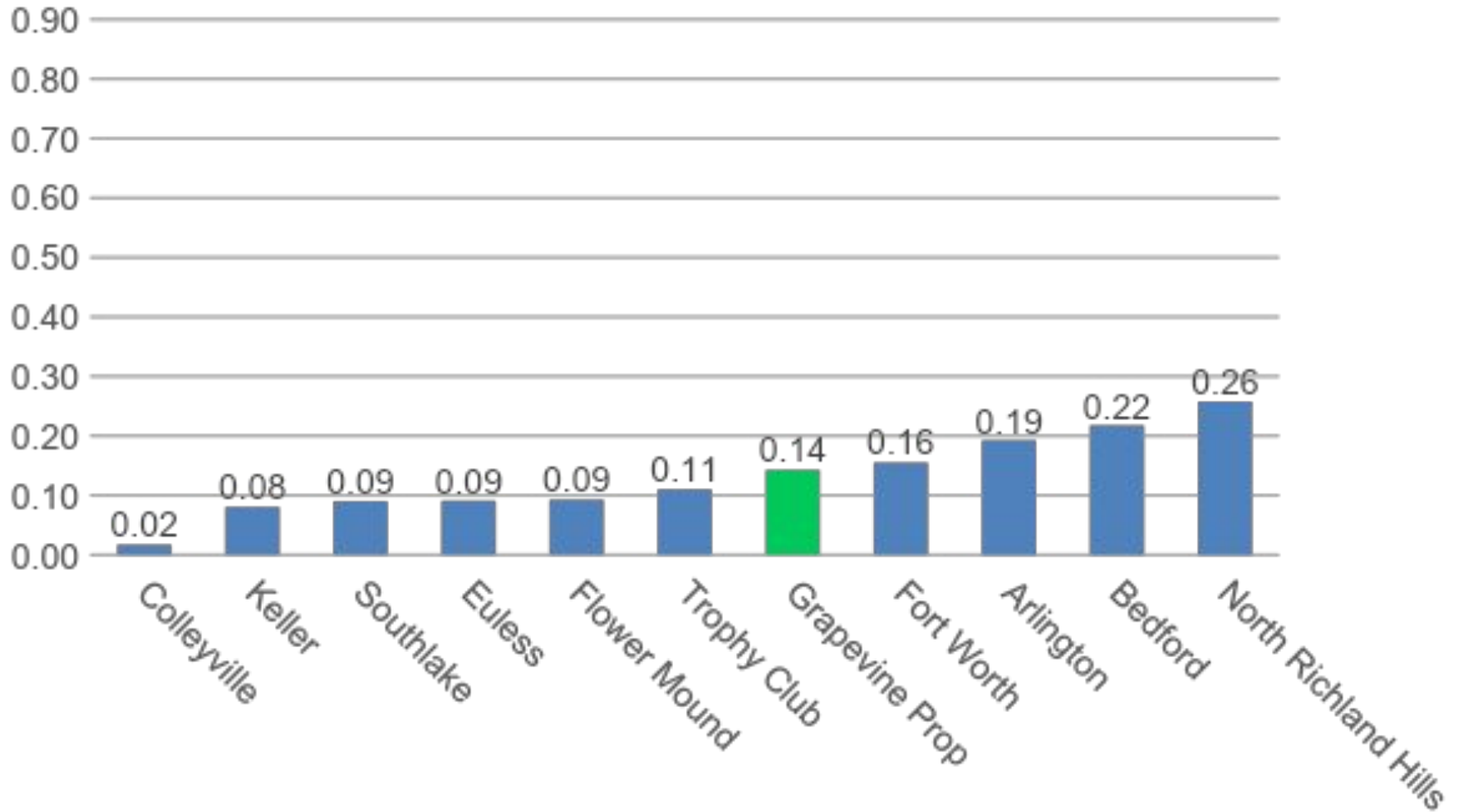
General Fund M&O Rates



Based on FY19 Adopted Budgets, Grapevine FY20 Proposed



General Fund I&S Tax Rate

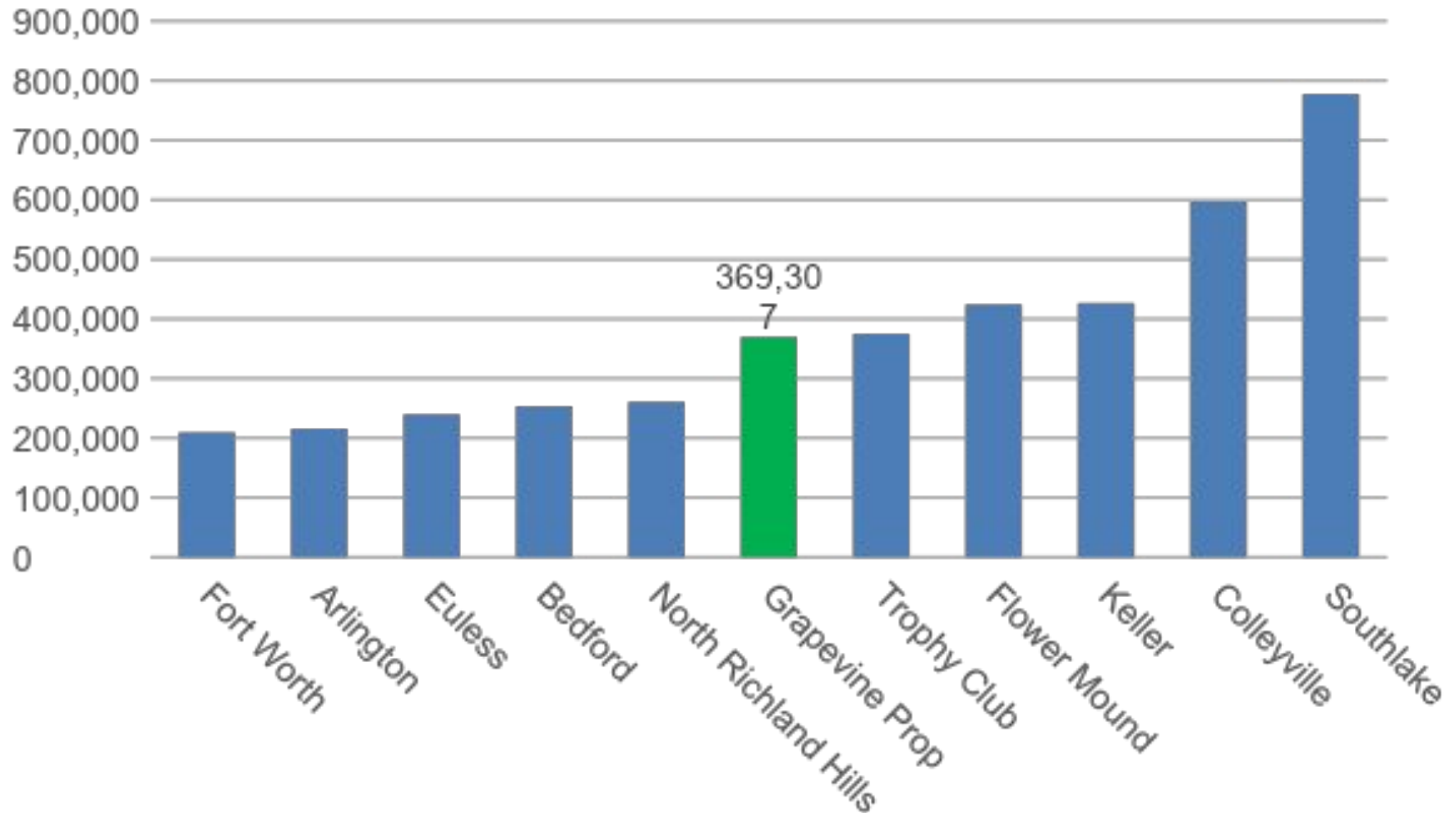


Based on FY19 Adopted Budgets, Grapevine FY20 Proposed



General Fund

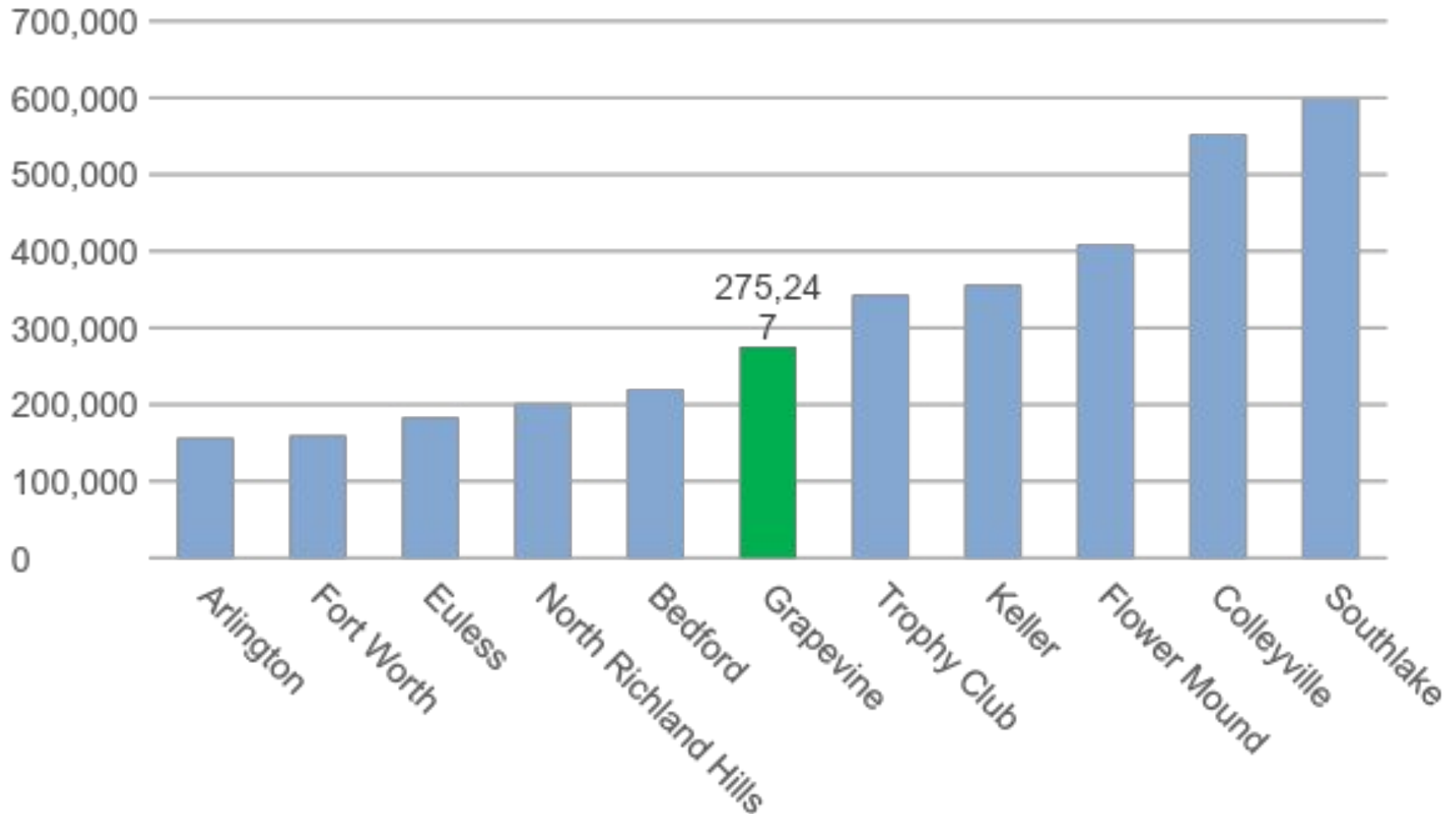
Home Prices (average market value)





General Fund

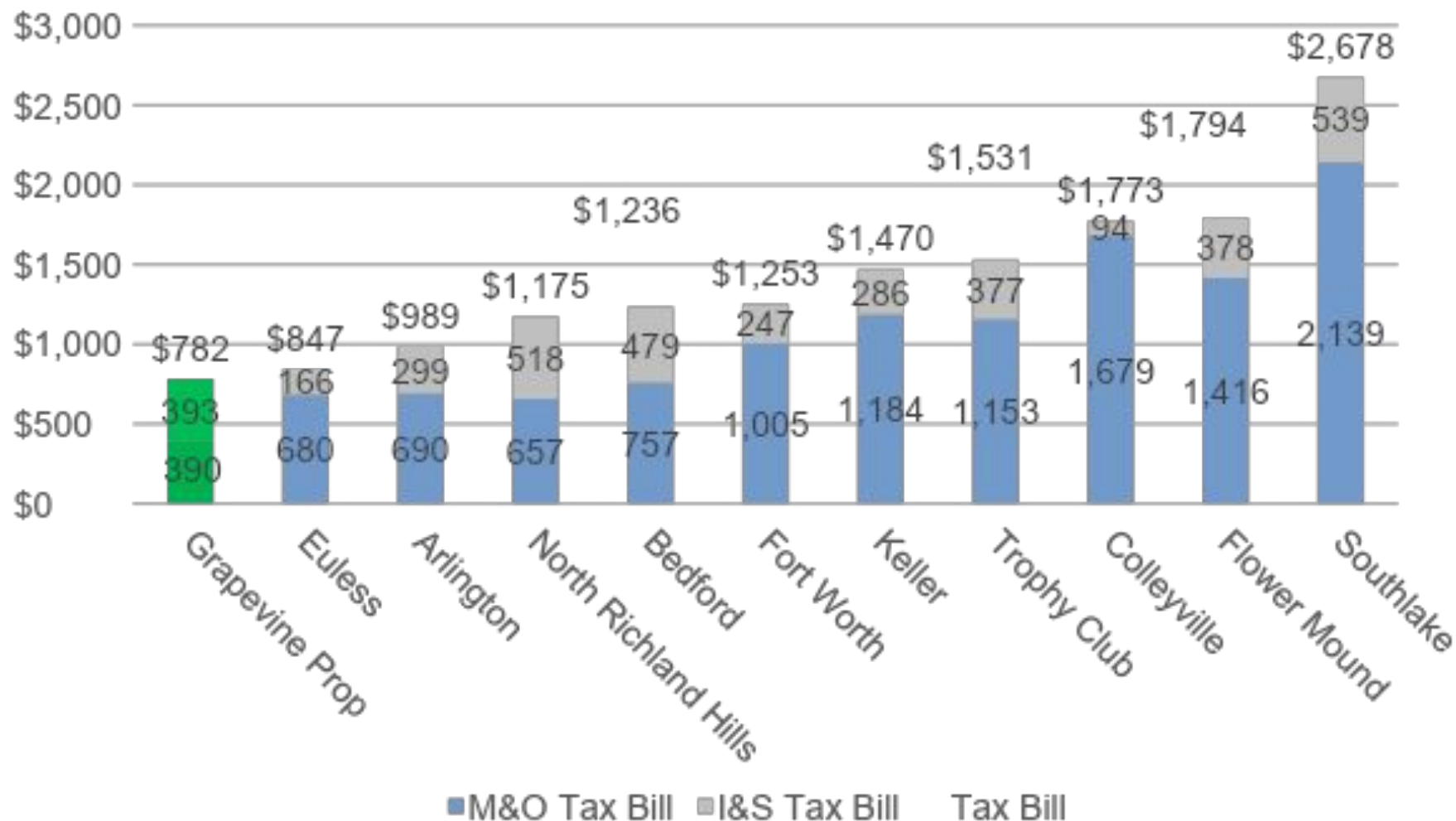
Home Prices (avg. net taxable value)





General Fund

Average Household Tax Bill



Based on FY19 Adopted Budgets, Grapevine FY20 Proposed



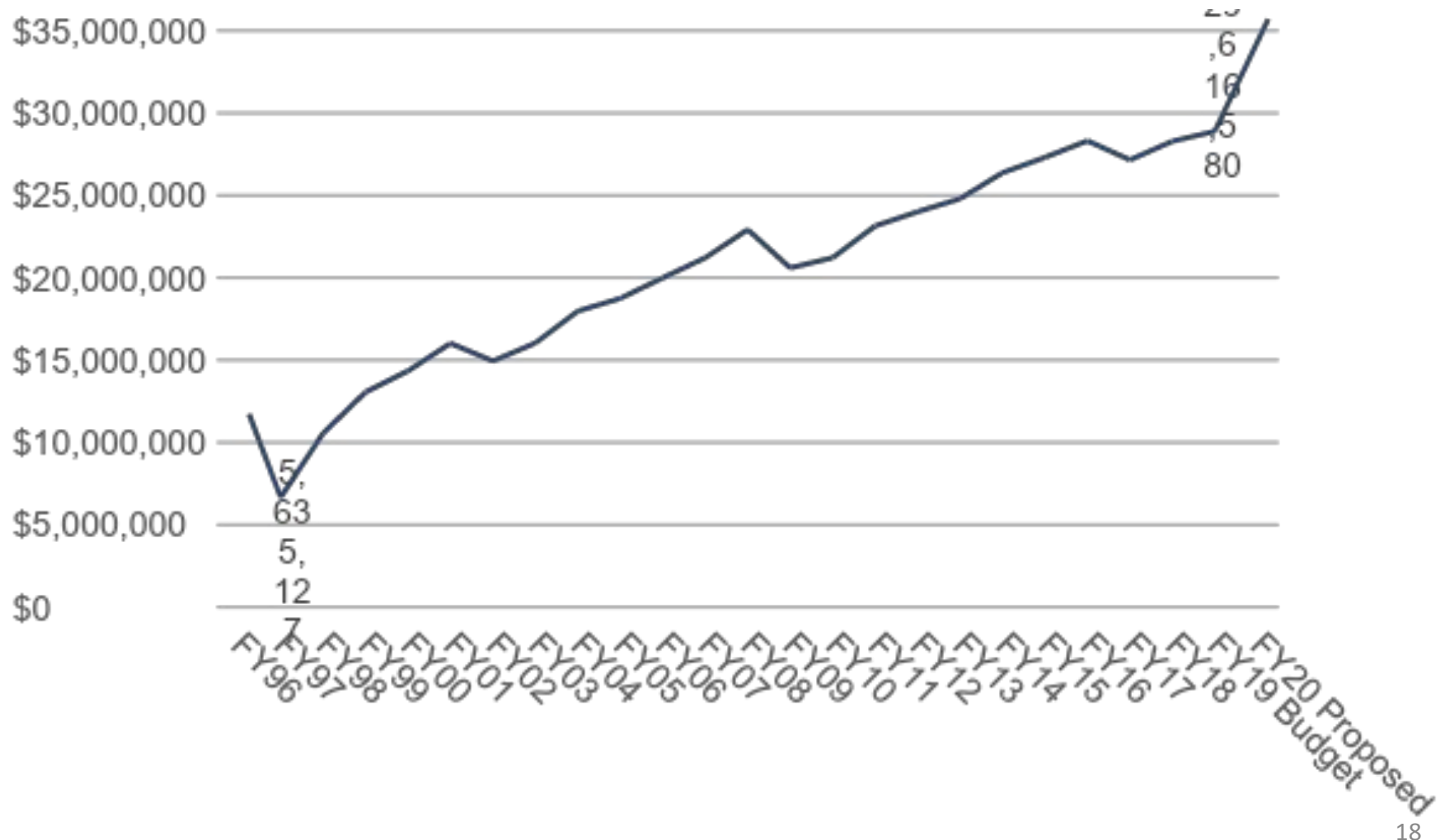
General Fund

Hypothetical Tax Bill (All home values = \$275,247)





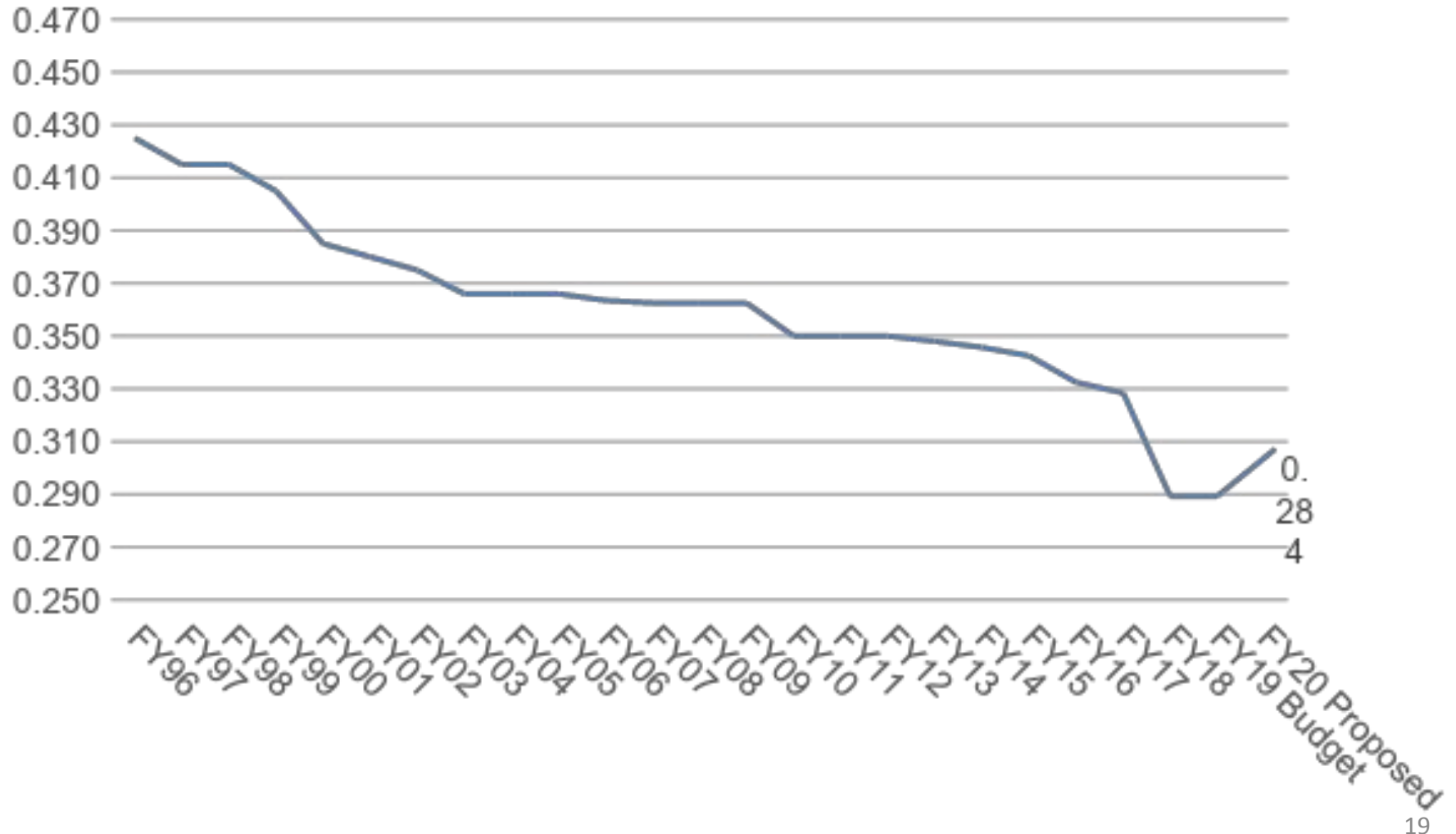
General Fund Sales Tax History





General Fund

Property Tax History FY96-FY18





General Fund

1/2 Penny on Tax Rate

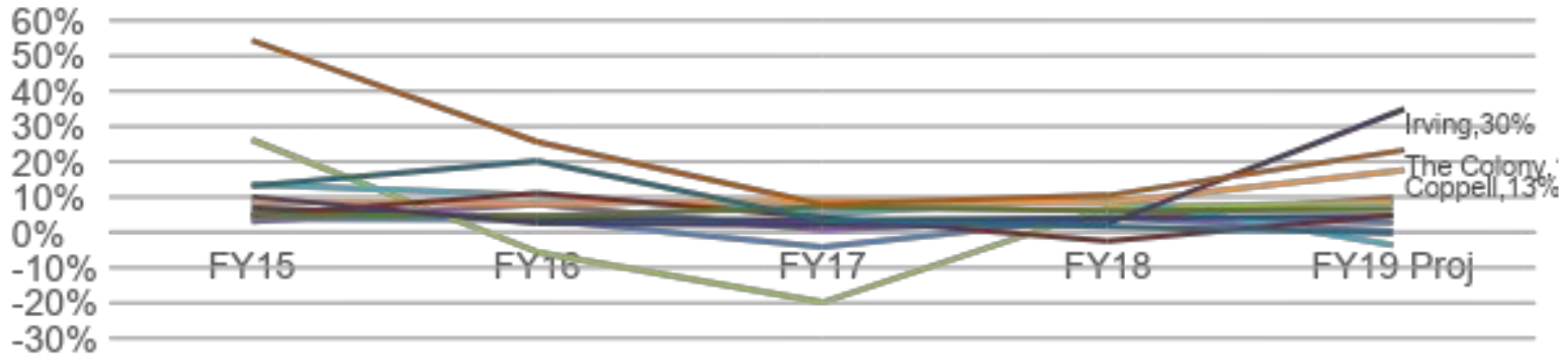
Homeowner Impact	Average Net Taxable Value	1/2 Penny Reduction	Annual Change to the Average Citizen
Avg. Net Taxable Value	\$275,247	\$275,247	
Tax Rate	0.289271	0.284271	(.005)
Average Tax Bill	\$796	\$782	(\$14)

General Fund Impact	Current	1/2 Penny Reduction	Annual Change to the General Fund
FY20 Net Taxable Value	\$9,111,845,629	\$9,111,845,629	
M&O Rate (Proposed)	0.146579	0.141579	(.005)
General Fund Revenue	\$13,356,052	\$12,900,460	(\$455,592)



Annual Growth

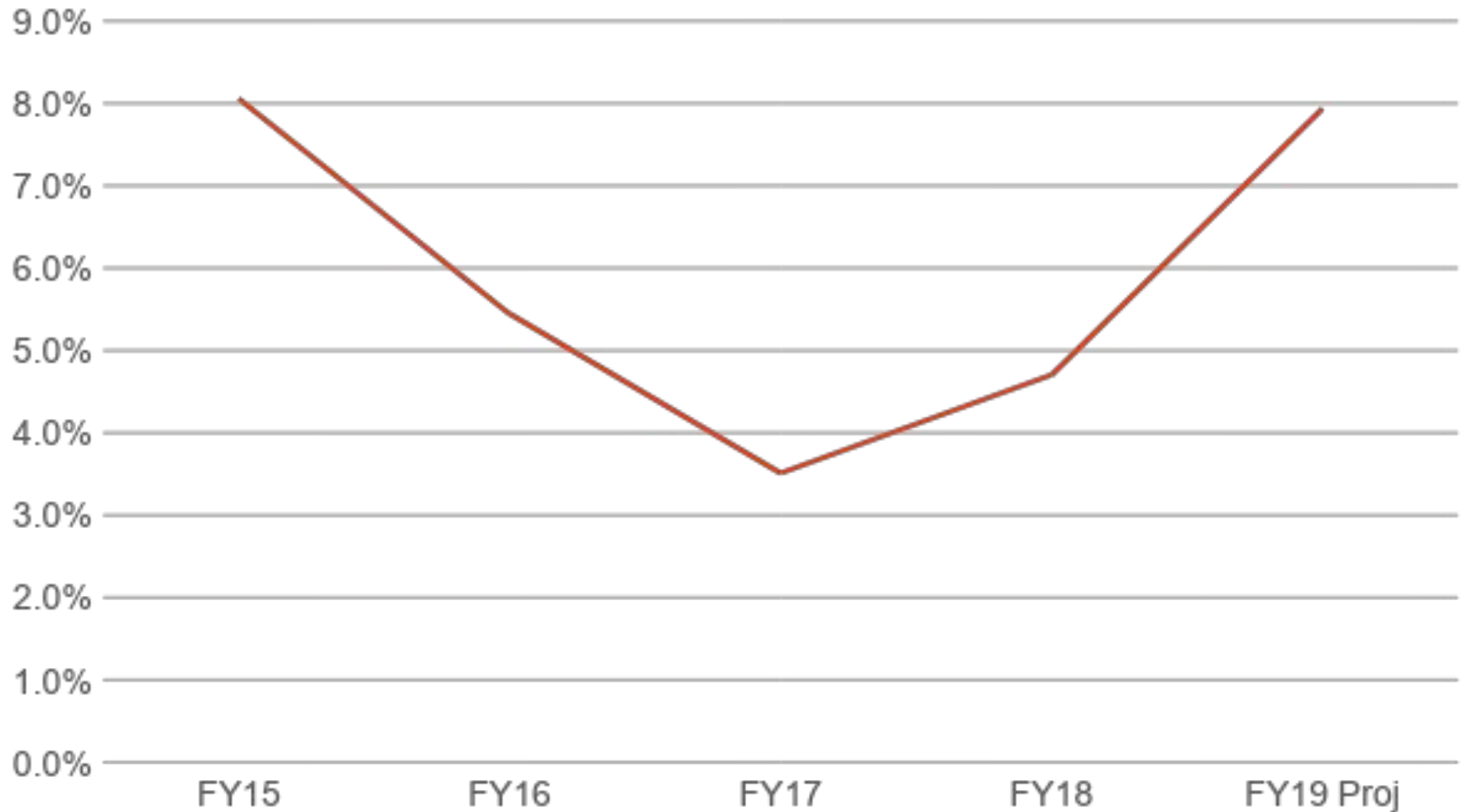
Comparison Cities FY15 – Present



- Grapevine
- Arlington
- Bedford
- Colleyville
- Carrollton
- Coppell
- Dallas
- Eules
- Fort Worth
- Irving



Average Annual Growth Comparison Cities FY15 – Present

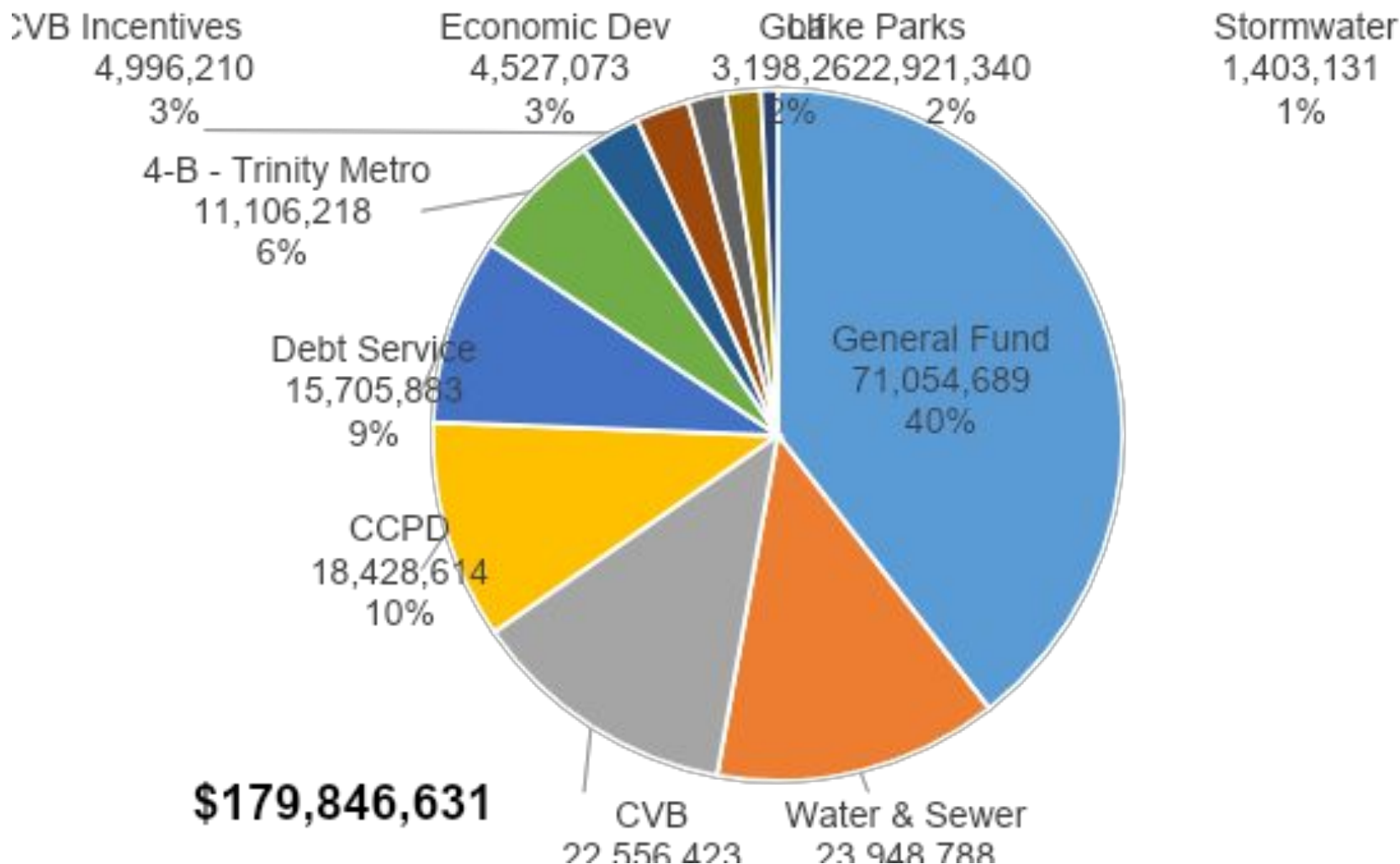


Budget Overview

All Funds



All Funds Summary Expenditures





All Funds Summary Expenditures

	FY19 Adopt	FY20 Prop	% Change
General Fund	\$67,724,922	\$71,054,689	4.9%
Water & Sewer	23,695,775	23,948,788	1.1%
CVB	22,256,698	22,556,423	1.3%
CCPD	17,688,130	18,428,614	4.2%
Debt Service	15,989,541	15,705,883	-1.8%
4-B - Trinity Metro	10,833,750	11,106,218	2.5%
CVB Incentives	5,286,581	4,996,210	-5.5%
Economic Dev	3,761,250	4,527,073	20.4%
Golf	3,222,400	3,198,262	-0.7%
Lake Parks	2,755,632	2,921,340	6.0%
Stormwater	<u>1,419,312</u>	<u>1,403,131</u>	<u>-1.1%</u>
Total	\$174,633,991	\$179,846,631	3.0%

General Fund (Tab 1)



General Fund Revenue Highlights

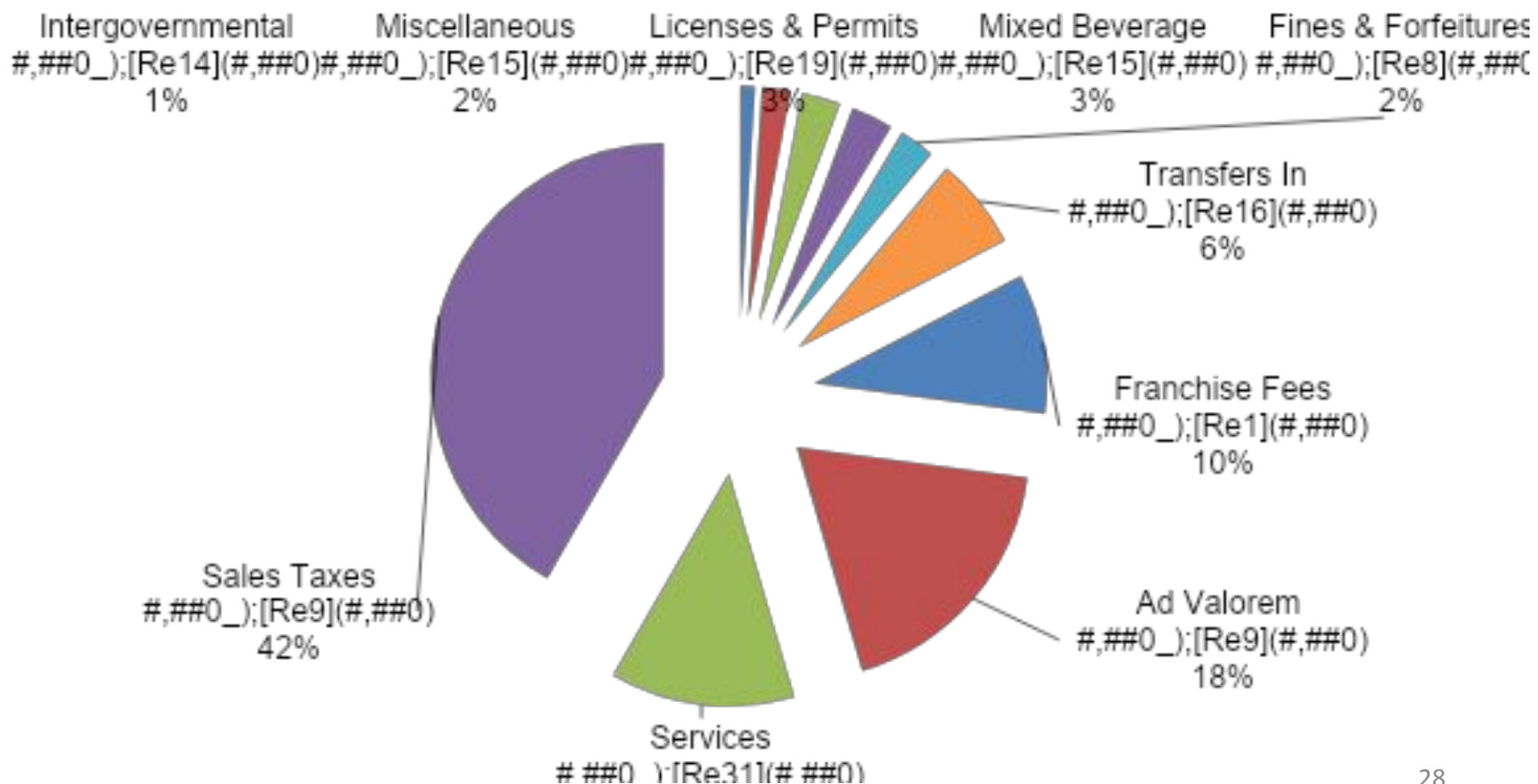
General Fund Revenues	FY17 Actual	FY18 Actual	FY19 Budget	FY20 Prop.
Ad Valorem Taxes	\$9,655,982	11,332,790	11,165,766	\$13,043,001
Sales Taxes	27,153,906	28,286,627	28,890,000	29,616,580
Mixed Beverage Taxes	1,733,258	1,792,674	1,800,000	2,057,000
Franchise Fees	6,602,482	6,893,151	6,983,718	6,906,950
Licenses & Permits	1,910,170	1,631,113	1,926,304	1,924,422
Charges for Services	11,414,297	12,535,663	8,974,699	9,134,928
Intergovernmental	249,243	321,081	432,690	697,687
Fines and Forfeitures	1,789,779	1,582,456	1,800,452	1,728,702
Miscellaneous	3,167,512	3,486,795	1,242,400	1,409,000
Transfers In	5,035,320	4,082,178	4,508,893	4,536,419
Total	\$68,711,948	\$71,944,529	\$67,724,922	\$71,054,689



General Fund

Revenues by Source p.1

□ Revenues \$71,054,689

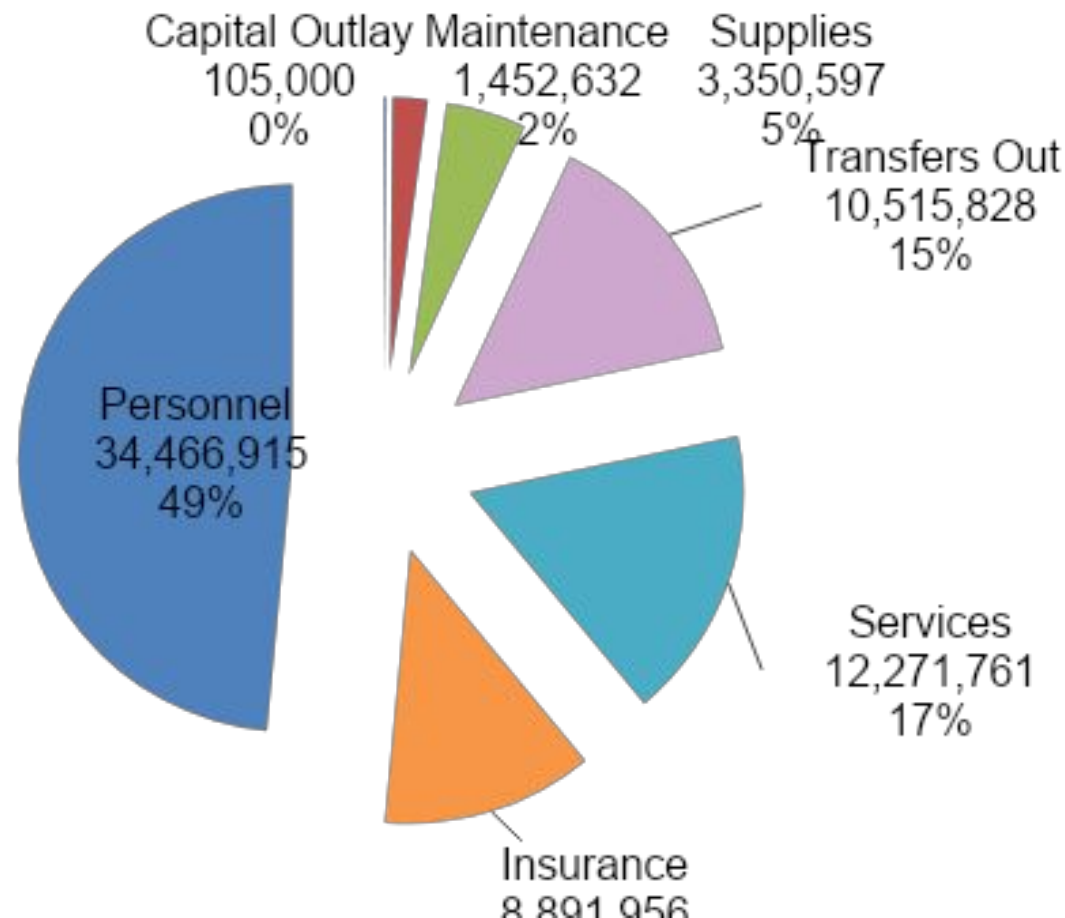




General Fund

Expenditures by Category p.1

Expenditures \$71,054,689





General Fund

Distribution by Department/Function

Mayor & Council	\$149,922	0.2%
City Secretary	\$435,547	0.6%
Human Resources	\$812,355	1.1%
Capital Vehicle Replace	\$830,004	1.2%
Development Services	\$1,517,986	2.1%
Library	\$2,139,312	3.0%
Police (Admin, Animal Ctrl)	\$2,282,510	3.2%
Fiscal Services	\$2,737,459	3.9%
Transfer to QOL	\$3,000,000	4.2%
Transfer to PCMF	\$3,279,000	4.6%
Transfer to CCPD	\$3,406,824	4.8%
CMO, IT, Non-Dept.	\$5,790,856	8.1%
Public Works	\$9,251,688	13.0%
Risk Mgmt/Insurance	\$9,344,373	13.2%
Parks	\$11,965,977	16.8%
Fire	<u>\$14,092,876</u>	<u>19.8%</u>
Total	\$71,054,689	100%





General Fund

City Manager's Office & IT p.5

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$3,015,862	\$3,265,142	\$249,280	8.27%
FTE	14.5	15.5	1.0	6.89%

- Maintenance costs increase by \$182,627 primarily due to IT service agreements for pre-existing systems
- Vacant position moved from Finance to IT to provide for one Security Analyst



General Fund

Non-Departmental p.13

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$11,397,883	\$13,041,542	\$1,643,659	14.4%
FTE	0.0	0.0	0.0	0.00%

- ▣ Increases include:
 - ▣ Vehicle Replacement Fund \$830,004
 - ▣ CCPD \$350,194
 - ▣ PCMF restoration \$259,000
 - ▣ DFW revenue share \$300,000
 - ▣ Economic Development \$50,000
 - ▣ Community Distributions \$30,000



General Fund

Mayor and Council p.15

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$142,601	\$149,922	\$7,321	5.13%
FTE	0.0	0.0	0.0	0.00%

- Budget remains relatively flat with no material changes



General Fund

City Secretary's Office p.17

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$440,634	\$453,547	\$12,913	2.93%
FTE	4.0	4.0	0.0	0.00%

- Budget remains relatively flat with no material changes



General Fund

Human Resources p.20

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$819,578	\$812,355	(\$7,223)	-0.88%
FTE	5.0	5.0	0.0	0.00%

- Budget remains relatively flat with no material changes



General Fund

Fiscal Services p.24

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$12,096,824	\$12,081,832	(\$14,992)	-0.12%
FTE	24.0	23.0	-1.0	-4.16%

- Transferred one vacant purchasing position to City Manager's Office, IT for network security



General Fund

Police p.36

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$2,346,761	\$2,282,510	(\$64,251)	-2.74%
FTE	16.0	16.0	0.0	0.00%

- Budget remains relatively flat with no material changes
- Operating Supplies decrease in Animal Control during construction of new clinic



General Fund

Fire p.43

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$13,983,342	\$14,092,876	\$109,534	0.78%
FTE	106.0	106.0	0.0	0.00%

- Overtime reduces by \$160,824 based on current trend
- Salaries, Medicare, and TMRS increase by \$219,539 over current year budget



General Fund

Parks and Recreation p.62

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$11,012,177	\$11,965,977	\$953,800	8.66%
FTE	55.5	55.5	0.0	0.00%

- Salary and TMRS costs increase \$368,385 due to comp plan
- Part time labor increases by \$100,460 based on current and past demand for services
- Landscaping costs increases \$240,000



General Fund

Library p.89

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$2,052,174	\$2,139,312	\$87,138	4.25%
FTE	12.0	12.0	0.0	0.00%

- Proposed budget increases primarily due to the comp plan



General Fund

Public Works p.93

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$8,947,993	\$9,251,688	\$303,695	3.39%
FTE	62.0	62.0	0.0	0.00%

- Proposed budget increases \$217,420 due to the comp plan
- Building maintenance and janitorial contractual costs increase \$82,600 as a function of additional square footage during the last few years



General Fund

Development Services p.114

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	\$1,469,093	\$1,517,986	\$48,893	3.33%
FTE	15.0	15.0	0.0	0.00%

- Proposed budget increases primarily due to the comp plan



General Fund

PCMF/PSMF p.125

	FY19 Adopt	FY20 Prop	Change \$	Change %
Budget	3,279,000	3,279,000	-	0.00%
Use of Reserve	235,000	-	(235,000)	-100.00%
FTE	0.0	0.0	0.0	0.00%

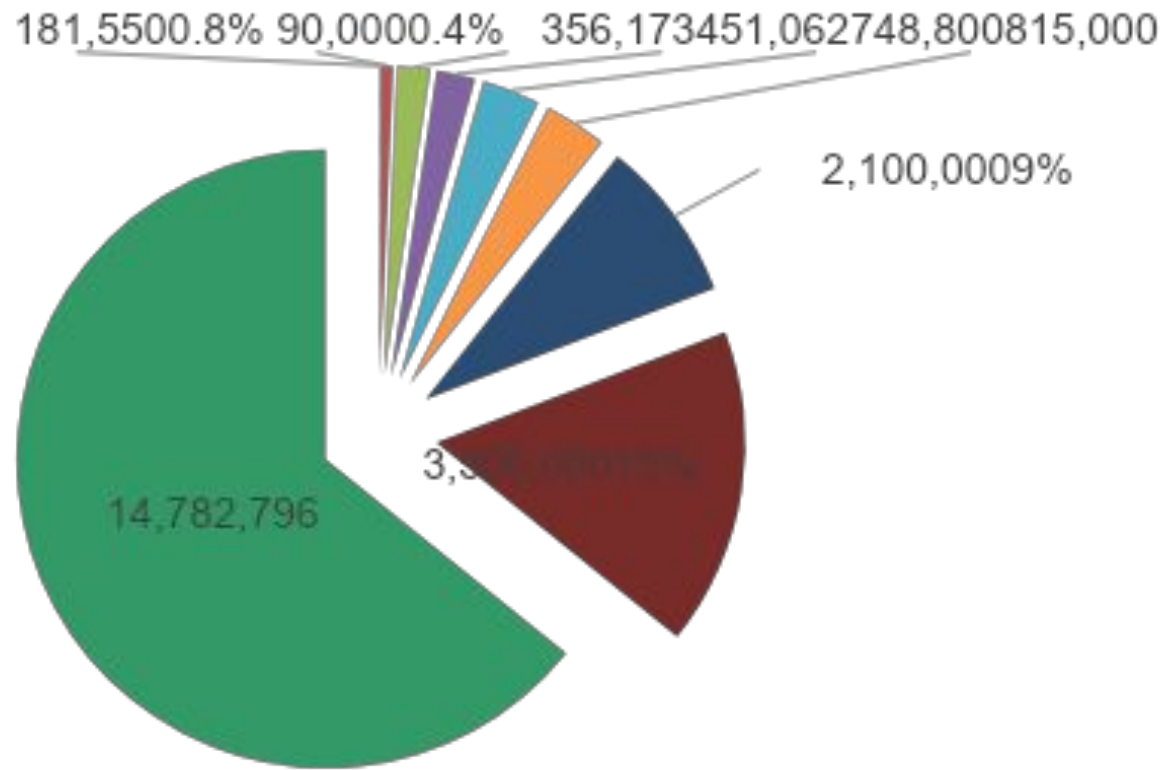
- FY20 fully restores the transfer to PCMF/PSMF
- No use of reserves
- General Fund transfers \$3,279,000

Special Revenue Funds (Tab 2)

Convention & Visitors Bureau Fund p.1



□ FY20 Revenue \$23,025,381



Convention & Visitors Bureau Fund p.1



	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$22,291,056	\$23,025,381	\$734,325	3.29%
Expenditures	22,256,698	22,556,423	299,725	1.35%
Surplus/(Gap)	\$34,358	\$468,958	\$434,600	1264.92%
FTE	69.0	69.0	-	-

Convention & Visitors Bureau Fund p.1



- ▣ Revenues increase \$734,325
- ▣ Festival expenses increase \$154,285
- ▣ Train expenses increase \$35,500
- ▣ Personnel increases \$265,342 for compensation

Convention & Visitors Bureau Incentives Fund p.26



	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$5,286,581	\$4,996,210	(\$290,371)	-5.49%
Expenditures	5,286,581	4,996,210	(290,371)	-5.49%
Surplus/(Gap)	\$0	\$0	\$0	0.00%
FTE	0.0	0.0	0.0	0.00%

- Slight decrease based on future projections

Storm Water Utility Fund p.30



	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$1,444,000	\$1,470,000	\$26,000	1.80%
Expenditures	1,419,312	1,403,131	(16,181)	-1.14%
Surplus/(Gap)	\$24,688	\$66,869	\$42,181	170.86%
FTE	8.0	8.0	0.0	0.00%

- FY20 Proposed Budget remains relatively flat with no material changes



CCPD Fund p.36

	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$17,688,130	\$18,428,614	\$740,484	4.19%
Expenditures	17,688,1300	18,428,614	740,484	4.19%
Surplus/(Gap)	\$0	\$0	\$0	0.00%
FTE	131.0	131.0	0.0	0.00%

- Transfer from General Fund increases by \$350,194 to \$3,406,824
- Budget increase primarily due to comp



Lake Parks Fund p.52

	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$2,873,000	\$2,969,800	\$96,800	3.37%
Expenditures	2,755,632	2,921,340	165,708	6.01%
Surplus/(Gap)	\$117,368	\$48,460	(\$68,908)	-58.71%
FTE	4.5	4.5	0.0	0.00%



Lake Parks Fund p.52

- ▣ Lake Parks projected to deliver a modest return to fund balance \$48,460
- ▣ Camping revenues increase by \$100,000
- ▣ Go Wild Program and Field Trip revenues increase by \$3,000
- ▣ Personnel related costs increase \$43,239 due primarily to the comp plan and full-year funding of concession specialist approved in FY19 budget



4B Transit Fund p.80

	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$10,843,750	\$11,116,218	\$272,468	2.51%
Expenditures	10,833,750	11,106,218	272,468	2.51%
Surplus/(Gap)	\$10,000	\$10,000	\$0	0.00%
FTE	0.0	0.0	0.0	0.00%

- Revenues increase consistent with Sales Tax forecast
- Visitor Shuttle transfer increases \$6,452

Economic Development Fund p.85



	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$3,761,250	\$4,527,073	\$765,823	20.36%
Expenditures	3,761,250	4,527,073	765,823	20.36%
Surplus/(Gap)	\$0	\$0	\$0	-100.00%
FTE	3.5	3.5	0.0	0.00%

- Sales Tax revenue (1/8 cent) increases consistent with current growth patterns
- Community distributions increases commensurate with revenues
- Economic development increases \$18,914 primarily due to the comp plan

Enterprise Funds (Tab 3)



Utility Fund p.1

	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$24,280,000	\$24,480,500	\$200,500)	0.83%
Expenditures	23,695,775	23,857,288	161,513	0.68%
Surplus/(Gap)	\$584,225)	\$623,212	\$38,987	6.67%
FTE	51.0	51.0	0.0	0.00%

- Budgeted surplus of \$623k
- Interest income projected to increase \$180,000 due to increasing investment yields
- Salaries and TMRS increases \$166,807 due to comp plan



Golf Fund p.25

	FY19 Adopt	FY20 Prop	Change \$	Change %
Revenues	\$3,222,400	\$3,198,262	(\$24,138)	-0.75%
Expenditures	3,222,400	3,198,262	(24,138)	-0.75%
Surplus/(Gap)	\$0	\$0	\$0	0.00%
FTE	13.0	13.0	0.0	0.00%



Golf Fund p.25

- ▣ Salaries and TMRS increase \$46,580 or 3.9% due to the comp plan
- ▣ Capital outlay expenses decrease by \$166,370 due to completion of FY19 cart replacement program



FY20 City Manager's Proposed Budget

presented by
Greg Jordan
August 8, 2019

Compensation (Salaries, TMRs, and Medicare)	FY19 Budget	FY20 Prop	\$ Change	% Change
General Fund	29,045,806	29,994,366	948,560	3.3%
City Manager's Office	1,803,987	1,970,938	166,951	9.3%
City Council	26,115	26,405	290	1.1%
City Secretary	319,857	335,250	15,393	4.8%
Human Resources	577,826	571,188	(6,638)	-1.1%
Fiscal Services	1,637,069	1,525,417	(111,652)	-6.8%
Court	514,218	529,962	15,744	3.1%
Fleet	823,781	855,015	31,234	3.8%
Insurance	259,922	262,963	3,041	1.2%
Building Services	744,987	764,880	19,893	2.7%
Police	1,897,491	1,822,811	(74,680)	-3.9%
Fire	11,168,526	11,388,065	219,539	2.0%
Parks and Recreation	3,705,886	4,074,271	368,385	9.9%
Library	1,042,683	1,129,296	86,613	8.3%
Public Works	3,213,599	3,379,892	166,293	5.2%
Development Services	1,309,859	1,358,013	48,154	3.7%

	FY19 Budget	FY20 Prop	\$ Change	% Change
CVB	5,578,876	5,902,216	323,340	5.8%
Storm Drainage Utility	529,980	537,235	7,255	1.4%
CCPD	11,431,276	12,180,584	749,308	6.6%
Lake Parks	297,442	340,681	43,239	14.5%
Economic Development	493,629	510,426	16,797	3.4%
Utility Enterprise Fund	3,494,619	3,685,157	190,538	5.5%
Golf	1,229,676	1,277,942	48,266	3.9%
Grand Total	52,101,304	54,428,607	2,327,303	4.5%