

PLANO CITY COUNCIL
Budget Work Session
August 15, 2024

COUNCIL MEMBERS PRESENT

John B. Muns, Mayor
Maria Tu, Mayor Pro Tem
Julie Holmer, Deputy Mayor Pro Tem
Anthony Ricciardelli
Rick Horne
Kayci Prince – arrived at 5:12 p.m.
Shelby Williams
Rick Smith

STAFF PRESENT

Mark Israelson, City Manager
Jack Carr, Deputy City Manager
Shelli Siemer, Deputy City Manager
LaShon Ross, Deputy City Manager
Paige Mims, City Attorney
Lisa C. Henderson, City Secretary

Mayor Muns called the meeting to order at 5:00 p.m., Thursday, August 15, 2024, in the Program Room of the Davis Library, 7501-B Independence Parkway and via videoconference. A quorum was present.

- **Request for Public Input on Budget & CIP**

Mayor Muns opened the public input. No one requested to speak. Mayor Muns closed the public input.

- **Budget Work Session Overview**
- **Council Items and Issues for Discussion**
- **Grant Funding Requests**
 - A. Presentation of Heritage Commission**
 - B. Presentation of Buffington Community Service Grants**

Councilmember Prince stepped away from the dais at 5:27 p.m. and returned at 5:31 p.m.

- C. Presentation of Cultural Arts Commission**

Cultural Arts Commission Chair Goebel presented two options for funding: Option 1 – based on the Commission’s traditional funding formula, awards are distributed proportionately based on the applicant’s expenditures and score and prorated to fit the City’s award budget of \$1.5M; Option 2 – introduces a maximum amount an organization can receive, a maximum award funding amount of 35% of the 1.5M award bucket.

Upon a motion made by Councilmember Smith and seconded by Councilmember Horne, the Council voted 8-0 to move forward with option 2.

- **Operating Budget**
 - A. Revenues**

Mayor Pro Tem Tu stepped away from the dais at 6:03 p.m. and returned at 6:05 p.m.

- 1. Ad Valorem Tax Base**
- 2. Tax Rate**
 - a. No New Revenue Rate**
 - b. Voter Approved Rate**
- 3. Sales Tax**
- 4. Water & Sewer Rate Increase**

Matthew Garrett, project manager with NewGen Strategies & Solutions, provided two scenarios for rate changes in an effort to fully cover the cost to provide water and sewer services. Scenario 1 – a uniform percentage increase applied to water and sewer rates over a five-year period. Scenario 2 - Increase the ‘affordable’ rate on Residential volumes (1,000 to 5,000 gal) to recover the cost of wholesale water, no change to 1” or smaller Residential minimum charge in FY 2025, and uniform percentage increase to other water and sewer rates.

Upon a motion made by Councilmember Horne and seconded by Councilmember Williams, the Council voted 8-0 to move forward with a phased approach for Scenario 2 over a 3-year span.

Councilmember Prince stepped away from the dais at 6:57 p.m. and returned at 7:01 p.m.

5. Environmental Waste Services Rate Increase

- **Community Investment Program**
- **Proposed Ad Valorem Tax Rate**

Council expressed support to fund salary adjustments to bring employees to median plus five percent.

With no further discussion, the Budget Work Session adjourned at 7:20 p.m.

John B. Muns, MAYOR

ATTEST:

Lisa C. Henderson, City Secretary