HONDO

THIS IS GOD'S COUNTRY

REGULAR CITY COUNCIL MEETING
September 11, 2023 at 6:00 PM
City Council Chambers
1600 Avenue M, Hondo, TX

AGENDA

Notice is hereby given that a Regular City Council Meeting of the governing body of the City of Hondo will be held September 11, 2023 at 6:00 p.m. in the City Council Chambers, City Hall at 1600 Avenue M, Hondo, Texas, for the purpose of discussing matters incident and related to the City of Hondo. The following items will be discussed, to-wit:

The public may also access the meeting remotely through video/conference from your computer, tablet or smart phone at: https://boxcast.tv/channel/aetaajdf64jalxx20o9a

Persons may submit questions or comments for items on the agenda by email to: sreyes@hondo-tx.org. Questions or comments submitted by email must be received by the city at least 1 hour prior to the scheduled start of the meeting in order to be presented to the City Council during the meeting

1. Call to order.
2. Quorum check.
3. Invocation by Pastor Beverly Kelling, St. Paul Lutheran Church.
4. Pledge of Allegiance.
5. Citizens'/Public Comments: *Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) to on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda.*

PRESENTATIONS

6. City Manager's Report. (Robert T. Herrera)

7. Public Works Report. (Rene Saenz)

8. Update on the demolition of the six (6) damaged structures from the 2021 Hail Storm. (Ryan Elder)

CONSENT

9. Discuss and consider approving the minutes from August 28, 2023. (SueAnn Reyes)

10. Discuss and consider authorizing the Interim City Manager to execute a license agreement with Shift-S3ctor, LLC for the exhibition half-mile drag race at the South Texas Regional Airport April 13-14, 2024. (Ryan Elder)

PUBLIC HEARINGS

11. Public Hearing to Discuss Property Tax Rate for 2023-2024 Fiscal Year

12. Hold a public hearing regarding the City of Hondo Police Department applying for the USDA Grant-Patrol Units. (Lieutenant AJ Garza)

OTHER BUSINESS

13. Discuss and consider Resolution Number 411-23 authorizing the Hondo Police Department to apply for the USDA Grant-Patrol Vehicles (Lieutenant AJ Garza)

14. Discuss and consider the FY23-24 Routine Airport Maintenance Program (RAMP) Grant (previously considered at the August 14, 2023 City Council Meeting). (Ryan Elder)

15. Discuss and consider adding a third Spay and Neuter Program in the amount of $ 4,000.00 to the City's Animal Control budget for FY 2023/2024. (CouncilmanYtuarte ate and Councilman Villa)

16. Discuss and consider the Economic Development Corporation (EDC) FY 2023-2024 Budget as presented. (Doug Dowler)

17. Discuss and consider Ordinance 1275-09-23 of the City Council of the City of Hondo, Texas making Appropriations for the support of the City of Hondo, Texas for the Fiscal Year Beginning October 1, 2023 and Ending September 30, 2024; Appropriating money to the Sinking Fund to pay for principal and interest due on the City's Indebtedness; and adopting the Annual Budget of the City of Hondo for the 2023-2024 Fiscal Year and Setting an Effective Date.

18. Discuss and consider Ordinance Number 1276-09-23 of the City Council of the City of Hondo, Texas, Setting the Ad Valorem Tax Rate at $0.4370 cents per $100.00 valuation for the Maintenance and Operations and Debt Service of the Municipal Government of the City of Hondo for the 2023-2024 Fiscal Year; Providing for Apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid.

19. Discuss and consider Ordinance Number 1277-09-23 of the City of Hondo, Texas Amending Appendix A, "Fee Schedule" of the Code of Ordinances of the City of Hondo by Amending pertinent sections to reflect current fees, increased fees, deleted fees, and new fees; providing for publication, providing a repealer clause; providing for severability and setting an effective date.

20. Discuss and consider Resolution Number 412-23 of the City Council of the City of Hondo, Texas ratifying the property tax increase reflected in the City's adopted Fiscal Year 2023-2024 Budget, which is a budget that will require raising more revenue from property taxes than in the previous year; and providing an effective date.

EXECUTIVE SESSION

21. Executive Session: The City Council of the City of Hondo may convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code:

    Section 551.071(1) (A) and (2) (Consultations with Attorney) and Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations);Section 551.086 (Meeting concerning municipally owned utility-competitive matters);

    a. Discussion regarding new City Manager candidates. (Mayor McAnelly)

    b. Discussion regarding Final Report from Withum Consulting.

22. Discuss and consider appropriate action on items resulting from Executive Session.

23. Adjourn.

ATTEST:

SueAnn Reyes, TRMC
City Secretary

The City Council of the City of Hondo reserves the right to convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code: Section 551.071 (Consultations with Attorney), Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations) on any of the above items.

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS
The City of Hondo City Council Meetings is available to all persons regardless of disability. If you require special assistance, contact the City Secretary forty-eight (48) hours prior to the meeting time at 830-426-3378.

Public Works Department
City Council Update
September 11, 2023

I. Downtown Sidewalk project update

II. Chip Seal Project Update

III. Hondo Water Tower lighting project update

IV. WWTP CDBG Clarifier repair grant update

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City Council Communication

Title: Update on the demolition of the six (6) damaged structures from the 2021 Hail Storm. (Ryan Elder)
Date: September 11, 2023 ***From:*** Ryan Elder, Director of Aviaion

INFORMATION:

Update on progress towards the demolition of six (6) structures that were damaged by the 2021 Hail Storm. The project is scheduled to begin October 2, 2023, and should take approx one (1) month to complete all abatement and demolition. Structures to be demo'd are as follows: Old Food Pantry/WWII Dancehall (Preservation Efforts), Old PD Substation and Generator House, both Senior Center Buildings & Spaatz Well site building.

Items retained for preservation in the WWII Dancehall are: 74ea Windows (various sizes), 12ea window screens, 2ea Bathroom Stall Doors, 8ea Doors, 6ea Vents, 7ea Light Fixtures, 1ea "Country Squares" Sign & approx 3,000 sqft of Original Wood Flooring.

FINANCIAL IMPACT:

Total Cost for Preservation, Abatement & Demo and of all six (6) structures: $154,332.76

STAFF RECOMMENDATION:

N/A

MOTION:

N/A

ATTACHMENTS:

None

STAFF CONTACTS:

Ryan Elder

MINUTES
CITY OF HONDO
REGULAR CITY COUNCIL MEETING
August 28, 2023 at 6:00 p.m.

1. Called the meeting to order.
   Mayor McAnelly called the meeting to order at 6:00 p.m.

2. Quorum check.
   Mayor John McAnelly, Mayor Pro Tem Jose "Porky" Ytuarte, Council Member Brett Williams, Council Member Bobby Vela, Council Member Rachel Ramirez, Council Member John E. Villa.

   Absent: None.

   Staff Present: Interim City Manager Robert T. Herrera, City Attorney Molly Solis, City Secretary Sue Ann Reyes, IT Network Administrator Josh Rodriguez, Police Chief Justin Soza, Lieutenant AJ Garza, Sergeant Mari Rivas, Director of Public Information and Recreation Jamie Kindred, Human Resources Manager Michele Thacker, Chief Finance Officer Chris Hill, Director of Aviation Ryan Elder, Wastewater Superintendent Stephen Winters

3. Invocation by Pastor J. Paul Bruhn, First Methodist Church.

4. Pledge of Allegiance.

5. Citizens'/Public Comments: *Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) to on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda*)

   None

PRESENTATIONS

6. City Manager's Report. (Robert T. Herrera)

   Interim City Manager Robert T. Herrera reported the trademark licensing for "This is God's Country, Please Don't Drive Through it Like Hell" had been officially approved.

7. Discussion regarding FY 2023/2024 Employee Benefits/Insurance Renewal. (Michele Thacker)

   Human Resources Manager Michele Thacker gave an overview of the FY 2023/2024 Employee Benefits/Insurance (on file), noting a new benefit pertaining to flexible spending accounts. Discussion ensued regarding deductibles and coverage.

CONSENT

Council Member Vela moved to approve consent agenda items 8, 9, 11, 12 and 13; seconded by Council Member Williams. The motion carried by the following vote: AYE: Ytuarte, Williams, Vela, Ramirez, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

Item Number 11 was pulled from the consent agenda.

8. Discuss and consider approving the minutes from August 14, 2023. (SueAnn Reyes)

9. Discuss and consider a Memorandum of Understanding between the Hondo Police Department and Bluebonnet Children's Advocacy Center. (Chief Soza)

10. Discuss and consider Resolution Number 410-23 approving an Interlocal Cooperation Agreement between counties and cities for law enforcement services. (Chief Soza)

    Council Member Ytuarte asked if the City of Hondo would have to pay for neighboring city or county agencies asked to assist the City of Hondo Police Department. Police Chief Soza stated the City would not have to pay as the contract read "each law enforcement agency shall assign law enforcement officers on as needed basis", therefore the agency making the assignment not the request would be responsible for paying their officers.

    Council Member Vela made a motion to approve Resolution Number 410-23 approving an Interlocal Cooperation Agreement between counties and cities for law enforcement services; seconded by Council Member Ramirez. The motion carried by the following vote: AYE: Ytuarte, Vela, Ramirez. NAY: Williams, Villa. ABSTAIN: None. ABSENT: None.

11. Discuss and consider Ordinance Number 1274-08-23 of the City Council of the City of Hondo, Texas, amending Chapter 8 Offenses and Additional Provisions, Section 8.03.03 (discharge of firearms), of the Code of Ordinances by adding a new subsection to provide an exception to the regulation of firearms for certain properties located in the City's Extraterritorial Jurisdiction and those annexed in to the City after September 1, 1981; providing a severability clause; providing an effective date and providing for related matters. (Chief Soza)

12. Discuss and consider approving the 3rd Quarter Financial Report June 30, 2023 for the Current Fiscal Year FY2022/2023. (Chris Hill)

13. Discuss and consider the 3rd Quarter Investment Report for the Fiscal Year ended September 30, 2023, as presented (Chris Hill)

PUBLIC HEARINGS

14. Hold a public hearing to discuss the proposed property tax rate for FY 2023/2024. (Chris Hill)

    Mayor McAnelly open the public hearing at 6:21 p.m.

    With no one wishing to speak Mayor McAnelly closed the public hearing at 6:22 p.m.

15. Hold a public hearing to discuss the proposed budget FY 2023/2024. (Chris Hill)

    Mayor McAnelly opened the public hearing at 6:23 p.m.

    Chavel Lopez, 1002 Avenue S stated during the budget workshop it was suggested to hire two extra police officers to chase undocumented workers down Highway 90 and he felt this was unnecessary and that the Sheriff's office already did the patrolling.

Mr. Lopez also stated he felt it was not safe and would increase racial profiling. Mr. Lopez stated he felt the Council should contract with STRD to pick up old paint and chemicals because they were piling up in homes and if they are thrown in the trash, it was against the law.

Mr. Lopez also stated he felt the City employees should be earning a living wage. He felt the $11 an hour for entry level personal was not enough. He felt the City should move into the STEP system for employee wages.

Florestela Gonzales, 1002 Avenue S stated he had been an animal advocate for more than 30 years and was a strong believer in the Spay and Neuter program. She stated she felt the currently spay and neuter events were not making a dent in the population. She stated during the recent spay and neuter program the vouchers had been distributed within an hour of start time. Ms. Gonzales suggested the City add a third spay and neuter program in the amount of $4,000.00.

Mayor McAnelly closed the public hearing at 6:34 p.m.

OTHER BUSINESS

16. Discuss and consider increasing the contribution from Hondo Economic Development Corporation to the South Texas Training Center. (Councilman Vela and Mayor McAnelly)

    Economic Development Director Doug Dowler stated the Honda Economic Development Board met on August 24 and approved the additional $40,000.00 request for a total of $65,000 for the FY 23/24 one-time contribution to the training center. In the future, all other requests will be evaluated at that time. The board instructed Mr. Dowler to work with the training center to find out if there were alternative sources of funding that could be made available to the training center. Mr. Dowler stated he was currently working on a couple of ideas of where to go and try to appropriate additional funds for the operation of the training center. Mr. Dowler explained $25000.00 would go toward general operations and $40,000.00 would go specifically toward the hiring of new personnel.

    Councilman Villa asked if this was a onetime contribution and asked who would be paying for the new hire in the future. Mr. Dowler stated he was working with the training center on identifying additional sources of revenue in the future and that it could be brought back to the EDC for reconsideration next year.

17. Discuss and consider proposed budget changes from budget meeting. (Councilman Ytuarte and Vela)

    Discussion ensued regarding the changes made and that the changes were addressed in an email with the preliminary changes and a spreadsheet provided.

The City Council of the City of Hondo convened into executive session at 06:44 p.m.

<u>EXECUTIVE SESSION</u>

18. Executive Session: The City Council of the City of Hondo may convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code:

    Section 551.071(1) (A) and (2) (Consultations with Attorney) and Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations); Section 551.086 (Meeting concerning municipally owned utility-competitive matters);

a. Discussion regarding update from Clear Career Professionals city manager search firm. (Mayor McAnelly)
b. Discussion regarding report from Withum Consulting Forensic Auditor. (Mayor McAnelly)

The City Council of the City of Hondo reconvened into regular session at 08:42 p.m.

19. Discuss and consider appropriate action on items resulting from Executive Session.

None

20. Adjourn.

Council Member Villa made a motion to adjourn; seconded by Council Member Vela. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Ramirez, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

PASSED AND APPROVED THIS 11th DAY OF September 2023.

____
JOHN McANELLY, JR., MAYOR

ATTEST:

____
SueAnn Reyes, TRMC
City Secretary

HONDO

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City Council Communication

Title: Discuss and consider authorizing the Interim City Manager to execute a license agreement with Shift-S3ctor, LLC for the exhibition half-mile drag race at the South Texas Regional Airport April 13-14, 2024. (Ryan Elder)
Date: September 11, 2023 ***From:*** Ryan Elder, Director of Aviaion

INFORMATION:

Shift-S3ctor wishes to host their 4th annual half-mile drag race on Runway 17L/35R at the South Texas Regional Airport on April 13-14, 2024. The event has seen great success in Hondo over the last three year's, and has brought upwards of 3,000+ attendees each year to the area from all over the US. Additionally, the event is turn-key for Hondo/Airport. Event organizers pay a use fee to the Airport, as well as cover all ancillary costs associated with Security, EMS, Fire and Porta-Potties. The event is contingent on TxDOT/FAA approval.

FINANCIAL IMPACT:

Airport Use License Fee - $12,000

STAFF RECOMMENDATION:

Staff recommends discussing and considering allowing Shift-S3ctor to use the Airport for their half-mile drag race at the South Texas Regional Airport April 13-14, 2024

MOTION:

Motion to approve the Interim City Manager to execute a License Agreement with Shift-S3ctor, LLC for the Airstrip Attack race event to be held at the South Texas Regional Airport April 13-14, 2024

ATTACHMENTS:

1. License_Agreement_SS3-Hondo-2024

STAFF CONTACTS:

Ryan Elder

LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("License" or "Agreement") made and entered into as of __________________ 2023, ("Effective Date") by and between the **CITY OF HONDO** ("City"), a Texas municipal corporation and **SHIFT-S3CTOR, LLC**, a California limited liability company ("SS3" or "Licensee").

R E C I T A L S

A. City is the Owner of the South Texas Regional Airport at Hondo located at 700 Vandenberg Road, Hondo, TX 78861 (the "Airport").

B. Licensee has requested non-exclusive and temporary use of Runway 17L/35R, Taxiway Alpha & a portion of Ramp Space located at Airport and depicted in **APPENDIX A** (the "Premises") for use by Licensee to host an automotive racing event.

C. City is agreeable to issuing a license for the Premises to Licensee for the Permitted Uses and subject to the terms, covenants and conditions set forth in this License.

1. LICENSE:

Subject to the terms, covenants and conditions set forth in this License, Licensee will have non-exclusive use and access to the Premises for the Permitted Uses and Approved Events as defined herein and for no other use or purpose without the prior written consent of the Airport Director.

2. AS-IS CONDITION; NO REPRESENTATIONS:

LICENSEE HAS HAD FULL OPPORTUNITY TO EXAMINE THE PREMISES AND LICENSEE'S USE AND OCCUPANCY OF THE PREMISES FOR AN APPROVED EVENT SHALL BE CONCLUSIVE EVIDENCE OF LICENSEE'S ACCEPTANCE THEREOF IN AN "AS IS" CONDITION, AND LICENSEE HEREBY ACCEPTS THE PREMISES IN ITS PRESENT CONDITION AS SUITABLE FOR THE PURPOSE FOR WHICH IT IS LICENSED. LICENSEE AGREES THAT NO REPRESENTATIONS RESPECTING THE CONDITION OF THE PREMISES AND NO PROMISES TO IMPROVE THE PREMISES, EITHER BEFORE OR AFTER THE EXECUTION HEREOF, HAVE BEEN MADE BY CITY OR ITS AGENTS TO LICENSEE UNLESS THE SAME ARE CONTAINED HEREIN OR MADE A PART HEREOF BY SPECIFIC REFERENCE HEREIN AND, EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE CITY SHALL HAVE NO RESPONSIBILITY FOR THE MAINTENANCE OR REPAIR OF THE PREMISES OR ANY IMPROVEMENT THEREON, EXCEPT PROVIDED FOR BY AGREEMENT BETWEEN LICENSEE AND CITY.

3. AIRFIELD OPERATIONS:

A. It is expressly understood and agreed that this License is subject to and subordinate to and controlled by all provisions, stipulations, covenants and agreements contained in those certain in contracts, agreements, resolutions and actions of City constituting agreements between City and the United States of America and its agents including but not limited to, the Federal Aviation Administration (FAA) and all regulations now and hereafter imposed upon the City. The City shall not be liable to SS3 on account of any of the foregoing matters and all of such contracts, agreements, resolutions, laws and regulations are incorporated herein by reference and if any provision of this Agreement is determined to be at variance with same as they may from time to time exist, such provision is unilaterally reformable at City's option. If for any reason the FAA does not allow this event to occur then the City will not be liable for any damages to SS3 or any other party, except for any fees returned that were paid by SS3 to City for use of the premises.

B. SS3 further agrees that it is knowledgeable and cognizant of the rules and regulations of the FAA. All flight activities will be conducted under the supervision of the FAA and City. SS3 acknowledge and agree that the Airport must remain open for general aviation use and the flying public at all times, including during an Approved Event. Availability of the Premises may also be affected by weather conditions making the Premises unsuitable for automobile racing in accordance with local, state, federal laws and regulations. City agrees to notify SS3 in the event the Airport is closed and otherwise unavailable for the Approved Event.

C. Licensee shall comply with all local, state, and federal laws, rules, regulations, and ordinances in connection with its use of the Premises. Licensee shall maintain its current status for all federal, state and local licenses and permits required for the operation of the Approved Events organized and hosted by Licensee.

4. TERM

A. This License begins on the Effective Date and will automatically expire on the earlier of (i) one (1) year anniversary of the Effective Date or (ii) upon completion of the Approved Event (the "Term"). Licensee will have one option to extend the term of this Agreement by written notice to the City within thirty (30) days of expiration of the Term. Upon such notice, the Term of this Agreement will be extended for an additional and subsequent one (1) year or upon completion of a second Approved Event (the "Extended Term").

B. This license may be terminated by either party at any time, with or without cause, with thirty (30) days written notice. Upon such termination the parties will be relieved of their duties and obligations under this Agreement, except for the payment of any amounts owed and due to City under the terms of the Agreement. If City elects to terminate this Agreement prior to the Approved Event, then City will refund the License Fee and any other amounts paid by SS3 to City for use of the Premises.

C. During the Term of this Agreement and subject to the terms and condition provided herein, SS3 may schedule one (1) Approved Event at the Premises. SS3 anticipates conducting an automotive exhibition and racing event for public display on or about April

12-14, 2023, at the Premises, or at such other date(s) as the event may be rescheduled as provided herein.

5. PERMITTED USES:

A. During the Term, SS3 may submit a written plan to Airport Director for the proposed date and time to conduct an event at the Premises (the "Event Plan"). The Event Plan must be submitted to City no less than ninety (90) days in advance of the proposed date. Airport Director will reply within five (5) days on whether the Premises is available for Licensee's event. If the event is approved, Airport Director will provide Licensee a written approval specifying the date and time of the approved event ("Approved Event").

B. The Event Plan must include the proposed location of all activities, equipment and facilities during all stages of preparation for or conduct of actual race displays and an outline of its plans for the control of vehicular and pedestrian traffic, the sale and collection of admissions and the placement and nature of any concession stands. These plans shall be subject to the Airport Director's approval and no installations or physical preparations shall be made on the Premises without first obtaining proper authorization from the Airport Director.

D. The Event Plan must include any plans for the erection of temporary fences, barricades, building and signs for crowd handling purposes and provide, office, reception and concession facilities in an area designated by the City. Immediately after completion of activities each day SS3 shall move to locations acceptable to City all items which may interfere with normal operations at the Airport, shall clean up all trash, debris and operations at the Airport and shall leave the premises in a clean and neat condition acceptable to City. Upon completion of the Approved Event, SS3 will remove all temporary fences, barricades, buildings, and signs and all trash and debris from the Airport and restore the Premises to a condition acceptable to the City.

E. SS3 will coordinate with the City and the Airport Director for entry/exit of the Airport on the days prior to and after the event for potential setup and tear down, as well as any promotional pictures, videos, or other media that may need to be taken on the Premises. Bleachers, portable restrooms and any other equipment related to the Approved Event may not be set up or staged more than six (6) days prior to the event and shall be removed within six (6) days of the end of the event, unless prior approval is given by the City. SS3 will minimize impacts to Airport operations during these activities.

F. SS3, its members, employees, patrons, guests and invitees shall be allowed access to the Premises only over routes to be designated by the City. SS3 is hereby granted the right to charge admission to all persons entering the Premises for the Approved Event. Nothing in this Agreement shall authorize SS3 to charge admission fees to any persons accessing the Airport for other purposes unrelated to the Approved Event, including but not limited to, aircraft owners, hanger tenants, any person who is an Airport or City employee or any FAA employee on official business.

G. City agrees that it will not authorize other persons to conduct any concessions, sales, promotions, ticket sales or other activities interfering or competing with the Approved Event at the Airport without SS3's consent.

H. SS3 shall have the exclusive right to conduct automotive races at the Airport during the dates of the Approved Event.

I. City reserves the right to cancel or rescind its approval of an Approved Event at any time, with or without cause prior to thirty (30) days of an Approved Event. City may cancel or rescind its approval of an Approved Event within thirty (30) for good and reasonable cause, including but not limited to:

1. Inclement or hazardous weather conditions
2. Fire, flood or other site conditions creating a threat to public health and safety concerns
3. SS3 is in breach of the terms of this Agreement
4. SS3's falsification, or otherwise misrepresentation of any material aspect of the Approved Event, or the License in connection therewith
5. Site conditions and/or situations requiring temporary or permanent closure of the Airport airfield or other areas to be used for the Approved Event

The Airport Director's decision to deny Licensee's request for an event date and/or cancel or rescind the approval of an Approved Event will be final and Licensee waives any and all rights to any appeal along with any alleged damages due to the unavailability, cancelation or rescinding of approval for use of the Premises for an Approved Event and/or Licensee's proposed event(s).

6. SERVICES AND UTILITIES

A. SS3 shall also coordinate with City for any police, fire, and emergency medical services for any traffic, security, and emergency medical services ("Emergency Services") related to the Approved Event. In addition to the License Fee, SS3 shall pay City for the cost the Emergency Services directly related to the Approved Event. City will provide an estimate to SS3 within ten (10) business days of the SS3's submission of an Event Plan. SS3 agrees to pay no less than 50% of the City's estimated cost of the Emergency Services not less than thirty (30) days prior to the date of the Approved Event. Following the date(s) of the Approved Event, City will issue an invoice to SS3 for the actual costs, within thirty (30) days after the Approved Event. The invoice will apply the amounts previously paid by SS3 for Emergency Services and payment on the invoice will due within thirty (30) days. SS3's obligation to pay for Emergency Services will survive expiration of the Agreement.

B. SS3 will bear all costs and expenses for any temporary utility connections and to establish accounts for such utilities, including but not limited to telephone, data, water, sewer, electrical services. SS3 agrees to provide adequate, trash receptacles and portable restroom facilities for men and women during the dates of the Approved Event and such days before and after the Approved Event for setup and tear down.

C. SS3 will provide, or cause to be provided the following services:

1. Chairs and canopy/tents for event staff (if so required)
2. Event staff credentials
3. Trash collection and removal
4. Erect and remove signs for event (if so required)
5. Event support and staffing
6. Safety Program (safety briefing, safety plan)
7. Event program and schedule
8. Preparation and submission of any documentation or applications required by FAA (Copies provided to Airport Director)

7. LICENSE FEE:

For use of the Premises in accordance with the terms of this Agreement, SS3 shall pay City the sum of Twelve Thousand Dollars ($12,000.00) as a License Fee ("the Fee") no later than thirty (30) days prior to the event. The License Fee will remain unchanged for the Extended Term, if any. City and SS3 agree to negotiate in good faith in the negotiating the fee of any future license agreements, if any.

8. SS3 OBLIGATIONS AND REPRESENTATIONS:

A. SS3's obligations to perform under this Agreement shall be absolute and unconditional.

B. SS3 acknowledges that, although unlikely, damage may be caused to Airport property. SS3 agrees to repair any damage to the Airport property, including but not limited to any buildings, hangars, City vehicles and equipment, signage, navigational aids, lights, fueling systems, ramps, vegetation, landscaping, pavement and rubber removal arising from the Approved Event within sixty (60) days of the Approved Event. If the repairs will require more than sixty (60) days to complete, then SS3 will submit a timetable for completion of the repair subject to City's approval, which will not be unreasonably withheld. The Airport property will be returned to a condition as good as or better than the condition the premises were in immediately before the Race. Any needed repairs will be made at the sole cost and expense of SS3. SS3's duty to repair the Airport property will survive expiration and/or termination of this Agreement.

C. Licensee represents, covenants and warrants to City that (i) it is a duly formed entity in accordance with the applicable requirements of the jurisdiction in which it has been formed and, if such jurisdiction is other than the jurisdiction in which the Premises is located it is duly qualified in such jurisdiction to transact business, (ii) it has the full right, power and authority to enter into this License, (iii) any and all corporate or other such action necessary to approve and ratify the entering into of this License by Licensee has been taken (and Licensee agrees to provide evidence thereof to City upon City's request) and (iv) the person executing this License on behalf of Licensee has been empowered with all necessary authority to do so and thereby to bind Licensee fully to all of the terms and conditions hereof.

9. EXCUSE OF PERFORMANCE BY REASON OR FORCE MAJEURE

Neither City, TxDOT, FAA nor SS3 shall be required to perform any term, condition, or covenant in this Agreement so long as such performance is delayed or prevented by Force Majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any government authority, civil riots, floods, or any other cause not reasonable with in the control of City, TxDOT, FAA or SS3 and which by the exercise of diligence City, TxDOT, FAA or SS3 is unable, wholly or in part, to prevent or overcome.

10. ASSIGNMENT AND SUBLICENSE:

SS3 shall have no authority to assign this Agreement or otherwise sublicense any portion of the Premises to a third party or parties without obtaining prior written consent of City. In the event of any assignment of sublicense, SS3 shall remain the principal obligor under all covenants of this Agreement. By accepting any assignment or sublicense, assignee or sublicense shall become bound by and shall perform, and shall become entitled to the benefits of all the terms, conditions and covenants of this Agreement.

11. INDEMNIFICATION AND INSURANCE:

A. SS3 hereby waives all claims against the City, TxDOT and FAA for damages to persons, equipment, fixtures, machinery, aircraft, or other items of personal or real property arising from the use of the Airport and/or the Premises by SS3.

B. **IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT LICENSEE WILL INDEMNIFY, DEFEND, AND HOLD HARMLESS CITY OF HONDO, TEXAS DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION TOGETHER WITH ITS CITY COUNCIL, OFFICERS, EMPLOYEES AND AGENTS, INDIVIDUALLY OR COLLECTIVELY (REFERRED TO HEREIN AS THE "INDEMNITEES"), FROM AND AGAINST ALL SUITS, ACTIONS, LOSSES, DAMAGES, DEMANDS, JUDGMENTS, CLAIMS, OR LIABILITY OF ANY CHARACTER, TYPE OR DESCRIPTION, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL EXPENSES OF LITIGATION, COURT COSTS, AND REASONABLE ATTORNEYS' AND EXPERTS' FEES, FOR INJURY OR DEATH TO ANY PERSON, OR LOSS OR DAMAGE TO ANY PROPERTY, RECEIVED OR**

SUSTAINED BY ANY PERSON, OR PERSONS, OR PROPERTY REFERRED TO HEREIN AS THE "LOSSES"), TO THE EXTENT ARISING OUT OF, OR OCCASIONED BY, ACTS OR OMISSIONS OF LICENSEE ARISING OUT OF LICENSEE'S USE OF THE PREMISES, OR ANY BUILDINGS, OR FROM THE CONDUCT OF LICENSEE'S BUSINESS, OR FROM ANY ACTIVITY, WORK, OR THING DONE, PERMITTED, OR SUFFERED BY LICENSEE, IN OR ABOUT THE PREMISES OR ANY BUILDINGS.

C. City, TxDOT, FAA together with its city council, officers, employees and agents, individually and collectively ("City, Et Al") will not be liable in any event for personal injury or loss of Licensee's property caused by fire, flood, water leaks, rain, hail, ice, snow, smoke, lightning, wind, explosion, interruption of utilities or other similar occurrences. Licensee will give prompt notice to Airport Director of any significant accidents involving injury to persons or property. Furthermore, City, Et Al, will not be responsible for lost or stolen personal property, equipment, money or jewelry from the Premises or designated parking areas, regardless of whether such loss occurs when the area is locked against entry. City, Et Al will not be liable to Licensee or Licensee's employees, customers or invitees for any damages or losses to persons or property caused by any invitees anywhere at Airport, or for any damages or losses caused by theft, burglary, assault, vandalism or other crimes. Licensee will give Airport Director prompt notice of any criminal or suspicious conduct within or about the Premises or Airport and/or personal injury or property damage caused thereby.

D. During the Term of this License, Licensee, at its sole cost and expense, will maintain in effect a policy of commercial general liability insurance, on an "occurrence basis," covering against all claims on account of death, bodily injury, personal injury and property damage, occurring in connection with Licensee's use or occupancy of the Premises with policy limits of not less than the following:

Coverage Type	Policy Limit
Personal/advertising injury limit and per occurrence limit	$1 million
Products/completed operations aggregate	$1 million
General aggregate	$2 million
Facility Damage	$100,000
Excess Liability per occurrence limit	$1 million
Medical Expenses	$5,000 per person

Licensee will name City of Hondo, TxDOT and FAA as an additional insured. Licensee will provide City proof of insurance and a copy of SS3's insurance policy within 30 days of an Approved Event. SS3 agrees that any claim, loss or judgment will first be paid by SS3 and/or its insurance policies.

E. SS3 will secure a fully executed Waiver of Liability from each racing participant before allowing such participant to race at the Approved Event. Upon request, SS3 will furnish City a copy of all signed Waiver of Liability forms.

12. PERMITS, LICENSES AND AUTHORIZATIONS:

SS3 shall at its own expense, procure any necessary permits, licenses and other authorizations required for the lawful and proper use, occupancy, operations and management of the Premises and pay all lawful taxes on income received. City agrees to cooperate with SS3 to assist in securing such permits, licenses and authorizations insofar as the same are issued under City's jurisdiction.

13. IDENTIFICATION:

SS3 may install on the Premises, temporary signs or other identification as provided in the Event Plan for the Approved Event. The size, type, design and locations of such signs or other identification will be subject to City's prior written consent.

14. NO WAIVER:

Failure on the part of City or SS3 to complain of any action or non-action on the part of the other shall not be deemed to be a waiver of any of their respective rights hereunder. The consent or approval by either party to or of any action by the other requiring consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

15. SEVERABILITY:

In case any provision of this License shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby.

16. GOVERNING LAW:

This Agreement shall be governed, enforced and construed in accordance with the laws of the State of Texas. Venue for this Agreement shall be in Medina County, Texas.

17. CONFIDENTIALITY:

City understands that in performing this Agreement they may have access to private, proprietary and/or confidential information relating to SS3. The event, as well as any and all ideas and concepts regarding logistics, equipment, marketing, development, or otherwise represent Confidential Information of SS3. With respect to all such information and any other information that the disclosing party may treat as confidential the other party agrees that the information will:

- Remain the exclusive property of the disclosing party.
- Not be copied, published or disclosed by the other party to others unless approved in writing.
- Be used solely in each party's performance of this Agreement.
- Be returned to the disclosing party upon termination of this Agreement.

Each party agrees that its obligations provided in this Agreement are necessary and reasonable in order to protect the disclosing party and its business, and each party expressly agrees that monetary damages would be inadequate to compensate the disclosing party for any breach by the receiving party of its covenants and agreements set forth in this Agreement. Accordingly, each party agrees and acknowledges that any such violation or threatened violation will cause irreparable injury to the disclosing party and that, in addition to any other remedies that may be available, in law, inequity or otherwise, the disclosing party shall be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by the receiving party, without the necessity of proving actual damage. **Notwithstanding anything contained herein to the contrary, SS3 acknowledges that it understands that *at the time of execution of this Agreement*, that the City is a governmental entity and, as such, all of its records are subject to the Public Information Act of Texas (the "Act") and that some or all of the proprietary and/or confidential information received by City may be subject to disclosure under the Act and City must comply with the Act and doing so will not be a violation of this Agreement. City will use its best efforts to notify SS3 of any such request for disclosure before the expiration of the mandatory 10 day period for disclosure, so that SS3 can pursue any rights and remedies it may have to object to the disclosure with the Attorney General of the state of Texas prior to actual disclosure by SS3 as required by Texas law.**

18. NON-COMPETING ACTIVITIES / EXCLUSIVITY:

Due to the amount of time and expense contributed by SS3 to build the longevity of the Event, City acknowledges and agrees that competing activities would be disruptive to the relationship between City and SS3, as well as jeopardize the future of the event. Therefore, City agrees that as long as SS3 is hosting an event on the Premises, and for a period of two (2) years from the date of SS3's most recent Approved Event on the Premises, City shall not host, license, permit, or otherwise provide access for any party to host a similar automotive racing event on the Premises without the written consent of SS3, which may be withheld for any or no reason whatsoever. This clause shall survive this Agreement regardless of termination by either party.

19. INSPECTION BY CITY:

SS3 shall permit City and City's agents, representatives, and employees to enter into and on the Premises at all reasonable times for the purpose of inspection, maintenance, making repairs or alteration to the Premises or any other purpose necessary to protect City's interest in the Premises.

20. NOTICES:

All notices, consents, waivers or other communications permitted or required hereunder shall be delivered by electronic mail, or hand delivery, by United States Certified Mail postage prepaid return receipt request or by telegram, addressed as follows:

For the City:
City of Hondo
1600 Ave. M
Hondo, Texas 78861
Att: Ryan Elder, Airport Director

For SS3:
Ryan Fisher
2934 ½ N. Beverly Glen Circle #180
Los Angeles, CA 90077

or to such address as may be designated in writing by either party.

21. ADDITIONAL DOCUMENTS:

Each party hereto agrees to execute and deliver any additional documents, which may be necessary or desirable in carrying out the terms of this Agreement.

22. ENTIRE AGREEMENT

This Agreement embraces the entire agreement of the parties mentioned herein pertaining to the Premises and no statement, remark, agreement, or understanding, either oral or written, not contained herein shall be recognized or enforced as it pertains to the License of the Premises, except that this Agreement may be modified by written amendment agreed to and signed by all pertinent parties and attached hereto.

23. HEADINGS AND CAPTIONS

The captions and headings are inserted solely for the convenience of reference and are not part of nor intended to govern, limit, or aid in the construction of any provision hereof.

24. AUTHORITY

The parties to this Agreement here by acknowledge and agree that they are the principals to this License and have the power, right, and authority to enter into this Agreement and are not acting as an agent for the benefit of any third party.

25. SEVERABILITY

If any section, sentence or phrase entered in this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this Agreement and, to this end, the provisions of this Agreement are declared to be severable.

26. LEGAL FEES AND EXPENSES

In the event of any dispute or legal action relating to this License, the prevailing party shall be entitled to receive from the other party, reimbursement for reasonable attorney's fees, costs and expenses incurred.

27. INTERPRETATION.

The parties hereto acknowledge and agree that (i) each party has reviewed the terms and provisions of this Agreement; (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favor or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives on the dates specified below.

CITY:

CITY OF HONDO,
a Texas municipal corporation

By: ________________________________ Date: ___________________________
Robert Herrera, Interim City Manager

SS3:

SHIFT-S3CTOR, LLC, a California
limited liability company

By: ________________________________ Date: ____________________
Ryan Fisher, managing member
and Legal Counsel

APPENDIX A

Hondo Airstrip Attack Base Coordination

Event

- Spectator Area, Pits, Vendors
- Event Vehicle Access Gate
- Pedestrian Access Gate
- Race Surface
- Race Return (to Start)
- Race Return (to Pits)
- Fire/EMS
- 450' Separation

Aero Coordination

- Aero Coordination Area
- Aero Coordination Area
- Aero Taxiing Route
- Alternate Taxi Route

Parking

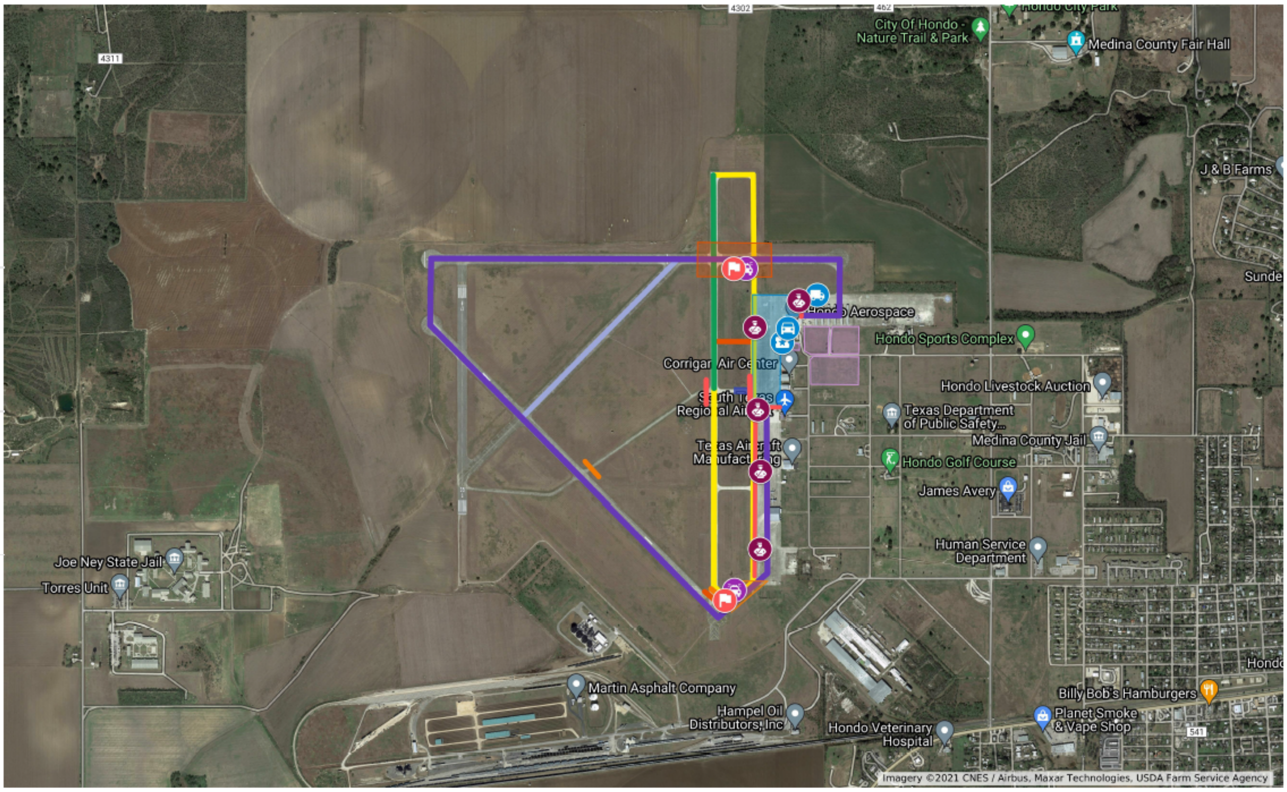
- Parking Lot
- Parking Lot
- Parking Lot
- Parking Lot

Barricade & Security

- Aircraft Low-Profile Barricade
- Cone, Aircraft Low-pro & Line of Sight Barricades
- Cone & Line of Sight Barricade
- Aircraft Low-profile Barricade
- Airport Flagger
- Airport Flagger
- Event Security Officer
- Event Security Officer
- Event Security Officer
- Event Security Officer
- Event Security Officer
- Aircraft Low-profile Barricade
- Cone Barricade
- Cone Barricade
- Aircraft Usher
- Aircraft Usher

AvGAS Trailer

- AvGas Trailer



HONDO

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City Council Communication

Title: Hold a public hearing regarding the City of Hondo Police Department applying for the USDA Grant-Patrol Units. (Lieutenant AJ Garza)
Date: September 11, 2023 ***From:***

INFORMATION:

The City of Hondo City Council will hold a public hearing on Monday, September 11, 2023 at 6:00 p.m. to consider and take public comment on the City's proposed grant application to the U.S. Department of Agriculture, Rural Development Community Facilities Grant to receive grant funding in an amount up to $73,639.00.00 for the purchase of City police vehicles: The grant is a 50/50 match.

The public hearing will be conducted in the Council Chamber, City Hall, 1600 Avenue M, Hondo, Texas. The City Council will consider the grant application and take public comments on the City's proposed grant application at that time

FINANCIAL IMPACT:

$73,639.00 One vehicle has been budgeted for

STAFF RECOMMENDATION:

MOTION:

None- This is a public hearing

ATTACHMENTS:

None

STAFF CONTACTS:

Lieutenant AJ Garza

HONDO

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City Council Communication

Title: Discuss and consider Resolution Number 411-23 authorizing the Hondo Police Department to apply for the USDA Grant-Patrol Vehicles. (Lieutenant AJ Gatrza)
Date: September 11, 2023 ***From:*** Aaron Garza, Lieutenant

INFORMATION:

The Hondo Police Department is requesting authorization to apply for $73,639.00 in grant funding from the U.S. Department of Agriculture, Rural Development Community Facilities Grant. Staff is asking the council to issue a resolution authorizing the same. This grant is a 50/50 match with one vehicle included in the budget.

FINANCIAL IMPACT:

$73,639.00

STAFF RECOMMENDATION:

Authorize Staff to apply for the USDA Grant for Patrol Vehicles and issue a resolution of the same.

MOTION:

Motion to Approve Resolution Number 411-23

ATTACHMENTS:

1. 411-23 USDA Vehicle Grant

STAFF CONTACTS:

Lieutenant AJ Garza

RESOLUTION No. 411-23

WHEREAS, the City of Hondo, Texas deems it necessary and proper to apply for financial assistance under the Rules and Regulations of Rural Housing Service, a department of the United States Department of Agriculture.

NOW, THEREFORE, BE IT PROVIDED by the above-named Applicant that Chief Justin Soza and Lieutenant Aaron Garza for the City of Hondo, Texas as the Signatory Agent(s)of the Applicant, is/are hereby authorized and directed to make application for financial assistance under the Rules and Regulations of Rural Housing Service, a Department of the United States Department of Agriculture; and to sign the acceptance of any documents required to complete the project on behalf of the above-named Applicant.

PASSED, APPROVED, AND ADOPTED this 11th day of September 2023.

By:______________________________

John McAnelly

Mayor

ATTEST:

By:____________________________

SueAnn Reyes, TRMC

City Secretary

HONDO

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City Council Communication

Title: Discuss the previous airport agenda item (RAMP Grant) discussed at the August 14th, 2023 Council Meeting. (Ryan Elder)
Date: September 11, 2023 ***From:*** Ryan Elder, Director of Aviaion

INFORMATION:

On August 14th, 2023, airport staff presented an action item for approval to execute the annual 50/50 RAMP Grant. The Grant paperwork attached to the Item was in fact the grant paperwork for the 90/10 NPE Grant associated with the Airport Taxiway Project. This agenda item is intended to memorialize the correct grant approval and provide the latest information pertaining to the NPE Grant.

FINANCIAL IMPACT:

Project Cost Total: $1,509,800
90/10 Share: $998,118 ($898,307 -90% / $99,811 - 10%)
Sponsor Share (Above $898,307 - $511,682) + $91,811 = $611,493

STAFF RECOMMENDATION:

Staff recommends memorializing the August 14th, 2023 Airport agenda item to reflect NPE Grant

MOTION:

Motion to memorialize the previous Airport agenda item on August 14th, 2023 to reflect the Airport NPE Grant

ATTACHMENTS:

None

STAFF CONTACTS:

Ryan Elder

HONDO
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City Council Communication

Title: Discuss and consider the Economic Development Corporation (EDC) 2023-2024 Budget as presented (Doug Dowler)	
Date: September 11, 2023	***From:*** Doug Dowler, EDC Executive Director

INFORMATION:
Discuss the Economic Development Corporation (EDC) 2023-2024 Budget as presented. (see attached budget worksheet)

FINANCIAL IMPACT:
None

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:
1. 2023-2024 EDC Proposed Budget

STAFF CONTACTS:
Doug Dowler
EDC Director
ddowler@hondo-tx.org

City of Hondo
EDC Fund   Board Approved 8/24/2023

			PROPOSED BUDGET
REVENUES			
	1301 SALES TAX REVENUE	$	625,000
	1373 INTEREST INCOME	$	98,088
	CARRY OVER FROM 22-23 RECREATION PROJECTS	$	315,557
TOTAL REVENUES		$	1,038,645
PERSONNEL			
	SALARY	$	200,000
	SOCIAL SECURITY	$	15,346
	UNEMPLOYMENT TAX	$	306.00
	RETIREMENT	$	28,179.29
	HEALTH & DENTAL INS	$	15,862.91
	WORKERS COMP	$	342.14
	CELL PHONE ALLOWANCE	$	600.00
TOTAL PERSONNEL		$	260,636.24
SUPPLIES			
	OFFICE SUPPLIES	$	6,000
TOTAL OFFICE SUPPLIES		$	6,000
OTHER SERVICES			
	MEETINGS & SEMINARS	$	15,000
	TELEPHONE	$	1,000
	POSTAGE	$	400
	CONSULTING SERVICES	$	25,000
	DUES & SUBSCRIPTIONS	$	15,000
	EDUCATION PROJECTS	$	-
	CHAMBER CONTRACT	$	20,000
	MARKETING & ADVERTISING	$	150,000
	RECREATION PROJECTS	$	315,557
	CONTINGENCY EXPENSE	$	1,229
	CITY SERVICES (INF TECH)	$	30,000
	TRANSFER - STRTC	$	65,000
TOTAL OTHER SERVICES		$	638,186
DEBT SERVICE			
	2016 SERIES CO - PRINCIPAL	$	55,000
	2016 SERIES CO - INTEREST	$	4,773
	2021 REFD BOND PRINCIPAL	$	65,000
	2021 REFD BOND INTEREST	$	9,050
TOTAL DEBT SERVICE		$	133,823
TOTAL EXPENSES		$	1,038,645
SURPLUS		$	(0)

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City Council Communication

Title: Discuss and consider Ordinance Number 1275-09-23 of the City Council of the City of Hondo, Texas making Appropriations for the support of the City of Hondo, Texas for the Fiscal Year Beginning October 1, 2023 and Ending September 30, 2024; Appropriating money to the Sinking Fund to pay for principal and interest due on the City's Indebtedness; and adopting the Annual Budget of the City of Hondo for the 2023-2024 Fiscal Year and Setting an Effective Date. (Chris Hill and Robert T. Herrera)
Date: September 11, 2023 ***From:*** Chris Hill, Robert Herrera, Interim City Manager

INFORMATION:

The City held Budget Workshops on August 9 and 10 with the City Council, Mayor and City Staff. A Public Hearing was held on August 28 after public notice in accordance with state law and the City Charter.

It is my pleasure to present the City Manager's recommended budget for Fiscal Year 2023-2024 (FY-24) for your review and consideration. The total budget for FY-24 is $30,728,946, an increase of roughly 6.2% from FY-23. One of the Administration's goals in preparing the budget for FY 2023-24 was to enhance employee compensation, which will aid the City in retaining and attracting employees. The 6.2% increase is primarily:

- Compensation Plan Increase to Personnel Costs ($908K).
- Two (2) New Police Officers ($142K).
- Health Insurance Increase ($80K).
- 2021 Certificate of Obligations for Street improvements (planned spend greater than last year).
- Economic Development Fund (EDC) increases for new EDC Director & Assistant along with Marketing, Advertising and other expenses.
- Admin Assistant at STRTC ($50K).

For 2023-2024, the budget includes the following new positions: 2 Police Officers, EDC Assistant Director, and STRTC Admin Assistant. The total personnel budget for next year is $9,623,927 for 146 employees, a thirteen percent (13%) increase over last year.

FINANCIAL IMPACT:

$1,790,781 or 6.2% increase.

STAFF RECOMMENDATION:

Staff recommends to approve Ordinance adopting the annual budget for 2023-2024 Fiscal Year.

MOTION:

Motion to approve Ordinance 1275-09-23 of the City Council of the City of Hondo, Texas making Appropriations for the support of the City of Hondo, Texas for the Fiscal Year Beginning October 1, 2023 and Ending September 30, 2024; Appropriating money to the

Sinking Fund to pay for principal and interest due on the City's Indebtedness; and adopting the Annual Budget of the City of Hondo for the 2023-2024 Fiscal Year and Setting an Effective Date.

ATTACHMENTS:

1. 2 -Budget Message FY 23 - 24
2. Ordinance Budget 2023-2024F
3. BudgetDocs

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

Robert T. Herrera
Interim City Manager
rherrera@hondo-tx.org

Honorable Mayor McAnelly and
Members of the City Council
City of Hondo, Texas

Mayor McAnelly and City Council Members:

Overview

It is my pleasure to present the City Manager's recommended budget for Fiscal Year 2023-2024 (FY-24) for your review and consideration. The City of Hondo staff is pleased to present a balanced budget for the FY-24. The total budget for FY-24 is $30,728,946, an increase of roughly 6.2% from FY-23. The 6.2% increase is primarily:

- Compensation Plan Increase to Personnel Costs ($908K)
- Two (2) New Police Officers ($142K).
- Certificate of Obligations for Street improvements, ($1.5 million greater than last year)
- Economic Development Fund (EDC) increases for new EDC Director & Assistant along with Marketing and Advertising expenses ($572K).
- Health Insurance Increase ($80K).
- STRTC Admin Assistant ($50K).

For 2023-2024, the budget includes the following new positions: 2 Police Officers, EDC Assistant Director, and STRTC Admin Assistant. The total personnel budget for next year is $9,623,927 for 146 employees, a thirteen percent (13%) increase over last year.

One of the Administration's goals in preparing the budget for FY 2023-24 was to enhance employee compensation, which will aid the City in retaining and attracting employees. The following are the changes staff recommends for FY 2023-24 regarding employee compensation and benefits.

a. Compensation

The administration recommends an increase in pay to bring employees up to the current market as provided by the City Compensation Study for all employees below market. And any additional increase required for the Police Department to meet the market in Medina County.
The City contracted with Gallagher in May, 2023 to prepare a Compensation and Benchmarking Study. Additionally the City obtained Police Department information from Medina County competitors. Additionally the City purchased Airport Compensation Survey from Western Management Group.

The Compensation Study includes a three percent (3%) Cost of Living Adjustment (COLA) for employees who do not receive a markup increase. Inflation was on the rise at a historic pace. The consumer price index surged to the highest increase in about 40 years in 2022. The U.S. Bureau of Labor Statistics reported for July, 2023, that the consumer price index for the last 12 months increased **3.2 percent**. The competitive labor market has increased the City's challenges in recruiting and retaining employees. The Compensation increases are the first step towards enhancing the City's compensation plan and benefits with the hopes of retaining staff but also recruiting talent.

b. Health Insurance Benefit

Prior to the last 2 years, the city was fortunate to have three consecutive years without increases in insurance premiums. However, due to a high loss ratio last year and this year, the city experienced a significant increase in insurance premiums for the fiscal year 2022-23. Unfortunately, the city has experienced another high loss ratio this year, and insurance premiums will increase by eleven percent (11%) for the fiscal year 2023-24. The increase in insurance premiums has made paying for dependent care coverage difficult, if not impossible, for employees. To aid staff with paying for increased dependent care coverage, **the administration recommends the city continue to pay for 50% of dependent care coverage for the base plan only.**

c. Flexible Spending Account Benefit

Streamline HR has prepared a proposal to provide the City Employees with a Flexible Spending Account for $4.75 per month per Participating Employee. Employees will have the option of selecting an amount not to exceed $3,050 to be available at the beginning of the Fiscal Year on a credit card for use to pay Medical, Dental, Vision and other qualified expenses. The amount is then deducted from the employees' paycheck over the entire year.

d. Other Projects

- ✓ Chip & Seal Program. Staff has recommended to the City Council a list of streets for rehabilitation work and project is underway.
- ✓ Replace/rehabilitate the downtown ground storage water tank*.
- ✓ Rehabilitate the clarifiers, sluice gate, bar screen, and compactor at the WWTP (CDGB Grant)
- ✓ Rehabilitate the Spatz water well.
- ✓ Rehabilitate sections of Taxiway A at the airport with Grant and $600,000 EDC loan.

* In 2021, Dunham Engineering inspected the downtown water storage tank and noted several deficiencies, including there was no longer a coating on the interior of the tank leading to significant corrosion. Rehabilitating the tank is not recommended since the interior has extensive corrosion. Rehabilitating the tank will require blasting the interior, leading to an unknown cost of repairs on the interior of the tank due to corrosion.

The city's wastewater treatment plant (WWTP), originally constructed in 1984, is approaching seventy-five percent (75%) capacity requiring the city to determine the best approach for treating the city's future wastewater needs. Staff has started a study to assess the current conditions of the WWTP, review historical data regarding flows at the WWTP, develop land use assumptions and provide a high level opinion on construction costs for either expanding the existing WWTP or building a Westside WWTP. The City plans to issue debt to construct a trunk/interceptor line from the Westside of the city to the existing WWTP. The City has applied for a Texas Water Board loan of $39,753,000 for a wastewater capital project.

Fund Comparison between FY 2023 Approved Budget versus FY 2024 Proposed Budget

Fund	FY 2023	FY 2024	Difference
General	11,370,089	11,618,307	248,218
Electric	6,574,484	6,789,299	214,815
Water & Wastewater	5,657,684	4,583,346	(1,074,338)
Airport	992,185	1,043,285	51,100
Bond	1,503,586	1,514,844	11,258
Sanitation	1,285,400	1,435,000	149,600
Municipal Court	3,400	3,400	0
Perpetual Care	1,000	21,000	20,000
General Capital Projects	1,000,000	2,500,000	1,500,000
EDC	180,539	809,822	629,284
STRTC	114,799	213,144	98,344
Hotel/Motel	87,500	87,500	0
Water Resource	30,000	30,000	0
Fair Hall & Livestock	137,500	80,000	(57,500)
TOTAL	**$28,938,166**	**$30,728,946**	**$1,790,781**

The budget includes the same total property tax rate as last year.

Primary Reoccurring Revenue Sources

Property tax rate

The proposed budget is based on maintaining the city's current property tax rate of 0.4370. The preliminary total taxable value of $462,486,885, is roughly 9% increase over last year's value.

Fiscal Year	Basic Rate	Debt Service	Total
2019	0.3823	0.1286	0.5109
2020	0.3796	0.1144	0.4940
2021	0.3668	0.1198	0.4866
2022	0.2894	0.1476	0.4370
2023	0.2858	0.1512	0.4370

Fiscal Year	Residential Property	Agricultural & Commercial Property	Total Taxable Property After Exemptions
2019	166,674,313	176,297,851	309,488,192
2020	170,955,903	187,347,903	338,430,067
2021	183,437,995	199,753,731	383,191,726
2022	216,461,468	210,885,434	427,346,902
2023	209,664,616	252,822,269	462,486,885

Sales Tax

Sales tax collections account for approximately thirty percent (30%) of the general fund revenues.

Fiscal Year	City	EDC	Total Collections
2018	1,216,096	608,048	1,824,144
2019	1,930,834	965,417	2,896,251
2020	1,153,468	575,935	1,729,403
2021	1,262,090	633,656	1,895,746
2022	1,326,340	663,170	1,989,510

Electric Revenue

The electric utility accounts for approximately forty percent (40%) of the city's revenues. Staff at this time is not recommending changing the Electric rates.

Fiscal Year	Residential	Commercial	Industrial	Other	Total
2018	4,031,636	4,447,508	800,714	203,153	9,483,011
2019	4,144,243	4,290,235	757,484	190,258	9,382,220
2020	3,975,355	4,818,799	894,833	169,560	9,858,547
2021	4,101,948	4,197,177	768,025	171,038	9,238,188
2022	4,426,661	4,474,876	718,047	230,056	9,849,640

Water and Wastewater Revenue

Staff at this time is not recommending changing the water and wastewater utility rates except for Wastewater for Commercial customers only.

Fiscal Year	Water	Wastewater	Other	Total
2018	2,461,394	1,242,354	371,868	4,075,616
2019	2,543,807	1,259,263	386,592	4,189,662
2020	3,136,404	1,529,083	366,961	5,032,448
2021	3,293,946	1,493,355	470,894	5,258,195
2022	3,406,012	1,524,467	450,252	5,380,731

Non-Profit Contributions

Non-Profit (General Fund)	Amount
Medina County Museum	2,000.00
Hondo Garden Club	3,500.00
Medina County Food Pantry	2,000.00

Rodeo Association	3,000.00
Bluebonnet Children's	3,500.00
Hondo Art League	3,000.00
Meals On Wheels	2,880.00
American Legion	1,000.00

Non-profit (Hotel/Motel Fund)	Amount
Hondo Chamber of Commerce	$65,000.00
Medina County Livestock Association	$5,000.00
Medina County Museum	$7,500.00
Rodeo Association	$10,000.00

The aggregated debt schedule below reflects the City's existing debt plus the proposed new tax notes.

Aggregated Debt Service

Fiscal Year	Rev Bonds S-2021	GO Ref S-2014	CO S-2015	GO Ref S-2016	CO S-2017	CO 2021	Feb2022 Tax Notes	Oct2022 Tax Notes	Total Debt Service
2024	74,050	189,682	200,252	255,962	352,621	182,025	104,266	153,187	**1,512,044**
2025	77,700	190,961	207,284	251,891	352,699	194,550	102,907	194,133	**1,572,124**
2026	71,350		203,984	381,267	352,239	270,650	106,375	263,150	**1,649,014**
2027	75,000		205,369	388,873	351,356	270,475	104,680	260,791	**1,656,543**
2028	73,600		206,308		350,092	270,150	102,895	346,697	**1,349,741**
2029	72,200		201,812		353,437	269,675	105,992	350,675	**1,353,791**
2030	75,750		207,044		351,284	269,050			**903,127**
2031			206,723		353,831	273,200			**833,753**
2032			206,105		350,911	272,125			**829,141**
2033			205,075		352,645	270,900			**828,620**
2034			203,785		353,920	269,525			**827,230**
2035			202,059		354,722	272,925			**829,706**
2036					355,074	271,100			**626,174**
2037						269,125			**269,125**
2038						271,925			**271,925**
2039						269,500			**269,500**
2040						271,850			**271,850**
2041						268,975			**268,975**
Total	**519,650**	**380,653**	**2,455,796**	**1,277,993**	**4,584,828**	**4,707,725**	**627,114**	**1,568,632**	**16,122,381**
	100% EDC	**63% General 37% Utility**	**53.4% General 46.6% Utility**	**27.36% General 21.84% Utility 6.58% Airport 21.84% Electric 22.39% EDC**	**100% Utility**	**100% General**	**100% General**	**88% General 12% Electric**	

Cash Position

Below you will find the most recent Unrestricted Cash balances as of September 30, 2022, compared to September 30, 2021.

Fund	09/30/21	09/30/22	Difference
General	3,241,185	4,639,965	1,398,780
Electric	2,044,784	2,634,285	589,501
Water/Wastewater	4,015,474	5,054,819	1,039,345
Airport	(144,247)	27,174	171,421
Sanitation	530,776	474,786	(55,990)

Closing

The cash position of the major funds is improving and each fund has more than 90 day cash reserves except the Airport Fund which is consistently improving.

The budget is key to managing the City's resources when planning for growth. The budget is a tool to help us manage our limited resources to the highest priorities that will produce the greatest positive impact on the community. The budget document for the City of Hondo is a document that clearly outlines the City's objectives with resources.

Note: SB 2 lowered the rate the city can increase property taxes to 3.5% percent before voter approval is required. However there are two exceptions to the 3.5% rate.

1. Unused Increment Rate

The unused increment rate can be used to increase the voter-approval rate, depending upon the tax rates adopted by the city in the previous three years. In essence, the "unused increment rate" is the 3-year rolling sum of the difference between the adopted tax rate and voter-approval rate. Put differently, the city has the ability to "bank" any unused amounts below the voter-approval rate to use for up to three years.

2. De Minimis Rate

This is designed to give cities with a population of 30,000 or less some relief from the 3.5% per voter approval tax rate. The De Minimis rate allows smaller cities flexibility to adopt a tax rate that generates $500,000 more in property tax revenue than the previous year.

I want to thank the staff for all their contributions and support in preparing this year's budget. I especially want to thank Christopher Hill for his dedication to organizing this year's budget.

Respectfully,

Robert T. Herrera
Interim City Manager

ORDINANCE NO. XXXX~~1259~~-09-23~~2~~

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF HONDO, TEXAS FOR FISCAL YEAR BEGINNING OCTOBER 1, 2023~~2~~ AND ENDING SEPTEMBER 30, 2024~~3~~; APPROPRIATING MONEY TO THE SINKING FUND TO PAY PRINCIPAL AND INTEREST DUE ON THE CITY'S INDEBTEDNESS; AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF HONDO FOR THE 2023~~2~~-2024~~3~~ FISCAL YEAR AND SETTING AN EFFECTIVE DATE.

WHEREAS, the budget appended here as Exhibit "A", for the fiscal year beginning October 1, 2023~~2~~ and ending September 30, 2024~~3~~, was duly presented to the City Council by the City Manager in accordance with Section 7.02 of the City Charter; and

WHEREAS, a public hearing was ordered by the City Council and a public notice of said hearing was duly posted on the bulletin board for public notices and published in the Hondo Anvil Herald in accordance with applicable state law and Section 7.05 of the City Charter; and said hearing was held according to said notices;

WHEREAS, a public hearing was held on ~~September~~August 28~~12~~, 2023~~2~~, during said public hearing, all interested persons were given the opportunity to be heard for or against any item or amount of any item contained in said budget, after which said public hearing was closed; and

WHEREAS, the City Council, finds that all provisions pertaining to the adoption of the budget contained in the City Charter have been in all things complied with; and

WHEREAS, the City Council upon full consideration of the budget is of the opinion that the budget is in accordance with Article VII of the City Charter and hereinafter set forth is proper and should be approved and adopted;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS:

SECTION 1. The preceding recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

SECTION 2. That the appropriation for the fiscal year beginning October 1, 2023~~2~~ and ending September 30, 2024~~3~~ for the support of the general government operations of The City of Hondo, Texas, be fixed and determined for said terms in accordance with the expenditures shown in the City's fiscal year 2023~~2~~-2024~~3~~, a copy of which is appended as Exhibit "A" and incorporated herein for all purposes.

SECTION 3.

This budget will raise more revenue from property taxes than last year's budget by an amount of $~~213~~105,691~~830~~, which is a~~n~~ 5~~11~~.45~~6~~ percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $22~~18~~,717~~142~~.

SECTION 4. That the budget, as shown in words and figures in Exhibit "A", is hereby approved in all aspects and adopted as the City's budget for the fiscal year beginning October 1, 2023~~2~~ and ending September 30, 2024~~3~~.

SECTION 5. That there is hereby appropriated the amount shown in said budget necessary to provide for a sinking fund for the payment of the principal and interest and the retirement of bonded debt of said City.

SECTION 6: The City Council hereby authorizes the Mayor, and the City Manager to sign documents authorizing the payment of funds, and to expend public expenditures that have been expressly approved and appropriated in this budget.

SECTION 7: This ordinance shall take effect upon approval and adoption by City Council and shall be in full force at 12:00 a.m. on October 1, 2023~~2~~.

Passed, approved and adopted this 11~~2~~th day of September, 2023~~2~~.

____
John McAnelly, Mayor

ATTEST:

____
~~Sue Ann Reyes,~~ City Secretary

EXHIBIT A

HONDO

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City of Hondo FY 2023-2024 Proposed Budget Comparison

Fund Comparison between FY 2023 and FY 2024 Proposed

	FY 2023	FY 2024	Difference	
Revenues				
General Fund	4,290,034	5,018,897	728,863	
Electric Fund	9,332,300	9,535,861	203,561	
Water Fund	6,771,468	6,990,089	218,621	
Airport Fund	1,134,912	1,104,770	(30,142)	
Bond Fund	620,260	710,190	89,931	
Sanitation Fund	1,487,600	1,589,500	101,900	
Court Technology/Court Security	3,400	3,400	-	
Perpetual Care Fund	21,000	61,000	40,000	
General Street Capital Projects	1,000,000	2,500,000	1,500,000	
EDC Fund	527,500	1,038,645	511,145	
STRTC Fund	102,299	148,144	45,844	
Hotel/Motel Tax Fund	135,000	135,000	-	
Water Resource Fund	30,000	30,000	-	
Fair Hall & Livestock Fund	50,000	32,500	(17,500)	
Total Revenues	**$ 25,505,773**	**$ 28,897,995**	**$ 3,392,222**	
			13%	
Expenses				
General Fund	11,370,089	11,618,307	248,218	
Electric Fund	6,574,484	6,789,299	214,815	
Water Fund	5,657,684	4,583,346	(1,074,338)	
Airport Fund	992,185	1,043,285	51,100	
Bond Fund	1,503,586	1,514,844	11,258	
Sanitation Fund	1,285,400	1,435,000	149,600	
Court Technology/Court Security	3,400	3,400	-	
Perpetual Care Fund	1,000	21,000	20,000	
General Street Capital Projects	1,000,000	2,500,000	1,500,000	Bonds
EDC Fund	180,539	809,822	629,284	
STRTC Fund	114,799	213,144	98,344	
Hotel/Motel Tax Fund	87,500	87,500	-	
Water Resource Fund	30,000	30,000	-	
Fair Hall & Livestock Fund	137,500	80,000	(57,500)	
Total Expenses	**$ 28,938,166**	**$ 30,728,946**	**$ 1,790,781**	
			6.19%	
Other Sources (Uses) of Funds				
American Rescue Funds	1,173,000	-	(1,173,000)	
Transfer In	-	-	-	
2022 Tax Notes Remaining	1,406,828	1,045,952	(360,876)	
TWDB Water Funds	732,567	600,000	(132,567)	
2021 Tax Notes Remaining	307,258	185,000	(122,258)	
Total Other Sources (Uses) of Funds	**$ 3,619,653**	**$ 1,830,952**	**$ (1,788,701)**	
Surplus (Deficit)	**$ 187,260**	**$ (0)**	**$ (187,259)**	

HONDO

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PROPOSED BUDGET CHANGES

FY 2023/2024	Description	Amount	General	Electric	WTR/WW	AIRPORT	EDC	STRTC	FAIR HALL
GENERAL	ADD 2 POLICE OFFICERS	(142,252)	(142,252)						
ALL	COMPENSATION PLAN	(358,748)	(291,928)	18,784	(49,949)	(23,463)		(12,192)	
ALL	TML INSURANCE	(33,000)	(20,000)	(5,000)	(8,000)				
GENERAL	SPAY/NEUTER	(4,000)	(4,000)						
GENERAL	MOVE CITY HALL REMODEL TO SPLASH PAD	60,000	60,000						
GENERAL	REDUCE FINANCE BANKING FEES	3,000	3,000						
GENERAL	REMOVE RECREATION MANAGER	70,421	70,421						
GENERAL	REDUCE RECREATION UTILITIES	7,000	7,000						
GENERAL	REDUCE RECREATION IMPROVEMENTS	2,000	2,000						
GENERAL	REDUCE RECREATION MKTG & ADVERTISING	1,000	1,000						
GENERAL	ADD REC SUMMER PROGRAM BUS COSTS	(5,500)	(5,500)						
GENERAL	ADD GOLF K-LINE COST	(2,500)	(2,500)						
ALL	MISCELLANEOUS REDUCTIONS	22,477	22,477						
ALL	REDUCE FUEL IN ALL DEPARTMENTS	18,000	11,000		7,000				
ALL	REDUCE MEDICAL	77,000	56,916	5,388	10,176	2,993	1,197	330	
WATER / SEWER	REDUCE SEWER UTILITY FEES	5,000			5,000				
AIRPORT	HANGAR H RENT INCREASE	3,192				3,192			
EDC / STRTC	ADD ASSISTANT PAYROLL	(99,529)					(48,747)	(50,782)	
GEN / EDC / STRTC	CONTRIBUTION TO STRTC	0	(20,000)				(40,000)	60,000	
FAIR HALL	MEETINGS & SEMINAR (JAMIE)	(5,000)							(5,000)
FAIR HALL	PUBLIC RELATIONS	(9,000)							(9,000)
	TOTAL BUDGET CHANGES	(390,439)	(252,366)	19,171	(35,773)	(17,278)	(87,550)	(2,644)	(14,000)

HONDO

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PROPOSED COMPENSATION PLAN INCREASES

Department	Fund	Description		Amount	Estimate	Increase
POLICE	GENERAL	COMPENSATION PLAN		$356,956		
PARKS / FACILITIES	GENERAL	COMPENSATION PLAN		$93,542		
STREETS	GENERAL	COMPENSATION PLAN		$77,320		
RECREATION / LIBRARY	GENERAL	COMPENSATION PLAN		$63,280		
ALL OTHER	GENERAL	COMPENSATION PLAN		$50,830		
GENERAL EXCEPT PUBLIC WORKS			TOTAL	$641,928	$350,000	$291,928
WATER	WATER	COMPENSATION PLAN		$81,295	$50,000	-$31,295
SEWER	WATER	COMPENSATION PLAN		$55,048	$40,000	-$15,048
ELECTRIC	ELECTRIC	COMPENSATION PLAN		$51,216	$70,000	$18,784
ALL OTHER	WATER	COMPENSATION PLAN		$13,606	$10,000	-$3,606
	TOTAL PUBLIC WORKS		TOTAL	$201,165	$170,000	$31,165
AIRPORT	AIRPORT	COMPENSATION PLAN		$53,463	$30,000	$23,463
STRTC	STRTC	COMPENSATION PLAN		$12,192		$12,192
	TOTAL OTHER		TOTAL	$65,655	$30,000	$35,655
			TOTAL ALL	$908,748	$550,000	$358,748

Current Pay Structure

Pay Grade	Range Minimum (Annual)	Range Midpoint (Annual)	Range Maximum (Annual)	Range Minimum (Hourly)	Range Midpoint (Hourly)	Range Maximum (Hourly)
101	$26,249.60	$27,289.60	$28,329.60	$12.62	$13.12	$13.62
104	$24,772.80	$31,720.00	$38,646.40	$11.91	$15.25	$18.58
105	$26,249.60	$33,612.80	$40,955.20	$12.62	$16.16	$19.69
106	$27,830.40	$35,630.40	$43,430.40	$13.38	$17.13	$20.88
107	$29,515.20	$37,772.80	$46,030.40	$14.19	$18.16	$22.13
108	$31,283.20	$40,040.00	$48,796.80	$15.04	$19.25	$23.46
109	$33,155.20	$42,432.00	$51,708.80	$15.94	$20.40	$24.86
110	$35,131.20	$44,990.40	$54,828.80	$16.89	$21.63	$26.36
111	$37,252.80	$47,673.60	$58,115.20	$17.91	$22.92	$27.94
112	$39,478.40	$50,544.00	$61,588.80	$18.98	$24.30	$29.61
114	$44,366.40	$56,784.00	$69,201.60	$21.33	$27.30	$33.27
115	$47,507.20	$60,798.40	$74,110.40	$22.84	$29.23	$35.63
116	$49,857.60	$63,814.40	$77,771.20	$23.97	$30.68	$37.39
118	$56,010.00	$71,692.00	$87,375.00	$26.93	$34.47	$42.01
120	$62,932.00	$80,554.00	$98,175.00	$30.26	$38.73	$47.20
121	$66,708.00	$85,387.00	$104,065.00	$32.07	$41.05	$50.03
123	$74,954.00	$95,941.00	$116,928.00	$36.04	$46.13	$56.22
124	$79,451.00	$101,697.00	$123,943.00	$38.20	$48.89	$59.59
126	$98,197.00	$125,692.00	$153,187.00	$47.21	$60.43	$73.65

Option III

$15.00/hr minimum

Proposed Pay Structure

Pay Grade	Range Minimum (Annual)	Range Midpoint (Annual)	Range Maximum (Annual)	Range Minimum (Hourly)	Range Midpoint (Hourly)	Range Maximum (Hourly)
101 - Seasonal	$27,040.00	$27,040.00	$27,040.00	$13.00	$13.00	$13.00
200	$31,200.00	$37,710.40	$45,260.80	$15.00	$18.13	$21.76
201	$34,694.40	$43,368.00	$52,041.60	$16.68	$20.85	$25.02
202	$39,894.40	$49,878.40	$59,862.40	$19.18	$23.98	$28.78
203	$45,884.80	$57,366.40	$68,848.00	$22.06	$27.58	$33.10
204	$52,790.40	$65,977.60	$79,164.80	$25.38	$31.72	$38.06
205	$60,694.40	$75,878.40	$91,062.40	$29.18	$36.48	$43.78
206	$69,804.80	$87,256.00	$104,707.20	$33.56	$41.95	$50.34
207	$80,267.20	$100,339.20	$120,411.20	$38.59	$48.24	$57.89
208	$92,310.40	$115,398.40	$138,486.40	$44.38	$55.48	$66.58
209	$106,163.20	$132,704.00	$159,244.80	$51.04	$63.80	$76.56
210	$122,096.00	$152,609.60	$183,123.20	$58.70	$73.37	$88.04

HONDO

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City Council Communication

Title: Discuss and consider Ordinance Number 1276-09-23 of the City Council of the City of Hondo, Texas, Setting the Ad Valorem Tax Rate at $0.4370 cents per $100.00 valuation for the Maintenance and Operations and Debt Service of the Municipal Government of the City of Hondo for the 2023-2024 Fiscal Year; Providing for Apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. (Chris Hill and Robert T. Herrera)
Date: September 11, 2023 ***From:*** Chris Hill, Robert Herrera, Interim City Manager

INFORMATION:

The 2023-2024 Budget is based on no change in the Ad Valorem Tax Rate at $0.4370 per $100 valuation. The Proposed Tax Rate is greater than the no-new-revenue tax rate. The Proposed tax rate is not greater than the voter-approval tax rate. As a result, the City of Hondo is not required to hold an election at which voters may accept or reject the proposed tax rate.

The M&O rate will decline by $0.0036 and the Debt Service rate will increase by the same amount.

1. $ .2858 for each $100.00 valuation of property for the maintenance and operations of the general government (General fund);

2. $ .1512 for each $100.00 valuation of property for the Interest and Sinking Fund.

FINANCIAL IMPACT:

Total Tax Levy will increase by $105,691 or 5.45%.

STAFF RECOMMENDATION:

Staff recommends to approve the Ordinance setting the Ad Valorem Tax Rate for 2023-2024 Fiscal Year.

MOTION:

Roll Call Vote is necessary. The motion to adopt a tax rate that exceeds the no-new-revenue rate must be made precisely as follows:

"I move that the property tax rate be increased by the adoption of a tax rate of $0.4370 cents per $100.00 valuation, which is effectively a 5.45 percent increase in the tax rate."And Approving Ordinance 1276-09-23.

ATTACHMENTS:

1. Ordinance Tax Rate 2023-2024F
2. Motion for Approval of TAX RATE
3. TAXRATES2023signed
4. 2023 CHO Wkst

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

Robert Herrera
Interim City Manager
rherrera@hondo-tx.org

ORDINANCE NO. XXXX-09-23

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS, SETTING THE AD VALOREM TAX RATE AT $0.4370 CENTS PER $100.00 VALUATION FOR THE MAINTENANCE AND OPERATIONS AND DEBT SERVICE OF THE MUNICIPAL GOVERNMENT OF THE CITY OF HONDO FOR THE 2023-2024 FISCAL YEAR; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID.

WHEREAS, the appraisal roll of the City of Hondo, Texas for 2023 has been prepared and certified by the Medina County Appraisal District and submitted to the City showing the total appraised, assessed and taxable value of all property and the total taxable value of new property to the City; and

WHEREAS, following notice and public hearing in accordance with applicable state law and based upon said appraisal roll, the City Council has determined a tax rate to be levied for 2023 sufficient to provide the tax revenues required by the City.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS:

<u>SECTION 1.</u> The preceding recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

<u>SECTION 2.</u> The City Council hereby levies for the General Fund and Interest and Sinking Fund an ad valorem tax at the rate of $0.4370 cents per $100.00 valuation for the 2023-2024 Fiscal Year beginning on October 1, 2023 and ending on September 30, 2024 on all property, real, personal, mobile and mixed, within the limits of said City, not otherwise exempt by the Constitution or laws of the State of Texas and ordinances of the City.

1. $ .2858 for each $100.00 valuation of property for the maintenance and operations of the general government (General fund);

2. $ .1512 for each $100.00 valuation of property for the Interest and Sinking Fund.

<u>SECTION 3.</u> In accordance with the provision and requirements of Section 26.05 of the Texas Tax Code as amended, the City Council hereby states:

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.95 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $8.20.

<u>SECTION 4.</u> That taxes levied under this Ordinance shall be apportioned for specific purposes as provided for in the City’s 2023-2024 Budget appended as Exhibit “A” to this

Ordinance.

SECTION 5. The taxes levied under this ordinance shall be due October 1, 2023 and if not paid on or before January 31, 2024, shall immediately become delinquent.

SECTION 6. All taxes shall become a lien upon the property against which assessed, and the Tax Assessor and Collector of Medina County is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City of Hondo and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for payment of said tax, penalty and interest, and the interest and penalty collected from such delinquent taxes shall be apportioned to the General Fund of the City of Hondo. All delinquent taxes shall bear interest from the date of delinquency at the rate prescribed by state law.

SECTION 7. That the City Council may, by the affirmative vote of a majority of the City Council, amend or change the Budget to provide for any additional expense in which the general welfare of the citizenry is involved pursuant to the City's Charter. Any future amendment, not adopted herein, shall be by ordinance and shall become an attachment to this original budget.

SECTION 8. Any prior ordinance of the City Council in conflict with the provisions contained in this Ordinance is hereby repealed and revoked.

SECTION 9. Should any part of this Ordinance be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

SECTION 10. This Ordinance shall take effect (2) days after it is signed by the Mayor or no later than October 1, 2023.

Passed and approved this 11th day of September, 2023.

____
John McAnelly, Mayor

ATTEST:

____
City Secretary

The motion to adopt a tax rate that exceeds the no-new-revenue rate must be made precisely as follows:

"I move that the property tax rate be increased by the adoption of a tax rate of $0.4370 cents per $100.00 valuation, which is effectively a 5.45 percent increase in the tax rate."

Line	Emergency Revenue Rate Worksheet	Amount/Rate
80.	**2023 voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	$ 0.4385 /$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. .... $ 0.4165 /$100
As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).
Indicate the line number used: 26

Voter-approval tax rate .... $ 0.4385 /$100
As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).
Indicate the line number used: 49

De minimis rate. .... $ 0.5357 /$100
If applicable, enter the 2023 de minimis rate from Line 72.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [58]

print here CHRIS HILL
Printed Name of Taxing Unit Representative

sign here Chris Hill
Taxing Unit Representative

Date 8/28/23

[58] Tex. Tax Code §§26.04(c-2) and (d-2)

2023 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Hondo	830-426-3378
Taxing Unit Name	Phone *(area code and number)*
1600 AVE M, HONDO, TX 78861	www.hondo-tx.org
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements.*

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet.*

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet		Amount/Rate
1.	**2022 total taxable value.** Enter the amount of 2022 taxable value on the 2022 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[1]		$ 441,929,592
2.	**2022 tax ceilings.** Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step.[2]		$ 0
3.	**Preliminary 2022 adjusted taxable value.** Subtract Line 2 from Line 1.		$ 441,929,592
4.	**2022 total adopted tax rate.**		$ 0.4370 /$100
5.	**2022 taxable value lost because court appeals of ARB decisions reduced 2022 appraised value.**		
	A. **Original 2022 ARB values:**	$ 0	
	B. **2022 values resulting from final court decisions:**	- $ 0	
	C. **2022 value loss.** Subtract B from A.[3]		$ 0
6.	**2022 taxable value subject to an appeal under Chapter 42, as of July 25.**		
	A. **2022 ARB certified value:**	$ 0	
	B. **2022 disputed value:**	- $ 0	
	C. **2022 undisputed value.** Subtract B from A.[4]		$ 0
7.	**2022 Chapter 42 related adjusted values.** Add Line 5C and Line 6C.		$ 0

[1] Tex. Tax Code §26.012(14)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(13)
[4] Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet		Amount/Rate
8.	**2022 taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.		$ 441,929,592
9.	**2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022.** Enter the 2022 value of property in deannexed territory. [5]		$ 0
10.	**2022 taxable value lost because property first qualified for an exemption in 2023.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2023 does not create a new exemption or reduce taxable value.		
	A. **Absolute exemptions.** Use 2022 market value:	$ 1,623,620	
	B. **Partial exemptions.** 2023 exemption amount or 2023 percentage exemption times 2022 value:	+ $ 1,008,355	
	C. **Value loss.** Add A and B. [6]		$ 2,631,975
11.	**2022 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2023.** Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022.		
	A. **2022 market value:**	$ 0	
	B. **2023 productivity or special appraised value:**	- $ 0	
	C. **Value loss.** Subtract B from A. [7]		$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.		$ 2,631,975
13.	**2022 captured value of property in a TIF.** Enter the total value of 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2022 taxes were deposited into the tax increment fund. [8] If the taxing unit has no captured appraised value in line 18D, enter 0.		$ 0
14.	**2022 total value.** Subtract Line 12 and Line 13 from Line 8.		$ 439,297,617
15.	**Adjusted 2022 total levy.** Multiply Line 4 by Line 14 and divide by $100.		$ 1,919,730
16.	**Taxes refunded for years preceding tax year 2022.** Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. [9]		$ 6,862
17.	**Adjusted 2022 levy with refunds and TIF adjustment.** Add Lines 15 and 16. [10]		$ 1,926,592
18.	**Total 2023 taxable value on the 2023 certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [11]		
	A. **Certified values:**	$ 425,081,745	
	B. **Counties:** Include railroad rolling stock values certified by the Comptroller's office:	+ $	
	C. **Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:	- $ 0	
	D. **Tax increment financing:** Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. [12]	- $ 0	
	E. **Total 2023 value.** Add A and B, then subtract C and D.		$ 425,081,745

[5] Tex. Tax Code §26.012(15)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.03(c)
[9] Tex. Tax Code §26.012(13)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012, 26.04(c-2)
[12] Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	**Total value of properties under protest or not included on certified appraisal roll.** [13] **A. 2023 taxable value of properties under protest.** The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [14] . . . . . $ 42,603,601 **B. 2023 value of properties not under protest or included on certified appraisal roll.** The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [15] . . . . . + $ 0 **C. Total value under protest or not certified.** Add A and B.	$ 42,603,601
20.	**2023 tax ceilings.** Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step.[16]	$ 0
21.	**2023 total taxable value.** Add Lines 18E and 19C. Subtract Line 20. [17]	$ 467,685,346
22.	**Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022.** Include both real and personal property. Enter the 2023 value of property in territory annexed. [18]	$ 0
23.	**Total 2023 taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in 2022. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2022 and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for 2023. [19]	$ 5,198,461
24.	**Total adjustments to the 2023 taxable value.** Add Lines 22 and 23.	$ 5,198,461
25.	**Adjusted 2023 taxable value.** Subtract Line 24 from Line 21.	$ 462,486,885
26.	**2023 NNR tax rate.** Divide Line 17 by Line 25 and multiply by $100. [20]	$ 0.4165 /$100
27.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the 2023 county NNR tax rate. [21]	$ ______ /$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	**2022 M&O tax rate.** Enter the 2022 M&O tax rate.	$ 0.2894 /$100
29.	**2022 taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 441,929,592

[13] Tex. Tax Code §26.01(c) and (d)
[14] Tex. Tax Code §26.01(c)
[15] Tex. Tax Code §26.01(d)
[16] Tex. Tax Code §26.012(6)(B)
[17] Tex. Tax Code §26.012(6)
[18] Tex. Tax Code §26.012(17)
[19] Tex. Tax Code §26.012(17)
[20] Tex. Tax Code §26.04(c)
[21] Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet		Amount/Rate
30.	**Total 2022 M&O levy.** Multiply Line 28 by Line 29 and divide by $100		$ 1,278,944
31.	**Adjusted 2022 levy for calculating NNR M&O rate.**		
	A. M&O taxes refunded for years preceding tax year 2022. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022.	+ $ 5,194	
	B. 2022 taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2023 captured appraised value in Line 18D, enter 0.	– $ 0	
	C. 2022 transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0.	+/- $ 0	
	D. 2022 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	$ 5,194	
	E. Add Line 30 to 31D.		$ 1,284,138
32.	**Adjusted 2023 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*		$ 462,486,885
33.	**2023 NNR M&O rate (unadjusted).** Divide Line 31E by Line 32 and multiply by $100.		$ 0.2776 /$100
34.	**Rate adjustment for state criminal justice mandate.** [23] **If not applicable or less than zero, enter 0.**		
	A. 2023 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	$ 0	
	B. 2022 state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.	– $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
35.	**Rate adjustment for indigent health care expenditures.** [24] **If not applicable or less than zero, enter 0.**		
	A. 2023 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose.	$ 0	
	B. 2022 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose..	– $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100

[22] [Reserved for expansion]
[23] Tex. Tax Code §26.044
[24] Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet		Amount/Rate
36.	**Rate adjustment for county indigent defense compensation.** [25] **If not applicable or less than zero, enter 0.**		
	A. 2023 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose.	$ 0	
	B. 2022 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose.	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0 /$100	
	D. Multiply B by 0.05 and divide by Line 32 and multiply by $100.	$ 0 /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.		$ 0 /$100
37.	**Rate adjustment for county hospital expenditures.** [26] **If not applicable or less than zero, enter 0.**		
	A. 2023 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023.	$ 0	
	B. 2022 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022.	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0 /$100	
	D. Multiply B by 0.08 and divide by Line 32 and multiply by $100.	$ 0 /$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.		$ 0 /$100
38.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.		
	A. Amount appropriated for public safety in 2022. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year	$ 0	
	B. Expenditures for public safety in 2022. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	$ 0 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
39.	**Adjusted 2023 NNR M&O rate.** Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.		$ 0.2776 /$100
40.	**Adjustment for 2022 sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2022 should complete this line. These entities will deduct the sales tax gain rate for 2023 in Section 3. Other taxing units, enter zero.		
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2022, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	$ 0	
	B. Divide Line 40A by Line 32 and multiply by $100	$ 0 /$100	
	C. Add Line 40B to Line 39.		$ 0.2776 /$100
41.	**2023 voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.		$ 0.2873 /$100

[25] Tex. Tax Code §26.0442
[26] Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	***Disaster Line 41 (D41):* 2023 voter-approval M&O rate for taxing unit affected by disaster declaration.** If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. [27] If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	$ 0/$100
42.	**Total 2023 debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes, **(2)** are secured by property taxes, **(3)** are scheduled for payment over a period longer than one year, and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [28] Enter debt amount . . . $ 707,391 **B.** Subtract **unencumbered fund amount** used to reduce total debt. . . . – $ 0 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) . . . – $ 0 **D.** Subtract **amount paid** from other resources . . . – $ 0 **E. Adjusted debt.** Subtract B, C and D from A.	$ 707,391
43.	**Certified 2022 excess debt collections.** Enter the amount certified by the collector. [29]	$ 0
44.	**Adjusted 2023 debt.** Subtract Line 43 from Line 42E.	$ 707,391
45.	**2023 anticipated collection rate.** **A.** Enter the 2023 anticipated collection rate certified by the collector. [30] . . . 100.00% **B.** Enter the 2022 actual collection rate. . . . 96.81% **C.** Enter the 2021 actual collection rate. . . . 97.06% **D.** Enter the 2020 actual collection rate. . . . 97.62% **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [31]	100.00%
46.	**2023 debt adjusted for collections.** Divide Line 44 by Line 45E.	$ 707,391
47.	**2023 total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 467,685,346
48.	**2023 debt rate.** Divide Line 46 by Line 47 and multiply by $100.	$ 0.1512/$100
49.	**2023 voter-approval tax rate.** Add Lines 41 and 48.	$ 0.4385/$100
D49.	***Disaster Line 49 (D49):* 2023 voter-approval tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	$ ______/$100

[27] Tex. Tax Code §26.042(a)
[28] Tex. Tax Code §26.012(7)
[29] Tex. Tax Code §26.012(10) and 26.04(b)
[30] Tex. Tax Code §26.04(b)
[31] Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	**COUNTIES ONLY.** Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2023 county voter-approval tax rate.	$ 0 /$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	**Taxable Sales.** For taxing units that adopted the sales tax in November 2022 or May 2023, enter the Comptroller's estimate of taxable sales for the previous four quarters. [32] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2022, enter 0.	$ 0
52.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [33] **Taxing units that adopted the sales tax in November 2022 or in May 2023.** Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [34] **- or -** **Taxing units that adopted the sales tax before November 2022.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ 0
53.	**2023 total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 467,685,346
54.	**Sales tax adjustment rate.** Divide Line 52 by Line 53 and multiply by $100.	$ 0 /$100
55.	**2023 NNR tax rate, unadjusted for sales tax.**[35] Enter the rate from Line 26 or 27, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ 0.4165 /$100
56.	**2023 NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November 2022 or in May 2023.** Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2022.	$ 0.4165 /$100
57.	**2023 voter-approval tax rate, unadjusted for sales tax.**[36] Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the *Voter-Approval Tax Rate Worksheet.*	$ 0.4385 /$100
58.	**2023 voter-approval tax rate, adjusted for sales tax.** Subtract Line 54 from Line 57.	$ 0.4385 /$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [37] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [38]	$ 0
60.	**2023 total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 467,685,346
61.	**Additional rate for pollution control.** Divide Line 59 by Line 60 and multiply by $100.	$ 0 /$100
62.	**2023 voter-approval tax rate, adjusted for pollution control.** Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	$ 0.4385 /$100

[32] Tex. Tax Code §26.041(d)
[33] Tex. Tax Code §26.041(i)
[34] Tex. Tax Code §26.041(d)
[35] Tex. Tax Code §26.04(c)
[36] Tex. Tax Code §26.04(c)
[37] Tex. Tax Code §26.045(d)
[38] Tex. Tax Code §26.045(i)

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate adjusted to remove the unused increment rate for the prior three years. [39] In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate must be backed out of the calculation for that year.

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year before 2020; [40]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); [41] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. [42]

Individual components can be negative, but the overall rate would be the greater of zero or the calculated rate.

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. [43]

Line	Unused Increment Rate Worksheet		Amount/Rate
63.	**Year 3 component.** Subtract the 2022 actual tax rate and the 2022 unused increment rate from the 2022 voter-approval tax rate.		
	A. Voter-approval tax rate (Line 67)	$ 0 /$100	
	B. Unused increment rate (Line 66)	$ 0.0000 /$100	
	C. Subtract B from A	$ 0 /$100	
	D. Adopted Tax Rate	$ 0.4370 /$100	
	E. Subtract D from C	$ -0.4370 /$100	
64.	**Year 2 component.** Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate.		
	A. Voter-approval tax rate (Line 67)	$ 0 /$100	
	B. Unused increment rate (Line 66)	$ 0.0000 /$100	
	C. Subtract B from A	$ 0 /$100	
	D. Adopted Tax Rate	$ 0.4866 /$100	
	E. Subtract D from C	$ -0.4866 /$100	
65.	**Year 1 component.** Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate.		
	A. Voter-approval tax rate (Line 65)	$ 0 /$100	
	B. Unused increment rate (Line 64)	$ 0 /$100	
	C. Subtract B from A	$ 0 /$100	
	D. Adopted Tax Rate	$ 0.4940 /$100	
	E. Subtract D from C	$ -0.4940 /$100	
66.	**2023 unused increment rate.** Add Lines 63E, 64E and 65E.		$ 0 /$100
67.	**Total 2023 voter-approval tax rate, including the unused increment rate.** Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).		$ 0.4385 /$100

[39] Tex. Tax Code §26.013(a)
[40] Tex. Tax Code §26.013(c)
[41] Tex. Tax Code §§26.0501(a) and (c)
[42] Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022
[43] Tex. Tax Code §26.063(a)(1)
[44] Tex. Tax Code §26.012(8-a)
[45] Tex. Tax Code §26.063(a)(1)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [44]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [45]

Line	De Minimis Rate Worksheet	Amount/Rate
68.	**Adjusted 2023 NNR M&O tax rate.** Enter the rate from Line 39 of the *Voter-Approval Tax Rate Worksheet*	$ 0.2776 /$100
69.	**2023 total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 467,685,346
70.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 69 and multiply by $100.	$ 0.1069 /$100
71.	**2023 debt rate.** Enter the rate from Line 48 of the *Voter-Approval Tax Rate Worksheet.*	$ 0.1512 /$100
72.	**De minimis rate.** Add Lines 68, 70 and 71.	$ 0.5357 /$100

SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.[46]

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year. [47]

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	**2022 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ 0.4370 /$100
74.	**Adjusted 2022 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2022 and the taxing unit calculated its 2022 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2022 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet. **- or -** If a disaster occurred prior to 2022 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2022, complete the separate *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2022 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. [48] Enter the final adjusted 2022 voter-approval tax rate from the worksheet. **- or -** If the taxing unit adopted a tax rate above the 2022 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	$ 0 /$100
75.	**Increase in 2022 tax rate due to disaster.** Subtract Line 74 from Line 73.	$ 0 /$100
76.	**Adjusted 2022 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ 439,297,617
77.	**Emergency revenue.** Multiply Line 75 by Line 76 and divide by $100.	$ 0
78.	**Adjusted 2023 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ 462,486,885
79.	**Emergency revenue rate.** Divide Line 77 by Line 78 and multiply by $100. [49]	$ 0 /$100

[46] Tex. Tax Code §26.042(b)
[47] Tex. Tax Code §26.042(f)
[48] Tex. Tax Code §26.042(c)
[49] Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
80.	**2023 voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	$ 0.4385 /$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. . . . . $ 0.4165 /$100
As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).
Indicate the line number used: 26

Voter-approval tax rate . . . . $ 0.4385 /$100
As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).
Indicate the line number used: 49

De minimis rate. . . . . $ 0.5357 /$100
If applicable, enter the 2023 de minimis rate from Line 72.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [50]

print here ______________________________
Printed Name of Taxing Unit Representative

sign here ______________________________ ______________________________
Taxing Unit Representative Date

[50] Tex. Tax Code §§26.04(c-2) and (d-2)

HONDO

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City Council Communication

Title: Discuss and consider Ordinance Number 1277-09-23 of the City of Hondo, Texas Amending Appendix A, "Fee Schedule" of the Code of Ordinances of the City of Hondo by Amending pertinent sections to reflect current fees, increased fees, deleted fees, and new fees; providing a repealer clause; providing for severability and setting an effective date. (Chris Hill and Robert T. Herrera)
Date: September 11, 2023 ***From:*** Chris Hill, Robert Herrera, Interim City Manager

INFORMATION:
As part of the budget process, the Proposed Fee Schedule is submitted to City Council for approval.

FINANCIAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends approving the Ordinance and updating the Fee Schedule.

MOTION:
Move to approve Ordinance 1277-09-23 amending Appendix A, "Fee Schedule" of the Code of Ordinances of the City of Hondo by Amending pertinent sections to reflect current fees, increased fees, deleted fees, and new fees; providing a repealer clause; providing for severability and setting an effective date.

ATTACHMENTS:
1. Ordinance Fee Schedule 2023-2024
2. Proposed Fee Schedule 23-24 2

STAFF CONTACTS:
Chris Hill
Chief Finance Officer
chill@hondo-tx.org

Robert Herrera
Interim City Manager
rherrera@hondo-tx.org

ORDINANCE NO. XXXX-09-23

AN ORDINANCE OF THE CITY OF HONDO, TEXAS (CITY) AMENDING APPENDIX A, "FEE SCHEDULE" OF THE CODE OF ORDINANCES OF THE CITY OF HONDO BY AMENDING PERTINENT SECTIONS TO REFLECT CURRENT FEES, INCREASED FEES, DELETED FEES, AND NEW FEES; PROVIDING A REPEALER CLAUSE; PROVIDING FOR SEVERABILITY AND SETTING AN EFFECTIVE DATE.

WHEREAS, the City of Hondo adopted Ordinance 1106-09-16 on September 12, 2016, which established a comprehensive "Fee Schedule" which set forth the cost of all services provided to the citizens and businesses of the City; and

WHEREAS, the Fee Schedule attached as Appendix A to the City of Hondo Code of Ordinances sets forth the cost of all services provided to the citizens and businesses of the City of Hondo, Texas;

WHEREAS, the City of Hondo City Council considers it reasonable to amend said Fee Schedule periodically to reflect the cost of providing services; and

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS

SECTION 1. AUTHORIZATION. That the Fee Schedule for 2023-2024 attached hereto and made part of this Ordinance and to be set forth in the City of Hondo Code of Ordinances as Appendix A, is hereby adopted as presented with an effective date of October 1, 2023, and repealing all previous ordinances in conflict with this Ordinance. Any previous fee amount which this 2023-2024 Fee Schedule now amends is hereby expressly repealed if it is in conflict with the newly established fee set forth by this Ordinance. In the case of a fee listed in another ordinance, but not included in the 2023-2024 Fee Schedule, the previous listed fee amount shall apply until amended. All other provisions of the ordinances of the City of Hondo, whether codified or uncodified, which are not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

SECTION 2. PUBLIC PURPOSE. The City declares the consolidation of its municipal fees and charges is in the public interest.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared void; and that in lieu of each clause or provision of this Ordinance that is invalid, illegal, or unenforceable there be added by the Mayor as necessary with the approval of the City Attorney as to form, and as a part of the Ordinance a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

SECTION 5. EFFECTIVE DATE. This ordinance shall take effect upon passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS, THIS 11th DAY OF SEPTEMBER, 2023.

____
John McAnelly, Mayor

ATTEST:

____
City Secretary

EXHIBIT "A."
FEE SCHEDULE

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
A1.001-GENERAL PROVISIONS		
COPY CHARGES		
Copies (8 1/2 x 11)		
Black & White	$0.10 per page	
Color	$1.00 per page	
Audio Copy on Flash Drive	$10.00	
Audio Copy on Compact Disc	$4.00	
ShapeFile/Geodatabase file	$3.00	
Personnel Charge (Large Requests that require 1hr+)	$15.00 per hour	
NOTARY FEE	$6.00-First page; $1.00 for each additional page	
Fee for legal/professional services at special meetings	$200.00	
Online Processing Fee	$1.25	
MISCELLANEOUS FEES		
Block Party Permit	$25.00	
Carnival License	$250.00	
Sexually Oriented Business License	$500.00	
Burn Permit	$25.00	
SOLICTOR/VENDOR PERMIT FEES		
30 Days	$25.00	
60 Days	$50.00	
180 Days	$65.00	
One (1) Year	$100.00	
Agent Fee	$25.00 per agent	
Lost Permit	$15.00 per permit	
A1.001-GENERAL PROVISIONS		
FILM PROJECT FEES		
Total or disruptive use (regular operating hours of a public building, park, right-of-way, or public area	$500.00	
Partial non-disruptive use of a public building, park, right-of-way, or public area	$250.00	
Total closure or obstruction of public street or right-of-way, including parking lots & on-street parking (for filming purposes)	$50.00 per block	

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Partial closure or obstruction of public street or right-of-way, including parking lots, & on-street parking (for filming purposes)	$25.00 per block	
Use of City parking lots, parking areas, and City Streets	$50.00 per block or lot	
(for the purpose of parking fil trailers, buses, catering trucks, and other large vehicles)		
Application processing fee	$25.00	
LIQUOR LICENSE FEES		
General Class B Wholesaler's Permit (W)	$150.00	
BEER LICENSES		
Branch Distributors License (BC)	$38.00	
General Distributor's License (BB)	$150.00	
Importer's License (BI)	$10.00	
Local Distributor's License (BD)	$38.00	
Beer Retailer Off Premise (BF) Annual	$30.00	
Retail Beer on Premise (BE) Annual	$75.00	
Retail Dealer's On Premise Late Hours License (BL)	$125.00	
Retail Beer & Wine on premise (BG) Annual	$87.50	
Retail Beer & Wine off premise (BQ) Annual	$30.00	
Importer's Carrier License	$10.00	
LIQUOR LICENSE		
Beverage Cartage License (PE)	$10.00	
Carrier's Permit (C)	$15.00	
Food and Beverage Certificate (FB)	$50.00	
Mixed Beverage Permit (MB)	$750.00	

HONDO
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CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE
Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
A1.001-GENERAL PROVISIONS		
Mixed Beverage Late Hours Permit (LB)	$75.00	
Package Store (P) Annual	$250.00	
Wine Only Package Store (Q) Annual	$37.50	
Private Carrier's Permit (O)	$15.00	
CITY RESIDENT FEES	NO CHARGE	
	Active Military and Veterans - No charge (proof required)	
OUT OF CITY RESIDENT FEES	$15.00 per year per family for ages 5-54	
	$10.00 per year/family (One member must be 55+)	
	*Individuals/Families having a business address	
	receive city resident fee (must have CoH service address)	
PRINT OUTS		
Black & White	$0.10 per page	
Color	$1.00 per page	
PHOTOCOPIES	$.10 Black & White/ $1.00 Color (each page)	
A1.002 LIBRARY		
FAX (OUTGOING ONLY)	$1.00 per page	
FINES		
BOOK/AUDIOBOOK FINES	$0.10 per day-Max $5.00 per title	
VIDEO FINES	$1.00 per day-Max. $10.00 per title	
EQUIPMENT FINES	$5.00 per day-Max. $35.00 per item.	
LOST OR DAMAGED/DESTROYED BOOK	Price of the book as entered into the	
	catalog system + $3.00 processing fee	
LOST / NON-RETURNED EQUIPMENT	Full equipment cost per signed check-out agreement.	
SENIOR ACTIVITY CENTER RENTAL RATES Per Room		
*Non-Profit Fee (must have 78861 zip code)	$17.50 per hour	
Business/For-Profit Fee	$35.00 per hour - 2 hour minimum	
Fee (City of Hondo/TML Municipalities/ Other Government Agencies)	Free of Charge	
Deposit (FOR ALL RENTALS)	$100.00	
MISCELLANEOUS FEES		

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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Replacement Card	$1.00	
Postage Fee for interlibrary loans not pickup up	$3.00 per item	
Scans	$0.10 per page	
Lamination	$1.00 per page	
USB or Flash Drive	$10.00	
One-User Headphones/ear buds	$1.25	
Vinyl for Silhouette Use - Small and Medium	$1.00	
Vinyl for Silhouette Use - Large and X-Large	$3.50	
Online Processing Fee	$1.25	
A1.003-PARKS		
PARK FEES		
City Park #1		
Deposit	$100.00	**Deposit (Required by all rate groups) $100**
Usage	$100.00 per day	**Standard Rate $100 per day**
Exempt rate (CoH, Medina Co., HISD)		**No charge**
Non-Profit Deposit	$100.00 (78861 only)	**Remove**
Non-Profit Rental Fee	$50.00 (78861 only)	**Remove**
City Park #2		
Deposit	$50.00	**Deposit (Required by all rate groups) $50**
Usage	$50.00 per day	**Standard Rate $50 per day**
Exempt rate (CoH, Medina Co., HISD)		**No charge**
Non-Profit Deposit	$50.00 (78861 only)	**Remove**
Non-Profit Rental Fee	$25.00 (78861 only)	**Remove**
LOADING DOCK		
Available to 78861 NON-PROFIT'S ONLY	$50.00 deposit-returned if cleaned	
COMMUNITY CENTER		
Deposit	$100.00	**Deposit (Required by all rate groups) $100**
Standard Rate	$35.00 per hour-2hr minimum	**$35 per hour-2hr minimum**
		Community Rate (Non-Profits & Approved Agencies) $20/hr
Non-Profits (78861 only)	$17.50 per hour-2 hour minimum	**Remove**
Exempt rate (CoH, Medina Co., HISD)		**No charge - Deposit Required**

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE

Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
After Hours Key Pickup		**$50 must be paid at time of exchange**
Lost Key Fee	$15.00	**$50 and/or forfeiture of deposit**
Cancellation Fees		
w/14 day notice		**Rental Deposit Refund Only**
w/o 14 day notice		**Rental Deposit and Rent Forfeited**
Non-Profits		**Community Rate status above**
City, County & HISD		**Exempt status above**
A1.004-RECREATION		
FAIR HALL		
Deposit	$650.00	**$800.00**
Fair Hall Rental Fee	Monday-Thursday $900.00, Friday-Saturday $1,400.00	
Extra Day Rental Fee	$300.00	**$400**
Grounds	Monday-Thursday $500.00, Friday-Saturday $1,000.00	**Remove**
Rodeo Arena	$350.00	**Remove**
Show Barn	$400.00	**Remove**
Bar-B-Q Pit	$250.00	**Remove**
East/West Field	$350.00	**$300**
TA LOPEZ PAVILION	NO CHARGE	**$50**
TA LOPEZ BATHROOMS - BASEBALL FIELD	$100.00 Deposit	
TA LOPEZ BASEBALL FIELD/LIGHTS	$15.00/hr	**$20/hr**
RICK TAYLOR RECREATION CENTER		
RESIDENT		
Daily Fee	$4.00	**$5**
Memberships (Yearly)		
Youth (Ages 13-21)	$20.00	
Adult (Ages 21 & Up)	$52.00	
Family	$65.00	
Senior/Military	***New Discounted Rate***	**$48**
NON-RESIDENT		
Memberships (Yearly)		
Youth (Ages 13-21)	$35.00	

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE

Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Adult (Ages 21 & Up)	$85.00	
Family	$111.00	
Senior/Military	***New Discounted Rate***	**$100**
A1.004-RECREATION		
RENTAL FEES		
Activity Room		**remove**
Deposit	$25.00	**remove**
Usage	$35.00/(1) hour minimum	**remove**
	$50.00 if reservation is outside regular hours	**remove**
GYMNASIUM		
Deposit	$50.00 during open hours	
	$100.00 during closed hours	
Usage	$35/hr. for half court	
	$150.00-half a day when closed + $15.00/hr. for staff	**remove**
	$300.00-full day when closed + $15.00/hr. for staff	**remove**
TOURNAMENT/FIELD RENTALS		
Deposit	$250.00/field per day	**$300/field per day**
Usage	$150.00/field per day	**$300/field per day**
Non-profit rate		**$200/field per day**
Parking Fees are not allowed on City Property		**First offense - Warning**
		Second Offense $300 Fee
		Third Offense Not allowed to rent city property for 1 year
PROGRAMS REGISTRATION FEES		
Flag Football	$65.00 per player	**$70 per player**
Girl's Volleyball	$50.00 per player	**$55 per player**
Basketball		
Peewee Division	$40.00 Peewee Division per player	**$45 Peewee Division per player**
JR/SR Division	$55.00 JR/SR Division per player	**$60 JR/SR Division per player**
Summer Rec Camp	$96.00 per participant	**$125 per participant**
Aerobics Class	$4.00 per participant	
Christmas Camp	$25.00 per participant	
Day Off Camp	$10.00 per participant	
League Admission Fee	$2.00 adults	
	$1.00 children (under 3 free)	

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
A1.004-RECREATION		
MISCELLANEOUS		
Replacement Card	$5.00	**$3 non-swimmers/$5 swimmers**
Lights (TA Lopez & Ave U Fields)	$15.00 per hour	
SWIMMING POOL FEES		
Admission	$3.00 per person (2yrs & under free)	
FITNESS PASSES	$65.00 w/rec membership	
	2nd pass for $20 (same address)	
	$90.00 w/out rec membership	
	2nd pass for $20 (same address)	
SEASON PASSES		
Youth (w/rec membership)	$20.00	
Adult (w/rec membership)	$40.00	
Family (w/rec membership) (2 adults & Up to 4 Dependents)	$60.00	
Youth (w/out rec membership)	$30.00	
Adult (w/out rec membership)	$60.00	
Family (w/out rec membership) (2 adults & Up to 4 Dependents)	$145.00	
Swim Lessons	$40.00 per child	**per contract labor discretion**
Private Pool Party Deposit	$60.00	
Private Pool Party Rental	$180-3 hrs.	
	$240-4 hrs.	
	$25.00 for additional guard (50+ people) per party	
NON-RESIDENT		**remove**
Daily Fee	$4.00 per day	**remove**
Online Processing Fee	$1.25	**remove**
Senior Citizen (65 years and Up) & Military Discount	10%	**remove**
A1.005-GOLF COURSE		
GREEN FEES (18 Holes)		
Senior (60yrs+)	$16.00-with cart-WEEKDAYS	
	$20.00-with cart-WEEKENDS	
	$8.00-walking-WEEKDAYS	
	$12.50-walking-WEEKENDS	

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Junior (5-17yrs)	$15.00-with cart-everyday	
Junior (5-17yrs)	$7.00-walking-everyday	
Adults (18yrs-59yrs)	$20.00-with cart-WEEKDAYS	
	$24.00-with cart-WEEKENDS	
	$12.50-walking-WEEKDAYS	
	$16.50-walking-WEEKENDS	
MEMBERSHIPS (Monthly)		
WALKING MEMBERSHIP		
Family Dues	$74.95 monthly	
Single Dues	$58.71 monthly	
Senior Dues	$48.97 monthly	
PLAYER DEVELOPMENT PROGRAM (PDP)		
Unlimited range use, 20% off weekend green fees, 50% off after 1pm weekdays green fees	$95.00 monthly	
PLAYERS CLUB CARD		
All Access Pass	$195.00 monthly	
GOLF LESSONS	$20.00 per hour	
BUCKET OF RANGE BALLS		
Small Bucket (25 balls)	no longer offered	
Medium Bucket (50 balls)	$4.00	
Large Bucket (100 balls)	$6.00	
Jumbo Bucket (140 balls)	$8.00	
Online Processing Fee	$1.25	
A1.006-POLICE DEPT		
FEES FOR COPIES OF REPORTS		
Accident	$6.00	
Call for Service	$6.00	
Arrest (w/ Identification ONLY)	$6.00	
Incident/Offense (Public Info. ONLY)	$6.00	
Finger Print Cards	$25.00	

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE
Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
ANIMAL REGISTRATION (Dogs & Cats)		
Spayed or Neutered (sterilized)	$5.00	
or under 1 year old		
NOT Spayed or Neutered	$7.00	
ANIMAL IMPOUNDMENT		
Dogs & Cats		
(each NOT Spayed or Neutered (sterilized)		
First Offense in 12month period	$30.00	
Second Offense in 12month period	$40.00	
Third Offense in 12month period	$50.00	
Fourth Offense in 12month period	$60.00	
Dogs & Cats (each Spayed or Neutered (sterilized)		
First Offense in 12month period	$25.00	
Second Offense in 12month period	$30.00	
Third Offense in 12month period	$40.00	
Fourth Offense in 12month period	$50.00	
HANDLING FEE	$10.00 per day, or fraction there of	
Daily charge that an animal is at the shelter in addition to impoundment fees		
A1.006-POLICE DEPT		
PROOF OF CURRENT VACCINATION	$22.00	
If proof is not provided for any animal over 3m of age		
an additional charge is applied		
QUARANTINE FEES	$12.00 per day, or fraction there of	
Daily charge that an animal is at the shelter in addition to impoundment fees		
Owners of animals destroyed by the Animal Control Officer shall be assessed		
additional fees, as appropriate, in addition to the existing impound fees,		
per destroyed animal, when the animal is not suspected of rabies infection		
Rabies Examination	$50.00	
Euthanasia Fee	$25.00	
ADOPTION FEE	$30.00	
ANIMAL DISPOSAL	$25.00	

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE

Appendix A

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Any animals surrender by owners		
DANGEROUS DOG	$50.00	
MICROCHIP DEPOSIT	$10.00	
A1.007-MUNICIPAL COURT		
Speeding in school zone	$199.20	
Exceeding posted speed zone	$8 per mile	
Cell Phone Use in School Zone	$199.90	
No Drivers License-1st Offense	$124.00	
No Drivers License-2nd Offense	$184.00	
No Drivers License-3rd Offense	$200.00	
Expired drivers license	$84.00	
No seat belt-Driver	$49.90	
No seat belt-Passenger	$49.90	
No seat belt on child age 15-16	$49.90 to passenger/$99.90 to driver	
No seat belt on child age 8-15	$99.90 to driver	
No seat belt/child safety seat for child under 8	$104.90 to driver	
No parking violations	$100.00	
Online Processing Fee	$2.50 or $3.50-depending on deferral	
A1.008-UTILITIES		
Deposit - Residential*		
Electric	$200.00	
Water	$100.00	
Deposit - Commercial*		
Electric	(minimum) $500 or High/Low Prev. Bill	
Water	(minimum) of $100 or High/Low Prev. Bill	
Hydrant meter deposit	$1,500.00	
Hydrant meter Inquiry fee	$25.00	
Connection fee		
Residential	$25.00 each	
Commercial	$25.00 each	

HONDO
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CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE
Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
*Deposits may be initially waived if a letter of credit in good		
standing is provided by account holder in their name.		
(Must provide before account is opened)		
Re-Connect Fees**		
****Additional fees may apply**		
Utility Re-Connect Fee (During business hours)**	$20.00 per meter Water/Electric	
****No After Hours Reconnect**		
POLE DISCONNECT FEE	$160.00	
A1.008-UTILITIES		
TAMPERING FEES**		
First Offense (per meter)	$500.00 per meter Water/Electric-First Offense	
Offense after first (per meter)	$750.00 per meter every offense after first	
Police Reports are made for each offense		
Disconnection Day Service Charge (Collection Fee)	$30.00 flat fee	
Re-Read Fee	$25.00 per meter Water/Electric if incorrect	
Meter Test - Water	$75.00/refunded if meter test fails	
Meter Test - Electric	$75.00 if within 5% accuracy	
BANNER FEE	$75.00 (Permission from TxDOT required)	
Edwards Aquifer Authority Management Fee (EAA)	$.05 per 100 gallons per month	
WATER RESOURCES FUND	$1.00 per month	
Online Processing Fee	$1.25	
RETURN CHECK FEE	$40.00	
CEMETERY LOTS & PERPETUAL CARE		
City Residents or owners of property inside city limits		
Burial site (lot)	$400.00 per site	**$500 per site**
Perpetual care	$300.00 per burial	**$400 per burial**
Irrigation fee	No charge	

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Non-Residents or non-owners of property inside city limits		
Burial site (lot)	$500.00 per site	**$600 per site**
Perpetual care	$400.00 per burial	**$500 per burial**
Irrigation Fee	No charge	
WATER RATES-RESIDENTIAL (inside City Limits)	Cost per thousand gallons	
0-2,000 Gallons-minimum charge	$31.21 (can differ depending on meter size)	
2,001 - 4,000 gallons	$2.54	
4,001 - 6,000 gallons	$2.60	
6,001 - 9,000 gallons	$2.60	
9,001 - 12,000 gallons	$2.74	
12,001 - 15,000 gallons	$2.92	
15,001 - 30,000 gallons	$3.12	
30,001 - 45,000 gallons	$3.32	
45,001 - 60,000 gallons	$3.52	
60,001 - 75,000 gallons	$3.70	
75,001 gallons and above	$3.90	
WATER RATES-COMMERCIAL	Cost per thousand gallons	
0-2,000 Gallons-minimum charge	$57.22 (can differ depending on meter size)	
2,001 - 4,000 gallons	$2.74	
4,001 - 6,000 gallons	$2.80	
6,001 - 9,000 gallons	$2.86	
9,001 - 12,000 gallons	$3.00	
12,001 - 15,000 gallons	$3.18	
15,001 - 30,000 gallons	$3.38	
30,001 - 45,000 gallons	$3.64	
45,001 - 60,000 gallons	$3.90	
60,001 - 75,000 gallons	$4.16	
75,001 gallons and above	$4.42	

HONDO
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CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE

Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
WATER RATES-RESIDENTIAL (outside city limits)	Cost per thousand gallons	
0-2,000 Gallons-minimum charge	$62.42 (can differ depending on meter size)	
2,001 - 4,000 gallons	$4.94	
4,001 - 6,000 gallons	$5.20	
6,001 - 9,000 gallons	$5.34	
9,001 - 12,000 gallons	$5.46	
12,001 - 15,000 gallons	$5.86	
15,001 - 30,000 gallons	$6.24	
30,001 - 45,000 gallons	$6.64	
45,001 - 60,000 gallons	$7.02	
60,001 - 75,000 gallons	$7.42	
75,001 gallons and above	$7.80	
SEWER RATES-RESIDENTIAL	Cost per thousand gallons	
0-2,000 Gallons-minimum connect charge	$26.01,$35,$55,$85,$14,$225,$425 (depends on meter size)	
2,001 - 15,000 gallons	$1.77	
15,001 gallons and above	No Charge	
Senior Citizen Discount	10% reduction on fee	
SEWER RATES-COMMERCIAL/INDUSTRIAL	Cost per thousand gallons	
0-2,000 Gallons-minimum connect charge	$26.01,$35,$55,$85,$14,$225,$425 (depends on meter size)	
2,001 - 75,000	$1.77	$1.96
75,001 and above		$3.09

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
ELECTRIC RATE-ALL		
Residential (AN)	Base Rate: $15.00	
	Per kWh 0.131	
Residential Senior Citizen (ANS)	Base Rate: $13.50 Per kWh 0.1173	
Commercial (C)		
Commercial with Demand (D)	TBD	
Governmental usage electric (E)	TBD	
Small commercial electric (F)	Base Rate: $30.00	
	Per kWh 0.144	
	No Demand	
Medium commercial electric	Base Rate: $60.00	
	Per kWh .141	
	Demand Charge, per kW, for all peak demand $4.25	
Large commercial electric	Base Rate: $400.00	
	Per kWh 0.131	
	Demand Charge, per kW, for all peak demand $4.50	
Residential electric out of city limits (O)	Base Rate: $30.00 Per kWh 0.131	
	plus the energy charge, per kWh, for all kWh	
Residential electric out of city limits with demand (O-DM)	$500.00	
Industrial (J-U)	Base Rate: $1,000.00	
	Per kWh .118	
	Demand Charge, per kW, for all peak demand $5.00	
Pump Irrigation (PI)	Base Rate: $50.00	
	Per kWh .114	
	Demand Charge, per kW, for all peak demand $3.00	
SOLID WASTE RATES		
SOLID WASTE RATES-RESIDENTIAL		
MONTHLY RATE TO RESIDENTS- (1) Cart	$25.18	
MONTHLY RATE TO RESIDENTS- (2) Carts	$35.75	
MONTHLY RATE TO RESIDENTS- (3) Carts	$46.80	
SOLID WASTE RATES-BUSINESS/PROFESSIONAL		
MONTHLY RATE TO RESIDENTS- (1) Cart	$33.13	
MONTHLY RATE TO RESIDENTS- (2) Carts	$44.17	
MONTHLY RATE TO RESIDENTS- (3 Carts)	$55.21	

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE

Appendix A

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
SOLID WASTE RATES-COMMERCIAL-DUMPSTERS		
MONTHLY RATE TO RESIDENTS-ONE PICK UP-2yds	$89.22	
MONTHLY RATE TO RESIDENTS-TWO PICK UP-2yds	$162.59	
MONTHLY RATE TO RESIDENTS- THREE PICK UP-2YDS	$237.30	
MONTHLY RATE TO RESIDENTS-ONE PICK UP-3yds	$100.62	
MONTHLY RATE TO RESIDENTS-TWO PICK UP-3yds	$190.13	
MONTHLY RATE TO RESIDENTS-THREE PICK UP-3yds	$273.25	
MONTHLY RATE TO RESIDENTS-ONE PICK UP-4yds	$141.08	
MONTHLY RATE TO RESIDENTS-TWO PICK UP-4yds	$247.02	
MONTHLY RATE TO RESIDENTS-THREE PICK UP-4yds	$361.95	
MONTHLY RATE TO RESIDENTS-FOUR PICK UP-4yds	$513.47	
MONTHLY RATE TO RESIDENTS-FIVE PICK UP-4yds	$598.66	
MONTHLY RATE TO RESIDENTS-ONE PICK UP-6yds	$156.59	
MONTHLY RATE TO RESIDENTS-TWO PICK UP-6yds	$314.74	
MONTHLY RATE TO RESIDENTS-THREE PICK UP-6yds	$391.23	
MONTHLY RATE TO RESIDENTS-ONE PICK UP-8yds	$224.89	
MONTHLY RATE TO RESIDENTS-TWO PICK UP-8yds	$421.81	
MONTHLY RATE TO RESIDENTS-THREE PICK UP-8yds	$623.66	
MONTHLY RATE TO RESIDENTS-FOUR PICK UP-8yds	$749.14	
MONTHLY RATE TO RESIDENTS-FIVE PICK UP-8yds	$936.43	
ROLL OFFS		
HEB, WAL-MART & CITY OF HONDO-RES.RATE	BASED ON YARD AND TONS	
20 YARD	$733.45	
30 YARD	$842.46	
40 YARD	$963.48	
EXTRA PER TON OVER 4 TONS	$94.95	
COMPACTOR		
TDCJ, HEB, WAL-MART (PER PICK UP)	$1,086.92	

	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
EXTRA PER TON OVER 6 TONX	$94.95	
SLUDGE BOX		
TDCJ, WWTP AND OTHER (20 YARD PER PICKUP)	$751.80	
EXTRA PER TON OVER 4 TONS	$94.95	
DISPOSAL FEE, PER TON-RES. RATE	$13.52	
Cost per every 2 cubic yard over 8 per brush	$5.00	
ADDITIONAL WASTE WHEELER		
RESIDENTIAL	$12.37	
COMMERCIAL	$12.37	
A1.009-DEVELOPMENT SERVICES		
BUILDING, DEVELOPMENT & INSPECTION FEES		
Re-Inspection Res./Com. Bldg.	No Fee	
Demolition (Res./Com.)	$50.00 Res/$100 Commerical	
Certificate of Occupancy (CO)	$80 When not associated w/ building permit	
Cash Bond CO	$200.00	
Construction Permit Fee (excluding residential projects as those are billed by separate fee calculation)	Fee Calculation	
$1.00 TO $2000.00	$80.00	
$2001.00 TO $25,000.00	$80.00 for the first $2000.00 plus $14.00 for each	
	each additional $1000.00, or fraction thereof,	
	to and including $25,000.10	
$25,001.00 to $50,000.00	$391.25 for the first $25000.00 plus $10.10 for	
	each additional $1000.00, or fraction thereof,	
	to and including $50,000.10	
$50,001.00 to $100,000.00	$643.75 for the first $50,000.00 plus $7.00 for	
	each additional $1000.00, or fraction thereof,	
	to and including $100,000.10	
$100,001.00 to $500,000.00	$993.75 for the first $100,000.00 plus $5.60 for	
	each additional $1000.00, or fraction thereof,	
	to and including $500,000.10	
$500,001.00 to $1,000,000.00	$3,233.75 for the first $500,000.00 plus $4.75 for	
	each additional $1000.00, or fraction thereof,	
	to and including $1,000,000.10	

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
$1,000,000.00 and above	$5,608.75 for the first $1,000,000.00 plus $3.25	
	for each additional $1,000.00 or fraction thereof	
A1.009-DEVELOPMENT SERVICES		
Construction Permit Fee for New Residential Dwellings		
Project Square Footage	Fee Calculation	
0sq. ft. - 1,500sq. ft.	$785.00	
1,501sq. ft. - 10,000sq. ft.	$785.00 for the first 1,500sq. ft. plus $0.35 per each	
	additional sq.ft. to and including 10,000sq. Ft.	
Over 10,000sq. ft.	$3,760.00 for the first 10,000sq. ft. plus $0.15 per each	
	additional sq. ft. over 10,000sq. Ft.	
Trade Permits for Residential Alterations, Additions and Improvements.		
Residential Building, Mechanical, Electrical, Plumbing, Fuel Gas and similar	$100.00 per trade	
Other Residential Trades Not Listed Above	$160.00 per trade	
Premature Work	2x Building Improvement Permit	
Construction Plan Review Fee	65% of Construction Permit Fee	
Fire Marshal Safety Inspection Fee	$100.00	
Fire Code Related Plan Review and Inspections	Actual Cost + 5% Admin Fee	
Floodplain Development Permit	$50 + applicable consultant review fees	
Consultant & Legal Review Fee	Actual Cost + 5% Admin Fee	
Variance Request	$500.00	
Preliminary Plat Application Fee	$1000.00 & $25.00 per lot	
Final Plat Application Fee	$1000.00 & $25.00 per lot	
Minor Plat Fee, Minor replat, Amending Plat	$200.00	
Specific Use Permit Fee	$500.00	
Zone Change/Rezone Request	$500.00	
Site Plan Review - Construction Projects that are exempt from construction permitting but still require site plan review (including but not limited to fences, accessory structures, parking restriping and other projects as defined in City Policies)	$25 plus applicable consultant fees	
Site Plan Review associated with construction permit review.	Included in construction plan review fee. Applicable consultant fees may apply.	
Planned Development Site Plan, Site Plans associated with Platting Projects and all other Site Plans as required by code.	$100 plus applicable consultant fees	

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE

Appendix A

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Plat Recordation at County Offices	Actual Cost + $25 Admin Fee	
Curb Cut	Fee to be assessed under construction permit fee schedule	
Curb Cut License	$50.00 Deposit	
NEW SERVICE FEES		
Wastewater Service		
Sewer Tap	$1,700 < 5-ft depth	**$2,350 < 5-ft depth**
	$2,300 ≥ 5-ft depth	**$2,950 ≥ 5-ft depth**
Industrial Waste Permit	$2,500.00	**$3,000**
A1.009-DEVELOPMENT SERVICES		
Water Service		
Water Meter Fee		
3/4"	$2,264.00	
1"	$2,454.00	
1 1/2"	$4,047.00	
2"	$4,414.00 / Compound Meter $5,314.00	
>2" / Fire Lines	$200.00 plus actual cost	
Water Meter Fees*		
3/4"	$216.00	
1"	$377.76	
1-1/2"	$731.07	
2"	$813.68	
	***Fees for new meter where service tap is installed by developer**	
Electric Service		
Residential Overhead (Up to 100')	$275.00	**$550**
Residential Overhead (Over 100')	$275.00 plus actual costs over 100'	**$550 plus actual costs over 100'**
Residential Underground (Up to 100')	$575.00	**$1,150**
Residential Underground (Over to 100')	$575.00 plus actual costs over 100'	**$1,150 plus actual costs over 100'**
Commercial Electric New Service	Actual Cost + 10% Planning Fee	
Temporary Electric Service Construction Loop	$250.00	
STREET LIGHT (Existing lights: Alley or Private Properties)		

CITY OF HONDO FY 2023/2024 COMPREHENSIVE FEE SCHEDULE
Appendix A

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
Monthly Fee (Customer request for disconnect terminates service) or placed on existing electric pole	$24.50 per month	
New Street Light (Alley or Private Properties-Min 12 mo. Term) on dedicated pole	$450 install fee, $29.50 per month, 12 month min	
PROPERTY ABATEMENT FEES		
Release Lien Fee		
Cost of Lien	Rate dependent on cost to abate	
Cost of Attorney Per Hour	Rate dependent on attorney billing	
County Cost for Filing Release	$26 for first page, $4 for each additional page	
Administrative FEE	$10.00	
A1.010-AIRPORT		
Hangar Lease/Rental: (monthly)		
A1 - A7	$180.00	**$185**
B1 - B7	$180.00	**$185**
C1-C7	$180.00	**$185**
D1-D7	$180.00	**$185**
E1-E7	$180.00	**$185**
F1-F7	$180.00	**$185**
G1-G3	$75.00	**$100**
H1	$376.00	**$642**
Piston RON Tiedown	$10.00 per night (20 gallon min)	**$25 per night (waived w/20 gallon min)**
Turbine RON Tiedown	$15.00 per night (100 gallon min)	**$35 per night (waived w/100 gallon min)**
Piston Monthly Tiedown	$75.00	
Turbine Monthly Tiedown	$150.00	
Hangar RON (When Available)	$50.00 per night	
After Hours Fee (1730 - 0730)	$55.00	
Ground Power Unit (waived w/fuel purchase)	$25.00	
Replacement of Smart Card	$10.00	

HONDO
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	CURRENT ADOPTED FY2022/2023	PROPOSED CHANGES FY2023/2024
A1.011-South Texas Regional Training Center		
INDIVIDUAL ROOM(S) 106/107/108		
Deposit (Required by all rate groups)	$50.00	
Standard Rate	$25.00 hourly (2hr minimum)	
Community Rate (Non-Profits & Approved Agencies)	$20.00 hourly	
Exempt Rate (CoH, Medina Co, HISD, Govt. Agency)	No Charge	
EVENT ROOM (Rms 106-108)		
Deposit	$100.00	
Standard Rate	$45.00 hourly (2hr minimum)	
Community Rate	$30.00 hourly	
Exempt Rate (CoH, Medina Co, HISD, Govt. Agency)	No Charge - Deposit Required	**No Charge - Yearly Deposit Required**
Cancellation Fee		
with 10 day notice	Rental Deposit Refunded	
without 10 day notice	Rental Deposit Forfeited	
City, County and HISD	Exempt Status as stated above	
Lost Key Fee		**$50 Re-Entry Fee + Forfeiture of deposit**
After Hours Key Pick Up		**$50 (Must be paid at time of exchange)**
Notary Fee		**$10 per document**

HONDO

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City Council Communication

Title: Discuss and consider Resolution Number 412-23 of the City Council of the City of Hondo, Texas ratifying the property tax increase reflected in the City's adopted Fiscal Year 2023-2024 Budget, which is a budget that will require raising more revenue from property taxes than in the previous year; and providing an effective date. (Chris Hill and Robert T. Herrera)
Date: September 11, 2023 ***From:*** Chris Hill, Robert Herrera, Interim City Manager

INFORMATION:

If the City Council has adopted the 2023-2024 fiscal year budget, which has an Ad Valorem rate the same as last year of $0.4370. Due to increases in property values, the budget will raise more revenue from property taxes than last year's budget.

Staff recommends ratifying the property taxes since the Property Tax rate is above the no-new-revenue tax rate.

FINANCIAL IMPACT:

$105,691 more property taxes than last year with 0% rate change.

STAFF RECOMMENDATION:

Staff recommends approving Resolution ratifying the property taxes in the 2023-2024 Fiscal Year Budget.

MOTION:

Roll Call Vote. Move to approve Resolution of the City Council of the City of Hondo, Texas ratifying the property tax increase reflected in the City's adopted Fiscal Year 2023-2024 Budget, which is a budget that will require raising more revenue from property taxes than in the previous year; and providing an effective date.

ATTACHMENTS:

1. Reso Ratifying Tax Increase Reflected in FY 2024 Budget

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

Robert Herrera
Interim City Manager
rherrera@hondo-tx.org

RESOLUTION NO. XXX-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS RATIFYING THE PROPERTY TAX INCREASE REFLECTED IN THE CITY'S ADOPTED FISCAL YEAR 2023-2024 BUDGET, WHICH IS A BUDGET THAT WILL REQUIRE RAISING MORE REVENUE FROM PROPERTY TAXES THAN IN THE PREVIOUS YEAR; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Texas Local Government Code §102.007(c) requires that adoption of a budget that raises more property tax revenue than was generated the previous year requires a record vote of the City Council to ratify the property tax increase reflected in the budget in addition to and separate from the record votes to approve the ordinance adopting the annual budget and the ordinance adopting the tax rate for the current tax year; and

WHEREAS, the City Council has adopted the 2023-2024 fiscal year budget, which will require raising more revenue from property taxes than last year's budget; and

WHEREAS, the City Council of the City of Hondo, Texas, desires to ratify the property tax increase reflected in the adopted 2023-2024 Fiscal Year Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS:

SECTION 1. The property tax increase reflected in the adopted 2023-2024 Fiscal Year Budget, which is a budget that will require raising more revenue from property taxes than the previous year, is hereby ratified.

SECTION 2. This Resolution shall take effect immediately from and after its passage, as the law and charter in such cases provides.

UPON CALLING FOR A VOTE FOR APPROVAL OF THIS RESOLUTION, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:

	Aye	Nay
Mayor John McAnelly (only in event of tie)		
Brett Williams, Councilmember-Place 1		
Bobby Vela, Councilmember – Place 2		
Jose Ytuarte, Councilmember – Place 3		
Rachel Ramirez, Councilmember –Place 4		
John E. Villa, Councilmember – Place 5		

WITH ___ VOTING "AYE" AND ___ VOTING "NAY", THIS RESOLUTION NO. ________ IS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS, ON THE 11TH DAY OF SEPTEMBER 2023.

ATTEST:

____
City Secretary

APPROVED:

____
John McAnelly, Mayor

APPROVED AS TO FORM:

____
City Attorney

HONDO
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City Council Communication

Title: Discussion regarding new City Manager candidates. (Mayor McAnelly)	
Date: September 11, 2023 ***From:***	

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:
None

STAFF CONTACTS:

HONDO

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City Council Communication

Title: Discuss and consider appropriate action on items resulting from Executive Session.	
Date: September 11, 2023 ***From:***	

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

None

STAFF CONTACTS: