



CITY OF WEST LAKE HILLS, TEXAS  
NOTICE OF CITY COUNCIL SPECIAL MEETING  
Tuesday, August 16, 2022 at 5:00 PM

Notice is hereby given that the City Council of the City of West Lake Hills, Texas, will hold a Special Called Meeting on the 16th day of August 2022 at 5:00 p.m., in the Council Chamber, Municipal Building, 911 Westlake Drive, West Lake Hills, Texas, at which time the following items will be discussed, to-wit:

**REMOTE ACCESS:**

Due to the COVID-19 status in Travis County, any citizens or applicants that wish to speak at the meeting are encouraged to attend virtually, as the number of people in the chambers will be limited due to physical distancing. Facial Coverings are not required, but highly recommended, and will be available for any that need one.

Join Zoom Meeting: Copy and Paste the link below:

<https://us02web.zoom.us/j/3499549035>

Meeting ID: 349 954 9035

If you wish to listen to the meeting via telephone: Dial (346) 248-7799, Meeting ID: 349 954 9035

If you wish to speak during the meeting or submit written comments, please provide your name, phone number, comments and the item number you wish to speak on to [citysec@westlakehills.gov](mailto:citysec@westlakehills.gov) by 1:00 P.M. on August 16, 2022.

1. Call to Order
2. Citizen Communications The City Council Welcomes Public Comments at this Point on any Issue. If the Issue is Listed on the Agenda, the Speaker May Choose to Comment During the Public Comment Period or When the Specific Agenda item is Taken Up by the Council Later in the Meeting. The Council Cannot Respond to Matters Not Listed on the Agenda Until a Future Meeting. Speakers Shall Limit Their Comments to Five (5) Minutes Each
3. Finance Conduct a Public Hearing to receive comments regarding the proposed budget and tax rate for Fiscal Year 2022-23

4. Finance Discuss and consider an ordinance adopting the proposed budget for Fiscal Year 2022-2023
  - a. Citizens Communications: All Persons Wishing to Speak on this Matter Shall be Heard
  
5. Finance Discuss and consider an ordinance ratifying the property tax revenue increase reflected in the Fiscal Year 2022-23 budget
  - a. Citizens Communications: All Persons Wishing to Speak on this Matter Shall be Heard
  
6. Finance Discuss and consider an ordinance adopting the proposed tax rate for Fiscal Year 2022-23
  - a. Citizens Communications: All Persons Wishing to Speak on this Matter Shall be Heard
  
7. Finance Discuss and consider a resolution approving the General Fund Balance Policy
  - a. Citizens Communications: All Persons Wishing to Speak on this Matter Shall be Heard
  
8. Adjournment

Approved by: Linda Anthony, Mayor

Certificate

I certify that the above Notice of the August 16, 2022 Special Called City Council Meeting was posted on the bulletin board at the Municipal Building, 911 Westlake Drive, West Lake Hills, Texas on August 12, 2022 by 5:00 pm. and will remain posted continuously until said meeting is convened.

Signed by: Terry Blanchard, City Secretary

*The City of West Lake Hills is committed to compliance with the Americans with Disabilities Act. Reasonable accommodations and equal access to communications will be provided upon request.*

*All items on the agenda are for discussion and/or action. City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development).*

**ORDINANCE NO. 2022-010**

**AN ORDINANCE OF THE CITY OF WEST LAKE HILLS, TEXAS,  
ENACTING THE MUNICIPAL BUDGET FOR FISCAL YEAR 2022-2023;  
FUNDING MUNICIPAL PURPOSES; AUTHORIZING EXPENDITURES;  
PROVIDING FOR THE FOLLOWING: FINDINGS OF FACT;  
ENACTMENT; FILING OF BUDGET; REPEALER; SEVERABILITY;  
EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.**

**WHEREAS**, the City Council of the City of West Lake Hills (“City Council”) seeks to enact and otherwise approve the City’s budget for Fiscal Year 2022-2023; and

**WHEREAS**, the new fiscal year commences for the City of West Lake Hills (“City”) on October 1, 2022; and

**WHEREAS**, the City Council finds that the proposed Budget is for legitimate municipal purposes, and is in compliance with Texas Local Government Code Chapter 102; and

**WHEREAS**, pursuant to Texas Local Government Code Section 51.001, the City has general authority to adopt an ordinance or police regulation that is for the good government, peace or order of the City and is necessary or proper for carrying out a power granted by law to the City; and

**WHEREAS**, pursuant to Texas Local Government Code Section 101.002, the City Council may manage and control the finances of the municipality; and

**WHEREAS**, the City Council finds that is necessary and proper for the good government, peace or order of the City of West Lake Hills to adopt an ordinance establishing a budget for the upcoming fiscal year; and

**WHEREAS**, the City has satisfied all statutory requirements for public notices and public hearings regarding the attached budget.

**NOW, THEREFORE, BE IT ORDAINED** by the City of West Lake Hills City Council:

**1. FINDINGS OF FACT**

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

## **2. ENACTMENT**

The City's budget for Fiscal Year 2022-2023 shall read in accordance with *Attachment "A"*, which is attached hereto and incorporated into this Ordinance for all purposes.

## **3. REPEALER**

To the extent reasonably possible, ordinances are to be read together in harmony. However, all ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated, herein.

## **4. SEVERABILITY**

Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

## **5. FILING THE BUDGET**

The City Secretary is hereby directed to file the budget on the website of the City and in the City's official records.

## **6. EFFECTIVE DATE**

This Ordinance shall be effective immediately upon passage and publication as provided for by law.

## **7. PROPER NOTICE & MEETING**

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code Chapter 551. Notice was also proved as required by Chapter 52 of the Texas Local Government Code.

**PASSED & APPROVED** this, the 16th day of August 2022 by the following City Council of West Lake Hills roll call vote:

<b>Mayor Pro Tem Bowman</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember McCollough</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember Plunkett</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember South</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember Walker</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>Absent</i>

**CITY OF WEST LAKE HILLS:**

\_\_\_\_\_  
Linda Anthony, Mayor

**ATTEST:**

\_\_\_\_\_  
Terry Blanchard, TRMC  
City Secretary

***Attachment “A”***

***Fiscal Year 2022-2023  
Municipal Budget***

**ORDINANCE NO. 2022-011**

**AN ORDINANCE RATIFYING THE PROPERTY TAX INCREASE REFLECTED IN THE OPERATING BUDGET FOR THE CITY OF WEST LAKE HILLS, TEXAS FOR FISCAL YEAR 2022-23, BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023, IN ACCORDANCE WITH TEXAS LOCAL GOVERNMENT CODE CHAPTER 102.**

**WHEREAS**, Section 102.007 requires a separate vote of the governing body to “ratify the property tax increase reflected in the budget” when the governing body adopts a budget that will require raising more revenue from property taxes than in the previous year;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, STATE OF TEXAS:**

**Section 1.** That the City Council does hereby “ratify the property tax increase” reflected in the operating budget for the City of West Lake Hills, Texas for Fiscal Year 2022-23, beginning October 1, 2022 and ending September 30, 2023, (Attachment “A”) in accordance with Section 102.007 of the Tex. Loc. Gov’t Code.

**Section 2.** This ordinance shall become effective from and after its passage, as provided by law.

**PASSED & APPROVED** this, the 16th day of August 2022 by the following City Council of West Lake Hills roll call vote:

<b>Mayor Pro Tem Bowman</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember McCollough</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember Plunkett</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember South</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>absent</i>
<b>Councilmember Walker</b>	_____ <i>for</i>	_____ <i>against</i>	_____ <i>abstain</i>	_____ <i>Absent</i>

**CITY OF WEST LAKE HILLS:**

\_\_\_\_\_  
Linda Anthony, Mayor

**ATTEST:**

\_\_\_\_\_  
Terry Blanchard, TRMC  
City Secretary

# ***Attachment “A”***

## ***Fiscal Year 2022-2023 Municipal Budget***

**ORDINANCE NO. 2022-012**

**AN ORDINANCE OF THE CITY OF WEST LAKE HILLS, TEXAS, APPROVING THE 2022 AD VALOREM TAX RATE AND LEVY OF FIFTEEN & FOUR HUNDREDTHS CENTS (\$0.1504) PER ONE HUNDRED DOLLARS (\$100.00) OF ASSESSED VALUATION OF ALL TAXABLE PROPERTY WITHIN THE CORPORATE CITY LIMITS OF THE CITY; PROVIDING FOR PENALTIES AND INTEREST; AND PROVIDING FOR THE FOLLOWING: FINDINGS OF FACT; SEVERABILITY; SAVINGS CLAUSE; PUBLICATION AND EFFECTIVE DATE**

**WHEREAS**, Section 26.05 of the Texas Property Tax Code provides that before the latter of September 30<sup>th</sup> or the 60<sup>th</sup> day after the date the City receives the certified appraisal roll the City Council shall adopt a tax rate for the current tax year; and

**WHEREAS**, such section further provides that where the tax rate consists of two components (one which will impose the amount of taxes needed to pay the City's debt service and the other which will impose the amount of taxes needed to fund maintenance and operation expenditures for the next year), each of such two components must be approved separately; and

**WHEREAS**, by separate motions heretofore adopted by the City Council of the City of West Lake Hills, Texas, at a special meeting of City Council held on the 16<sup>th</sup> day of August, 2022, said City Council has approved separately the tax rate heretofore specified for each of said components: and

**WHEREAS**, all notices and hearing required by law as prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, STATE OF TEXAS:**

**Section 1. Adoption of Findings of Fact.** The findings and recitations set out in the preamble of this Ordinance are 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. Levy of Ad Valorem Tax.** There is hereby levied, for the tax year 2022, to fund the City's fiscal year 2022-23 municipal budget, and ad valorem tax at the total rate of \$0.1504 on each One Hundred Dollars (\$100) of assessed value of taxable property, within the corporate limits of the City, upon which an ad valorem tax is authorized by law to be levied by the City of West Lake Hills, Texas. All such taxes shall be assessed and collected in current money of the United States of America.

**Section 3. Maintenance and Operations Tax.** Of the total tax levied in Section 2 hereof, \$0.1061 is levied to fund maintenance and operation expenditures of the City for the fiscal year 2022-23. This tax rate will raise more taxes for maintenance and operations than last year's tax rate due to

increased property values. The tax rate will effectively raise 35% more taxes for maintenance and operations while a \$100,000 home's taxes will increase by approximately \$27.50.

**Section 4. Debt Service Tax.** Of the total tax levied in Section 2 hereof, \$0.0443 is levied for the purpose of paying the interest, general obligation bonds, warrants, or other lawfully authorized evidence of indebtedness issued by the City of West Lake Hills, Texas, including the various installment of principal due on the general obligation bonds, warrants, or other lawfully authorized evidence of indebtedness issued by the City, as such installments shall respectively mature in the fiscal year 2022-23.

**Section 5. Due date for paying taxes.** All ad valorem taxes levied hereby, in the total amount of \$0.1504 on each One Hundred Dollars (\$100) of assessed valuation, as reflected by Sections 2, 3, and 4 hereof, shall be due and payable on or before January 31, 2023. All ad valorem taxes due the City of West Lake Hills, Texas, and not paid on or before January 31<sup>st</sup> following the year for which they were levied, shall bear penalty and interest as prescribed in the Texas Tax Code.

**Section 6. Severability.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of the Ordinance should be declared invalid by a final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of the Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such invalid phrase, clause, sentence, paragraph or section. If any provision of this Ordinance shall be adjudged by a court of competent jurisdiction to be invalid, the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision, and to the end the provisions of this Ordinance are declared to be severable.

**Section 7. Effective Date.** This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Tex. Loc. Gov't. Code.

**Section 8. Open Meetings.** It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551, Tex. Gov't. Code.

**PASSED & APPROVED** this, the 16th day of August 2022, by the following City Council of the City of West Lake Hills roll call vote:

<b>Mayor Pro Tem Bowman</b>	_____	<i>For</i>	_____	<i>against</i>	_____	<i>abstain</i>	_____	<i>absent</i>
<b>Councilmember McCollough</b>	_____	<i>For</i>	_____	<i>against</i>	_____	<i>abstain</i>	_____	<i>absent</i>
<b>Councilmember Plunkett</b>	_____	<i>For</i>	_____	<i>against</i>	_____	<i>abstain</i>	_____	<i>absent</i>
<b>Councilmember South</b>	_____	<i>For</i>	_____	<i>against</i>	_____	<i>abstain</i>	_____	<i>absent</i>
<b>Councilmember Walker</b>	_____	<i>For</i>	_____	<i>against</i>	_____	<i>abstain</i>	_____	<i>absent</i>

**CITY OF WEST LAKE HILLS:**

\_\_\_\_\_  
Linda Anthony, Mayor

**ATTEST:**

\_\_\_\_\_  
Terry Blanchard, TRMC  
City Secretary

## RESOLUTION NO. 2022-08-01

### GENERAL FUND BALANCE POLICY FOR THE CITY OF WEST LAKE HILLS

#### INTRODUCTION

To maintain a high quality fund balance program, the City of West Lake Hills (the "City") has adopted the guidelines and policies set forth in this document titled "General Fund Balance Policy" (the "Fund Balance Policy"). The purpose of creating the Fund Balance Policy is to establish and codify the objectives and best practices for the fund balance for the City and to assist all concerned parties in understanding the City's approach to fund balance maintenance.

The Fund Balance Policy is intended to serve as a benchmark, or frame of reference against which, current and future decisions related to funding and use of unrestricted cash balances by the City can be compared.

Per Governmental Accounting Standards Board (GASB) Statement No. 54, the terms associated with the use of unrestricted cash balances are classified as restricted, committed, assigned or unassigned. The definitions are:

- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation (currently, the Court Special Revenue Fund is the only restricted balance at the City).
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the City (the Cash Reserve Fund, in the following Policy Statement, are all committed funds).
- **Assigned** fund balance amounts are intended to be used by the City for specific purposes (currently, Bee Cave Road Fund, PD Special Revenue Fund and the Tree Fund, are all assigned funds).
- **Unassigned (Unrestricted)** fund balance is the classification for the City's general fund of all spendable amounts not contained in the other classifications.

#### POLICY STATEMENT

In managing its unrestricted General Fund Balance the City will set limits for a Committed Fund Balance (the "Cash Reserve Funds"). It is the City's policy to set limits to:

- Maintain a Stabilization Cash Reserve Fund balance (Approximately 6 months operating expenses) in the amount of \$2,500,000.
- Establish a Legal Counsel Cash Reserve Fund balance in the amount of \$300,000.
- Establish a Contingency Cash Reserve in the amount of \$500,000.
- Establish a Brush Pickup Reserve in the amount of \$200,000 for the city wide brush pickup every three years

Total Committed Fund Balance Amount: \$3,500,000.

## **GOALS & OBJECTIVES**

Maintaining a Cash Reserve Fund by adhering to a fund balance policy is not only a prudent fiscal management tool, but also an important factor in the analysis of financial stability. The City should maintain a prudent level of financial resources to protect against service reductions or tax increases because of temporary revenue shortfalls or unanticipated one-time expenditures. The Cash Reserve Funds may be used to address unanticipated revenue shortfalls or unforeseen expenditures, providing a first defense against deficit spending and helping to maintain liquidity when budgeted overages become inevitable.

Maintaining a Cash Reserve Fund is among the most effective practices a government can apply to maintain a favorable credit rating. The accumulation of prudent reserves in more favorable economic times could be a resource to sustain the City in inevitable economic downturns or unforeseen and/or emergency expenditures.

## **USE OF STABILIZATION CASH RESERVE FUNDS**

The Stabilization Cash Reserve Fund balance should be used for one-time capital projects or emergency operational expenditures only if all of the following conditions exist:

1. A rare and extraordinary event (e.g. natural disaster, man-made disaster, or large and unanticipated reduction or elimination of State/City revenue), or the one-time funding of a capital project or an operating initiative that will result in material, recurring reductions in future operating expenditures or material, recurring increases in operating revenues.
2. The City has made a complete and rational analysis, with justifying evidence that the Stabilization Cash Reserve Fund can be maintained in the future.
3. At such time that these reserve funds are expended, the City Council shall adopt a repayment schedule for replenishment of these reserves.

## **USE OF LEGAL COUNSEL CASH RESERVE FUNDS**

The Legal Counsel Cash Reserve Fund balance should be used for unexpected or unanticipated legal expenses, as named by the City.

## **USE OF CONTINGENCY CASH RESERVE FUNDS**

The Contingency Cash Reserve Fund is to set aside funds for specific projects, unexpected or unanticipated expenses, as named by the City.

## **USE OF BRUSH PICKUP RESERVE FUNDS**

The Brush Pickup Reserve Fund is to set aside funds for the City to use in the city wide brush pickup as named/scheduled by the City.

## **FUND BALANCE POLICY REVIEW**

The Fund Balance Policy guidelines, outlined herein, are only intended to provide general direction regarding the future use and maintenance of the Cash Reserve Funds.

Since the guidelines contained in the Fund Balance Policy requires regular updating in order to maintain relevance and to respond to the changes inherent in the capital markets, the City plans to revisit the Fund Balance Policy from time to time.

This policy will be reviewed as needed. At that time, the Mayor/City Council will consider any recommendations for any amendments, deletions, additions, improvements or clarification.

**PASSED, ADOPTED AND APPROVED** by the City Council of the City of West Lake Hills this the 16th day of August, 2022.

**CITY OF WEST LAKE HILLS, TEXAS:**

*by:* \_\_\_\_\_

LINDA ANTHONY, MAYOR

ATTEST:

\_\_\_\_\_  
TERRY BLANCHARD, CITY SECRETARY