



Agenda
100 W. Eldorado Parkway
Little Elm, TX 75068

TIRZ #4 Board of Directors Meeting
Tuesday, February 18, 2025 5:30 p.m.

1. **Call to Order / Roll Call.**
2. **Consider Action to Approve the Minutes from the August 20, 2024, Tax Increment Reinvestment Zone (TIRZ) #4 Board Meeting.**
3. **Present, Discuss, and Consider Action to Accept the Annual Financial Report for Tax Increment Reinvestment Zone #4 (TIRZ #4) for the reporting period ending September 30, 2024.**
4. **Present, Discuss, and Consider Action to Transfer the Remaining Balance in Tax Increment Reinvestment Zone #4 (TIRZ #4) to the Town's General Fund.**
5. **Adjourn.**

Respectfully,
Caitlan Biggs, Town Secretary

This is to certify that the above notice was posted on the Town of Little Elm website prior to 5:30 p.m. the 13th day of February 2025.



Date: 02/18/2025
Agenda Item #: 2.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve the **Minutes from the August 20, 2024, Tax Increment Reinvestment Zone (TIRZ) #4 Board Meeting.**

DESCRIPTION:

The minutes from the August 20, 2024 TIRZ #4 Board meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes - August 20, 2024

DRAFT

Minutes
Town of Little Elm
100 W Eldorado Parkway
Little Elm, Texas 75068
214-975-0404
<http://www.littleelm.org>

**TIRZ #5 BOARD MEETING
TUESDAY AUGUST 20, 2024 - 5:30 p.m.**

Present: Tony Singh; Curtis Cornelious, Mayor; Lisa Norman; Andrew Evans; Michel Hambrick; Ken Eaken; Jamell Johnson

Staff Present: Caitlan Biggs, Director of Administrative Services/Town Secretary
Jennette Espinosa, Executive Director
Matt Mueller, Town Manager
Robert Brown, Town Attorney

1. **Call to Order / Roll Call.**

Meeting was called to order at 5:56 p.m.

2. Consider Action to Approve the **Minutes from the February 20, 2024, Tax Increment Reinvestment Zone Number Four (TIRZ 4) Board of Directors Meeting.**

3. Present, Discuss, and Consider Action to Approve **Resolution No. 0820202401T4, a Resolution of the Board of Directors of Tax Increment Reinvestment Zone Number Four, Town of Little Elm, Texas, Approving Certain Project Expenditures; Providing a Severability Clause; and Providing an Effective Date.**

Motion by Ken Eaken, seconded by Jamell Johnson **to approve Resolution No. 0820202401T4.**

Vote: 7 - 0 - Unanimously

4. **Adjourn.**

Meeting was adjourned at 5:58 p.m.

Respectfully,

Caitlan Biggs
Town Secretary

Passed and Approved this 18th day of February 2025.



Date: 02/18/2025
Agenda Item #: 3.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Present, Discuss, and Consider Action to Accept the **Annual Financial Report for Tax Increment Reinvestment Zone #4 (TIRZ #4) for the reporting period ending September 30, 2024.**

DESCRIPTION:

State law, Section 311.016 of the Texas Tax Code requires the governing body of a municipality or county to submit a report on the state of the reinvestment zone created by the municipality to the chief executive officer of each taxing unit that levies property taxes on real property in the zone. A copy of this annual report must be submitted to the Texas Comptroller of Public Accounts on or before the 150th day following the end of its fiscal year. The intent of this report is to comply with state law as well as provide an overview and transparency of the financial condition of TIRZ #4.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends acceptance.

Attachments

TIRZ #4 Annual Financial Report FY 2024



LITTLE ELM

**Tax Increment Reinvestment Zone #4
(TIRZ #4)**

ANNUAL REPORT

FISCAL YEAR 2024

**TOWN OF LITTLE ELM, TEXAS
TAX INCREMENT REINVESTMENT ZONE #4**

As of September 30, 2024

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I. YEAR END SUMMARY OF MEETINGS/TOWN COUNCIL/BOARD ACTIONS

In July 2014, the Town of Little Elm Town Council appointed members for the Tax Increment Reinvestment Zone #4 (“TIRZ #4”) Board of Directors. TIRZ #4 was created to identify and assist in financing various road improvements, water distribution system improvements, sanitary sewer collection system improvements, and storm sewer collection system improvements to benefit the property within TIRZ #4 and which are outlined in greater detail in Section II of this report.

Board members appointed and currently serving are: Town—Mayor Curtis J. Cornelious, Mayor Pro-Tem Jamell T. Johnson, Deputy Mayor Pro-Tem Tony Singh and Councilmembers Ken Eaken, Lisa G. Norman, Andrew Evans, and Michel Hambrick.

II. PUBLIC INFRASTRUCTURE & PROJECT COSTS

Estimated Project Costs

Project Description	TIRZ Funded Project Costs¹	Non-TIRZ Project Costs²	Total	Status
Road improvements	\$9,706,000	\$10,440,349	\$20,146,349	Substantially Complete
Water distribution system improvements	\$2,068,000	\$4,271,592	\$6,339,592	Substantially Complete
Sanitary sewer improvements	\$2,260,000	\$6,526,045	\$8,786,045	Substantially Complete
Storm drainage improvements	\$1,215,000	\$2,444,072	\$3,659,072	Substantially Complete
Other soft and miscellaneous costs	\$5,769,000	\$4,445,898	\$10,214,898	Substantially Complete
Total Estimated Non-Project Costs	\$21,018,000	\$28,127,956	\$49,145,956	

1 – As provided in the TIRZ #4 Project and Financing Plan.

2 – Estimated Non-TIRZ Project Costs are shown as provided in Section II of the 2024-25 Annual Service and Assessment Plan Update for Valencia PID No. 1 and Valencia PID No. 2, respectively. The estimated Non-TIRZ Project costs shown above reflect the total cost of all projects within TIRZ #4 (\$49,145,956) less the identified TIRZ Project Costs shown above.

III. TIRZ EXPENDITURES – CAPITAL IMPROVEMENTS

TIRZ Expenditures

As of Fiscal Year ending September 30, 2024

Expenditure	Period¹	Phase #1^{1,2}	Improvement Area #2^{1,2}	Major Improvement Area^{1,2}	Total
Valencia PID Participation	FY2015-2019	\$277,735	\$80,434	\$28,993	\$387,162
Valencia PID Participation	FY2020	\$198,198	\$202,285	\$10,751	\$411,234
Valencia PID Participation	FY2021	\$221,658	\$322,624	\$29,483	\$573,766
Valencia PID Participation	FY2022	\$235,921	\$389,005	\$71,420	\$696,346
Valencia PID Participation	FY2023	\$260,579	\$458,809	\$166,132	\$885,520
Valencia PID Participation	FY2024	\$266,544	\$491,999	\$223,437	\$981,981
Total		\$1,460,635	\$1,945,157	\$530,216	\$3,936,008

1 – Represent various subphases of development within TIRZ #4.

2 – Represent approved Valencia PID participation amounts approved by Town Council annually in the respective Annual Service and Assessment Plan Updates. Amounts are derived from approximately 46% of the Town taxes collected as of the time the Annual Service and Assessment Plan Update was approved by Town Council.

IV. ANNUAL FINANCIALS

Pursuant to State Law (Section 311.016, Tax Code), the following financial information is required and for the fiscal year ending September 30, 2024 (unless otherwise noted):

1. Amount and source of revenue in the tax increment fund established for TIRZ #4:

Tax Increments received	\$1,054,898
Interest income earned	\$29,029
Total Revenue	\$1,083,927

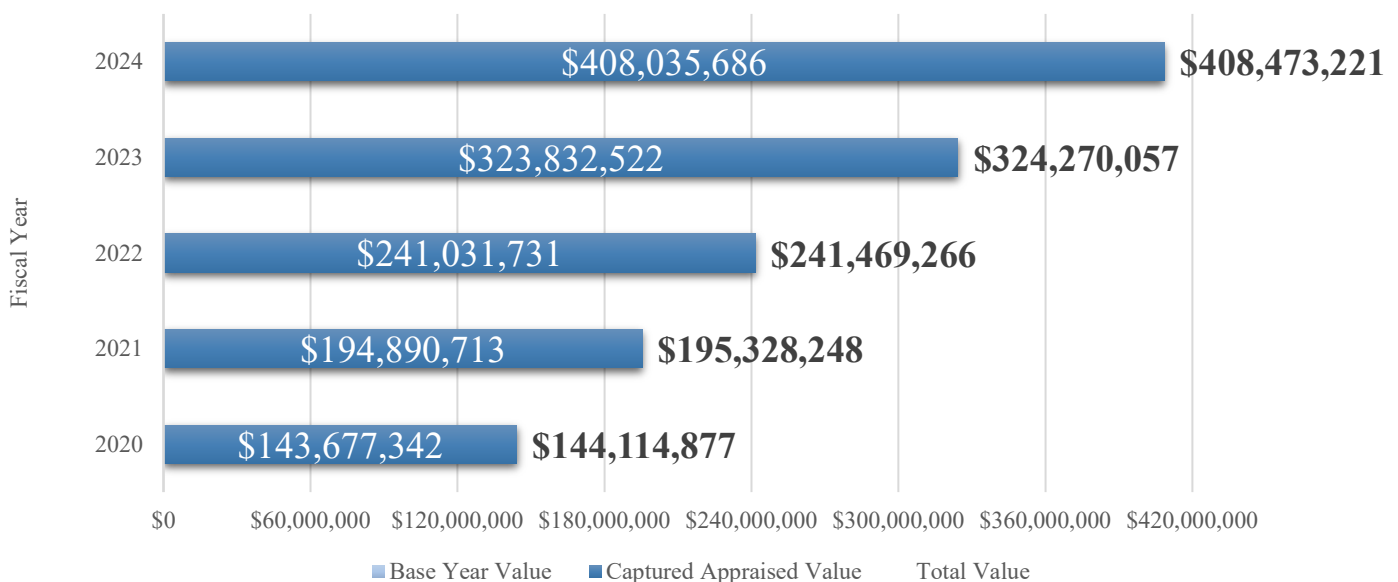
2. Amount and purpose of expenditures from the tax increment fund established for TIRZ #4:

PID Participation	
Bank of New York (PID Trustee) MIA	\$223,437
Bank of New York (PID Trustee) Ph #1	\$266,805
Bank of New York (PID Trustee) IA #2	\$492,438
Transfer to General Fund (excess funds)	\$114,391
Other	\$0
Total Expenditures	\$1,097,071

3. Amount of principal and interest due on outstanding indebtedness:

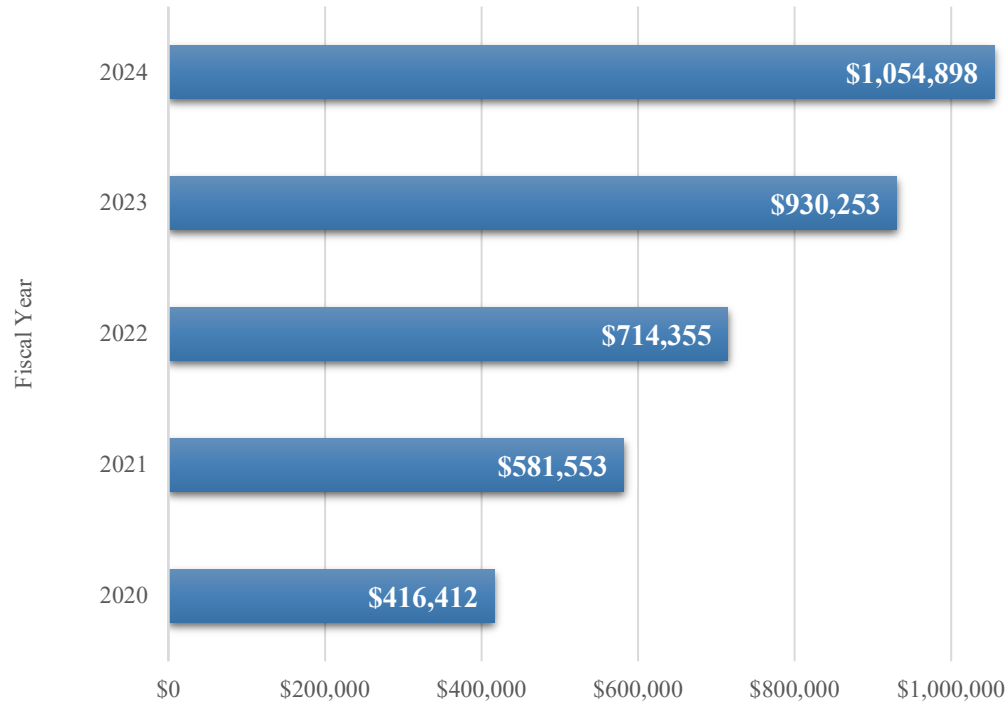
As of September 30, 2024, there is no bonded indebtedness for TIRZ #4. TIRZ projects were financed with proceeds of various bond issuances related to Valencia PID No.1.

4. Tax Increment base and current captured appraised value retained by TIRZ #4¹:



1 – Town is only participating jurisdiction. Town participation is 46% of ad valorem property tax revenues generated from annual captured appraised values. Base year value for all years shown above is \$437,535.

5. Total amount of the tax incremental revenue received, and any additional information necessary to demonstrate compliance with the tax increment project and financing plan adopted by the governing body of the municipality¹



1 – Town is only participating jurisdiction. Town participation is 46% of ad valorem property tax revenues generated from annual captured appraised values.

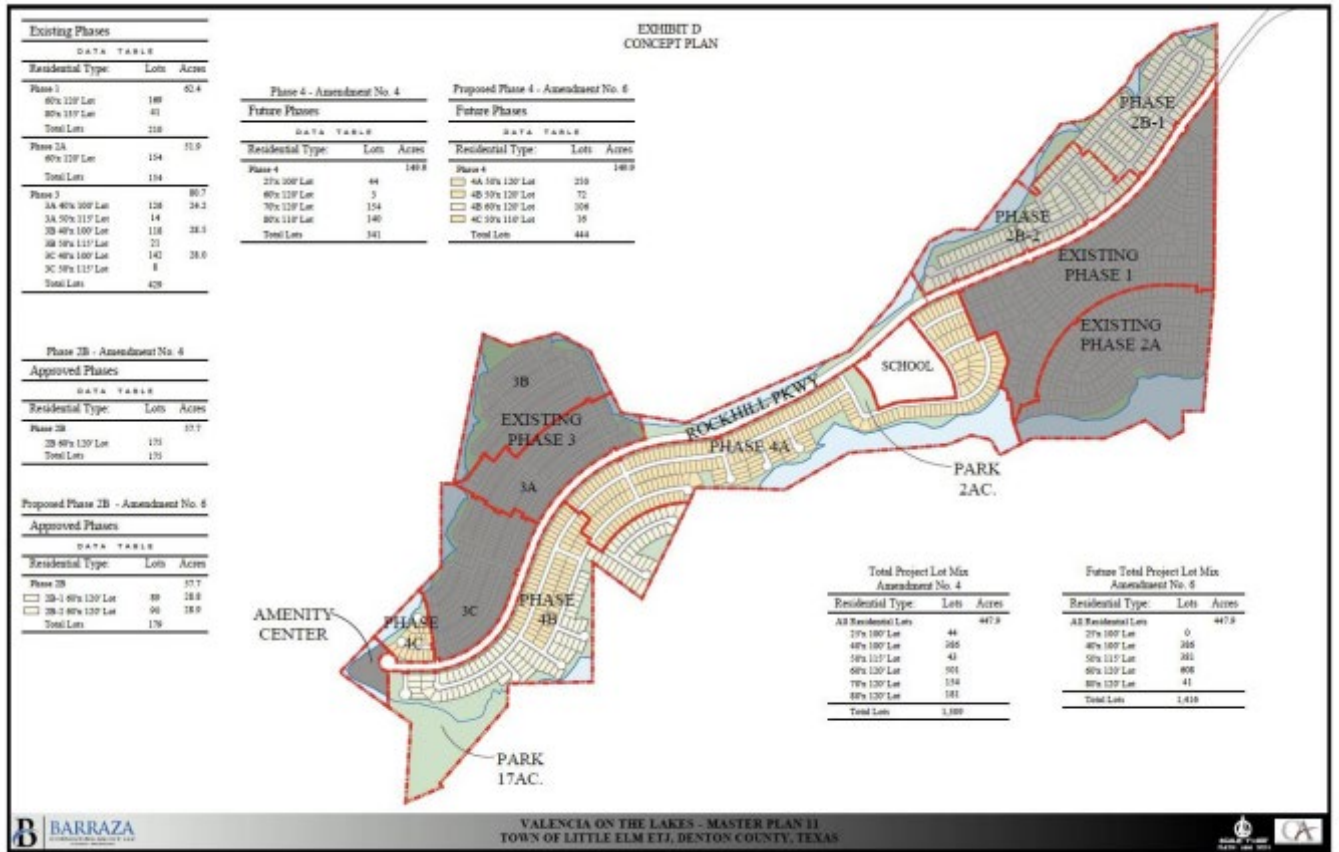
V. TIRZ FUND FINANCIAL STATEMENT

TIRZ FUND FINANCIAL STATEMENT¹ ***As of Fiscal Year ending September 30, 2024***

		Total
Beginning Balance:		
	<i>10/1/2023</i>	\$ 114,391
Revenues:		
Property Tax:		
Town	\$	1,054,898
Delinquent	\$	-
County	\$	-
Property Rollback Taxes	\$	-
Sales Tax	\$	-
Interest	\$	29,029
TOTAL REVENUES	\$	1,083,927
Expenditures:		
Land Purchases	\$	-
Professional Services	\$	-
Economic Development Grants	\$	-
PID Participation	\$	1,097,071
Construction/Improvements	\$	-
Interest Expense	\$	-
TOTAL EXPENDITURES	\$	1,097,071
Ending Balance:		
	<i>9/30/2024</i>	\$ 101,247

1 – The TIRZ obligation for a given year represents the TIRZ credits required to offset the respective Valencia PID Assessments. Pursuant to Chapter 311.014(d), any remaining balance in the TIRZ #4 fund can be transferred to the Town's general fund after all eligible TIRZ obligations have been paid.

APPENDIX A TIRZ MAP





Date: 02/18/2025
Agenda Item #: 4.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Present, Discuss, and Consider Action to **Transfer the Remaining Balance in Tax Increment Reinvestment Zone #4 (TIRZ #4) to the Town's General Fund.**

DESCRIPTION:

Each year, TIRZ #4 is obligated to transfer property tax collections received to the Valencia PID that participates in this reinvestment zone. This is reflected in the annual Service Assessment Plan that approves certain project expenditures and establishes the PID assessment. The PID obligations from TIRZ #4 are reflected as a TIRZ credit in each area and parcel in Valencia PID. See below an excerpt from the 2024-2025 Service Assessment Plan approved by the TIRZ Board and Council on August 20, 2024.

AREA	2024-2025 TIRZ CREDIT
Phase One	\$266,805
Major Improvement Area	\$223,437
Phase Two	\$492,438
Total	\$982,680

Pursuant to Chapter 311.014(d), any remaining balance in the TIRZ #4 fund can be transferred to the Town's General Fund after all eligible TIRZ obligations have been paid. **At the end of fiscal year 2024, the balance remaining in TIRZ #4 is \$101,247.** This amount comes from the prior year's balance in addition to the activity from FY2024. Staff is requesting these funds be transferred to the Town's General Fund.

BUDGET IMPACT:

This transfer will allow the balance to be utilized in the General Fund for government services.

RECOMMENDED ACTION:

Staff recommends approval.
