



City Council  
Budget Worksession No. 1  
For Fiscal Year 2023-2024

May 13, 2023



## City Council Budget Worksession No. 1 May 13, 2023

### PRESENTATION OVERVIEW

1. Introduction of Incoming City Manager Bryan Langley
2. Objectives for Council Budget Worksession No. 1
3. City Council's Program Priorities for Fiscal Year 2024 Budget Development
  - A. Envisioning Workshop in February 2023 Was Postponed By City Council
  - B. Review City Council's Budget Priorities From Last Planning Session
4. Overall Budget & Fund Structure
  - A. General Fund Current Approved Budget Overview
  - B. Key Assumptions for FY 2024
  - C. 5-Year Forecast for General Fund & Projected Available Funds
5. New Budget Needs By City Department (presented in alphabetical order)
  - A. As Requested By City Council, Departments Will Be Presenting Their Department's New Budget Needs For Fiscal Year 2024 (Unedited-Uncut-Unadjusted Version)
6. 5-Year Priority Capital Improvement Projects (CIPs)
7. Preliminary Revenue Outlook & Funding Gap
  - A. General Fund: Property Tax, Sales Tax, & Other Fees
  - B. Water Utility Fund, Wastewater Utility Fund, & Storm Drainage Utility Fund

Continued....



## City Council Budget Worksession No. 1 May 13, 2023

### PRESENTATION OVERVIEW

8. Incoming City Manager Bryan Langley Reviews Next Steps & Budget Process
  - A. Key Dates for Budget Development
9. City Council's Direction for Fiscal Year 2024 Budget Development



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**DISCUSSION OBJECTIVES FOR TODAY**

1. Review Preliminary Projections for Available Funds
2. Each City Department Will Present Their “New” Budget Needs for Fiscal Year 2024
  - A. As Requested by City Council - Department Information Is Unedited-Uncut-Unadjusted
3. Seek City Council’s Guidance and Direction on:
  - A. Preliminary New Budget Needs Identified by Departments (Unadjusted)
  - B. Priority Capital Improvement Projects (CIP) for FY 2024-2028
  - C. Balancing New Needs Versus Funding Gap
  - D. Property Tax Rates
  - E. Utility Rates
4. Determine City Council’s Budget Priorities for Fiscal Year 2023-2024



## City Council Budget Worksession No. 1 May 13, 2023

### BUDGET PRIORITIES FOR FISCAL YEAR 2023-2024

1. Identify Cost Reduction & Containment Strategies for the Coming Year
  - Evaluate Whether Vacant Positions Can Be Eliminated or Repurposed
2. Enhance Customer Service Experience
  - Permitting & Inspections, Parks & Recreation Facilities, Plan Reviews, Police & Safety, Library Services, Municipal Court, Utility Billing
3. Expedite Engineering, Design, Construction, & Completion of Capital Improvement Projects (CIPs)
4. Focus on Making Street Condition Improvements
  - Street Lighting
  - Crosswalk & Lane Markings
  - Seal Coating
  - Pothole Repairs
  - Street Reconstruction Based on Condition Assessment Report
5. Investment in Citywide Beautification Program
  - Maintain Gold Standard in Hays County for Keeping City Beautiful
  - Manicured Landscaping & Maintenance for All High Visibility Corridors
  - Colorful Flowers, Mulched Flower Beds, Trimmed Trees,
  - Right-of-Way & Median Maintenance (Frequent Mowing, Weed Eating, Edging, etc.)



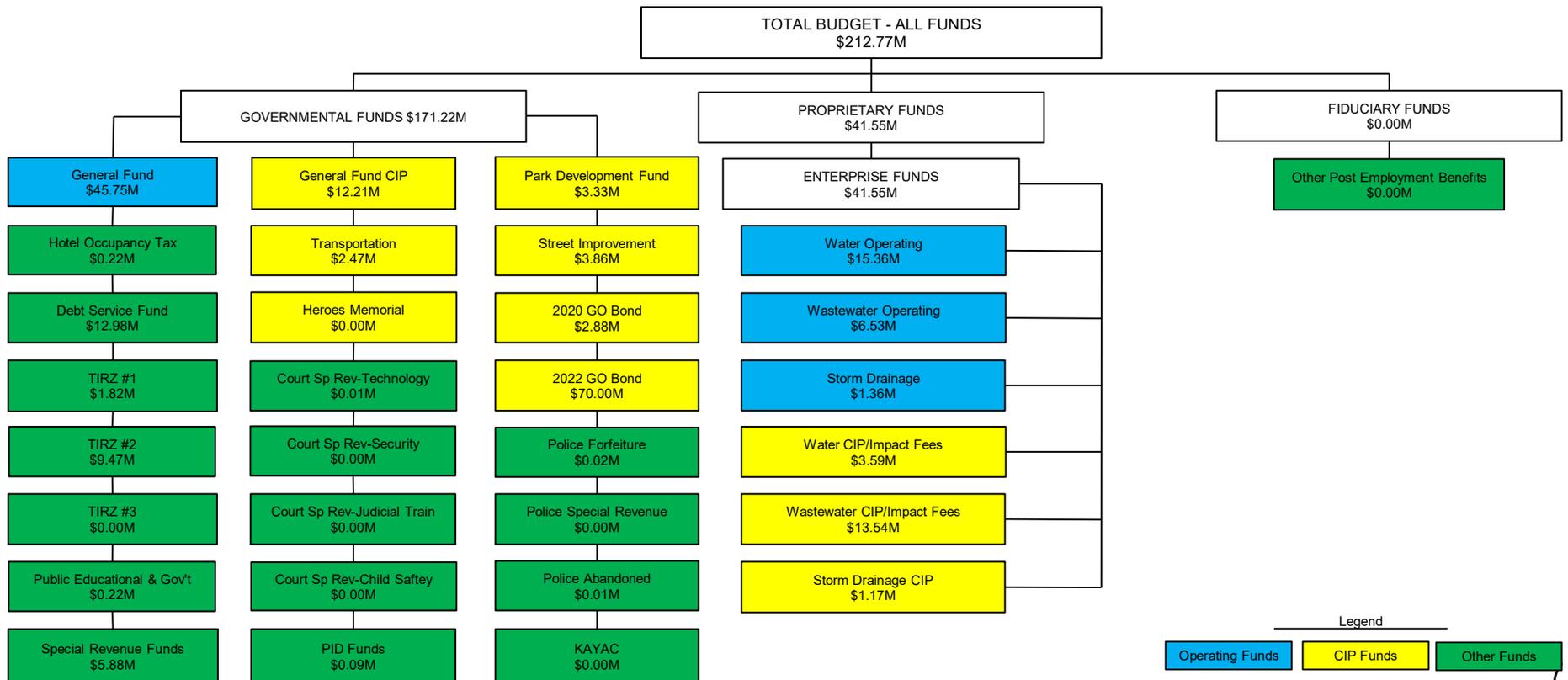
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**OVERALL BUDGET & FUND STRUCTURE**  
Approved Budget for Fiscal Year 2022-2023



## City Council Budget Worksession No. 1 May 13, 2023

### OVERALL CURRENT BUDGET & FUND STRUCTURE





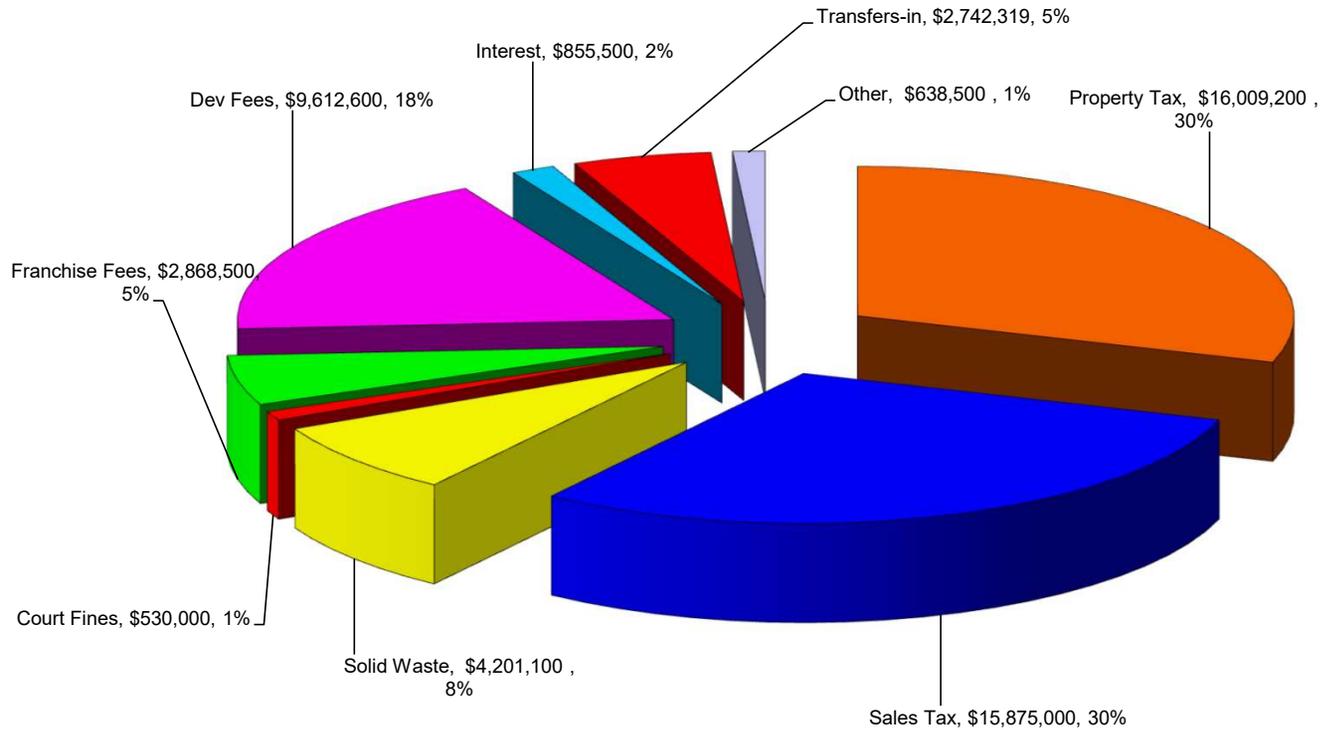
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GENERAL FUND OVERVIEW



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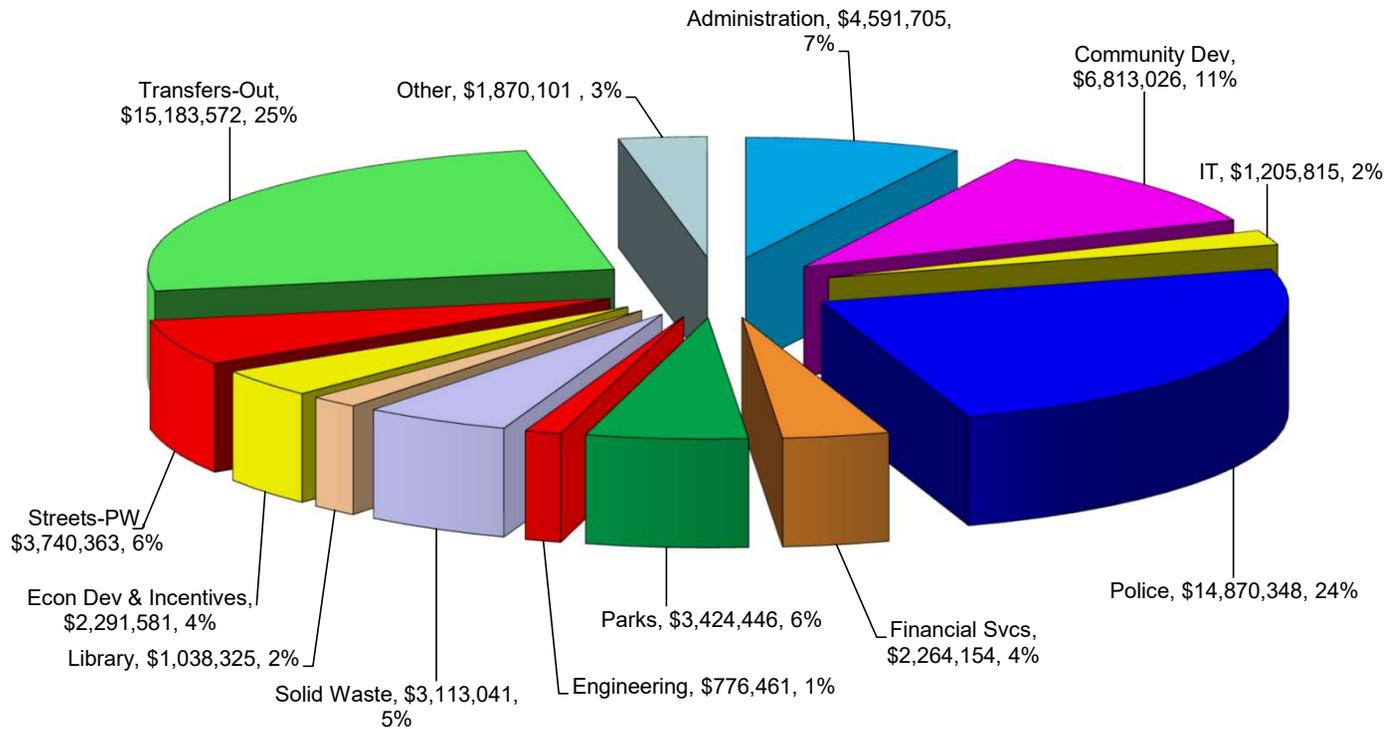
GENERAL FUND REVENUE  
APPROVED BUDGET FISCAL YEAR 2022-2023 - \$53,332,719





## City Council Budget Worksession No. 1 May 13, 2023

### GENERAL FUND EXPENDITURES BY FUNCTION APPROVED BUDGET FISCAL YEAR 2022-2023 - \$61,182,938





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10-YEAR PROPERTY TAX RATE HISTORY

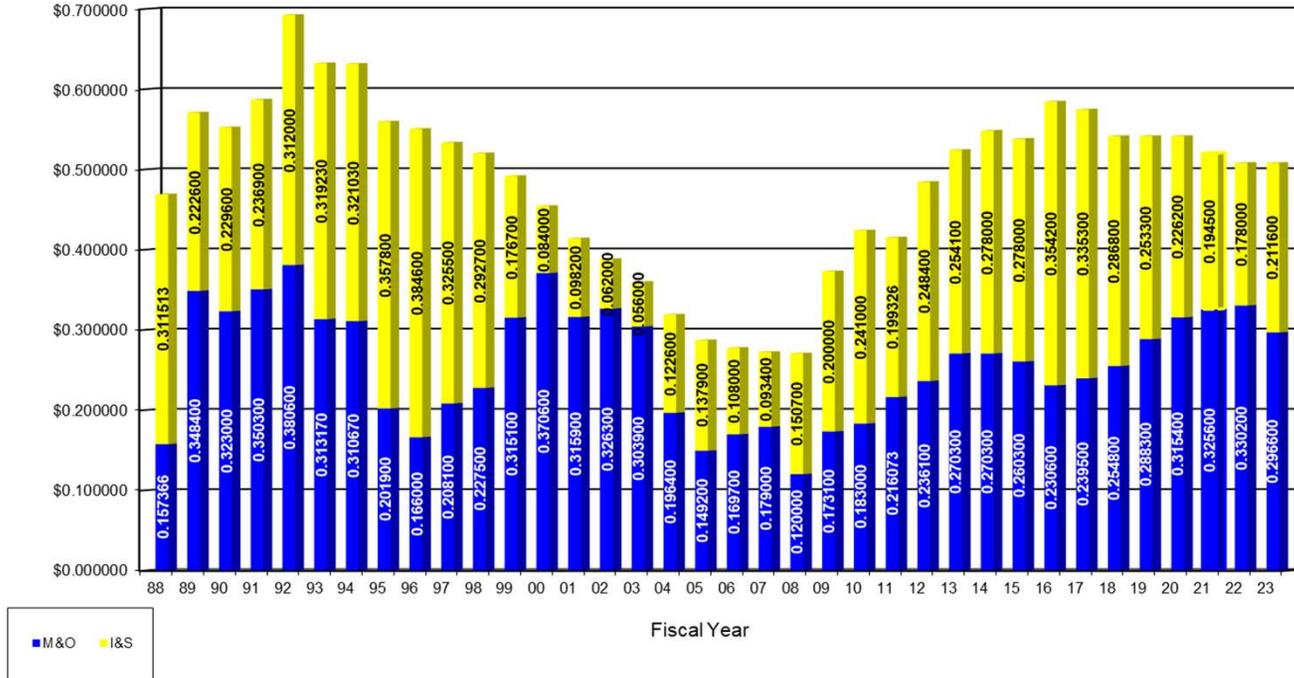
<u>Fiscal Year</u>	<u>M&amp;O Tax Rate</u>	<u>I&amp;S Tax Rate</u>	<u>Total Tax Rate</u>	<u>Change From Prior Year</u>
2022-2023	\$0.2966	\$0.2116	\$0.5082	\$0.0000
2021-2022	\$0.3302	\$0.1780	\$0.5082	(\$0.0119)
2020-2021	\$0.3256	\$0.1945	\$0.5201	(\$0.0215)
2019-2020	\$0.3154	\$0.2262	\$0.5416	\$0.0000
2018-2019	\$0.2883	\$0.2533	\$0.5416	\$0.0000
2017-2018	\$0.2548	\$0.2868	\$0.5416	(\$0.0332)
2016-2017	\$0.2395	\$0.3353	\$0.5748	(\$0.0100)
2015-2016	\$0.2306	\$0.3542	\$0.5848	+\$0.0465
2014-2015	\$0.2603	\$0.2780	\$0.5383	(\$0.0100)



## City Council Budget Worksession No. 1 May 13, 2023

### 36-YEAR PROPERTY TAX RATE HISTORY

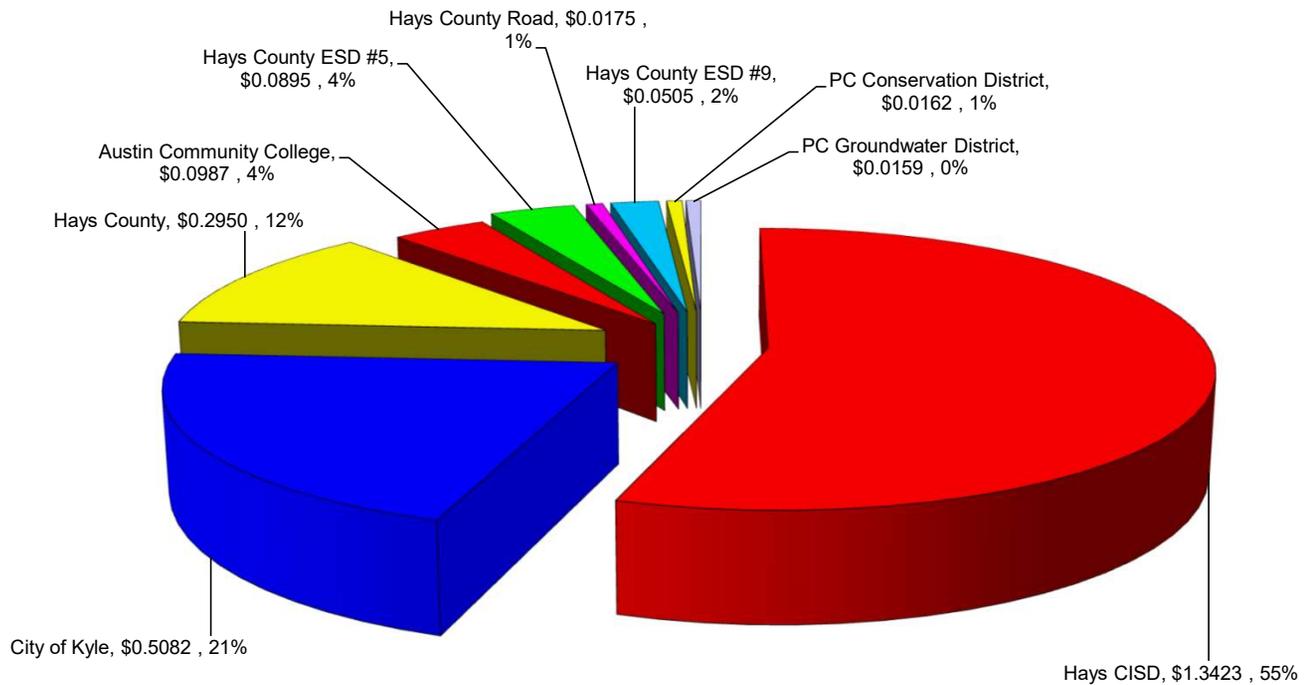
City of Kyle Property Tax Rate History  
Fiscal Years 1988 - 2023





# City Council Budget Worksession No. 1 May 13, 2023

## CURRENT PROPERTY TAX RATES IN KYLE - \$2.43380





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**5-YEAR TAXABLE ASSESSED VALUATIONS – CITY ONLY**

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Existing Properties Taxable Value*	\$2.70B	\$3.00B	\$3.30B	\$3.76B	\$4.60B	\$5.32B
New Construction Taxable Value*	\$171.0M	\$109.4M	\$121.5M	\$162.3M	\$370.5M	\$378.9M
Total Taxable Assessed Valuation*	\$2.88B	\$3.11B	\$3.42B	\$3.93B	\$4.97B	\$5.70B
Increase in Valuation From Prior Year (\$)		\$234.7M	\$309.7M	\$506.1M	\$1.05B	\$798.9M
Increase in Valuation From Prior Year (%)		8.2%	10.0%	14.8%	26.7%	16.2%

\* Excludes Estimated Taxable Valuations for TIRZ #1, TIRZ #2, TIRZ #3, and TIRZ #4  
Preliminary Estimates Shown for FY 2024



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**5-YEAR TAXABLE ASSESSED VALUATIONS – TIRZ ONLY**

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Existing Properties Taxable Value	\$115.2M	\$230.9M	\$232.7M	\$305.6M	\$489.2M	\$627.2M
New Construction Taxable Value	\$ 22.4M	\$ 10.5M	\$ 11.3M	\$ 35.7M	\$ 28.7M	\$ 44.2M
Total Taxable Assessed Valuation	\$137.6M	\$241.4M	\$244.0M	\$341.3M	\$517.9M	\$671.4
Increase in Valuation From Prior Year (\$)		\$103.7M	\$2.7M	\$97.2M	\$176.7M	\$153.5M
Increase in Valuation From Prior Year (%)		75.4%	1.1%	39.8%	51.8%	29.2%



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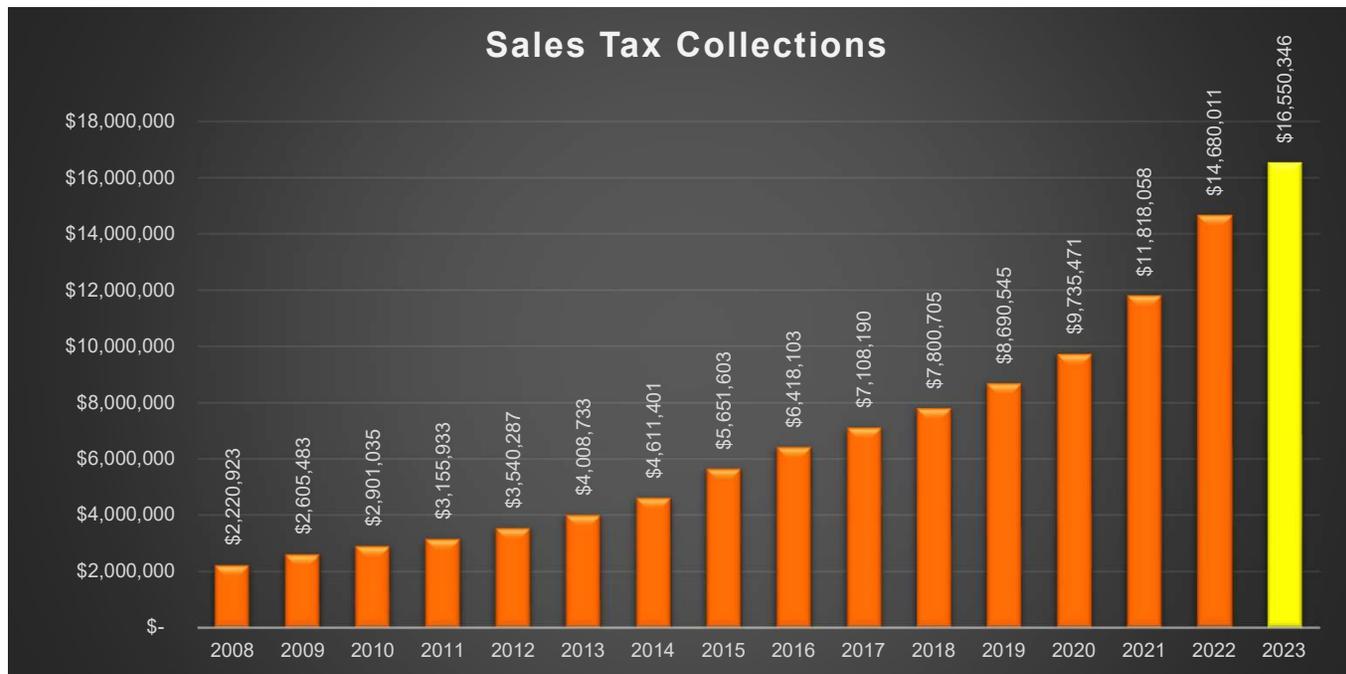
**10-YEAR PROPERTY TAX REVENUE HISTORY**

<u>Fiscal Year</u>	<u>M&amp;O Tax</u>	<u>I&amp;S Tax</u>	<u>Total Tax</u>	<u>\$ Change From PY</u>	<u>% Change From PY</u>
2022-2023	\$ 15,813,693	\$ 11,280,025	\$ 27,093,718	\$ 5,376,149	24.75%
2021-2022	\$ 14,107,565	\$ 7,610,004	\$ 21,717,569	\$ 2,258,649	11.61%
2020-2021	\$ 12,172,321	\$ 7,286,599	\$ 19,458,920	\$ 1,211,205	6.64%
2019-2020	\$ 10,618,155	\$ 7,629,560	\$ 18,247,715	\$ 1,841,074	11.22%
2018-2019	\$ 8,720,717	\$ 7,685,924	\$ 16,406,641	\$ 1,661,368	11.27%
2017-2018	\$ 6,934,890	\$ 7,810,383	\$ 14,745,273	\$ 1,129,931	8.30%
2016-2017	\$ 5,684,396	\$ 7,930,946	\$ 13,615,342	\$ 1,811,510	15.35%
2015-2016	\$ 4,663,667	\$ 7,140,165	\$ 11,803,832	\$ 2,510,569	27.01%
2014-2015	\$ 4,489,788	\$ 4,803,475	\$ 9,293,263	\$ 739,804	8.65%



## City Council Budget Worksession No. 1 May 13, 2023

### 15-YEAR SALES TAX COLLECTIONS HISTORY





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10-YEAR SALES TAX REVENUE HISTORY

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>\$ Change From PY</u>	<u>% Change From PY</u>
2021-2022	\$ 14,680,011	\$ 2,861,953	24.2%
2020-2021	\$ 11,818,058	\$ 2,082,587	21.4%
2019-2020	\$ 9,735,471	\$ 1,044,926	12.0%
2018-2019	\$ 8,690,545	\$ 889,840	11.4%
2017-2018	\$ 7,800,705	\$ 692,515	9.7%
2016-2017	\$ 7,108,190	\$ 690,087	10.8%
2015-2016	\$ 6,418,103	\$ 766,500	13.6%
2014-2015	\$ 5,651,603	\$ 1,040,202	22.6%
2013-2014	\$ 4,611,401	\$ 602,668	15.0%
2012-2013	\$ 4,008,733	\$ 468,446	13.2%



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**10-YEAR DEVELOPMENT REVENUE HISTORY**

<u>Fiscal Year</u>	<u>Permit/ Inspections</u>	<u>Dev. Fees</u>	<u>Total Dev. Revenues</u>	<u>\$ Change From PY</u>	<u>% Change From PY</u>
2021-2022	\$ 6,991,820	\$ 2,970,856	\$ 9,962,676	\$ 2,982,824	42.7%
2020-2021	\$ 5,369,200	\$ 1,610,652	\$ 6,979,852	\$ 2,435,585	53.6%
2019-2020	\$ 3,207,160	\$ 1,337,107	\$ 4,544,267	\$ 2,606,735	134.5%
2018-2019	\$ 1,377,667	\$ 559,865	\$ 1,937,532	(\$ 804,742)	(29.4%)
2017-2018	\$ 1,441,669	\$ 1,300,605	\$ 2,742,274	\$ 43,715	1.6%
2016-2017	\$ 1,857,786	\$ 840,773	\$ 2,698,559	\$ 857,131	46.6%
2015-2016	\$ 1,292,283	\$ 549,145	\$ 1,841,428	(\$ 176,305)	(8.7%)
2014-2015	\$ 1,368,170	\$ 649,563	\$ 2,017,733	\$ 522,259	34.9%
2013-2014	\$ 1,141,180	\$ 354,294	\$ 1,495,474	\$ 503,789	50.8%
2012-2013	\$ 659,814	\$ 331,871	\$ 991,685	\$ 392,844	65.6%



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KEY ASSUMPTIONS – GENERAL FUND  
FOR FISCAL YEARS 2023-2024 THROUGH 2027-2028



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**KEY ASSUMPTIONS – GENERAL FUND**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Existing Properties Value Growth	23.7%	15.0%	3.0%	3.0%	3.0%	3.0%
Existing Properties Taxable Value*	\$4.70B	\$5.40B	\$5.56B	\$5.73B	\$5.90B	\$6.1B
New Construction Taxable Value*	\$341.8M	\$378.9M	\$350.0M	\$350.0M	\$350.0M	\$350.0M
Sales Tax Growth	12.7%	5.7%	5.0%	5.0%	5.0%	5.0%
Development Revenue Growth	9.0%	9.0%	5.0%	5.0%	5.0%	5.0%
Compensation	20.0%	5.0%	5.0%	5.0%	5.0%	5.0%

\* Excludes Estimated Taxable Valuations for TIRZ #1, TIRZ #2, TIRZ #3, and TIRZ #4



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**PROJECTED GO BOND ISSUANCE – GENERAL FUND**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
Park Improvements Authorized in 2020	\$ 0.0M	\$ 8.0M	\$ 0.0M	\$ 0.0M	\$ 0.0M	\$ 0.0M	\$8.0M
Road Improvements Authorized in 2022	\$45.0M	\$25.0M	\$50.0M	\$75.0M	\$75.0M	\$24.0M	\$294.0M
<b>Total Projected:</b>	<b>\$45.0M</b>	<b>\$ 33.0M</b>	<b>\$ 50.0M</b>	<b>\$75.0M</b>	<b>\$ 75.0M</b>	<b>\$24.0M</b>	<b>\$302.0M</b>



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PROJECTED DEBT POSITION – GENERAL FUND (GF)

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
GF Debt Position	\$110.2M	\$146.4M	\$170.1M	\$210.3M	\$273.2M	\$322.7M
<u>Add</u> : Projected New GO Bond Issuance	\$45.0M	\$ 33.0M	\$ 50.0M	\$75.0M	\$ 75.0M	\$24.0M
<u>(Less)</u> : Projected Principal Payoff	(\$8.9M)	(\$9.3M)	(\$9.7M)	(\$12.1M)	(\$15.6M)	(\$19.1M)
Net Projected GF Debt Position:	\$146.4M	\$170.1M	\$210.3M	\$273.2M	\$322.7M	\$337.5M



City Council Budget Worksession No. 1  
May 13, 2023

GENERAL FUND  
PROJECTED AVAILABLE FUNDS  
FOR FISCAL YEAR 2023-2024 TO 2027-2028



## City Council Budget Worksession No. 1 May 13, 2023 5-Year Budget Forecast – **General Fund**

	Approved Budget 2022-23	Current Year Estimate 2022-23	5-Year Budget Forecast Period				
			Year 1 2023-2024	Year 2 2024-2025	Year 3 2025-2026	Year 4 2026-2027	Year 5 2027-2028
<b>BEGINNING FUND BALANCE</b>	\$ 28,739,321	\$ 28,739,321	\$ 33,336,458	\$ 36,400,493	\$ 34,815,442	\$ 33,214,154	\$ 31,580,401
<b>REVENUE</b>							
1 Property Tax	\$ 16,009,200	\$ 15,979,200	\$ 16,458,576	\$ 16,952,333	\$ 17,460,903	\$ 17,984,730	\$ 18,524,272
2 Sales Tax	15,875,000	16,550,346	17,498,571	18,373,500	19,292,175	20,256,783	21,269,622
3 Development Revenues	9,612,600	10,667,308	11,463,866	12,037,059	12,638,912	13,270,857	13,934,400
4 Other Revenues	11,835,919	18,187,543	22,822,491	18,482,079	18,772,944	19,072,337	19,405,513
<b>5 TOTAL REVENUE</b>	<b>\$ 53,332,719</b>	<b>\$ 61,384,397</b>	<b>\$ 68,243,504</b>	<b>\$ 65,844,971</b>	<b>\$ 68,164,934</b>	<b>\$ 70,584,708</b>	<b>\$ 73,133,807</b>
<b>EXPENDITURES</b>							
6 Operations & Maintenance	\$ 47,394,985	\$ 43,314,093	\$ 43,206,823	\$ 45,357,851	\$ 47,616,431	\$ 49,987,939	\$ 52,478,022
7 Future Supplemental	-	-	-	-	-	-	-
8 Cash Funding - CIP	11,904,152	11,904,152	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
9 Cash Funding - Equipment/Other	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
<b>10 TOTAL EXPENDITURES</b>	<b>\$ 59,299,137</b>	<b>\$ 55,218,245</b>	<b>\$ 63,206,823</b>	<b>\$ 65,357,851</b>	<b>\$ 67,616,431</b>	<b>\$ 69,987,939</b>	<b>\$ 72,478,022</b>
11 Transfer Out - TIRZ Increment Tax Revenues	\$ 1,883,801	\$ 1,569,014	\$ 1,972,645	\$ 2,072,171	\$ 2,149,792	\$ 2,230,522	\$ 2,288,999
<b>12 TOTAL EXPENDITURES &amp; TRANSFERS OUT</b>	<b>\$ 61,182,938</b>	<b>\$ 56,787,260</b>	<b>\$ 65,179,468</b>	<b>\$ 67,430,022</b>	<b>\$ 69,766,222</b>	<b>\$ 72,218,461</b>	<b>\$ 74,767,022</b>
<b>13 CHANGE IN FUND BALANCE</b>	<b>\$ (7,850,219)</b>	<b>\$ 4,597,137</b>	<b>\$ 3,064,035</b>	<b>\$ (1,585,052)</b>	<b>\$ (1,601,288)</b>	<b>\$ (1,633,753)</b>	<b>\$ (1,633,214)</b>
<b>14 ESTIMATED ENDING FUND BALANCE</b>	<b>\$ 20,889,102</b>	<b>\$ 33,336,458</b>	<b>\$ 36,400,493</b>	<b>\$ 34,815,442</b>	<b>\$ 33,214,154</b>	<b>\$ 31,580,401</b>	<b>\$ 29,947,187</b>
15 Required Minimum Fund Balance Per Policy (25% of Total Requirements)	\$ 15,295,734	\$ 14,196,815	\$ 16,294,867	\$ 16,857,506	\$ 17,441,556	\$ 18,054,615	\$ 18,691,755
16 \$ Fund Balance in Excess of Minimum Required Per Policy	\$ 5,593,367	\$ 19,139,643	\$ 20,105,626	\$ 17,957,936	\$ 15,772,598	\$ 13,525,786	\$ 11,255,432
17 % Fund Balance in Excess of Minimum Required Per Policy	36.57%	134.82%	123.39%	106.53%	90.43%	74.92%	60.22%



City Council Budget Worksession No. 1  
May 13, 2023

GENERAL FUND  
PROJECTED PROPERTY TAX RATES  
FOR FISCAL YEARS 2023-2024 THROUGH 2027-2028



## City Council Budget Worksession No. 1 May 13, 2023

### PROJECTED PROPERTY TAX RATES \*\*

	<u>FY 2023 Approved</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Projected M&O Property Tax Rate	\$0.2966	\$0.2900	\$0.2800	\$0.2700	\$0.2600	\$0.2600
Projected I&S Property Tax Rate	\$0.2116	\$0.2799	\$0.3100	\$0.3200	\$0.3300	\$0.3300
Total Projected Property Tax Rate:	\$0.5082	\$0.5699	\$0.5900	\$0.5900	\$0.5900	\$0.5900

\*\* Property Tax Rate Impact Analysis & Rate Projections As Prepared By City's Financial Advisor, SAMCO Capital, Dated December 1, 2022.



City Council Budget Worksession No. 1  
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NEW BUDGET NEEDS BY DEPARTMENT  
FOR FISCAL YEAR 2023-2024  
(in alphabetical order)

**(PRELIMINARY ESTIMATES)**



City Council Budget Worksession No. 1  
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BUILDING DEPARTMENT \$918,225

1. Director of Building Services (1)	\$ 149,725
2. Support Costs for One (1) New Position	\$ 8,000
3. Training & Conferences	\$ 21,100
4. Increase for 3 <sup>rd</sup> Party Inspection Services	\$ 600,000
5. New Leased F-150 Truck (1) 1 <sup>st</sup> Year Cost	\$ 9,000
6. Motor Vehicle Repair/Maintenance	\$ 7,000
7. Office Equipment Rental	\$ 6,500
8. Testing & Certifications	\$ 8,000
9. Minor Tools & Instruments	\$ 3,300
10. Fuel	\$ 1,500
11. Mileage Reimbursements	\$ 900
12. Uniforms	\$ 1,700

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City Council Budget Worksession No. 1  
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BUILDING DEPARTMENT \$918,225

13. General Office Supplies	\$ 500
14. Computer Hardware	\$ 1,000
15. Permit Fee Waivers for Small Businesses	<u>\$ 100,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 918,225</u>



City Council Budget Worksession No. 1  
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CITY COUNCIL \$10,763

1. 5.0% Increase in Non-Personnel Budget Line-Items Proposed for the Seven (7) Council Budget/Cost Centers
2. Line-Item Budget Includes:
  - a) Travel – City Business
  - b) Mileage Reimbursement
  - c) Membership & Dues
  - d) Subscription & Books
  - e) Community/Civic Events
  - f) Legal Services
  - g) City Apparel w/Logo
  - h) Office Supplies
  - i) City Sponsored Event Supplies
  - j) Food & Meals
  - k) Computer Hardware



City Council Budget Worksession No. 1  
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CITY MANAGER'S OFFICE \$103,814

1. Grant Administrator (1)	\$ 95,064
2. Support Costs for One (1) New Position	<u>\$ 8,750</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 103,814</u>



City Council Budget Worksession No. 1  
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CITY SECRETARY'S OFFICE \$77,506

1. Special Assistant (1)	\$ 67,451
2. Support Costs for One (1) New Position	\$ 5,750
3. Uniform	\$ 600
4. Media Conversion	\$ 1,000
5. Furniture	\$ 600
6. Memberships & Dues	\$ (395)
7. Overtime Pay	<u>\$ 2,500</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 77,506</u>



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COMMUNICATIONS DEPARTMENT \$113,748

1. Audio & Film Production Specialist (1)	\$ 63,094
2. Support Costs for One (1) New Position	\$ 5,250
3. Reclass Video Production Specialist to Audio & Film Production Manager	\$ 7,539
4. Reclass Marketing & Multimedia Specialist to Senior Graphic Designer	\$ 5,026
5. Training & Conferences (NATO)	\$ 386
6. Advertising & Marketing	\$ 15,000
7. Video Production & Graphic Design Services	\$ 5,000
8. Public Notices	\$ 1,500
9. Hosting Dialogue Events	\$ 585
10. Audio/Video Equipment	<u>\$ 10,368</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 113,748</u>



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ECONOMIC DEVELOPMENT DEPARTMENT \$208,100

1. Training/Certification	\$ 2,600
2. City Sponsored Event Supplies	\$ 2,500
3. Downtown Façade Grant	\$ 150,000
4. Small Business Support – Kyle Kash	\$ 50,000
5. Outside Printing – Kyle Kash Vouchers	<u>\$ 3,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 208,100</u>



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EMERGENCY MANAGEMENT \$448,893

1. Deputy Emergency Mgmt. Coordinator (1)	\$ 88,991
2. Emergency Management Planner (1)	\$ 70,770
3. Support Costs for Two (2) New Positions	\$ 15,000
4. Purchase Ruggedized Multi-Terrain Vehicles (2)	\$ 130,000
5. Emergency Citywide Voice-Based Siren System (2)	\$ 122,878
6. HazMat Response Materials Stockpile	\$ 8,250
7. Mass Care Stockpile	\$ 6,750
8. Portable Radio	\$ 4,254
9. General Office Supplies	<u>\$ 2,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 448,893</u>



City Council Budget Worksession No. 1  
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ENGINEERING DEPARTMENT \$358,785

1. Engineer-in-Training (1)	\$ 93,285
2. Support Costs for One (1) New Position	\$ 5,500
3. Stormwater Inspection Software	\$ 10,000
4. E.coli & Nutrient Reduction With Biologically Active Float Project (2-Year Project)	<u>\$ 250,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 358,785</u>



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ENVIRONMENTAL SERVICES & TRADES \$406,666

1. ES&T Technicians (3)	\$ 199,526
2. Support Costs for Three (3) New Positions	\$ 3,000
3. Reclass (8) ES&T Tech I to ES&T Tech II	\$ 120,820
4. New Leased Chevy Trucks (2) 1 <sup>st</sup> Year Cost	\$ 36,000
5. Electrical Repairs & Supplies Increase	\$ 35,399
6. Motor Vehicle Repair Increase	\$ 5,230
7. Truck/Heavy Equipment Repair Increase	\$ 3,338
8. Uniforms (Buy)	\$ 1,907
9. General Office Supplies Increase	<u>\$ 1,446</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 406,666</u>



City Council Budget Worksession No. 1  
May 13, 2023

FACILITIES MAINTENANCE \$253,910

1. Building Maintenance Technician (1)	\$ 53,764
2. Support Costs for One (1) New Position	\$ 500
3. Reclass Building Maintenance Technician to Supervisory Position	\$ 8,746
4. Ford Transit Van (Leased) 1 <sup>st</sup> Year Cost	\$ 8,400
5. 26-Ft. Scissor Lift & Trailer	\$ 75,000
6. Replace 1 HVAC at City Hall	\$ 27,500
7. Replace 2 HVAC at Library (Units 6 & 9)	\$ 55,000
8. Replace 5 Condensers at Public Works	<u>\$ 25,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 253,910</u>



City Council Budget Worksession No. 1  
May 13, 2023

FINANCIAL SERVICES DEPARTMENT \$479,457

1. City Controller (1) – Priority #1	\$ 178,967
2. Assistant Finance Director (1)	\$ 215,408
3. Support Costs for Two (2) Positions	\$ 13,000
4. Reclassify Sr. Financial Analyst to Accounting Manager – Priority #2	\$ 12,082
5. Audit Fees	\$ 35,000
6. Investment Advisory Fees	<u>\$ 25,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 479,457</u>



City Council Budget Worksession No. 1  
May 13, 2023

NON-DEPARTMENTAL ITEMS (\$644,470)  
**(PRELIMINARY ESTIMATES)**

1. Economic Development Incentive Payments	\$ 300,000
2. Credit Card Processing Fees	\$ 250,000
3. Solid Waste Charges (Per Contract)	\$ 208,330
4. Health Insurance (Estimated 5% Increase)	\$ 157,100
5. Property, Liability, & Workers Comp Insurance	\$ 50,000
6. Longevity Pay (5% Increase in Rate)	\$ 12,300
7. Net Reduction in GWI/Merit Pay Budget From 2023 2024 GWI/Merit Pay Based on 5% 12-Month Avg CPI Increase = \$ 883,300	<u>(\$ 1,622,200)</u> **
TOTAL NEW BUDGET NEEDS:	<u>(\$ 644,470)</u>

\*\* FY 2023 Included GWI/Merit Pay Increase @ 20%



City Council Budget Worksession No. 1  
May 13, 2023

HUMAN RESOURCES DEPARTMENT \$204,850

1. Training & Conferences	\$ 5,600
2. Membership Dues	\$ 1,000
3. Medical Services	\$ 2,000
4. Advertising	\$ 5,000
5. Training Services	\$ 4,000
6. Testing/Certification	\$ 5,000
7. Applicant Tracking System	\$ 15,000
8. Employee Engagement Survey	\$ 15,000
9. General Office Supplies	\$ 1,750
10. Food/Meals	\$ 500
11. Pay Parity - Continuation	<u>\$ 150,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 204,850</u>



City Council Budget Worksession No. 1  
May 13, 2023

INFORMATION TECHNOLOGY DEPARTMENT \$80,004

1. Microsoft Office 365 Licensing Increase	\$ 4,675
2. Cartograph Work Order System Increase	\$ 5,926
3. Firewall & Network Switches for PSC	\$ 6,595
4. Replacement of Network Switches For City Hall, Public Works, PARD, & Library	\$ 32,298
5. Council Chamber Equipment Replacement	<u>\$ 30,510</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 80,004</u>



City Council Budget Worksession No. 1  
May 13, 2023

LIBRARY DEPARTMENT \$164,016

1. Outreach Children's Librarian (1)	\$ 74,766
2. Support Costs for One (1) New Position	\$ 3,250
3. Security Camera System Upgrade	\$ 65,000
4. Fuel & Maintenance for Bookmobile	\$ 16,000
5. Legal Services	<u>\$ 5,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 164,016</u> **

\*\* Total New Budget Needs For the Library Department Does Not Include for the Arts & Cultural Commission – Shown on Next Slide.





City Council Budget Worksession No. 1  
May 13, 2023

PARKS & RECREATION DEPARTMENT \$87,447,604

Summary of New Budget Needs

• 9 New Positions	\$ 695,704
• 4 New Leased Trucks	\$ 72,000 Per Year
• Leased Space	\$ 97,900 Per Year
• New Equipment	\$ 292,000
• Various Other Support Costs	\$ 165,000
• New CIPs	<u>\$ 86,125,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 87,447,604</u>

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

PARKS & RECREATION DEPARTMENT \$87,447,604

1. Park Maintenance Technician (3)	\$ 188,892
2. Pool Maintenance Technician (1)	\$ 65,381
3. Certified Therapeutic Recreation Specialist (1)	\$ 75,413
4. Assistant Director of Parks & Recreation (1)	\$ 143,651
5. Maintenance Crew Leader (1)	\$ 70,156
6. Recreation Specialist (1)	\$ 68,148
7. Recreation Programmer – Athletics (1)	\$ 75,413
8. Support Costs for Nine (9) New Positions	\$ 8,650
9. Indoor Leased Space (3,336 Sq. Ft.)	\$ 97,900 Per Year
10. 104-Inch Mower (1)	\$ 32,000
11. 72-Inch Mowers (3)	\$ 45,000
12. Portable Restroom With Generator & Water Tank	\$ 125,000
13. Dump Trailer (1)	\$ 15,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

PARKS & RECREATION DEPARTMENT \$87,447,604

14. Leased 2500 Chev Trucks (4)	\$ 72,000 Per Year
15. Skid Steer (1)	\$ 150,000
16. Pole Barn (1)	\$ 40,000
17. Mini Excavator (1)	<u>\$ 50,000</u>
TOTAL NEW BUDGET NEEDS (NON-CIP):	<u>\$ 1,322,604</u>

Continued....New CIP Needs



City Council Budget Worksession No. 1  
May 13, 2023

PARKS & RECREATION - CIP \$87,447,604

18. Recreation Center Facility	\$ 80,000,000
19. Restrooms at Heroes Memorial Park	\$ 200,000
20. Parking Lot Improvements (5 Lots)	\$ 2,000,000
21. Park Playgrounds (5)	\$ 750,000
22. Lake Kyle Inclusive Playground Expansion	\$ 200,000
23. Waterleaf Park Dog Park	\$ 75,000
24. Linebarger Lake Fishing Pier	\$ 200,000
25. Kensington Trail Development	\$ 50,000
26. Pickleball Courts (4)	\$ 200,000
27. Tennis Courts (4)	\$ 240,000
28. Bike BMX Park	\$ 1,000,000
29. Festive Lighting & Decorations (\$200,000 Per Year)	\$ 1,000,000
30. Community Garden at Post Oak Park	\$ 210,000
TOTAL NEW CIP NEEDS:	<u>\$ 86,125,000</u>



City Council Budget Worksession No. 1  
May 13, 2023

PLANNING DEPARTMENT \$630,063

1. CDBG Program Manager (1)	\$ 95,064
2. Support Costs for One (1) New Position	\$ 7,750
3. Reclass Planner to Management Analyst	\$ 7,249
4. New Plotter	\$ 7,000
5. Development Code Rewrite	\$ 500,000
6. Legal Services	\$ 5,000
7. Training & Conferences (Staff)	<u>\$ 8,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 630,063</u>



City Council Budget Worksession No. 1  
May 13, 2023

POLICE DEPARTMENT \$2,504,980

Summary of New Budget Needs

• 2023 Meet and Confer Pay Increase (year 2 of 3)	\$ 245,422
• 13 New Positions	\$ 1,149,879
• 3 Position Reclassifications	\$ 39,118
• New Software Systems/Upgrades	\$ 28,190
• 18 Leased Vehicles (1 <sup>st</sup> Year Cost)	\$ 324,000
• 5 Leased Motorcycles (1 <sup>st</sup> Year Costs)	\$ 24,000
• Various Other Equipment & Supplies	<u>\$ 694,371</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 2,504,980</u>

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

POLICE DEPARTMENT \$2,504,980

1. 2023 Meet and Confer Pay Increase (year 2 of 3)	\$ 245,422
2. Narcotics Investigator (1)	\$ 88,901
3. Tactical Sergeant (1)	\$ 110,786
4. Recruiting/Background Investigator (1)	\$ 88,901
5. Traffic Crash Investigator (1)	\$ 88,901
6. Mental Health Officer (1)	\$ 88,901
7. Equipment Manager (1-Quarter Master)	\$ 79,617
8. Training Manager (1)	\$ 79,617
9. Police Facility/Fleet Coordinator (1)	\$ 79,617
10. Public Information Specialist/Social Media Creator (1)	\$ 86,250
11. Police Records Manager (1)	\$ 111,452
12. Administrative Assistant-HR Specialist(1)	\$ 74,312
13. Administrative Assistant-CIB (1)	\$ 74,312

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

POLICE DEPARTMENT \$2,504,980

14. Administrative Assistant-OB (1)	\$ 74,312
15. Support Costs for 13 New Positions	\$ 24,000
16. Reclass Administrative Asst. to Executive Assistant-ASB	\$ 12,008
17. Reclass Senior Records Specialist to Crime Analyst-CIB	\$ 12,008
18. Reclass Senior Records Specialist to Records Supervisor	\$ 15,102
19. Replacement Armor Vests	\$ 60,000
20. Radio Upgrades (Year 2 of 3 Year Plan)	\$ 171,000
21. FARO Crash Program Software	\$ 60,000
22. Apollo Fully Electric Mini Order Picker	\$ 11,400
23. Uniform and Equipment for Two Motor Officers (Traffic)	\$ 34,450
24. Axon Premium Service	\$ 93,412
25. Training – Special Services Division	\$ 20,000
26. Training/Equipment – SWAT	\$ 50,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

POLICE DEPARTMENT \$2,504,980

27. Training – Motorcycle Operators (2)	\$ 9,600
28. On-Call Pay for Dispatch	\$ 9,500
29. Police Recruitment Expense	\$ 15,000
30. Bosch CDR Hardware	\$ 15,000
31. Various New Software	\$ 28,190
32. Various Computer Hardware	\$ 25,799
33. Vehicles - Replacement Leased (9)	\$ 162,000 Per Year
34. Vehicles - Additional Leased Vehicles (9)	\$ 162,000 Per Year
35. Motorcycles - Replacement Leased (3)	\$ 14,400 Per Year
36. Motorcycles - Additional Leased (2)	\$ 9,600 Per Year
37. Radio/Radar/Equipment for Motorcycles (2)	\$ 31,125
38. Polaris Ranger Crew (2)	\$ 62,000
39. PSCE/PR/COP Golf Cart	\$ 11,000
40. Various Other Equipment & Supplies	<u>\$ 15,085</u>
TOTAL NEW BUDGET NEEDS:	<u>\$2,504,980</u>



City Council Budget Worksession No. 1  
May 13, 2023

PUBLIC WORKS DEPARTMENT \$ 7,455,517

Summary of New Budget Needs

• 5 New Positions	\$ 514,217
• 8 New Leased Trucks (1 <sup>st</sup> Year Cost)	\$ 113,300
• New Equipment	\$ 2,390,000
• New CIPs	\$ 4,378,000
• Various Other Support Costs	<u>\$ 60,000</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 7,455,517</u>

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

PUBLIC WORKS DEPARTMENT \$7,455,517

1. Fleet & Shop Manager/Mechanic (1)	\$ 108,110
2. Fleet Mechanic (1)	\$ 97,875
3. Instrumentation Technician (1)	\$ 86,552
4. Water Production Operator (1)	\$ 93,840
5. Wastewater Plant Operator (1)	\$ 93,840
6. Support Costs for Five (5) New Positions	\$ 34,000
7. 4-Post Vehicle Lift	\$ 25,000
8. Tire Changer & Wheel Balancer	\$ 15,000
9. Tools & Equipment for Fleet Mechanic	\$ 25,000
10. Heaters for Public Works Bay (CIP)	\$ 120,000
11. Public Works Yard Expansion (CIP)	\$ 95,000
12. Fueling Station (CIP)	\$ 300,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

PUBLIC WORKS DEPARTMENT \$7,455,517

13. Patch Truck (1)	\$ 280,000
14. Concrete Truck (1)	\$ 210,000
15. Paver (1)	\$ 565,000
16. Backhoe (2)	\$ 340,000
17. Street Sweeper (1)	\$ 360,000
18. Vac-Truck (1)	\$ 450,000
19. Portable Electronic Message Boards (2)	\$ 40,000
20. Striping & Street Sign Line-Item Increase	\$ 20,000
21. Spare Variable Frequency Drive (VFD)	\$ 30,000
22. HACH WIMS Data System	\$ 40,000
23. Well #3 Electrical & Chlorine Building Improvements CIP)	\$ 500,000
24. Utility Tractor w/Grooming Mower Attachment	\$ 50,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

PUBLIC WORKS DEPARTMENT \$7,455,517

24. Package Plant Blower Building (Covering - CIP)	\$ 35,000
25. WWTP Storage/Building Office (CIP)	\$ 28,000
26. Heidenreich Entrance Improvements (WWTP – CIP)	\$ 350,000
27. Generators for 8 Water & Wastewater PS & LS Sites (CIP)	\$ 2,950,000
28. Leased 3/4-Ton Trucks (3) Per Year Cost	\$ 45,000
29. Leased F-350 Truck (1) Per Year Cost	\$ 22,000
30. Leased F-350 Hydraulic Work Truck (1) Per Year Cost	\$ 22,000
31. Leased Chev Colorado Ext Cab Trucks (3) Per Year Cost	<u>\$ 24,300</u>
TOTAL NEW BUDGET NEEDS:	<u>\$ 7,455,517</u>



City Council Budget Worksession No. 1  
May 13, 2023

5-YEAR PRIORITY PROJECTS FOR FY 2024-2028 \$651,820,830

1. Property Acquisitions (\$2M each year)	\$ 10,000,000
2. Downtown Mixed-Use Building	\$ 10,500,000
3. Micro Surfacing Street Improvement (\$0.5M each year)	\$ 2,500,000
4. Street Maintenance & Rehabilitation Program (\$0.75M each year)	\$ 3,750,000
5. Center Street Raised Median – RR Crossing	\$ 150,000
6. Beautification Improvements Citywide (\$1.0M each year)	\$ 5,000,000
7. Traffic Control Improvements (\$1.5M each year)	\$ 7,500,000
8. Additional Lane Improvements for I-35 Southbound Frontage @ Marketplace Avenue to Center Street	\$ 2,850,000
9. Senior Activity Center	\$ 20,000,000
10. Inauguration Fund for CIPs	\$ 350,000
11. Arts in Public Places (\$0.05M each year)	\$ 250,000
12. Drainage Priority Projects (\$0.5M each year)	\$ 2,500,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

5-YEAR PRIORITY PROJECTS FOR FY 2024-2028 \$651,820,830

13. Recreation Center Facility	\$ 80,000,000
14. Restrooms at Heroes Memorial Park	\$ 200,000
15. Parking Lot Improvements (5 lots)	\$ 2,000,000
16. Park Playground Improvements (5 parks)	\$ 750,000
17. Lake Kyle Inclusive Playground Expansion	\$ 200,000
18. Dog Park at Waterleaf Park	\$ 75,000
19. Linebarger Lake Fishing Pier	\$ 200,000
20. Kensington Trail Development	\$ 50,000
21. Pickleball Courts (4)	\$ 200,000
22. Tennis Courts (4)	\$ 240,000
23. Bike BMX Park	\$ 1,000,000
24. Community Garden at Post Oak Park	\$ 210,000
25. Citywide Festive Lighting & Decorations (\$0.2M each year)	\$ 1,000,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

5-YEAR PRIORITY PROJECTS FOR FY 2024-2028 \$651,820,830

26. Heating Installation for Public Works Bay	\$ 120,000
27. Public Works Yard Expansion	\$ 95,000
28. Fueling Station at Public Works	\$ 300,000
29. Water Line Upgrades & Replacements (\$0.5M each year)	\$ 2,500,000
30. Water Tank Rehabilitation Program (\$0.5M each year)	\$ 2,500,000
31. Waterstone Water EST & GST	\$ 1,000,000
32. FM 1626 Water Tank & Pump Station	\$ 27,400,000
33. FM 110 Water Line	\$ 1,900,000
34. Well #3 Electrical & Chlorine Building Upgrades	\$ 500,000
35. Package Plant Blower Building Cover	\$ 35,000
36. Wastewater Line Upgrades/Replacements (\$0.5M each year)	\$ 2,500,000
37. Center Street Village Wastewater Improvements	\$ 3,700,000
38. Plum Creek Golf Course Wastewater Interceptor	\$ 3,100,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

5-YEAR PRIORITY PROJECTS FOR FY 2024-2028 \$651,820,830

39. Plum Creek Golf Course Reclaimed Water Line	\$ 1,400,000
40. North Trails Wastewater Upgrade to 36"	\$ 3,500,000
41. Four Seasons Wastewater Upgrade to 36"	\$ 890,000
42. Steeplechase Wastewater Upgrade to 36"	\$ 2,900,000
43. Dacy Wastewater Upgrade to 18"	\$ 1,000,000
44. WWTP Interceptor Phase I 48" Upgrade	\$ 15,500,000
45. WWTP Interceptor Phase II 48" Upgrade	\$ 7,300,000
46. Quail Ridge Wastewater Line & Liftstation	\$ 1,000,000
47. Waterleaf Wastewater Interceptor	\$ 2,500,000
48. WWTP Disc Filtration System	\$ 2,250,000
49. WWTP General Improvements & Rehab. (\$0.015M) each year)	\$ 750,000
50. WWTP Storage/Building Office	\$ 28,000
51. WWTP Heidenreich Entrance Improvements	\$ 350,000

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

**5-YEAR PRIORITY PROJECTS FOR FY 2024-2028 \$651,820,830**

52. Generators for 8 Water and Wastewater PS & LS Sites	\$ 2,950,000
53. WWTP Expansion Phase II to 9.0 MGD (Future CO Bonds)	\$ 101,250,000
54. Kyle Regional Sportsplex (2020 Bonds)	\$ 7,000,000
55. Plum Creek Trail (Emerald Crown Trail System 2020 GO Bonds)	\$ 2,000,000
56. Uptown Retail Roads: Cromwell Street, Cultural Trails, & Heroes Drive (TIRZ #2 2023 Bonds)	\$ 8,000,000
57. Road Bond Program (2022)	\$ 285,027,830
58. Dacy Lane Illumination & Sidewalk	\$ 1,000,000
59. Kohlers Crossing Rehabilitation Phase II	\$ 2,000,000
60. Kohlers Crossing Overpass (City's Share)	\$ 3,500,000
61. Relocation of Rail Siding (City's Share)	<u>\$ 2,600,000</u>
TOTAL 5-YEAR PRIORITY CIPs FOR FY 2024-2028:	<u>\$ 651,820,830</u>



## City Council Budget Worksession No. 1 May 13, 2023

### 5-YEAR PRIORITY PROJECTS FOR 2024-2028 \$651,820,830

	5-YEAR ESTIMATED & PRELIMINARY CIP SPENDING PLAN					5-YEAR	
	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	TOTAL	
Estimated Funding Requirements	\$ 155,858,000	\$ 132,185,000	\$ 125,375,000	\$ 127,075,000	\$ 111,327,830	\$ 651,820,830	
Funded - Authorized Bonds	\$ 75,525,000	\$ 58,525,000	\$ 58,525,000	\$ 58,525,000	\$ 50,927,830	\$ 302,027,830	46%
Funded - ARPA	\$ 8,000,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 12,000,000	2%
Estimated Future Funding - From Revenues, Fees, & GF Transfers	\$ 36,558,000	\$ 32,870,000	\$ 22,500,000	\$ 13,550,000	\$ 7,650,000	\$ 113,128,000	17%
Unfunded (Estimated)	<u>\$ 37,775,000</u>	<u>\$ 36,790,000</u>	<u>\$ 44,350,000</u>	<u>\$ 55,000,000</u>	<u>\$ 52,750,000</u>	<u>\$ 224,665,000</u>	35%



City Council Budget Worksession No. 1  
May 13, 2023

ESTIMATED NEW REVENUE

**(PRELIMINARY ESTIMATES)**



City Council Budget Worksession No. 1  
May 13, 2023

2023 TOTAL PROPERTY VALUATIONS  
**(PRELIMINARY ESTIMATES) \*\***



**\*\* Subject to Change – Information Based on 2023 Preliminary Certified Estimate and 2022 Assessment Roll Grand Totals (Supp #8) Provided by Hays County Appraisal District Dated April 19, 2023 & Includes Valuations for TIRZ #1, #2, #3, & #4.**



City Council Budget Worksession No. 1  
May 13, 2023

2023 PROPERTY VALUATIONS – CITY ONLY  
**(PRELIMINARY ESTIMATES) \*\***



City Council Budget Worksession No. 1  
May 13, 2023

2023 PROPERTY VALUATIONS – TIRZ #1, #2, #3, & #4  
**(PRELIMINARY ESTIMATES) \*\***



City Council Budget Worksession No. 1  
May 13, 2023

**NEW PROPERTY TAX REVENUE – CITY ONLY**  
**(PRELIMINARY ESTIMATES)**

- New Operating Tax Revenue @ Current Rate (\$0.2966): \$ 2,357,494 \*\*
- New Debt Tax Revenue @ Current Rate (\$0.2116): \$ 1,681,881 \*\*
- Estimated New Property Tax Revenue Increase @  
Current Tax Rate (\$0.5082): \$ 4,039,375 \*\*

\*\* Subject to Change - Information Based on 2023 Preliminary Certified Estimate Provided by Hays County Appraisal District Dated April 19, 2023 and @ Current Property Tax Rates.



City Council Budget Worksession No. 1  
May 13, 2023

NEW PROPERTY TAX REVENUE – TIRZ #1, #2, #3, & #4

**(PRELIMINARY ESTIMATES)**

- New Operating Tax Revenue @ Current Rate (\$0.2966): \$ 449,477 \*\*
- New Debt Tax Revenue @ Current Rate (\$0.2116): \$ 320,665 \*\*
- Estimated New Property Tax Revenue Increase @  
Current Tax Rate (\$0.5082): \$ 770,142 \*\*

\*\* Subject to Change - Information Based on 2023 Preliminary Certified Estimate Provided by Hays County Appraisal District Dated April 19, 2023 and @ Current Property Tax Rates.



City Council Budget Worksession No. 1  
May 13, 2023

NEW SALES TAX REVENUE  
**(PRELIMINARY ESTIMATES)**

- 2024 Estimated Sales Tax Revenue: \$ 17,498,571
- 2023 Sales Tax Revenue Budget: \$ 15,875,000
- 2024 Estimated Increase From 2023 Budget: \$ 1,623,571 (10.2%)
  
- 2023 Estimated Sales Tax Revenue: \$ 16,550,346
- 2024 Estimated Increase From 2023 CYE: \$ 948,225 (5.7%)
  
- 2022 Sales Tax Revenue Collections: \$ 14,680,009
- 2024 Estimated Increase From 2022 Collections: \$ 2,818,562 (19.2%)



City Council Budget Worksession No. 1  
May 13, 2023

OTHER GENERAL FUND REVENUE/FEES  
**(PRELIMINARY ESTIMATES)**



City Council Budget Worksession No. 1  
May 13, 2023

NEW REVENUES - WATER & WASTEWATER UTILITY

**(PRELIMINARY ESTIMATES)**

- No Water Rate Increase
- No Wastewater Rate Increase
- 6.4% System Growth for Water Utility
- 6.7% System Growth for Wastewater Utility
- 2024 Estimated New Rate Revenue:

Water Utility	\$ 988,900
Wastewater Utility	<u>\$ 656,600</u>
Total:	<u>\$ 1,645,500</u>

- 2024 Estimated Impact Fees:

Water Utility	\$ 3,000,000
Wastewater Utility	<u>\$ 4,500,000</u>
Total:	<u>\$ 7,500,000</u>



City Council Budget Worksession No. 1  
May 13, 2023

NEW RATE REVENUE - STORM DRAINAGE UTILITY  
**(PRELIMINARY ESTIMATES)**

- No Rate Increase in Storm Drainage Rates/Fees
- 6.7% System Growth for Storm Drainage Utility
- 2024 Estimated New Rate Revenue:

Residential	\$ 56,500
Wastewater Utility	<u>\$ 61,000</u>
Total:	<u>\$ 117,500</u>



City Council Budget Worksession No. 1  
May 13, 2023

SUMMARY OF NEW BUDGET NEEDS &  
NEW REVENUE/FUNDING SOURCES FOR 2024  
**(PRELIMINARY ESTIMATES)**



City Council Budget Worksession No. 1  
May 13, 2023

**2024 NEW POSITION REQUESTS – 42.0**

Department/Division	Part-Time	Full-Time	FTE Total
Building		1.0	1.0
City Manager's Office		1.0	1.0
City Secretary		1.0	1.0
Communications		1.0	1.0
Emergency Management		2.0	2.0
Engineering		1.0	1.0
Environmental Services & Trades		3.0	3.0
Facilities Maintenance		1.0	1.0
Financial Services		2.0	2.0
Continued....			



City Council Budget Worksession No. 1  
May 13, 2023

2023 NEW POSITION REQUESTS – 42.0

Department/Division	Part-Time	Full-Time	FTE Total
Library Services		1.0	1.0
Parks & Recreation		9.0	9.0
Planning		1.0	1.0
Police		13.0	13.0
Public Works		<u>5.0</u>	<u>5.0</u>
TOTAL NEW POSITIONS:	<u>0.0</u>	<u>42.0</u>	<u>42.0</u>



City Council Budget Worksession No. 1  
May 13, 2023

**2024 NEW BUDGET NEEDS - \$166,637,431**

Department/Division	Total
Building	\$ 918,225
City Council	\$ 10,763
City Manager's Office	\$ 103,814
City Secretary	\$ 77,506
Communications	\$ 113,748
Economic Development	\$ 208,100
Emergency Management	\$ 448,893
Engineering	\$ 358,785
Environmental Services & Trades	\$ 406,666
Continued....	



City Council Budget Worksession No. 1  
May 13, 2023

**2024 NEW BUDGET NEEDS - \$166,637,431**

Department/Division	Total
Facilities Maintenance	\$ 253,910
Financial Services	\$ 479,457
Financial Services – Citywide	\$ (644,470)
Human Resources	\$ 204,850
Information Technology	\$ 80,004
Library Services	\$ 164,016
Arts & Cultural Commission	\$ 60,000
Parks & Recreation (w/o CIPs)	\$ 1,322,604

Continued....



City Council Budget Worksession No. 1  
May 13, 2023

**2024 NEW BUDGET NEEDS - \$166,637,431**

Department/Division	Total
Planning	\$ 630,063
Police	\$ 2,504,980
Public Works (w/o CIPs)	<u>\$ 3,077,517</u>
Total New Operating Budget Needs in 2024	\$ 10,779,431
Total New CIP Budget Needs in 2024	<u>\$ 155,858,000</u>
TOTAL:	<u>\$ 166,637,431</u>



City Council Budget Worksession No. 1  
 May 13, 2023

**2024 NEW REVENUE & FUNDING ESTIMATES - \$127,149,965**  
**(PRELIMINARY ESTIMATES)**

Revenue & Other Funding Source	Estimated Amount
Property Tax - M&O Portion @ Existing Rate	\$ 2,357,494
Sales Tax	\$ 1,623,571
Water/Wastewater (Includes Acc. Impact Fees)	\$ 23,788,500
Storm Drainage	\$ 117,500
Other Revenues (Dev Fees, Franchise Tax, Misc.)	\$ 1,372,900
GO Bonds (Approved Nov. 2020)	\$ 9,000,000
GO Bonds (Approved Nov. 2022)	\$ 58,525,000
TIRZ #2 Bonds (May/June 2023)	\$ 8,000,000
General Fund Contribution to CIP	\$ 9,515,000
Park Development Fund (Acc. Fees)	\$ 2,500,000
Street Improvement Fund (Acc. ALM Fees)	\$ 2,350,000
American Rescue Funds	\$ 8,000,000
<b>TOTAL:</b>	<b>\$ 127,149,965</b>



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**2024 ESTIMATED BUDGET FUNDING GAP**  
**(PRELIMINARY ESTIMATES)**

<u>Sources &amp; Uses</u>	<u>Estimated Amount</u>
Estimated New Revenues & Funds	\$ 127,149,965
(Less) Estimated New Operating Budget Needs	(\$ 10,779,431)
(Less) Estimated New Capital (CIP) Budget Needs	<u>(\$ 155,858,000)</u>
<b>Estimated Budget Funding Gap:</b>	<b><u>(\$ 39,487,466)</u></b>



City Council Budget Worksession No.1  
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**DISCUSSION OF NEXT STEPS BY INCOMING CITY MANAGER  
FOR BUDGET WORKSESSION NO. 2: JULY 8, 2023**

1. Discuss Development of a Strategic Plan
2. Review Organization Structure & Any Changes
3. Review Key Focus Areas for Budget Development
4. Review Major Assumptions for Budget Development
  - a. General Fund
  - b. Water Utility Fund
  - c. Wastewater Utility Fund
  - d. Storm Drainage Utility
  - e. Hotel Occupancy Tax Fund
  - f. TIRZ #1 & TIRZ #2 Funds
  - g. Capital Improvement Projects
5. Discuss Prioritization & Funding Strategy for Capital Improvement Projects (CIPs)



## City Council Budget Worksession No. 1 May 13, 2023

### BUDGET DEVELOPMENT CALENDAR

- **May 13, 2023 (8:00 a.m.):** Budget Worksession #1: New Budget Needs  
(Saturday, Special Called Meeting)
- **July 8, 2023 (8:00 a.m.):** Budget Worksession #2:  
(Saturday, Special Called Meeting)
- **July 25, 2023:** Certified Property Valuations Due From HaysCAD
- **July 29, 2023 (8:00 a.m.):** Budget Worksession #3: City Manager's Proposed Budget  
(Saturday, Special Called Meeting)
- **August 15, 2023 (7:00 p.m.):** Budget Worksession #4: Public Hearings, 1<sup>st</sup> Reading of Budget & Property Tax Rate Ordinances  
(Tuesday, Regular Meeting)
- **August 24, 2023 (6:00 p.m.):** Budget Worksession #5: Public Hearings, 2<sup>nd</sup> Reading of Budget & Property Tax Rate Ordinances  
(Thursday, Special Called Meeting)



City Council Budget Worksession No.1  
May 13, 2023

CITY COUNCIL'S BUDGET PRIORITIES & DIRECTION

1. Direction on City Programs & Services
2. Direction on New Budget Needs Previewed By Departments
3. Direction on New Capital Improvement Projects (CIPs)
4. Direction on Changes to City Council's Line-Item Budgets



City Council Budget Worksession No. 1  
May 13, 2023

