



## MEMORANDUM

TO: Mayor and City Council Members

FROM: Bryan Langley, City Manager

DATE: July 27, 2024

SUBJECT: City Manager's Budget Message for Fiscal Year 2024-2025

---

I am pleased to submit the City's proposed operating and capital budgets for Fiscal Year 2024-2025. The proposed budget for Fiscal Year 2024-2025 has been developed over the last several months based on input and feedback from the City Council, our community, and is based on the City's first strategic plan.

The proposed budget incorporates the City Council's vision, strategic goals, and priorities for the city of Kyle that were identified in our visioning workshop earlier this year. Most importantly, I have developed the City's proposed operating and capital budgets for the upcoming fiscal year to address all five (5) of the following strategic goals established by the City Council:

1. Thriving and prosperous economy.
2. Excellent and accountable government.
3. Safe and welcoming community.
4. Sustainable and resilient infrastructure.
5. Vibrant and fun destination.

The City's proposed budget for the Fiscal Year 2024-2025 was created to achieve strategic results and outcomes. The budgeting for outcomes strategy provides a framework to manage and deliver City programs and services based on specific action oriented tasks, accountability, and performance measures.

To that end, the City's Strategic Plan details over 65 major items to be completed next year.

Key action items for the plan over the next year include:

- Design and construction of a new Sportsplex.
- Creation of new parks, and reinvestment in the current park system.
- Design and construction of various key water and wastewater projects.

- Construction of the voter approved road bond program and various transportation initiatives.
- Enhancement of Customer Service through the creation of the new 311 system.
- Improvement of operational efficiency through lean government and performance management programs.

### **Key Budget Initiatives & Focus Areas**

In addition to the City Council's vision and strategic goals, the proposed budget for Fiscal Year 2024-2025 was developed to focus on the following six (6) strategic areas which are discussed in detail below.

1. Operational improvements and cost containment initiatives.
2. Organizational excellence and strategic service delivery.
3. Water and wastewater utilities.
4. Streets, transportation, and drainage.
5. Enhanced public safety.
6. Park development and improvements.

#### **1. Operational Improvements & Cost Containment Initiatives**

To ensure that services are provided in the most cost effective and efficient manner, the budget has incorporated several operational and cost containment strategies. Below is a summary of the major items that have been recently implemented and those planned for the coming year.

##### **Operational Improvements Implemented**

- Created strong business team focused on customer services and accountability.
- Improved City Council Agenda Management System & Process.
  - Implemented new electronic agenda management system.
  - Increased transparency of agenda materials for both the council and the public.
  - Standardized workflow review and approval processes to improve efficiency.
- Enhanced Community Engagement and Transparency.
  - Quarterly Newsletter mailed to every address.
  - Weekly Friday Reports Posted Online.
  - Responses to Open Records Request are displayed to the public on website (GovQA).

- Created Centralized Purchasing Function.
  - Centralized the City's procurement and contract management processes to ensure compliance and efficiency.
  - In the past, purchasing was decentralized which led to inconsistent processes across the organization and ineffective contract management.

#### Operational Improvements Planned

- Creation of new 311 customer service center by March 2025.
  - Improve customer service experience and increase access to services for residents.
  - Centralize customer requests from a variety of platforms (e.g., phone, email, applications, etc.).
  - Data will drive performance improvement and better outcomes.
- Launch of Lean Government Initiative.
  - Formalizes process to systematically review operations and make improvements that increase operational efficiency and cost effectiveness.
  - Presentation detailing this new program will be outlined on August 6, 2024.
- Development of Performance Management and Open Data program.
  - Link strategic plan vision, strategic focus, objectives, action items, and key performance indicators (KPIs).
  - City Council approved contracts for new performance management software solution in April 2024.
  - Program expected to "go live" this fall.

#### Cost Containment Initiatives

- Evaluated building inspection processes and proposed in house inspection program.
  - Proposed changes will yield approximately \$1.7 million in annual savings.
- Completed benchmarking analysis and recommended new development services rate structure to offset actual costs incurred and better align with our peer cities.
  - Fee changes will generate approximately \$1.75 million in additional revenue on an annual basis.
- Improved Utility Billing Operations.
  - Increased customer service standards.
  - Updated policies and created data driven performance metrics to assess efficiency.
  - Increased collection rate to 99+% resulting in an additional \$2.5 million in Water and Wastewater revenue each year.
- Began implementation of a new electronic time and attendance system
  - Significant cost savings and productivity improvements will result from transitioning from a mostly manual process to an automated software system.

- Reviewed operations, increased efficiency, and proposed the net elimination of 10 FTEs.
  - Eliminated Assistant City Manager, Director of Public Works, and Director of Human Resources positions to reduce costs by \$866,712 per year.
  - Proposed creation of new 311 service and centralized procurement, payroll, and call taking operations across the city.
    - Removes siloed and inefficient service model.
    - Eliminates 7 FTEs across the organization.
    - Reduces annual costs by \$589,531 and realizes a soft cost savings to Water Utilities of \$287,099.
  - In total, the proposed reduction in positions represents a \$1,456,243 annual cost savings to the city.
- Created a new legislative program and applied for over \$100 million in grant funding.
  - Developed comprehensive grants tracking portal to monitor legislative contacts, grants, and projects.
  - Aggressively pursued advocacy efforts with legislative partners.
- Prepared new water and wastewater impact fee study and recommended to Council fee increases to cover a larger share of our costs.
  - These fee increases are expected to generate an additional \$6.2 million in revenue for FY 2024-25.
- Combined cost containment initiatives proposed in the coming budget generate approximately \$13.61 million in annual cost reductions and increased revenues.

## **2. Organizational Excellence & Strategic Service Delivery**

The proposed budget also makes a number of recommendations to advance the organization by investing in our employees and strategically evaluating various services. Below is a summary of the initiatives included in the proposed budget:

### **Organizational Excellence**

The proposed budget includes funding to support a market-based employee compensation and benefits program. For FY 2024-25, the budget includes \$967,000 to fund an average 4.5% merit increase for all non-sworn positions. The budget also includes \$387,086 to fund the planned step increases for Police sworn positions. Additionally, to remain competitive in the marketplace, the budget includes \$450,000 to fund increases in the salary range for our police officers. With this investment, the starting pay for a Kyle police officer is expected to be within the top 25% of the benchmarked cities that we compare against.

### Strategic Efforts Completed

To properly plan for the future, the following items were completed this past year to guide decision making:

- Police Staffing Analysis.
- Pay and Compensation Study.
- Water and Wastewater Impact Fee Study.
- Pavement Condition Analysis and Assessment.
- Reclaimed Water Master Plan.
- Adoption of new Comprehensive Plan.
- Cost of Service Study for Water and Wastewater Rates.

### Future Strategic Items

Additionally, the following items are planned for the coming year:

- Water and Wastewater Master Plan (\$1.25 million).
- Parks Master Plan (\$250,000).
- Transportation Master Plan (\$400,000).
- Street Impact Fee (ALM) Study (\$50,000).
- Master Facility Plan (\$100,000).
- Assessment of Fleet and Fueling Operations (\$150,000).
- Development of a formal Indirect Cost Allocation Plan (\$150,000).
- Storm Water Drainage Fee Study (\$150,000).
- City-Wide Risk Assessment Analysis (\$150,000).
- Development Code Re-write (\$500,000).

### **3. Water & Wastewater Utilities**

The development of our water and wastewater utility systems is a major focus for the proposed budget. To that end, the following major initiatives are underway and proposed for Fiscal Year 2024-2025:

- Water Master Plan – Completion in early 2025.
- Funding a Wastewater Master Plan in FY 2025 - \$750K.
- Pursuing TCEQ Permit for the Wastewater Treatment Plant (WWTP) Expansion (9 MGD).
- Alliance Regional Water Construction:
  - Phase 1B is expected to be delivered in February 2025.

- Evaluating opportunities to increase ARWA supply in 2027.
- Considering Strategic deployment of reclaimed water for parks.
  - \$2 million included in FY2025 Budget for this purpose.
- Increase budget for wastewater line repair, replacement, and slip lining.
  - \$2.5 million included in FY2025 Budget to reduce Inflow and Infiltration (I&I).
- Water Utilities improvements funded for the five-year Capital Improvement Program (CIP) is \$339.6 million; \$99.6 million funded for FY2025; Projects Include:
  - WWTP Access Road – \$4.5M for FY 2025, \$4.5 million for 5 Year CIP.
  - WWTP Expansion PH II, 9.0 MGD - \$6 million for FY 2025, \$101 million for 5 Year CIP.
  - Reclaimed Water Fill Station - \$1 million for FY 2025, \$1.5 million for 5 Year CIP.
  - Reclaimed Irrigation for Parks – \$500,000 for FY 2025, \$2 million for 5 Year CIP.
  - Lehman Pump Station Expansion – \$1.5 million for FY 2025, \$11 million for 5 Year CIP.
  - Water Facilities Fence Replacement and Upgrades - \$150,000 for FY 2025, \$3.2 for 5 Year CIP.
  - Water Utilities Offices Land Acquisition - \$5 million for FY 2025, \$30 million for 5 Year.
  - ARWA 3rd Take Point - \$5 million for FY 2025, \$40 million for 5 Year CIP.
  - Supervisory Control and Data Acquisition (SCADA) Upgrades - \$500,000 for FY 2025, \$1 million for 5 Year CIP.

#### Cost of Service & Rates

- On February 26, 2024, the City Council approved a contract with Raftelis Financial Consultants, Inc., to conduct a cost of service & rate study for the City's water and wastewater utilities.
- To date, the cost of service study is approximately 75% complete.
- Preliminary results of the study determined that residential rate payers are paying more than their proportional share as compared to commercial customers.
- While rate increases for both water and wastewater services are expected, the rate study calls for a smaller increase for residential customers and shifting the rates proportionately to commercial rate payers.
- The study results will be presented to the City Council on August 6, 2024, for consideration and for decision on rate options.

#### **4. Streets, Transportation & Drainage**

The city's core infrastructure is comprised of streets, transportation, and drainage assets. As such, the following items are proposed for Fiscal Year 2024-2025:

##### **Transportation Infrastructure**

The following major transportation infrastructure initiatives are underway and proposed:

- Continued Construction of 2022 Voter Authorized Road Bond Program.
  - \$232 million in planned expenses over the 5 Year CIP.
  - Marketplace is expected to be under construction by Oct 2024/ Completion in April 2025.
  - Kohlers Crossing, Windy Hill, and Stagecoach expected to begin construction 2025.
- Kohlers Roundabouts (3) – at Benner, Sanders and Cromwell.
  - \$15 million included for FY 2025 construction.
- Intersection Improvements planned in FY 2025:
  - Marketplace @ Kohlers - \$1.5 million design funding in FY 2025, total project budget of \$7.5 million.
  - Kohlers @ Kyle Crossing - \$1.5 million design funding in FY 2025, total project budget of \$7.5 million.
  - FM 1626 @ Marketplace - \$1.5 million design funding in FY 2025, total project budget of \$7.5 million.
  - Marketplace @ Kyle Center - \$1 million design funding in FY 2025, total project budget of \$5 million.
  - Stagecoach @ Veterans - \$1.2 million design funding in FY 2025, total project budget of \$6 million.
- Expansion of Tax Increment Reinvestment Zone (TIRZ) #4 to provide funding for Goforth Road Project.
- Transportation Master Plan - \$400,000.
- Roundabout and Corridor Beautification - \$1 million in FY 2025, \$5 million over 5 years.
- Pavement Study Completed in 2024.
  - PCI of 82.5 is recommended.
  - Street Maintenance funding has been increased from \$1.5 million to \$2.88 million to maintain streets at this level.
- Sidewalk and Vybe Master Plan.
  - \$200,000 annually for sidewalk gap program inception.
  - \$266,144 included in CDBG funds for sidewalks.

- \$650,000 included for Vybe Trails in FY 2025; \$1 million in funding each year afterwards in CIP.
- New Transportation Director Position (\$273,134).
  - Will provide organizational oversight over all transportation projects.
  - Responsible for development of Intelligent Transportation System.

### Drainage Infrastructure

The following major drainage infrastructure initiatives are underway and proposed. Drainage improvements funded for 5 Year CIP is \$13.2 million; \$2.8 million funded for FY2025; projects Include:

- Scott/Sledge drainage improvements – \$300,000 for FY 2025, \$2.7 million for 5 Year CIP.
- S. Goforth drainage improvement - \$2 million for FY 2025 pending development agreement.
- Bunton Ln drainage improvements – \$0 for FY 2025, \$1.5 million for 5 Year CIP.
- Plum Creek Channel Improvements – \$0 for FY 2025, \$4.5 million for 5 Year CIP
- Drainage Master Plan/Improvements - \$500,000 for FY 2025, \$2.5 million for 5 Year CIP.
- Drainage Fee Study - \$150,000
  - Proposed to calculate appropriate fee to fund identified projects in the City's Drainage Master Plan.
  - Last fee update was over 5 years ago.
  - Fee should be based on identified projects in the Master Plan.

### **5. Enhanced Public Safety**

The Police staffing study was recently completed. This study resulted in a comprehensive overview of police calls and response levels. Based on this study, we have developed a series of recommendations to plan our resources over the next several years. The following items are included in the proposed budget for Fiscal Year 2024-2025:

- A total of twelve (12) new positions have been recommended for FY 2025 to include the following.
  - 7 new positions to meet service demands for the community:
    - 2 Police Corporals
    - 1 Police Safety Specialist
    - 2 Analyst-Real Time Crime Center
    - 1 Analyst CID
    - 1 Evidence Technician



- 5 positions for support service functions to assist police operations:
  - 1 Public Information & Community Engagement Specialist
  - 1 Patrol Secretary
  - 1 Training Coordinator
  - 1 Mental Health Civilian Responder
  - 1 Records Specialist

Other new equipment and technology support costs recommended in the proposed budget for the Police department include:

- New Leased Vehicles - \$155,444 per year for 9 vehicles.
- Radio Equipment for patrol \$173,000.
- Opticom Traffic Signal Preemption - \$60,000.
- Drone Program for Patrol - \$61,381.
- Safety Signs and Barricades - \$208,553.
- FUSUS Software – \$96,000.
- Other Software Support Items - \$134,000.

## **6. Park Development & Improvements**

The City of Kyle continues to invest in new parks and the development of the existing park system.

Major parks capital improvement projects planned in Fiscal Year 2024-2025 include:

- Parking lot design and construction.
  - La Verde, Steeplechase, Waterleaf, Gregg-Clarke, Lake Kyle.
- Landscaping, lawn, irrigation, and planting.
  - La Verde, Steeplechase, Waterleaf, Gregg-Clarke, Bunton, Heroes Memorial.
- Restrooms and Amenity Care.
  - Heroes Memorial, Steeplechase, Waterleaf, Gregg-Clarke, Post Oak.
- Fencing, shade structures, and seating.
  - Steeplechase, Waterleaf, Gregg-Clarke, Post Oak.
- Lighting, security and internet functionality.
  - Steeplechase, Waterleaf, Bunton, Lake Kyle, Heroes Memorial, Post Oak.

We recently engaged a consultant to update the Parks Master Plan to guide our investments over the next few years. Below is a listing of planned improvements for the parks system that is included in the budget, but this will be updated once the master plan is completed.

Memorandum: Mayor and City Council  
City Manager's Budget Message for Fiscal Year 2024-2025  
July 27, 2024

**La Verde Park**

Project Description	Fiscal Year	Estimated Cost
Irrigation/Lawn or Turf	FY24	\$125,000
Amenity and Req Upgrades	FY24	\$50,000
Landscaping and Feature Repair	FY24	\$15,000
Parking Lot	FY24	\$1,000,000

**Mary Kyle Hartson Park**

Project Description	Fiscal Year	Estimated Cost
KRUG Building Repairs	FY24	\$50,000
KRUG Building Repairs	FY25-29	\$25,000/yr
Holiday Lighting	FY24-29	\$600,000/yr
Landscaping and Feature Repair	FY25	\$25,000

**Steeplechase Park**

Project Description	Fiscal Year	Estimated Cost
Parking lot design and construction	FY25	\$500,000
Landscaping and amenity care	FY25	\$100,000
Fencing, shade, lighting repair	FY25	\$50,000
Irrigation and lawn	FY25	\$100,000
New shading, seating and trees	FY26	\$250,000
Disc golf course improvements	FY26	\$250,000
Sport fields, courts, playgrounds, features, art, additions and upgrades	FY26-29	TBD

**Heroes Memorial Park**

Project Description	Fiscal Year	Estimated Cost
Irrigation/Lawn or Turf	FY24	\$60,000
Landscaping and Feature Repair	FY24	\$25,000
Restroom Install	FY25	\$250,000
Additional features and upgrades	FY26-29	TBD

**Lineberger Lake**

Project Description	Fiscal Year	Estimated Cost
Fishing Pier	FY24	\$200,000
Lake Pavilion / Shading / Trees	FY25	\$200,000
Additional features and upgrades	FY26-29	TBD

**Waterleaf Park**

Project Description	Fiscal Year	Estimated Cost
Parking lot design and construction	FY25	\$1,000,000
Irrigation, landscaping and lighting	FY25	\$75,000
Dog Park design and construction	FY25	\$50,000
New shading, seating and trees	FY25	\$50,000
Pavilion and amenity care	FY26	\$50,000
Sports fields, courts, new playgrounds, features, art, additions and upgrades	FY26-29	TBD

**Gregg-Clarke Park**

Project Description	Fiscal Year	Estimated Cost
Parking lot design and construction	FY26	\$1,000,000
Landscaping and amenity care	FY25	\$100,000
Fencing, shade, lighting repair	FY25	\$50,000
Irrigation and lawn	FY25	\$100,000
New shading, seating and trees	FY26	\$250,000
Disc golf course improvements	FY26	\$250,000
Sport fields, courts, playgrounds, features, art, additions and upgrades	FY26-29	TBD

**Lake Kyle Park**

Project Description	Fiscal Year	Estimated Cost
Parking lot design and construction	FY26	\$750,000
Landscaping, irrigation and lawn	FY26	\$350,000
New shading and seating	FY27	\$250,000
Expand/upgrade inclusive playground	FY27	\$350,000
Nature center, storage building, features, art, additions and upgrades	FY26-29	TBD

## **Overview of City's Proposed Operating & Capital Budgets For Fiscal Year 2024**

The overall recommended budget for Fiscal Year 2024-2025 totals \$365.4 million for all City Funds. A comprehensive detailed All Fund Summary and line-item budget for revenues and expenditures is included in the accompanying proposed budget document.

Below are highlights of the City's proposed budget for all City Funds (57) for Fiscal Year 2024-2025:

- \$365.4 million total proposed budget for all City Funds.
- \$248.5 million in planned CIP spending in Fiscal Year 2025.
- 54.0 new position additions and 18.0 position eliminations proposed for a net increase of 36 positions. A total of 433.0 (net) positions funded in the City's proposed budget for Fiscal Year 2025.
- \$0.4693 proposed property tax rate (awaiting certified tax rates from HCTAC)
  - Current tax rate = \$0.4693 per \$100/AV.
- Rate increase (system-wide) projected for water service rates in Fiscal Year 2025.
  - The rate increase will vary by customer class.
- Rate increase (system-wide) projected for wastewater service rates in Fiscal Year 2025.
  - The rate increase will vary by customer class.
- No change in storm drainage fees.
- 2.5% increase in solid waste service rates per contract terms with Texas Disposal Systems (TDS).
- Addition of thirty-four (34) new fees and limited changes to thirty-nine (39) existing fees and charges for various City services. Updates to the water and wastewater rates and charges are pending cost of service study results. All additions and changes are highlighted in the Fee Schedule included in the budget document.

Provided below is a high level summary of the proposed budget for each of the City's four major operating Funds. A complete line-item detail for all revenues and expenditures pertaining to each City Fund is provided in the accompanying budget document.

### **General Fund**

- \$77.4 million total revenues and transfers-in.
- \$83.2 million total expenditures and transfers-out.
- \$21.3 million in estimated ending fund balance.

#### Water Utility Fund

- \$19.5 million total revenues and transfers-in.
- \$24.4 million total expenditures and transfers-out.
- Includes \$650,000 equity transfer to General Fund.
- \$9.1 million in estimated ending fund balance.
- All projected service revenues are based on existing water rates.
- Rate increase (system-wide) projected for water service rates in Fiscal Year 2025.
  - The rate increase will vary by customer class.

#### Wastewater Utility Fund

- \$12.3 million total revenues and transfers-in.
- \$14.5 million total expenditures and transfers-out.
- Includes \$650,000 equity transfer to General Fund.
- \$10.9 million in estimated ending fund balance.
- All projected service revenues are based on existing wastewater rates.
- Rate increase (system-wide) projected for wastewater service rates in Fiscal Year 2025.
  - The rate increase will vary by customer class.

#### Storm Drainage Utility Fund

- \$2.3 million total revenues and transfers-in.
- \$2.6 million total expenditures and transfers-out.
- \$518,290 in estimated ending fund balance.
- No increase proposed for storm drainage fees.

#### 5-Year Capital Improvements Spending Plan

The City's 5-year Capital Improvements Spending Plan (CIP) covers Fiscal Years 2025 through 2029 and totals \$848.6 million for the 5-year period. Provided below is the total estimated annual spending by project category for capital projects over the same 5-year planning horizon.

Memorandum: Mayor and City Council  
City Manager's Budget Message for Fiscal Year 2024-2025  
July 27, 2024

	CIP Spending Category	Year 1 FY 2025	Year 2 FY 2026	Year 3 FY 2027	Year 4 FY 2028	Year 5 FY 2029	5-Year Total
1	Park Improvements	\$ 4,495,000	\$ 3,590,000	\$ 8,045,000	\$ 4,335,000	\$ 4,535,000	\$ 25,000,000
2	Sportsplex	\$ 7,000,000	\$ 21,420,000	\$ 20,790,000	\$ 15,790,000	\$ -	\$ 65,000,000
3	Vybe Trail System	\$ 650,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 4,650,000
4	2020 Parks Bond Program	\$ 17,363,838	\$ -	\$ -	\$ -	\$ -	\$ 17,363,838
5	2022 Road Bond Program	\$ 76,803,146	\$ 79,988,827	\$ 43,394,406	\$ 19,373,428	\$ 12,015,768	\$ 231,575,575
6	Street Improvements	\$ 4,780,000	\$ 4,880,000	\$ 2,880,000	\$ 7,880,000	\$ 7,880,000	\$ 28,300,000
7	Traffic Improvements	\$ 5,200,000	\$ 6,200,000	\$ 6,200,000	\$ 6,200,000	\$ 6,200,000	\$ 30,000,000
8	Beautification - Roundabouts/Corridor	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000
9	Water Utility System	\$ 42,988,000	\$ 36,433,000	\$ 55,000,000	\$ 6,000,000	\$ 1,000,000	\$ 141,421,000
10	Wastewater Utility System	\$ 56,562,230	\$ 76,683,000	\$ 40,150,000	\$ 21,150,000	\$ 3,650,000	\$ 198,195,230
11	Storm Drainage System	\$ 2,800,000	\$ 2,900,000	\$ 1,500,000	\$ 1,000,000	\$ 5,000,000	\$ 13,200,000
12	Property Acquisition Program	\$ 9,500,000	\$ 5,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 20,500,000
13	Downtown Redevelopment	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 6,000,000
14	Rail Siding & Kohlers RR Overpass	\$ 2,600,000	\$ -	\$ 6,600,000	\$ -	\$ -	\$ 9,200,000
15	TIRZ #2 - Roads & Roundabouts	\$ 13,697,379	\$ 10,579,182	\$ 10,079,182	\$ -	\$ -	\$ 34,355,743
16	TIRZ #6 - Parking Garage	\$ 2,500,000	\$ 3,875,000	\$ 3,875,000	\$ 3,875,000	\$ 3,875,000	\$ 18,000,000
17	Miscellaneous/Other CIPs	\$ 595,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 855,000
Total CIP Spending Plan:		<u>\$248,534,593</u>	<u>\$255,114,009</u>	<u>\$204,078,588</u>	<u>\$ 91,168,428</u>	<u>\$ 49,720,768</u>	<u>\$848,616,386</u>

### New Equipment Additions

A combined total of \$2,014,740 in funding has been provided in the proposed budget for Fiscal Year 2024-2025 for the purchase of specialized capital equipment and various other heavy machinery.

Provided below is the amount of funding included in the proposed budget by City department for the acquisition of new equipment during next fiscal year:

• Parks	\$ 191,000
• PEG Channel	\$ 180,000
• Police	\$ 5,000
• Water Utilities	<u>\$ 1,638,740</u>
• Total:	<u>\$ 2,014,740</u>

A detailed listing of all new equipment by type and City department is highlighted and presented in the New Equipment Listing in the accompanying budget document.

### Position Additions & Deletions:

The City's proposed budget for Fiscal Year 2024-2025 includes \$5,493,825 in funding for the addition of fifty-four (54) new full-time positions and associated support costs.

The proposed budget also includes cost savings totaling \$1,993,816 resulting from the deletion of eighteen (18) full time equivalent positions.

The net increase in the number of full time equivalent positions totals thirty six (36) and the net cost of position additions totals \$3,500,009 for Fiscal Year 2024-2025 calculated as follows:

	<u>FTE</u>	<u>Total Costs</u>
• Proposed New Positions	54	\$5,493,825
• Proposed Position Deletions	<u>18</u>	<u>\$1,993,816</u>
• Total Net Increase:	<u>36</u>	<u>\$3,500,009</u>

All fifty-four (54) proposed new positions and their associated total costs which includes base wages, payroll taxes, retirement contribution, and health insurance costs are listed below by City department.

In addition, this list also includes the eighteen (18) eliminated positions by title and shows the total cost savings by position. The amount of cost savings includes base wages, payroll taxes, retirement contribution, and health insurance costs, if applicable.

Memorandum: Mayor and City Council  
City Manager's Budget Message for Fiscal Year 2024-2025  
July 27, 2024

Department	Position Title	FTE	Total Cost
City Attorney's Office	Paralegal	1.0	\$ 98,069
Communications	Communications Specialist	1.0	\$ 82,925
Information Technology	IT Business Analyst	1.0	\$ 106,895
	IT Data Analyst	1.0	\$ 106,895
	IT Network Administrator	1.0	\$ 109,671
	IT System Administrator	1.0	\$ 109,671
	IT System Technician	1.0	\$ 102,850
	GIS Technician	1.0	\$ 102,850
	Total Information Technology:	6.0	\$ 638,832
Library Services	Library Assistant	2.0	\$ 155,888
Parks & Recreation	Management Assistant	1.0	\$ 81,056
	Recreation Coordinator	1.0	\$ 70,628
Total Parks & Recreation:		2.0	\$ 151,684
Police	Public Information & Community Engagement Specialist	1.0	\$ 110,630
	Analyst CID	1.0	\$ 81,056
	Evidence Technician	1.0	\$ 95,998
	Patrol Secretary	1.0	\$ 81,056
	Police Safety Specialist	1.0	\$ 70,628
	Police Corporal	2.0	\$ 252,110
	Training Coordinator	1.0	\$ 87,283
	Mental Health Civilian Responder	1.0	\$ 118,563
	Analyst - Real Time Crime Center	2.0	\$ 174,565
	Records Specialist	1.0	\$ 81,146
	Total Police:	12.0	\$ 1,153,035
Water Utilities	CIP Division Manager	1.0	\$ 139,180
	Land Acquisition Manager	1.0	\$ 119,692
	Land Acquisition Agent	1.0	\$ 102,848
	Project Manager	1.0	\$ 120,881
	Public Works Inspector	3.0	\$ 306,786
	Transportation Director	1.0	\$ 273,134
	Building Maintenance Technician	1.0	\$ 75,296
	Building Maintenance Specialist	2.0	\$ 157,696
	Fleet Manager	1.0	\$ 139,182
	Backflow Technician	1.0	\$ 102,850
	Assistant Director - Water	1.0	\$ 157,826
	Division Manager - W/WW Maintenance	1.0	\$ 139,182
	Lead Licensed Electrician	1.0	\$ 104,628
	Instrumentation & Control Technician	1.0	\$ 86,326
	Management Assistant	2.0	\$ 162,112
	Water Conservation Coordinator	1.0	\$ 132,773
	Water Crew Leader	1.0	\$ 95,096
	Water Utility Technician I	3.0	\$ 243,327
	Wastewater Lead Lift Station Technician	1.0	\$ 104,624
	Wastewater Lift Station Technician	3.0	\$ 287,718
	Wastewater Technician I	2.0	\$ 162,236
	Total Water Utilities:	30.0	\$ 3,213,392
<b>Total Proposed Budget for New Positions:</b>		<b>54.0</b>	<b>\$ 5,493,825</b>

Memorandum: Mayor and City Council  
City Manager's Budget Message for Fiscal Year 2024-2025  
July 27, 2024

Department	Position Title	FTE	Total Cost
<u>Position Eliminations:</u>	Assistant City Manager	-1.0	\$ (327,542)
	Director of Human Resources	-1.0	\$ (270,420)
	Director of Public Works	-1.0	\$ (268,750)
	Administrative Assistant - Engineering	-1.0	\$ (81,148)
	Administrative Assistant - Parks	-2.0	\$ (156,441)
	Administrative Assistant - Water Utilities	-3.0	\$ (238,702)
	Office Manager - Parks	-1.0	\$ (104,082)
	Utility Billing Clerk	-1.0	\$ (71,074)
	Utility Billing Meter Technician	-5.0	\$ (424,579)
	Library Assistant	-0.5	\$ (28,678)
	Circulation Desk Clerk	-0.5	\$ (22,400)
	Victim Services Coordinator	-1.0	\$ -
	<b>Total Cost Savings for Position Eliminations:</b>	<b>-18.0</b>	<b>\$(1,993,816)</b>
	<b>Total Proposed Net Budget for New Positions:</b>	<b>36.0</b>	<b>\$ 3,500,009</b>

In Closing

As you know, the city's budget process this year was very different than in the past. This required the City Council to evaluate a variety of information over the past few months, and I have very much appreciated the input, prioritization, and direction that I have received. The City Council has invested countless hours throughout the budget process, and I have found this work to be invaluable in the development of the recommended budget for Fiscal Year 2024-2025.

I also appreciate the assistance from my Assistant City Managers, Department Directors, and their staff in the development of the City Manager's recommended budget for Fiscal Year 2024-2025. Specifically, I want to recognize and appreciate the dedication and extended workdays put in by the City's Budget & Accounting team in the preparation, development, compilation, and analysis of the recommended budget.

With the City Council's continued support, and the dedication of our City employees, I'm confident that we can continue to deliver outstanding services to the community and support our strategic goals moving forward. I look forward to discussing the details of the recommended budget with you in the coming days and weeks ahead.



Memorandum: Mayor and City Council  
City Manager's Budget Message for Fiscal Year 2024-2025  
July 27, 2024

Best regards,

A handwritten signature in black ink, appearing to read 'B. Langley', is positioned above a horizontal line.

Bryan Langley  
City Manager

Attachments

cc: Amber Schmeits, Assistant City Manager  
Jesse Elizondo, Assistant City Manager  
All City Department Directors  
Andy Alejandro, Accounting Manager  
Connie Campa, Accounting Manager