CITY OF FAIR OAKS RANCH CITY COUNCIL MEETING

Thursday, July 16, 2026 at 6:30 PM
Public Safety Training Room, Police Station, 7286 Dietz Elkhorn Rd Fair Oaks Ranch
Live Stream: https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live

AGENDA

OPEN MEETING

1. Roll Call- Declaration of a Quorum
2. Pledge of Allegiance

CITIZENS and GUEST FORUM

To address the City Council, please sign the Attendance Roster located on the table at the entrance in the foyer of the Public Safety Training Room. In accordance with the Open Meetings Act, Council or Committee may not discuss or take action on any item which has not been posted on the agenda. Speakers shall limit their comments to five (5) minutes each.

3. Citizens to be heard

CONSENT AGENDA

All of the following items are considered to be routine by the City Council, there will be no separate discussion on these items and will be enacted with one motion. Items may be removed by any Council or Committee Member by making such request prior to a motion and vote.

4. Approval of the July 2, 2026 Regular City Council meeting minutes

   Amanda Valdez, TRMC, Deputy City Secretary

5. Approval of Council Member Stroup's absence from the July 16, 2026 and September 3, 2026 Regular City Council meetings

   Emily Stroup, Council Member, Place 1

6. Approval of the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinance, Chapter 3 Building Regulations, Article 3.01 General Provisions, Section 3.01.018 Driveways Passing Through Drainage Channel with amended requirements for driveways with culverts

   Lee Muniz, P.E., CFM, Engineering Manager

CONSIDERATION/DISCUSSION ITEMS

7. Consideration and possible action approving a resolution authorizing a Free Tree Giveaway as mitigation for removal of trees related to the Dietz Elkhorn Road Water Line and GBRA Shared Pipeline projects

Aithne Loeblich, Environmental Program Manager

WORKSHOP

8. FY 2026-27 Preliminary Budget, property tax rates, and budget updates

Summer Fleming, CGFO, Director of Finance

REQUESTS AND ANNOUNCEMENTS

9. Announcements and reports by Mayor and Council
10. Announcements by the City Manager
11. Requests by Mayor and Council Members that items be placed on a future City Council agenda

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Gov't Code, a quorum of the governing body hereby convenes into closed session:

12. **Sec. 551.074 (Personnel Matters)**
    The City Council will meet in closed session pursuant to Texas Government Code Section 551.074, Personnel Matters, to deliberate the process and options for filling the vacancy of City Secretary

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session

ADJOURNMENT

Signature of Agenda Approval:

s/ Scott M. Huizenga

Scott M. Huizenga, City Manager

I, Amanda Valdez, TRMC, Deputy City Secretary, certify that the above Notice of Meeting was posted on the outside bulletin board at the Fair Oaks Ranch City Hall, 7286 Dietz Elkhorn, Fair Oaks Ranch, Texas, and on the Citys website www.fairoaksranchtx.org, both places being convenient and readily accessible to the general public at all times.

As per Texas Government Code 551.045, said Notice was posted by July 10, 2026 and remained so posted continuously for at least 3 business days before said meeting was convened. A quorum of various boards, committees, and commissions may attend the City Council meeting.

The Fair Oaks Ranch Police Station is wheelchair accessible at the front main entrance of the building from the parking lot. Requests for special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary's office at (210) 698-0900. Braille is not available. The City Council reserves the right to convene into Executive Session at any time regarding an issue on the agenda for which it is legally permissible; pursuant to Texas Government Code Chapter 551. Section 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 551.087 (Economic Development).

CITY OF FAIR OAKS RANCH CITY COUNCIL MEETING

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Live Stream: https://www.youtube.com/channel/UCDqRvLvReqxrh1lbajwshKA/live

MINUTES

OPEN MEETING

1. **Roll Call- Declaration of a Quorum**

Council Present: Mayor Maxton and Council Members: Stroup, Rhoden, Olvera, Pearson, Parker and Swarek

With a quorum present, the meeting was called to order at 6:30 PM.

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited in unison.

CITIZENS and GUEST FORUM

3. **Citizens to be heard –** None.

CONSENT AGENDA

4. **Approval of the June 18, 2026 Regular City Council meeting minutes**

MOTION: Made by Council Member Rhoden, seconded by Council Member Parker, to approve the Consent Agenda.

VOTE: 7 - 0; Motion Passed.

CONSIDERATION/DISCUSSION ITEMS

5. **Consideration and possible action approving a resolution authorizing the execution of an agreement with D&D Contractors, Inc. for the Dietz Elkhorn Road Reconstruction and Water Line Replacement Project, including consideration of alternative intersection design options, expenditure of the required funds, and execution of all applicable documents by the City Manager**

Following discussion, the City Council directed staff to utilize digital signage during the project and to evaluate a separate detour route for commercial vehicles to minimize traffic through residential neighborhoods.

MOTION: Made by Council Member Swarek, seconded by Council Member Parker, to approve the resolution authorizing the City Manager to execute an agreement with D&D Contractors, Inc. for the Dietz Elkhorn Road Reconstruction and Water Line Replacement Project in an amount not to exceed $4,787,038.15, including contingency and execute all associated documents.

VOTE: 7 - 0; Motion Passed.

6. **Consideration and possible action approving a resolution requesting assistance from the Texas Water Development Board for funding associated with the Elevated Storage Tank project and designating an authorized representative**

MOTION: Made by Council Member Rhoden, seconded by Council Member Pearson, to approve a resolution authorizing submission of an application to the Texas Water Development Board Water Supply and Infrastructure Grant Program and designating an authorized representative.

VOTE: 7 - 0; Motion Passed.

WORKSHOP

7. **FY 2026-27 Budget Workshop: Utility Funds and Capital Improvement Program**

Director of Finance Summer Fleming presented a workshop on the proposed FY 2026–27 budget. As part of the budget presentation, Public Works Director Grant Watanabe provided an overview of the proposed Utility Funds budget, the Capital Improvement Program, and a request for an additional full-time Utility Technician position.

REPORTS FROM STAFF/COMMITTEES

8. **FY 2026-27 Boards, Committees, and Commissions**

Deputy City Secretary Amanda Valdez presented an update to the City Council regarding the 2026 board, commission, and committee appointment process. The presentation included an overview of the appointment process, current application activity, and the timeline leading to appointments in September.

REQUESTS AND ANNOUNCEMENTS

9. **Announcements and reports by Mayor and Council**

Council Member Stroup encouraged residents to participate in the 5K and Family Fun Run on July 3, 2026, beginning at 7:30 a.m. at Cibolo Creek Community Church.

Mayor Maxton announced that City Hall will be closed on Friday, July 3, 2026, in observance of Independence Day. He also invited residents to attend the City's co-sponsored Fireworks and Laser Show on July 4, 2026, and encouraged the community to participate in the holiday celebration.

10. **Announcements by the City Manager**

None.

11. **Requests by Mayor and Council Members that items be placed on a future City Council agenda**

Council Member Stroup requested that a future workshop be scheduled to discuss potential traffic calming measures at the intersection of Dietz Elkhorn Road and Chartwell during school pick-up and drop-off times.

ADJOURNMENT

Mayor Maxton adjourned the meeting at 8:28 PM.

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Gregory C. Maxton, Mayor

ATTEST:

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Amanda Valdez, TRMC
Deputy City Secretary

CITY COUNCIL CONSENT ITEM
CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC:	Approval of Council Member Stroup's absence from the July 16, 2026 and September 3, 2026 Regular City Council meetings
DATE:	July 16, 2026
DEPARTMENT:	City Council
PRESENTED BY:	Emily Stroup, Council Member, Place 1

INTRODUCTION / BACKGROUND:
Council Member Stroup requests approval from missing the July 16, 2026, and September 3, 2026, Regular City Council meetings due to personal reasons.

POLICY ANALYSIS / BENEFIT(S) TO CITIZENS:
Complies with Section 3.09 of the Home Rule Charter.

LONGTERM FINANCIAL & BUDGETARY IMPACT:
N/A

LEGAL ANALYSIS:
N/A

RECOMMENDATION / PROPOSED MOTION:
I move to approve Council Member Stroup's absence from the July 16, 2026, and September 3, 2026, Regular City Council meetings.

CITY COUNCIL CONSENT ITEM
CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC:	Approval of the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinance, Chapter 3 Building Regulations, Article 3.01 General Provisions, Section 3.01.018 Driveways Passing Through Drainage Channel with amended requirements for driveways with culverts
DATE:	July 16, 2026
DEPARTMENT:	Engineering
PRESENTED BY:	Lee Muniz, P.E., CFM, Engineering Manager

INTRODUCTION / BACKGROUND:
The City of Fair Oaks Ranch Code of Ordinances, Chapter 3 Building Regulations, Section 3.01.018 provides regulations for construction of driveways on non-curbed streets with drainage channels. The City's Unified Development Code (UDC) provides drainage requirements and the utilization of the San Antonio Stormwater Design Criteria Manual for the design and construction of drainage culverts. Recently, residents, contractors, and staff have experienced challenges with implementing the requirements of the two documents due to non-alignment related to permitting, surveying, the Public Works Department role, and culvert design.

At the October 16, 2025, City Council meeting, staff presented proposed amendments to align the two Code documents. The proposed amendments included a separate permitting process for driveways on non-curbed streets, submittal of pre-and post-construction surveys, culvert design by a registered engineer, and specified the Public Works Department's role was to review and approve designs. The City Council directed staff to develop minimum standards, and to limit the proposed amendments to new driveway construction or significant changes to existing driveways.

At the February 5, 2026, City Council meeting, staff presented revised amendments incorporating the City Council's previous feedback to include a professional engineering design requirement for only new driveway construction and significant changes to existing driveways. To establish minimum standards, the following amendments were additionally proposed for clarification purposes:

- Existing driveway culverts may be replaced with the same size and material without a professional engineer design unless the existing pipe does not meet the minimum criteria of 18 inches.
- Reconstruction of an existing driveway without a culvert and enhancing it with an elevated driveway requires a professional engineer-designed culvert.

Additionally, the staff researched driveway requirements of surrounding jurisdictions, including Kendall County, which requires the size of driveway culverts to be determined by an engineer subject to approval by the County Engineer. After the presentation, the City Council posed questions about the proposed amendments and how they would apply to certain scenarios, and requested a definition of a significant change.

At the June 18, 2026, City Council workshop, staff presented revised amendments incorporating the City Council direction and provided a definition of a significant change. The revised amendments are summarized below:

1. Require a separate permit for all new and existing driveways that connect to non-curbed streets.
2. Require applicants to submit pre- and post- construction topographic surveys for new driveways and significant changes to driveways to ensure positive drainage is maintained.
3. Define significant change as any change to the pipe slope, reduction in pipe height or width, a flow area larger than that produced by an 18-inch pipe, any dimension change of more than two feet in total width to the driveway, and grading or re-grading of the receiving channel.
4. Specifying that the minimum pipe diameter allowed for new and significant changes to driveways is 18 inches.
5. Require applicants to submit signed and sealed drainage report and construction plans prepared by a professional engineer for all new and significant changes to driveways.
6. Finally, specify that the Public Works Department's role is to review and approve plans.

The City Council supported the revised amendments and concurred with the next steps to consider and take possible action on the amending ordinance.

POLICY ANALYSIS / BENEFIT(S) TO CITIZENS:

- Supports the Strategic Plan Goal 2.2 Ensure growth is guided by long-range plans and the community's voice through disciplined, proactive and consistent policy adherence
- Supports the Strategic Plan Goal 3.3 Increase stormwater resiliency and drainage system effectiveness
- Aligning the City Code with the Unified Development Code eliminates confusion for residents, contractors, and staff

LONGTERM FINANCIAL & BUDGETARY IMPACT:
N/A

LEGAL ANALYSIS:
Approved as to form

RECOMMENDATION / PROPOSED MOTION:
I move to approve the first reading of an ordinance amending the City of Fair Oaks Ranch Code of Ordinance, Chapter 3 Building Regulations, Article 3.01 General Provisions, Section 3.01.018 Driveways Through Drainage Channel.

AN ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS, AMENDING THE CITY OF FAIR OAKS RANCH CODE OF ORDINANCES CHAPTER 3 BUILDING REGULATIONS, ARTICLE 3.01 GENERAL PROVISIONS, SECTION 3.01.018 DRIVEWAYS PASSING THROUGH DRAINAGE CHANNEL WITH AMENDED REQUIREMENTS FOR DRIVEWAYS WITH CULVERTS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Council, on August 18, 2005, adopted Ordinance 75.16 providing regulations for driveways passing through drainage channels; and

WHEREAS, amendments are necessary to align requirements for driveways with culvert construction within a drainage channel with the City's Unified Development Code Chapter 9 Infrastructure and Public Improvements, Section 9.7 Drainage and Erosion Control Standards; and;

WHEREAS, the staff at the City Council June 18, 2026, workshop presented proposed amendments to the driveway ordinance and received final guidance from the City Council; and

WHEREAS, the City Council of the City of Fair Oaks Ranch finds it in the best interest of the City to amend regulations for driveways passing through a drainage channel to provide clear and consistent requirements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS:

Section 1. Chapter 3 Building Regulations, Article 3.01 General Provisions; Section 3.01.018 Driveways Passing Through Drainage Channel is hereby amended as set forth in the attached **Exhibit A.**

Section 2. That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section 3. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.

Section 4. That it is officially found, determined, and declared that the meeting at which this ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 5. The provisions of this ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein.

Section 6. If any provision of this ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this ordinance would have been enacted without such invalid provision.

Section 7. All ordinances, or parts thereof, which 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 ordained herein.

Section 8. This ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 9. This ordinance shall take effect immediately from and after its second reading, passage and any publication requirements as may be required by governing law.

PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 16th day of July 2026.

PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 6th day of August 2026.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Amanda Valdez, TRMC
Deputy City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech P.C., City Attorney

Exhibit A

Chapter 3 Building Regulations; Article 3.01 General Provisions; Section 3.01.018 Driveways Passing Through Drainage Channel is hereby amended as follows:

[Deletions shown as strikethrough and additions shown as underscore]

Sec. 3.01.018 - Driveways Passing Through Drainage Channel

~~On any street without a concrete curb, the driveway through the City right-of-way shall be constructed so as not to obstruct or divert the street side drainage in any way. Depending on the depth of the drainage channel, if any, the surface of the driveway may be on grade with the bottom of the channel, or a culvert may be placed to permit drainage under the driveway. Culvert sizes shall be specified by the City's Public Works Department or its representative. It shall have sufficient cover to carry normal household traffic without failure or damage to the drainpipe. This provision applies to all driveways constructed or modified after its adoption (August 18, 2005).~~

<u>On any street without a concrete curb, the driveway through the City right-of-way shall require a driveway permit and be constructed so as not to obstruct or divert the street side drainage in any way.</u>

<u>A pre-and post-topographic survey and associated construction plans that demonstrate positive drainage shall be required for new driveways and significant changes to existing driveways.</u>

a. <u>Significant change is any change to the pipe slope, reduction in pipe height or width, a flow area larger than that produced by an 18-inch pipe, any dimension changes more than two feet in total width to the driveway, and grading or re-grading of the receiving channel.</u>
b. <u>Depending on the depth of the drainage channel, if any, the surface of the driveway may be on grade with the bottom of the channel, or a culvert with a minimum height or diameter of 18 inches may be placed to permit drainage under the driveway.</u>

<u>New driveway culverts and significant changes to existing culverts shall be designed by a Professional Engineer at the permittee's expense. The City's Public Works Department shall approve the culvert design and supporting plan sets.</u>

<u>The culvert shall have sufficient cover to carry normal household traffic without failure or damage to the drainpipe.</u>

CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC:	Consideration and possible action approving a resolution authorizing a Free Tree Giveaway as mitigation for removal of trees related to the Dietz Elkhorn Road Water Line and GBRA Shared Pipeline projects
DATE:	July 16, 2026
DEPARTMENT:	Public Works
PRESENTED BY:	Aithne Loeblich, Environmental Program Manager

INTRODUCTION / BACKGROUND:
On May 1, 2025, the City Council approved Resolution 2025-22 authorizing the execution of a Utility Service Agreement (USA) between the City and AD Acquisitions, LLC regarding water and wastewater services for an 80.69-acre parcel, a portion of the Corley Tract, located at 29850 Ralph Fair Road. The USA includes a cost-sharing arrangement between the City and the Developer for the Dietz Elkhorn Road 12-inch Water Line Project, which will extend water infrastructure to the eastern side of the City to serve multiple parcels. This project will remove four protected trees and one heritage tree (Cedar).

On May 7, 2026, the City Council approved Resolution 2026-30 authorizing the execution of an Interlocal Agreement with the City of Boerne for a Shared Pipeline Project which will extend the Guadalupe-Blanco River Authority (GBRA) water main infrastructure to the northern side of the City. The pipeline is sized to support the water supply needs of both cities. This project will remove 35 protected trees and four heritage trees (three Live Oaks and one Cedar).

As defined in Unified Development Code (UDC) Section 8.8, protected trees are 28 to 74.9 trunk-circumference inches (9-inch to 23.9-inch diameter), and heritage trees are 75 trunk-circumference inches (24-inch diameter) or larger. The UDC requires mitigation for the removal of protected and heritage trees, either by replanting on site or payment of a fee-in-lieu where soil, slope, lot size, or other natural constraints make replacing the trees unfeasible. The UDC also allows for some or all of the mitigation of trees to take place on a separate, public site within the City, or on lands owned by an association that operates and maintains trails, open space, or parkland within the City with approval by the City Council and City Manager.

Although these utility improvement projects are exempt from the requirements of Section 8.8, the City Council has previously complied with the UDC mitigation requirements by hosting a Free Tree Giveaway event. **Attachment A** provides a tree mitigation table for 44 trees including their species, tree diameter and total circumference inches, and the mitigation options inclusive of fee-in-lieu costs and the number of trees to be replanted. Staff recommends hosting another Free Tree Giveaway for the following reasons:

1. The planting of mitigation trees within the existing utility easements may interfere with future maintenance requirements or cause damage to the underground water and wastewater lines.
2. The City does not have enough public space to accommodate the required plantings of the removed trees.
3. The fee-in-lieu mitigation option costs $244,140, which would significantly impact FORU and each project's budget.
4. At the conclusion of the November 2025 City Council approved event, several residents expressed interest in a future event.

Similar to the previous event, this proposed event will be held in November in recognition of Texas Arbor Day. To meet mitigation requirements of 253 trees, a mixture of trees in 3-gallon and 15-gallon sizes will be made available to City residents. While this approach does not achieve the 1:1 trunk circumference replacement ratio, it fulfills mitigation requirements based on the total number of replacement trees. Trees that are 2.5 inches in diameter and greater are generally in containers larger than 30 gallons which require specialized equipment and are difficult to transport and transplant. Free tree giveaways traditionally provide smaller trees, which residents can more easily transport and plant successfully. As a result, staff believes this represents a reasonable compromise, balancing mitigation requirements, supporting a community-focused event, and respecting the budget for these two utility projects.

A proposed resolution authorizing a Free Tree Giveaway as mitigation for removal of trees has been drafted for the City Council's consideration.

POLICY ANALYSIS / BENEFIT(S) TO CITIZENS:

- Free Tree Giveaway meets the intent of tree mitigation requirements in the Unified Development Code, preserves and grows the City’s urban tree canopy and provides a meaningful community benefit.
- Supports Strategic Plan Goal 2.1 Protect natural resources and promote sustainable development
- Supports Strategic Plan Goal 3.1 Ensure reliable water infrastructure and regulatory compliance

LONGTERM FINANCIAL & BUDGETARY IMPACT:
The Free Tree Giveaway is estimated to cost $7,560-$11,340 for the purchase of trees. Based on the cost-sharing agreements for each project, over half of this cost will be covered by outside entities. The remaining cost will be appropriately split between the Shared Pipeline Project and the Dietz Elkhorn Road Water Line Project budgets.

LEGAL ANALYSIS:
N/A

RECOMMENDATION / PROPOSED MOTION:

I move to approve a resolution authorizing a Free Tree Giveaway as mitigation for removal of trees related to the Dietz Elkhorn Road Water Line and Shared Pipeline projects, and expenditure of the required funds.

A RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS AUTHORIZING A FREE TREE GIVEAWAY AS MITIGATION FOR REMOVAL OF TREES RELATED TO THE DIETZ ELKHORN ROAD WATER LINE AND GBRA SHARED PIPELINE PROJECTS, EXPENDITURE OF THE REQUIRED FUNDS, AND PROVIDING AN EFFECTIVE DATE

WHEREAS, four protected and one heritage tree are marked to be removed by the Dietz Elkhorn Road Water Line Project; and

WHEREAS, 35 protected and four heritage trees are marked to be removed by the GBRA Shared Pipeline Project; and

WHEREAS, the replanting of trees on City property or within utility easements is not feasible due to the lack of space, potential damage to underground utility lines and interference with future maintenance and repair efforts; and

WHEREAS, a Free Tree Giveaway meets the intent of tree mitigation requirements in the Unified Development Code, maintains the City's urban tree canopy and provides a meaningful community benefit; and

WHEREAS, the November 2025 Free Tree Giveaway was highly successful and well received, providing 120 trees to residents while generating demand that far exceeded the number of trees available; and

WHEREAS, this year's Free Tree Giveaway will provide a total of 253 trees in a mixture of 3-gallon and 15-gallon sizes to City residents; and

WHEREAS, the City Council finds it appropriate to mitigate the trees marked to be removed by means of a Free Tree Giveaway on November 6, 2026, in recognition of Texas Arbor Day.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS:

Section 1. The City Council hereby authorizes the Free Tree Giveaway as mitigation for trees removed by the Dietz Elkhorn Road Water Line and Shared Pipeline projects, and expenditure of the required funds.

Section 2. That the recitals contained in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

Section 3. If any provision of this resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this resolution would have been enacted without such invalid provision.

Section 4. That it is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 5. All resolutions or parts thereof, which are in conflict or inconsistent with any provision of this resolution are hereby repealed to the extent of such conflict, and the provision of this resolution shall be and remain controlling as to the matters resolved herein.

Section 6. This resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 7. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, and ADOPTED on this 16th day of July 2026.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Amanda Valdez, TRMC
Deputy City Secretary

Denton Navarro Rodriguez Bernal Santee & Zech P.C., City Attorney

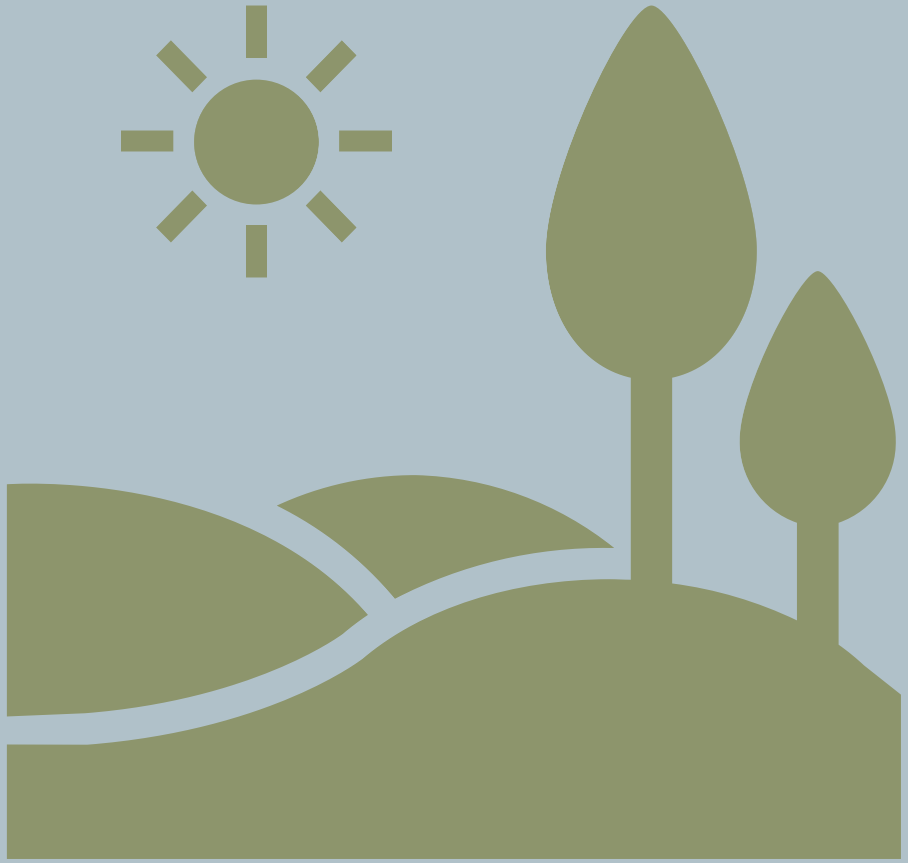
Attachment A

Shared Waterline Projects Tree Mitigation Tables

Shared Pipeline Project					
Tree #	**Species**	**Tree Size (DIA)**	**Tree Size (TC)**	**Fee-In-Lieu**	**# of 2.5in Trees**
5317	Live Oak	13	40.8	$4,084	5.2
5337	Live Oak	14	43.9	$4,398	5.6
5447	Live Oak	12	37.7	$3,770	4.8
5480	Live Oak	19	59.6	$5,969	7.6
5499	Live Oak	20	62.8	$6,283	8
5507	Live Oak	22	69.1	$6,911	8.8
5522	Live Oak	12	37.7	$3,770	4.8
5103	Oak	12	37.7	$3,770	4.8
5115	Live Oak	9	28.2	$2,827	3.6
5128	Live Oak	10	31.4	$3,142	4
5139	Live Oak	11	34.5	$3,456	4.4
5140	Live Oak	12	37.7	$3,770	4.8
5194	Live Oak	9	28.3	$2,827	3.6
5215	Live Oak	11	34.5	$3,456	4.4
5216	Live Oak	8	25.1	$2,513	3.2
5217	Live Oak	9	28.3	$2,827	3.6
5218	Live Oak	12	37.7	$3,770	4.8
5221	Live Oak	8	25.1	$2,513	3.2
5222	Live Oak	16	50.2	$5,026	6.4
5236	Live Oak	26	81.7	$16,336	10.4
5244	Live Oak	26	81.7	$16,336	10.4
5250	Live Oak	16.5	51.8	$5,183	6.6
5259	Live Oak	16	50.2	$5,026	6.4
5268	Live Oak	12	37.7	$3,770	4.8
5269	Live Oak	12	37.7	$3,770	4.8
5272	Live Oak	10	31.4	$3,142	4
4704	Cedar	26	81.7	$16,336	10.4
4010*	Live Oak	10	31.4	$3,142	4
4011	Live Oak	12	37.7	$3,770	4.8

Shared Pipeline Project					
Tree #	**Species**	**Tree Size (DIA)**	**Tree Size (TC)**	**Fee-In-Lieu**	**# of 2.5in Trees**
4006	Live Oak	11	34.5	$3,456	4.4
4016	Live Oak	10	31.4	$3,142	4
4029	Live Oak	12	37.7	$3,770	4.8
4030	Live Oak	9	28.2	$2,827	3.6
4009	Live Oak	11	34.5	$3,456	4.4
4010*	Live Oak	10	31.4	$3,142	4
4011	Live Oak	12	37.7	$3,770	4.8
4008	Live Oak	31	97.3	$19,477	12.4
4012	Live Oak	17	53.4	$5,341	6.8
4093	Live Oak	12	37.7	$3,770	4.8
TOTAL	**39 Trees**	**540.5**	**1697.9**	**$204,040**	**216.2**

Dietz Elkhorn Road Waterline Project					
Tree #	**Species**	**Tree Size (DIA)**	**Tree Size (TC)**	**Fee-In-Lieu**	**# of 2.5in Trees**
1277	Live Oak	14	44	$4,400	5.6
1280	Live Oak	13	41	$4,100	5.2
1513	Oak	18	57	$5,700	7.2
1541	Cedar	28	88	$17,600	11.2
1544	Cedar	20	63	$6,300	8
TOTAL	**5 Trees**	**93**	**293**	**$38,100**	**37.2**



Tree Mitigation for the Dietz Elkhorn Road Water Line and GBRA Shared Pipeline Projects

July 16, 2026

Aithne Loeblich

Environmental Program Manager

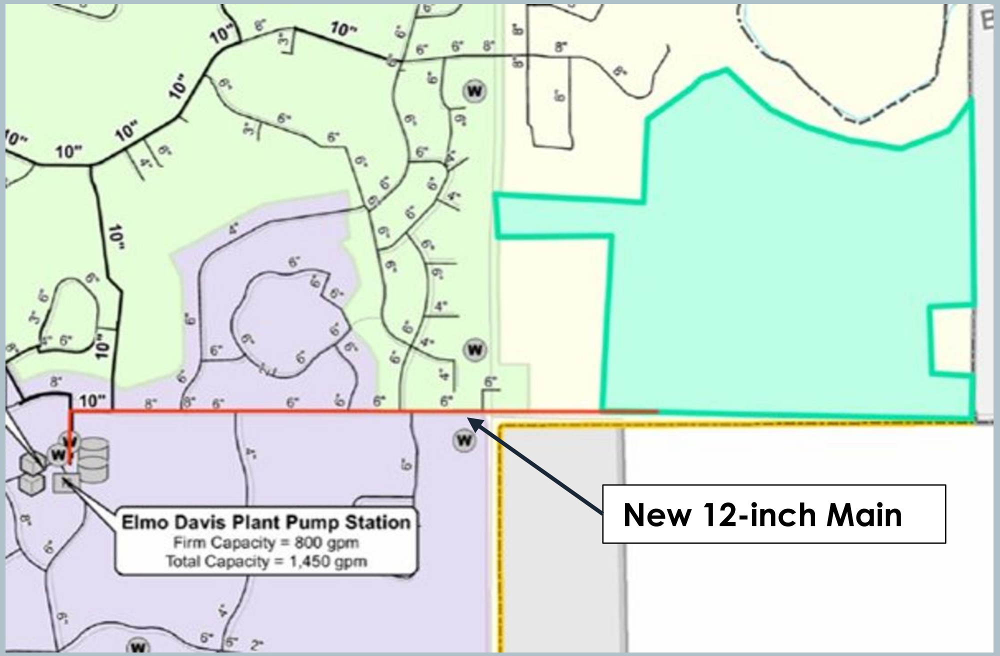
Agenda

- Projects Background
- Unified Development Code Tree Removal Requirements
- Project Mitigation Totals
- Staff Recommendation
  - Free Tree Giveaway

Dietz Elkhorn Road Water Line Project

May 2025 – City Council approved a Utility Service Agreement between the City and AD Acquisitions, LLC

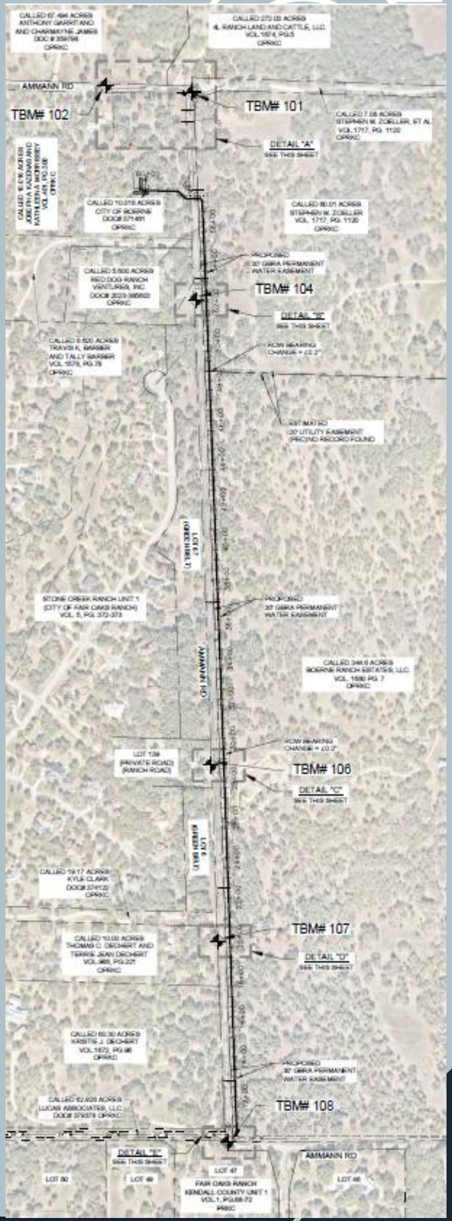
- Includes a cost-sharing for the Dietz Elkhorn 12-inch Water Main which will extend water infrastructure to the eastern side of the City to serve multiple parcels
- Requires removal of four protected trees and one heritage tree near the Elmo Davis Water Plant



Shared Pipeline Project

May 2026 – City Council approved an Interlocal Agreement with the City of Boerne for a shared pipeline project to serve both the Boerne Water Plant and the City's EST Site

- Supports the water supply needs of both cities
  - Installs 5,000 linear feet of 16-inch water main from the Ammann Road southern curve to the shared site
  - Both cities intend to take delivery of purchased water from GBRA at their respective sites
- Requires removal of 35 protected trees and four heritage trees



Unified Development Code Section 8.8
Tree Protection

Applicability - Section 8.8(2)(b)

- Right-of-way and utility easements are exempt from tree removal
- Not exempt from mitigation

Removal Criteria - Section 8.8 (7)(a)

- Applies to protected and heritage trees
- Applies to construction or installation of public utilities

Unified Development Code Section 8.8 Tree Protection, cont'd

Mitigation - Section 8.8(7)(b-c)

- 1:1 ratio for tree circumference (TC) inches removed, smaller trees may be replanted provided that no tree smaller than TC 8 inches (2.5-inches diameter) is replanted
- Requirement may be met by paying a fee-in-lieu

FEE-IN-LIEU SCHEDULE	
Tree Type	Fee per TC inches
Heritage (>24 inches diameter)	$200
Protected (9-24 inches diameter)	$100

Project Mitigation Grand Totals

Tree Mitigation Requirements				
Project	Trees Removed	Tree Size (TC inches)	Fee-in-Lieu Amount	# of 2.5-inch Trees
Dietz Elkhorn Water Line	4 Protected 1 Heritage	293	$38,100	37.2
GBRA Shared Pipeline Project	35 Protected 4 Heritage	1,697.9	$204,040	216.2
GRAND TOTALS	**39 Protected** **5 Heritage**	**2,056.9**	**$244,140**	**253.4**

Staff Recommendation

- Shared Pipeline and Dietz Elkhorn Water Line Projects are necessary to serve future growth and have leverage cost-sharing agreements
- Replanting within existing easements or rights-of-way is not possible due to interference with future line maintenance and potential damage to underground lines
- Very limited public space for replanting of trees
- The City's goal is to be good stewards of its natural resources and to be fiscally responsible
- Host Free Tree Giveaway event

Free Tree Giveaway Event

- 2025 event was highly successful and well received by residents
- Preservation of our tree canopy by mitigating 253 trees
- November 6, 2026 – City's Arbor Day Celebration (Texas Arbor Day)
- Total estimated shared cost: $7,500 - $11,350

Questions?

CITY COUNCIL WORKSHOP
CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC:	FY 2026-27 Preliminary Budget, property tax rates, and budget updates
DATE:	July 16, 2026
DEPARTMENT:	Finance
PRESENTED BY:	Summer Fleming, CGFO, Director of Finance

INTRODUCTION / BACKGROUND:
At previous budget workshops, City Council received presentations on the preliminary FY 2026-27 operating and capital budgets for the Governmental and Utility Funds. The preliminary General Fund budget presented at those workshops was developed using the unadjusted voter-approval tax rate, which represents approximately a 3.5% increase in the M&O tax rate. Under that scenario, the preliminary budget included the planned use of unassigned fund balance to support one-time expenditures.

Since those workshops, staff has evaluated the availability of previously banked incremental tax rate capacity authorized under the Texas Tax Code and now recommends utilizing some of the banked increments on top of the unadjusted voter-approval tax rate. This adjusted voter-approval tax rate will generate enough additional revenue to fully support the FY 2026-27 budgeted expenditures, and makes use of previously approved taxing capacity that would otherwise expire. The additional revenue will strengthen the City's long-term financial position by reducing future reliance on the Budget Stabilization Reserve, a concern identified in the City's five-year financial plan.

The tax rates presented at this workshop are estimates and are based on the preliminary taxable values provided by Bexar, Kendall, and Comal Counties. Certified appraisal rolls are not expected until July 25, 2026. Upon receipt of the certified values, staff will recalculate the No-New-Revenue and Voter-Approval tax rates as required by the Texas Tax Code.

On August 6, 2026, City Council will receive the final calculated tax rates based on the certified appraisal roll and consider a resolution establishing the maximum property tax rate that Council may consider during the FY 2026-27 budget process. The proposed FY 2026-27 budget will be filed on August 17, 2026, in accordance with state law. City Council will conduct an additional budget workshop on August 20, 2026, to review the proposed budget and property tax rate before formal budget and tax rate adoption hearings scheduled in September.

POLICY ANALYSIS / BENEFIT(S) TO CITIZENS:
The City's budget workshop process provides City Council and the public with multiple opportunities to review the proposed budget, discuss funding priorities, and provide

direction before formal budget adoption. This phased approach promotes transparency and allows staff to incorporate updated financial information, including certified taxable values and revised revenue and expenditure projections, throughout the budget development process.

The recommended use of an adjusted voter-approval tax rate supports the City's long-term financial sustainability by preserving taxing capacity, reducing future reliance on fund balance reserves, and maintaining the City's ability to provide essential municipal services and infrastructure while complying with adopted financial policies.

LONGTERM FINANICAL AND BUDGETARY IMPACT:
The FY 2026-27 preliminary budget presentation includes a review of revenues and updated expenditures, and a thorough discussion of the options for the voter-approval rate leading to staff's recommendation to utilize an adjusted voter-approval tax rate. If ultimately adopted by City Council, the adjusted voter-approval tax rate would generate additional property tax revenue by utilizing a portion of the previously banked incremental tax rate capacity authorized under the Texas Tax Code.

The additional revenue fully supports the FY 2026-27 budget and there would be no impact on the fund balance. Over the five-year financial planning horizon, these resources are anticipated to reduce future reliance on the Budget Stabilization Reserve while preserving the City's financial flexibility and compliance with its adopted reserve policies.

Based on current preliminary taxable values, the estimated annual City property tax bill for the average home would increase by approximately $193, from $2,036 to $2,229. A portion of this increase is attributable to the I&S (Interest and Sinking) tax rate, which increases to provide debt service for the voter-approved General Obligation bond program, while the remaining increase reflects staff's recommendation to utilize the adjusted voter-approval tax rate.

The financial impacts presented at this workshop are preliminary and will be updated upon receipt of the certified appraisal roll and final calculation of the No-New-Revenue, Voter-Approval, and Adjusted Voter-Approval tax rates. Formal budget and tax rate adoption will occur in September following the required public hearings.

Consolidated Budget

By Fund

Governmental Funds

	General Fund	Strategic Projects Fund	Equip Repl	Debt Service	Bond Capital Fund	Court Security & Technology	Court Efficiency	Court Youth Diversion	Court Jury	TOTAL GOVERNMENTAL
Beginning Fund Balance Projected	**8,765,873**	**519,239**	**1,762,414**	**53,326**	**3,609,031**	**9,994**	**2,306**	**27,592**	**454**	**14,750,229**
Revenues:										
Taxes	9,681,266			1,039,150						10,720,416
Franchise Fees	804,780									804,780
Interest	450,000			7,500	120,000	125	30	600	-	578,255
Permits	158,200									158,200
Animal Control	1,495									1,495
Fines & Forfeitures	108,000					8,500	360	5,020	120	122,000
Fees & Services	371,532									371,532
Miscellaneous Income	213,600									213,600
Bond Proceeds					-					-
Utility Revenues										-
Transfers from other Funds	113,194	220,000	396,000			-	-	-	-	729,194
Total Revenues	**11,902,067**	**220,000**	**396,000**	**1,046,650**	**120,000**	**8,625**	**390**	**5,620**	**120**	**13,699,472**
Expenditures:										
Personnel	6,810,104					-		-		6,810,104
Supplies, Maintenance & Operations	1,267,492				-	9,000	2,400	4,000	-	1,282,892
Professional Services	2,996,681	200,000			-	-	-	-	540	3,197,221
Shared Services	293,441									293,441
Capital Outlay	197,937	523,061			315,000					1,035,998
Debt Service	-			1,096,650						1,096,650
Transfers & Non-Cash Adjustments	616,000		113,194							729,194
Total Expenditures	**12,181,655**	**723,061**	**113,194**	**1,096,650**	**315,000**	**9,000**	**2,400**	**4,000**	**540**	**14,445,500**
Revenues Over/(Under) Expenditures	**(279,588)**	**(503,061)**	**282,806**	**(50,000)**	**(195,000)**	**(375)**	**(2,010)**	**1,620**	**(420)**	**(746,028)**
Ending Fund Balance	**8,486,285**	**16,178**	**2,045,220**	**3,326**	**3,414,031**	**9,619**	**296**	**29,212**	**34**	**14,004,201**

GENERAL FUND PROJECTED FUND BALANCE

Estimation of where Fund balances would be at 9/30/2027

	FINAL 9/30/2025	2025-26 Projected closeout	9/30/2026 Projected Balance	2026-27 Budget Closeout	9/30/2027 Projected Balance
Non-spendable	133,420	-	133,420	-	133,420
Restricted					-
Court Technology	18,393	(5,500)	12,893	(2,000)	10,893
Court Security Building	17,821	(7,000)	10,821	(10,820)	1
Felony Forfeiture	48,553	(21,600)	26,953	-	26,953
Leose Training	24,427	(5,872)	18,555	(1,000)	17,555
PEG Fees	4,319	-	-	-	-
Total Restricted	113,513	(39,972)	69,222	(13,820)	55,402
Committed	-	-	-	-	-
Assigned					
Tree Mitigation	154,936	(45,919)	109,017	(42,850)	66,167
Emergency Reserve	4,688,119	(1,100,000)	3,588,119	190,000	3,778,119
Budget Stabilization Reserve		1,800,000	1,800,000	80,000	1,880,000
	4,843,055	654,081	5,497,136	227,150	5,724,286
Unassigned					
Allocated	262,441	(262,441)	-	-	-
Unallocated	3,313,226	(247,131)	3,066,095	(492,918)	2,573,177
	3,575,667	(509,572)	3,066,095	(492,918)	2,573,177
General Fund Balance	**8,665,655**	**104,537**	**8,765,873**	**(279,588)**	**8,486,285**

General Fund

Revenue Detail

Revenue Type	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Proposed	Budget vs Budget	Budget vs Budget %	Budget vs PY Projected
Taxes								
General Property	6,744,102	6,674,068	7,140,941	7,199,641	7,421,664	280,723	3.9%	222,023
Delinquent Property	47,128	66,251	30,000	50,000	50,000	20,000	66.7%	-
Penalty & Interest	22,732	32,242	25,000	31,000	28,000	3,000	12.0%	(3,000)
Mixed Beverage	28,961	36,703	25,000	38,000	38,000	13,000	52.0%	-
Local Sales	1,192,216	1,262,162	1,256,848	1,364,716	1,429,068	172,220	13.7%	64,352
Street Maintenance	298,054	315,541	314,212	341,179	357,267	43,055	13.7%	16,088
Property Reduction	298,054	315,541	314,212	341,179	357,267	43,055	13.7%	16,088
Total Taxes	8,631,247	8,702,507	9,106,213	9,365,715	9,681,266	575,053	6.3%	315,551
Franchise Fees								
Time Warner Cable	59,395	56,251	60,900	51,900	60,900	-	0.0%	9,000
GVTC Cable/Telephone	60,270	57,655	60,000	57,500	60,000	-	0.0%	2,500
AT&T Cable/Telephone	1,677	2,048	1,540	7,040	1,540	-	0.0%	(5,500)
Miscellaneous	315	302	340	250	340	-	0.0%	90
City Public Service	448,951	460,099	470,000	471,500	470,000	-	0.0%	(1,500)
Pedernales Electric Company	109,431	114,891	115,000	110,000	115,000	-	0.0%	5,000
Grey Forest Utilities	26,496	29,376	25,000	30,000	25,000	-	0.0%	(5,000)
Garbage Regular	36,696	72,471	34,000	72,000	72,000	38,000	111.8%	-
Garbage Recycling	-	-	-	-	-	-	0.0%	-
Total Franchise Fees	743,231	793,093	766,780	800,190	804,780	38,000	5.0%	4,590
Interest								
Bank/Investment Interest	683,555	541,869	450,000	500,000	450,000	-	0.0%	(50,000)
Total Interest	683,555	541,869	450,000	500,000	450,000	-	0.0%	(50,000)

Revenue Type	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Proposed	Budget vs Budget	Budget vs Budget %	Budget vs PY Projected
Permits								
New Residential Permits	145,757	91,851	60,000	65,000	75,000	15,000	25.0%	10,000
New Commerical Permits	-	5,326	1,000	700	-	(1,000)	-100.0%	(700)
Remodeling/Additions	30,950	47,246	30,000	30,000	30,000	-	0.0%	-
Other BC and Permits	41,436	43,673	40,000	40,000	40,000	-	0.0%	-
Contractor Registration	9,450	10,505	9,000	9,000	9,000	-	0.0%	-
Food/Health	4,545	4,395	4,200	4,360	4,200	-	0.0%	(160)
Total Permits Costs	232,138	202,997	144,200	149,060	158,200	14,000	9.7%	9,140
Animal Control								
Pet Licenses	1,050	1,380	1,000	750	1,000	-	0.0%	250
Pet Impount/Quarantine	1,334	681	495	745	495	-	0.0%	(250)
Total Animal Control	2,384	2,061	1,495	1,495	1,495	-	0.0%	-
Fines & Forfeitures								
Municipal Court Fines	174,829	117,071	175,000	105,000	108,000	(67,000)	-38.3%	3,000
Municipal Court Security	5,665	3,011	5,250	-	-	(5,250)	-100.0%	-
Municipal Court Technology	4,648	2,486	4,375	-	-	(4,375)	-100.0%	-
Municipal Court Efficiency	603	-	450	-	-	(450)	-100.0%	-
Local Youth Diversion Fund	5,725	-	5,250	-	-	(5,250)	-100.0%	-
Municipal Court Jury Fund	114	-	150	-	-	(150)	-100.0%	-
Total Fines & Forfeitures	191,584	122,568	190,475	105,000	108,000	(82,475)	-43.3%	3,000
Fees & Services								
FORU Management	289,039	295,847	302,743	304,684	296,382	(6,361)	-2.1%	(8,302)
Special Fees	30,749	60,743	35,000	35,000	35,000	-	0.0%	-
FORMDD Management	30,150	30,150	30,150	31,650	30,150	-	0.0%	(1,500)
Tree Mitigation Fees	159,600	-	-	8,040	-	-	0.0%	(8,040)
Credit Card Service Fee	9,682	6,522	10,000	7,000	10,000	-	0.0%	3,000
Total Fees & Services	519,220	393,261	377,893	386,374	371,532	(6,361)	-1.7%	(14,842)

Revenue Type	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Proposed	Budget vs Budget	Budget vs Budget %	Budget vs PY Projected
Miscellaneous								
Miscellaneous	117,343	158,749	127,500	127,500	127,500	-	0.0%	-
City Event Sponsorships	1,480	-	-	-	-	-	0.0%	-
Sale of Assets	-	52,185	-	3,000	-	-	0.0%	(3,000)
Other Sources - SBITAs	202,767	145,616	-	-	-	-	0.0%	-
Donations/Grants	141,826	327,407	68,600	89,560	68,600	-	0.0%	(20,960)
School Guard Crossing Fund	15,729	15,447	13,500	13,500	13,500	-	0.0%	-
Leose Proceeds	4,234	4,189	1,900	4,128	4,000	2,100	110.5%	(128)
Police Seized Proceeds	-	8,798	-	-	-	-	0.0%	-
Total Miscellaneous	483,379	712,389	211,500	237,688	213,600	2,100	1.0%	(24,088)
Transfers								
Transfer from ERF	222,254	50,700	133,135	139,690	113,194	(19,941)	-15.0%	(26,496)
Total Transfers	222,254	50,700	133,135	139,690	113,194	(19,941)	-15.0%	(26,496)
Total Resources	**11,708,991**	**11,521,446**	**11,381,691**	**11,685,212**	**11,902,067**	**520,376**	**4.6%**	**216,855**

General Fund
Expenditure Summary

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Personnel								
Salaries	3,960,253	4,261,619	4,923,008	4,834,527	5,301,102	378,094	7.7%	466,575
Overtime	96,126	65,062	45,502	61,699	48,967	3,465	7.6%	(12,732)
Taxes - Social Security	243,932	268,931	306,607	284,775	328,665	22,058	7.2%	43,890
Taxes - Medicare	57,255	63,167	72,043	66,891	77,576	5,533	7.7%	10,685
Taxes SUTA/FUTA	7,307	4,227	4,008	10,634	10,876	6,868	171.4%	242
Workers Compensation	106,300	68,290	74,780	72,469	77,470	2,690	3.6%	5,001
Retirement	499,753	542,780	631,763	618,619	677,855	46,092	7.3%	59,236
Health Insurance	472,948	489,555	603,066	584,048	643,130	40,064	6.6%	59,082
Uniform Allowance	20,500	19,500	-	-	-	-	0.0%	-
Car Allowance	7,200	7,200	7,200	-	7,200	-	0.0%	7,200
Allowance for Vacancies	-	-	(249,690)	7,200	(248,237)	1,453	-0.6%	(255,437)
Project Allocation	-	(23,379)	(110,000)	(75,806)	(114,500)	(4,500)	4.1%	(38,694)
Total Personnel Costs	5,478,855	5,781,791	6,308,287	6,465,055	6,810,104	501,817	8.0%	383,743
Supplies, Maintenance & Operations								
Supplies and Consumables	35,507	35,123	35,775	37,625	43,205	7,430	20.8%	5,580
Minor Equipment and Furniture	63,131	78,705	58,245	57,895	42,300	(15,945)	-27.4%	(15,595)
Fuel	72,884	69,756	67,000	57,500	65,825	(1,175)	-1.8%	8,325
Uniforms	24,569	33,843	55,580	55,480	61,737	6,157	11.1%	6,257
Miscellaneous	-	-	-	-	-	-	0.0%	-
Vehicle Maintenance/Repairs	34,032	31,476	38,880	38,880	40,680	1,800	4.6%	1,800
Equipment Maintenance/Repairs	15,170	19,619	17,500	20,000	24,000	6,500	37.1%	4,000
Building Maintenance/Repairs	59,324	34,235	54,063	59,568	30,075	(23,988)	-44.4%	(29,493)
Landscaping & Greenspace Maintenance	3,539	12,458	5,500	5,500	5,500	-	0.0%	-
Street Maintenance	792,144	811,812	876,511	933,419	880,000	3,489	0.4%	(53,419)
Drainage Work	5,919	12,947	20,000	10,000	15,000	(5,000)	-25.0%	5,000
Committees - Communications	-	-	500	200	500	-	0.0%	300
Committees - Planning & Zoning	248	-	500	250	500	-	0.0%	250
Committee - Board of Adjustments	-	-	500	250	500	-	0.0%	250
Committee - Audit	-	-	500	250	500	-	0.0%	250
Urban Wildlife	720	-	500	250	500	-	0.0%	250

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Committee - Transportation Safety Advisory	-	266	500	250	500	-	0.0%	250
Court Technology	1,529	5,800	5,500	5,500	2,000	(3,500)	-63.6%	(3,500)
Court Security	43,658	2,722	7,000	7,000	10,820	3,820	54.6%	3,820
Local Youth Diversion Program	-	-	4,000	-	-	(4,000)	-100.0%	-
Oak Wilt Program	10,000	15,000	25,000	35,000	25,000	-	0.0%	(10,000)
Tree and Landscape Protection	-	21,639	13,000	13,000	13,000	-	0.0%	-
City Approved Events	-	25	4,850	5,960	4,850	-	0.0%	(1,110)
Emergency Response	-	-	500	500	500	-	0.0%	-
Total Supplies, Maintenance & Operations Costs	1,162,375	1,185,424	1,291,904	1,344,277	1,267,492	(24,412)	-1.89%	(76,785)
Services								
Professional Services	1,398,312	1,429,688	2,038,682	1,930,552	2,297,456	258,774	12.7%	366,904
Dues/Subscriptions	17,053	18,409	26,168	27,722	27,728	1,560	6.0%	6
Training/Seminars & Related Travel	79,040	63,012	130,310	123,360	132,880	2,570	2.0%	9,520
Meetings and Related Travel	5,967	8,733	16,663	13,163	13,798	(2,865)	-17.2%	635
Elections	32,687	16,456	32,000	32,000	32,000	-	0.0%	-
Investigations	6,823	4,621	7,500	7,500	7,500	-	0.0%	-
Leose Training	-	-	10,000	10,000	5,000	(5,000)	-50.0%	(5,000)
Asset Forfeiture	-	3,519	21,600	21,600	-	(21,600)	-100.0%	(21,600)
Public Relations	52,166	19,217	30,250	56,046	63,250	33,000	109.1%	7,204
Employee Appreciation	14,800	15,241	15,955	15,955	17,895	1,940	12.2%	1,940
Employment Costs	2,795	10,446	2,675	3,675	3,500	825	30.8%	(175)
Recording/Reporting/History	12,037	8,681	10,000	9,000	10,000	-	0.0%	1,000
Tech/Internet/Software	172,186	259,481	384,707	440,300	385,674	967	0.3%	(54,626)
Total Services Costs	1,793,865	1,857,503	2,726,510	2,690,873	2,996,681	270,171	9.91%	305,808
Shared Services								
Facility Contracts & Services	30,710	62,929	102,930	52,930	116,260	13,330	13.0%	63,330
Postage	3,445	2,130	4,125	2,625	4,125	-	0.0%	1,500
General Liability Insurance	88,746	90,235	100,085	100,085	88,000	(12,085)	-12.1%	(12,085)
Electricity	38,585	40,908	44,000	48,000	45,000	1,000	2.3%	(3,000)
Phone/Cable/Alarms	35,985	32,010	46,531	46,531	40,056	(6,475)	-13.9%	(6,475)
Total Shared Services Costs	197,471	228,212	297,671	250,171	293,441	(4,230)	-1.42%	43,270

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Capital Outlay & Transfers								
Furniture, Fixtures, Equipment & Vehicles	807,635	601,853	234,103	278,002	197,937	(36,166)	-15.4%	(80,065)
Leases and SBITA's	118,852	93,979	-	-	-	-	0.0%	-
Transfer to Debt Service Fund 06	-	-	-	-	-	-	0.0%	-
Transfer to SAP Fund 02	813,526	370,000	163,717	163,717	220,000	56,283	34.4%	56,283
Transfer to Equip Repl Fund 31	313,322	405,816	359,500	359,500	396,000	36,500	10.2%	36,500
Total Capital Outlay & Transfers Costs	2,053,335	1,471,648	757,320	801,219	813,937	56,617	7.48%	12,718
Total Departmental Budget	**10,685,901**	**10,524,578**	**11,381,692**	**11,551,594**	**12,181,655**	**799,963**	**7.03%**	**668,755**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Mayor & Council								
Supplies, Maintenance & Operations								
Supplies and Consumables	-	-	-	-	550	550	0.0%	550
Minor Equipment and Furniture	-	-	-	-	-	-	0.0%	-
Fuel	-	-	-	-	-	-	0.0%	-
Uniforms	284	593	350	350	350	-	0.0%	-
Miscellaneous	-	-	-	-	-	-	0.0%	-
Committees - Communications	-	-	500	200	500	-	0.0%	300
Committees - Planning & Zoning	248	-	500	250	500	-	0.0%	250
Committee - Board of Adjustments	-	-	500	250	500	-	0.0%	250
Committee - Audit	-	-	500	250	500	-	0.0%	250
Urban Wildlife	720	-	500	250	500	-	0.0%	250
Committee-Transportation Safety Advisory	-	266	500	250	500	-	0.0%	250
Total Supplies, Maintenance & Operations Costs	1,252	859	3,350	1,800	3,900	550	16.4%	2,100
Services								
Professional Services	-	-	-	-	-	-	0.0%	-
Dues/Subscriptions	2,716	3,280	3,300	3,774	3,825	525	15.9%	51
Training/Seminars & Related Travel	-	770	7,000	1,000	7,000	-	0.0%	6,000
Meetings and Related Travel	2,298	4,743	5,800	3,800	4,725	(1,075)	-18.5%	925
Public Relations	235	411	5,250	2,750	5,250	-	0.0%	2,500
Total Services Costs	5,249	9,205	21,350	11,324	20,800	(550)	-2.6%	9,476
Total Departmental Budget	**6,500**	**10,063**	**24,700**	**13,124**	**24,700**	**-**	**0.0%**	**11,576**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
City Administration								
Personnel								
Salaries	309,218	437,101	470,708	476,459	511,136	40,428	8.6%	34,677
Overtime	142	4	124	124	124	-	0.0%	-
Taxes - Social Security	18,155	26,198	27,752	26,845	28,978	1,226	4.4%	2,133
Taxes - Medicare	4,451	6,398	6,827	6,587	7,413	586	8.6%	826
Taxes SUTA/FUTA	399	214	214	551	581	367	171.5%	30
Workers Compensation	1,260	853	942	913	1,023	81	8.6%	110
Retirement	38,637	55,768	59,866	60,217	64,777	4,911	8.2%	4,560
Health Insurance	22,969	34,767	42,007	39,788	41,764	(243)	-0.6%	1,976
Car Allowance	7,200	7,200	7,200	-	7,200	-	0.0%	7,200
Allowance for Vacancies	-	-	(6,000)	7,200	(3,138)	2,862	-47.7%	(10,338)
Total Personnel Costs	402,431	568,502	609,640	618,683	659,858	50,218	8.2%	41,175
Supplies, Maintenance & Operations								
Supplies and Consumables	513	302	650	1,000	850	200	30.8%	(150)
Minor Equipment and Furniture	1,236	197	1,200	850	950	(250)	-20.8%	100
Fuel	61	116	150	150	150	-	0.0%	-
Uniforms	133	382	260	260	250	(10)	-3.8%	(10)
Total Supplies, Maintenance & Operations Costs	1,944	998	2,260	2,260	2,200	(60)	-2.7%	(60)
Services								
Professional Services	213,112	137,378	105,000	90,000	105,000	-	0.0%	15,000
Dues/Subscriptions	3,330	4,562	5,337	5,337	5,310	(27)	-0.5%	(27)
Training/Seminars & Related Travel	8,181	2,650	16,050	12,050	14,750	(1,300)	-8.1%	2,700
Meetings and Related Travel	1,875	1,818	5,615	4,115	3,525	(2,090)	-37.2%	(590)
Employee Appreciation	-	-	300	300	300	-	0.0%	-
Tech/Internet/Software	-	-	774	514	774	-	0.0%	260
Total Services Costs	226,499	146,408	133,076	112,316	129,659	(3,417)	-2.6%	17,343
						-		-
Total Departmental Budget	**630,873**	**715,908**	**744,976**	**733,259**	**791,717**	**46,741**	**6.3%**	**58,458**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
City Secretary								
Personnel								
Salaries	161,133	169,457	175,879	181,925	194,848	18,969	10.8%	12,923
Taxes - Social Security	9,622	10,316	10,904	10,354	12,081	1,177	10.8%	1,727
Taxes - Medicare	2,250	2,412	2,550	2,421	2,825	275	10.8%	404
Taxes SUTA/FUTA	234	126	126	342	342	216	171.4%	-
Workers Compensation	428	315	352	341	390	38	10.8%	49
Retirement	19,807	21,449	22,363	23,081	24,687	2,324	10.4%	1,606
Health Insurance	14,928	17,961	22,268	21,050	21,910	(358)	-1.6%	860
Allowance for Vacancies	-	-	-	-	-	-	0.0%	-
Total Personnel Costs	208,402	222,036	234,442	239,514	257,083	22,641	9.7%	17,569
Supplies, Maintenance & Operations								
Supplies and Consumables	953	659	850	850	300	(550)	-64.7%	(550)
Minor Equipment and Furniture	1,175	446	200	200	200	-	0.0%	-
Uniforms	100	124	100	100	100	-	0.0%	-
Total Supplies, Maintenance & Operations Costs	2,229	1,229	1,150	1,150	600	(550)	-47.8%	(550)
Services								
Professional Services	4,038	6,648	21,538	21,538	11,010	(10,528)	-48.9%	(10,528)
Dues/Subscriptions	803	803	1,060	1,060	1,040	(20)	-1.9%	(20)
Training/Seminars & Related Travel	5,421	7,210	8,485	8,485	10,035	1,550	18.3%	1,550
Meetings and Related Travel	325	276	1,548	1,548	1,348	(200)	-12.9%	(200)
Elections	32,687	16,456	32,000	32,000	32,000	-	0.0%	-
Employee Appreciation	-	30	100	100	120	20	20.0%	20
Recording/Reporting/History	12,037	8,681	10,000	9,000	10,000	-	0.0%	1,000
Tech/Internet/Software	4,128	11,613	13,300	13,300	23,227	9,927	74.6%	9,927
Total Services Costs	59,440	51,716	88,031	87,031	88,780	749	0.9%	1,749
Total Departmental Budget	**270,071**	**274,981**	**323,623**	**327,695**	**346,463**	**22,840**	**7.1%**	**18,768**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Human Resources								
Personnel								
Salaries	133,344	137,087	104,615	103,920	108,908	4,293	4.1%	4,988
Taxes - Social Security	7,895	8,428	6,486	5,976	6,752	266	4.1%	776
Taxes - Medicare	1,847	1,971	1,517	1,398	1,579	62	4.1%	181
Taxes SUTA/FUTA	176	95	63	171	171	108	171.4%	-
Workers Compensation	346	256	209	206	218	9	4.3%	12
Retirement	16,380	17,410	13,302	13,159	13,799	497	3.7%	640
Health Insurance	9,236	9,920	6,636	6,277	6,477	(159)	-2.4%	200
Allowance for Vacancies	-	-	-	-	-	-	0.0%	-
Total Personnel Costs	169,222	175,167	132,828	131,106	137,904	5,076	3.8%	6,798
Supplies, Maintenance & Operations								
Supplies and Consumables	1,774	989	1,550	1,550	1,550	-	0.0%	-
Minor Equipment and Furniture	1,755	8,650	1,200	1,200	1,200	-	0.0%	-
Fuel	-	-	-	-	-	-	0.0%	-
Uniforms	118	102	100	100	100	-	0.0%	-
Total Supplies, Maintenance & Operations Costs	3,647	9,741	2,850	2,850	2,850	-	0.0%	-
Services								
Professional Services	540	1,858	7,675	7,675	8,530	855	11.1%	855
Dues/Subscriptions	4,755	2,102	1,454	1,454	1,489	35	2.4%	35
Training/Seminars & Related Travel	11,343	4,927	7,300	7,300	5,300	(2,000)	-27.4%	(2,000)
Meetings and Related Travel	296	866	1,050	550	1,050	-	0.0%	500
Public Relations	43,551	11,379	-	-	-	-	0.0%	-
Employee Appreciation	11,839	11,285	11,855	11,855	12,135	280	2.4%	280
Employment Costs	2,795	10,446	2,675	3,675	3,500	825	30.8%	(175)
Tech/Internet/Software	7,160	18,391	4,630	6,434	17,354	12,724	274.8%	10,920
Total Services Costs	82,279	61,254	36,639	38,943	49,358	12,719	34.7%	10,415
Total Departmental Budget	**255,147**	**246,162**	**172,317**	**172,899**	**190,112**	**17,795**	**10.3%**	**17,213**

Finance

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Personnel								
Salaries	187,971	218,448	227,162	232,424	246,535	19,373	8.5%	14,111
Overtime	22	-	166	166	-	(166)	-100.0%	(166)
Taxes - Social Security	10,794	13,164	14,094	13,255	15,285	1,191	8.5%	2,030
Taxes - Medicare	2,524	3,079	3,296	3,100	3,575	279	8.5%	475
Taxes SUTA/FUTA	293	158	158	428	428	270	170.9%	1
Workers Compensation	580	408	455	441	493	38	8.4%	52
Retirement	23,024	27,750	28,905	29,457	31,236	2,331	8.1%	1,779
Health Insurance	26,552	31,117	32,471	33,174	35,043	2,572	7.9%	1,869
Allowance for Vacancies	-	-	-	-	-	-	0.0%	-
Total Personnel Costs	251,761	294,125	306,707	312,445	332,595	25,888	8.4%	20,150
Supplies, Maintenance & Operations								
Supplies and Consumables	1,206	1,101	1,300	1,300	1,300	-	0.0%	-
Minor Equipment and Furniture	286	268	500	500	500	-	0.0%	-
Uniforms	106	74	250	150	250	-	0.0%	100
Total Supplies, Maintenance & Operations Costs	1,598	1,443	2,050	1,950	2,050	-	0.0%	100
Services								
Professional Services	79,202	102,087	102,210	102,210	111,525	9,315	9.1%	9,315
Dues/Subscriptions	573	536	615	615	735	120	19.5%	120
Training/Seminars & Related Travel	4,558	3,885	5,100	3,600	5,500	400	7.8%	1,900
Meetings and Related Travel	32	133	400	400	400	-	0.0%	-
Employee Appreciation	324	221	250	250	300	50	20.0%	50
Tech/Internet/Software	299	8,820	11,648	13,023	10,552	(1,096)	-9.4%	(2,471)
Total Services Costs	84,988	115,682	120,223	120,098	129,012	8,789	7.3%	8,914
Total Departmental Budget	**338,347**	**411,250**	**428,980**	**434,493**	**463,657**	**34,677**	**8.1%**	**29,164**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Information Technology								
Personnel								
Salaries	91,519	95,194	98,506	87,640	96,618	(1,888)	-1.9%	8,978
Taxes - Social Security	5,250	5,719	6,107	5,164	5,990	(117)	-1.9%	826
Taxes - Medicare	1,228	1,338	1,428	1,189	1,401	(27)	-1.9%	212
Taxes SUTA/FUTA	117	63	63	200	171	108	171.4%	(29)
Workers Compensation	243	179	197	191	193	(4)	-2.0%	2
Retirement	11,254	12,017	12,525	11,191	12,241	(284)	-2.3%	1,050
Health Insurance	12,840	10,209	10,584	8,333	8,735	(1,849)	-17.5%	402
Total Personnel Costs	122,451	124,719	129,410	113,908	125,349	(4,061)	-3.1%	11,441
Supplies, Maintenance & Operations								
Supplies and Consumables	142	335	200	200	400	200	100.0%	200
Minor Equipment and Furniture	1,927	242	200	200	200	-	0.0%	-
Uniforms	-	120	100	100	100	-	0.0%	-
Total Supplies, Maintenance & Operations Costs	2,070	697	500	500	700	200	40.0%	200
Services								
Professional Services	440	71,649	2,000	1,000	2,000	-	0.0%	1,000
Dues/Subscriptions	175	278	430	430	430	-	0.0%	-
Training/Seminars & Related Travel	1,606	2,343	6,250	5,500	5,000	(1,250)	-20.0%	(500)
Meetings and Related Travel	-	206	350	350	350	-	0.0%	-
Employee Appreciation	95	85	100	100	120	20	20.0%	20
Tech/Internet/Software	132,186	157,141	230,560	230,560	176,142	(54,418)	-23.6%	(54,418)
Total Services Costs	134,502	231,702	239,690	237,940	184,042	(55,648)	-23.2%	(53,898)
Shared Services								
Facility Contracts & Services	3,147	940	18,991	18,991	18,991	-	0.0%	-
Phone/Cable/Alarms	35,985	32,010	46,531	46,531	40,056	(6,475)	-13.9%	(6,475)
Total Shared Services Costs	39,132	32,951	65,522	65,522	59,047	(6,475)	-9.9%	(6,475)

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Capital Outlay & Transfers								
Furniture, Fixtures, Equipment & Vehicles	222,815	251,267	27,000	57,278	25,000	(2,000)	-7.4%	(32,278)
Lease Principal	13,707	14,444	-	-	-	-	0.0%	-
Lease Interest	2,226	1,489	-	-	-	-	0.0%	-
SBITA Principal	95,160	69,570	-	-	-	-	0.0%	-
SBITA Interest	7,292	8,009	-	-	-	-	0.0%	-
Total Capital Outlay & Transfers Costs	341,200	344,778	27,000	57,278	25,000	(2,000)	-7.4%	(32,278)
Total Departmental Budget	**639,353**	**734,847**	**462,122**	**475,149**	**394,138**	**(67,984)**	**-14.7%**	**(81,011)**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Communications								
Personnel								
Salaries	-	-	38,011	38,851	41,499	3,488	9.2%	2,648
Taxes - Social Security	-	-	2,357	2,323	2,573	216	9.2%	250
Taxes - Medicare	-	-	551	543	602	51	9.3%	59
Taxes SUTA/FUTA	-	-	32	86	86	54	168.8%	1
Workers Compensation	-	-	76	70	83	7	9.2%	13
Retirement	-	-	4,833	4,920	5,258	425	8.8%	338
Health Insurance	-	-	4,314	4,129	4,314	-	0.0%	185
Total Personnel Costs	-	-	50,174	50,921	54,415	4,241	8.5%	3,494
Supplies, Maintenance & Operations								
Supplies and Consumables	-	-	200	200	200	-	0.0%	-
Minor Equipment and Furniture	-	-	300	300	300	-	0.0%	-
Fuel	-	-	-	-	-	-	0.0%	-
Uniforms	-	-	50	50	50	-	0.0%	-
Total Supplies, Maintenance & Operations Costs	-	-	550	550	550	-	0.0%	-
Services								
Professional Services	-	-	-	170	200	200	0.0%	30
Dues/Subscriptions	-	-	5,135	5,135	4,625	(510)	-9.9%	(510)
Training/Seminars & Related Travel	-	-	4,150	4,150	2,950	(1,200)	-28.9%	(1,200)
Meetings and Related Travel	-	-	-	-	-	-	0.0%	-
Public Relations	-	-	1,300	550	2,000	700	53.8%	1,450
Employee Appreciation	-	-	50	50	60	10	20.0%	10
Tech/Internet/Software	-	-	18,798	18,798	22,839	4,041	21.5%	4,041
Total Services Costs	-	-	29,433	28,853	32,674	3,241	11.0%	3,821
Total Departmental Budget	**-**	**-**	**80,157**	**80,324**	**87,639**	**7,482**	**9.3%**	**7,315**

Municipal Court

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Personnel								
Salaries	108,130	114,267	118,960	130,624	139,329	20,369	17.1%	8,705
Overtime	181	29	368	368	407	39	10.6%	39
Taxes - Social Security	5,931	6,506	7,398	7,078	8,664	1,266	17.1%	1,586
Taxes - Medicare	1,387	1,522	1,730	1,655	2,026	296	17.1%	371
Taxes SUTA/FUTA	234	126	126	342	342	216	171.4%	-
Workers Compensation	288	212	238	230	279	41	17.2%	49
Retirement	13,308	14,479	15,173	16,541	17,705	2,532	16.7%	1,164
Health Insurance	24,749	27,202	29,198	28,705	29,596	398	1.4%	891
Total Personnel Costs	154,207	164,343	173,191	185,544	198,348	25,157	14.5%	12,804
Supplies, Maintenance & Operations								
Supplies and Consumables	1,659	1,593	1,700	1,700	1,900	200	11.8%	200
Minor Equipment and Furniture	1,905	4,637	200	200	200	-	0.0%	-
Uniforms	129	121	150	150	150	-	0.0%	-
Court Technology	1,529	5,800	5,500	5,500	2,000	(3,500)	-63.6%	(3,500)
Court Security	43,658	2,722	7,000	7,000	10,820	3,820	54.6%	3,820
Local Youth Diversion Fund	-	-	4,000	-	-	(4,000)	-100.0%	-
Total Supplies, Maintenance & Operations Costs	48,880	14,873	18,550	14,550	15,070	(3,480)	-18.8%	520
Services								
Professional Services	63,068	58,284	66,740	56,740	54,500	(12,240)	-18.3%	(2,240)
Dues/Subscriptions	131	397	400	400	332	(68)	-17.0%	(68)
Training/Seminars & Related Travel	1,458	6,215	9,250	4,350	4,350	(4,900)	-53.0%	-
Meetings and Related Travel	206	40	300	300	300	-	0.0%	-
Employee Appreciation	100	99	100	100	120	20	20.0%	20
Total Services Costs	64,962	65,036	76,790	61,890	59,602	(17,188)	-22.4%	(2,288)
Total Departmental Budget	**268,049**	**244,252**	**268,531**	**261,984**	**273,020**	**4,489**	**1.7%**	**11,036**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Public Safety								
Personnel								
Salaries	2,022,937	2,002,263	2,389,067	2,325,389	2,560,132	171,065	7.2%	234,743
Overtime	81,177	55,153	36,532	44,932	38,702	2,170	5.9%	(6,230)
Taxes - Social Security	128,790	130,851	150,387	140,243	161,128	10,741	7.1%	20,885
Taxes - Medicare	30,121	30,603	35,171	32,799	37,683	2,512	7.1%	4,884
Taxes SUTA/FUTA	3,529	1,851	1,890	5,198	5,130	3,240	171.4%	(68)
Workers Compensation	80,098	48,392	52,911	51,280	53,894	983	1.9%	2,614
Retirement	259,222	255,295	308,431	298,869	329,272	20,841	6.8%	30,403
Health Insurance	225,771	208,499	266,886	240,712	266,806	(80)	0.0%	26,094
Uniform Allowance	20,500	19,500	-	-	-	-	0.0%	-
Relocation Allowance	7,281	14,839	-	-	-	-	0.0%	-
Allowance for Vacancies	-	-	(194,190)	-	(194,127)	63	0.0%	(194,127)
Project Allocations	-	(2,722)	-	(4,500)	(4,500)	(4,500)	0.0%	-
Total Personnel Costs	2,859,426	2,764,524	3,047,085	3,134,920	3,254,120	207,035	6.8%	119,200
Supplies, Maintenance & Operations								
Supplies and Consumables	5,253	5,896	3,500	5,000	6,900	3,400	97.1%	1,900
Minor Equipment and Furniture	37,777	39,153	38,445	38,445	18,250	(20,195)	-52.5%	(20,195)
Fuel	45,170	44,434	43,000	40,000	43,000	-	0.0%	3,000
Uniforms	14,773	21,076	43,500	43,500	43,500	-	0.0%	-
Vehicle Maintenance/Repairs	15,069	17,001	20,880	20,880	22,680	1,800	8.6%	1,800
Total Supplies, Maintenance & Operations Costs	118,042	127,561	149,325	147,825	134,330	(14,995)	-10.0%	(13,495)
Services								
Professional Services	367,983	335,109	508,755	440,455	446,371	(62,384)	-12.3%	5,916
Dues/Subscriptions	3,387	3,718	4,325	4,545	4,475	150	3.5%	(70)
Training/Seminars & Related Travel	24,000	15,086	23,300	23,300	23,300	-	0.0%	-
Meetings and Related Travel	95	167	500	500	400	(100)	-20.0%	(100)
Investigations	6,823	4,621	7,500	7,500	7,500	-	0.0%	-
Leose Training	-	-	10,000	10,000	5,000	(5,000)	-50.0%	(5,000)
Asset Forfeiture	-	3,519	21,600	21,600	-	(21,600)	-100.0%	(21,600)
Public Relations	8,380	7,427	8,200	8,200	10,500	2,300	28.0%	2,300
Employee Appreciation	1,813	2,356	2,000	2,000	3,300	1,300	65.0%	1,300

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Tech/Internet/Software	10,202	46,558	66,604	124,208	91,991	25,387	38.1%	(32,217)
Total Services Costs	422,684	418,560	652,784	642,308	592,837	(59,947)	-9.2%	(49,471)
Capital Outlay & Transfers								
Furniture, Fixtures, Equipment & Vehicles	364,781	121,500	94,000	106,396	111,089	17,089	18.2%	4,693
Lease Principal	10,517	8,751	-	-	-	-		
Lease Interest	860	431	-	-	-	-		
Total Capital Outlay & Transfers Costs	376,158	130,682	94,000	106,396	111,089	17,089	18.2%	4,693
Total Departmental Budget	**3,776,310**	**3,441,327**	**3,943,194**	**4,031,449**	**4,092,376**	**149,182**	**3.8%**	**60,927**

Fire and Emergency Services

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Budget	Budget v PY Projected	Budget v PY Projected
Supplies, Maintenance & Operations								
Supplies and Consumables	-	-	-	-	-	-	0.0%	-
Buidling Maintenance/Repairs	-	-	-	-	525	525	0.0%	525
Total Supplies, Maintenance & Operations Costs	-	-	-	-	525	525	0.0%	-
Services								
Professional Services	492,105	602,081	1,100,000	1,100,000	1,450,000	350,000	31.8%	350,000
Total Services Costs	492,105	602,081	1,100,000	1,100,000	1,450,000	350,000	31.8%	350,000
Total Departmental Budget	**492,105**	**602,081**	**1,100,000**	**1,100,000**	**1,450,525**	**350,525**	**31.9%**	**350,000**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Maintenance								
Personnel								
Salaries	463,062	479,497	604,537	560,014	655,385	50,848	8.4%	95,371
Overtime	14,092	9,030	6,541	13,938	7,832	1,291	19.7%	(6,106)
Taxes - Social Security	28,686	30,239	37,887	32,547	41,119	3,232	8.5%	8,572
Taxes - Medicare	6,709	7,072	8,861	7,612	9,617	756	8.5%	2,005
Taxes SUTA/FUTA	1,427	1,034	756	1,744	2,052	1,296	171.4%	308
Workers Compensation	21,015	15,945	17,484	16,943	18,820	1,336	7.6%	1,877
Retirement	58,794	61,737	77,699	72,512	84,030	6,331	8.1%	11,518
Health Insurance	79,291	76,165	97,800	114,114	137,342	39,542	40.4%	23,228
Allowance for Vacancies	-	-	(49,500)	-	(50,972)	(1,472)	3.0%	(50,972)
Project Allocation	-	(527)	-	(1,306)	-	-	0.0%	1,306
Total Personnel Costs	673,076	680,192	802,065	818,118	905,225	103,160	12.9%	85,800
Supplies, Maintenance & Operations								
Supplies and Consumables	9,174	7,895	8,250	8,250	10,200	1,950	23.6%	1,950
Minor Equipment and Furniture	13,645	18,141	13,950	13,950	14,950	1,000	7.2%	1,000
Fuel	21,397	18,840	15,500	12,500	15,500	-	0.0%	3,000
Uniforms	7,638	8,641	8,350	8,350	14,342	5,992	71.8%	5,992
Vehicle Maintenance/Repairs	18,963	14,475	18,000	18,000	18,000	-	0.0%	-
Equipment Maintenance/Repairs	15,170	19,619	17,500	20,000	24,000	6,500	37.1%	4,000
Building Maintenance/Repairs	59,324	30,989	28,063	32,343	29,550	1,487	5.3%	(2,793)
Landscaping & Greenspace Maintenance	3,539	12,458	5,500	5,500	5,500	-	0.0%	-
Street Maintenance	22,464	20,775	45,000	40,000	30,000	(15,000)	-33.3%	(10,000)
Drainage	5,919	12,947	20,000	10,000	15,000	(5,000)	-25.0%	5,000
Total Supplies, Maintenance & Operations Costs	177,235	164,779	180,113	168,893	177,042	(3,071)	-1.7%	8,149
Services								
Professional Services	10,733	584	28,644	18,644	20,200	(8,444)	-29.5%	1,556
Dues/Subscriptions	164	405	932	932	1,035	103	11.1%	103
Training/Seminars & Related Travel	8,318	2,490	15,125	29,125	24,150	9,025	59.7%	(4,975)
Meetings and Related Travel	347	194	400	400	600	200	50.0%	200
Employee Appreciation	393	472	600	600	720	120	20.0%	120

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Tech/Internet/Software	11,331	9,044	25,061	20,061	23,310	(1,751)	-7.0%	3,249
Total Services Costs	31,285	13,189	70,762	69,762	70,015	(747)	-1.1%	253
Capital Outlay & Transfers								
Furniture, Fixtures, Equipment & Vehicles	213,023	229,086	73,968	74,935	25,448	(48,520)	-65.6%	(49,487)
Total Capital Outlay & Transfers Costs	213,023	229,086	73,968	74,935	25,448	(48,520)	-65.6%	(49,487)
Total Departmental Budget	**1,094,619**	**1,087,247**	**1,126,908**	**1,131,708**	**1,177,730**	**50,822**	**4.5%**	**44,715**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Building Codes and Permits								
Personnel								
Salaries	169,509	240,625	249,773	255,481	278,480	28,707	11.5%	22,999
Overtime	153	-	469	469	508	39	8.3%	39
Taxes - Social Security	10,030	14,948	15,515	15,001	17,297	1,782	11.5%	2,296
Taxes - Medicare	2,346	3,496	3,629	3,508	4,045	416	11.5%	537
Taxes SUTA/FUTA	405	252	252	684	684	432	171.4%	-
Workers Compensation	928	855	942	913	1,053	111	11.8%	140
Retirement	20,691	30,506	31,818	32,258	35,348	3,530	11.1%	3,090
Health Insurance	26,224	35,243	38,415	37,236	38,758	343	0.9%	1,522
Total Personnel Costs	230,283	325,925	340,813	345,550	376,173	35,360	10.4%	30,623
Supplies, Maintenance & Operations								
Supplies and Consumables	599	382	675	675	550	(125)	-18.5%	(125)
Minor Equipment and Furniture	1,877	2,144	700	700	3,200	2,500	357.1%	2,500
Fuel	1,867	4,009	5,175	3,175	5,175	-	0.0%	2,000
Uniforms	458	731	770	770	975	205	26.6%	205
Total Supplies, Maintenance & Operations Costs	4,801	7,267	7,320	5,320	9,900	2,580	35.2%	4,580
Services								
Professional Services	26,685	14,944	26,120	16,120	18,120	(8,000)	-30.6%	2,000
Dues/Subscriptions	394	405	515	1,375	1,565	1,050	203.9%	190
Training/Seminars & Related Travel	5,513	5,664	6,200	4,900	7,200	1,000	16.1%	2,300
Meetings and Related Travel	15	31	100	600	600	500	500.0%	-
Employee Appreciation	65	126	200	200	240	40	20.0%	40
Tech/Internet/Software	144	154	155	155	175	20	12.9%	20
Total Services Costs	32,816	21,323	33,290	23,350	27,900	(5,390)	-16.2%	4,550
Capital Outlay & Transfers								
Furniture, Fixtures, Equipment & Vehicles	-	-	39,135	39,392	-	(39,135)	-100.0%	(39,392)
Total Capital Outlay & Transfers Costs	-	-	39,135	39,392	-	(39,135)	-100.0%	(39,392)
Total Departmental Budget	**267,900**	**354,515**	**420,558**	**413,612**	**413,973**	**(6,585)**	**-1.6%**	**361**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Engineering and Planning								
Personnel								
Salaries	313,430	367,680	445,790	441,801	468,232	22,442	5.0%	26,431
Overtime	360	846	1,302	1,702	1,394	92	7.1%	(308)
Taxes - Social Security	18,779	22,561	27,720	25,988	28,798	1,078	3.9%	2,810
Taxes - Medicare	4,392	5,277	6,483	6,078	6,810	327	5.0%	732
Taxes SUTA/FUTA	495	309	328	889	889	561	171.0%	(0)
Workers Compensation	1,114	873	974	943	1,024	50	5.1%	81
Retirement	38,638	46,369	56,848	56,414	59,502	2,654	4.7%	3,088
Health Insurance	30,389	38,472	52,487	50,531	52,385	(102)	-0.2%	1,854
Project Allocation	-	(20,130)	(110,000)	(70,000)	(110,000)	-		
Total Personnel Costs	407,596	462,256	481,932	514,346	509,034	27,102	5.6%	34,688
Supplies, Maintenance & Operations								
Supplies and Consumables	9,891	10,315	9,500	9,500	10,905	1,405	14.8%	1,405
Minor Equipment and Furniture	1,547	4,825	1,350	1,350	2,350	1,000	74.1%	1,000
Fuel	4,388	2,355	3,175	1,675	2,000	(1,175)	-37.0%	325
Uniforms	830	1,878	1,600	1,600	1,570	(30)	-1.9%	(30)
Street Maintenance	769,680	791,038	831,511	893,419	850,000	18,489	2.2%	(43,419)
Oak Wilt Program	10,000	15,000	25,000	35,000	25,000	-	0.0%	(10,000)
Tree and Landscape Protection	-	21,639	13,000	13,000	13,000	-	0.0%	-
City Approved Events	-	25	4,850	5,960	4,850	-	0.0%	(1,110)
Total Supplies, Maintenance & Operations Costs	796,336	847,076	889,986	961,504	909,675	19,689	2.2%	(51,829)
Services								
Professional Services	140,407	99,066	70,000	76,000	70,000	-	0.0%	(6,000)
Dues/Subscriptions	626	1,923	2,665	2,665	2,867	202	7.6%	202
Training/Seminars & Related Travel	8,642	11,772	22,100	19,600	21,345	(755)	-3.4%	1,745
Meetings and Related Travel	477	259	600	600	500	(100)	-16.7%	(100)
Employee Appreciation	172	567	400	400	480	80	20.0%	80
Tech/Internet/Software	6,736	7,761	13,177	13,247	19,310	6,133	46.5%	6,063

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Total Services Costs	157,058	121,349	108,942	112,512	114,502	5,560	5.1%	1,990
Capital Outlay & Transfers								
Furniture, Fixtures, Equipment & Vehicles	7,016	-	-	-	36,400	36,400	0.0%	36,400
Total Capital Outlay & Transfers Costs	7,016	-	-	-	36,400	36,400	0.0%	36,400
Total Departmental Budget	**1,368,006**	**1,430,681**	**1,480,860**	**1,588,362**	**1,569,611**	**88,751**	**6.0%**	**21,249**

Expenditure Type	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27	Budget v Adopted	Budget v Budget %	Budget v PY Projected
Non-Departmental and Shared								
Supplies, Maintenance & Operations								
Supplies and Consumables	4,342	5,657	7,400	7,400	7,600	200	2.7%	200
Building Maintenance/Repairs	-	3,245	26,000	27,225	-	(26,000)	-100.0%	(27,225)
Emergency Response	-	-	500	500	500	-	0.0%	
Total Supplies, Maintenance & Operations Costs	4,342	8,902	33,900	35,125	8,100	(25,800)	-76.1%	(27,025)
Services								
Training/Seminars & Related Travel	-	-	-	-	2,000	2,000	0.0%	2,000
Public Relations and Events	-	-	15,500	44,546	45,500	30,000	193.5%	954
Total Services Costs	-	-	15,500	44,546	47,500	32,000	206.5%	2,954
Shared Services								
Facility Contracts & Services	27,563	61,989	83,939	33,939	97,269	13,330	15.9%	63,330
Postage	3,445	2,130	4,125	2,625	4,125	-	0.0%	1,500
General Liability Insurance	88,746	90,235	100,085	100,085	88,000	(12,085)	-12.1%	(12,085)
Electricity	38,585	40,908	44,000	48,000	45,000	1,000	2.3%	(3,000)
Total Shared Services Costs	158,339	195,262	232,149	184,649	234,394	2,245	1.0%	49,745
Capital Outlay & Transfers								
Transfer to SAP Fund 02	813,526	370,000	163,717	163,717	220,000	56,283	34.4%	56,283
Transfer to Equip Repl Fund 31	301,945	373,138	359,500	359,500	396,000	36,500	10.2%	36,500
Transfer to Other Funds	-	23,496	-	-	-			
Lease Principal	428	451	-	-	-	-	0.0%	-
Lease Interest	40	17	-	-	-	-	0.0%	-
Total Capital Outlay & Transfers Costs	1,115,939	767,101	523,217	523,217	616,000	92,783	17.7%	92,783
Total Departmental Budget	**1,278,620**	**971,265**	**804,766**	**787,537**	**905,994**	**101,228**	**12.6%**	**118,457**

Governmental Strategic Projects Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**3,269,573**	**2,297,490**	**1,089,978**	**1,089,978**	**519,239**
Revenues:					
Transfer from General Fund	813,526	370,000	163,717	163,717	220,000
Total Revenue	**813,526**	**370,000**	**163,717**	**163,717**	**220,000**
Responsible Growth Mangement					
Comprehensive Plan Update	-	-	-	-	200,000
Reliable and Sustainable Infrastructure					
City Civic Center	140,875	58,958	-	-	-
City Hall Renovation	181,581	49,094	-	-	-
City Facilities Plan	-	-	100,000	100,000	-
Post Oak Trail Widening	27,701	-	-	-	-
Dietz Elkhorn Reconstruction	277,003	170,615	-	61,811	-
Dietz Elkhorn Sidewalk	46,998	7,369	-	-	-
Drainage CIP #5 Rolling Acres Trail	-	167,848	-	-	-
Drainage CIP #34 Tivoli Way	760,186	755,028	-	-	-
Bond Development Program	25,874	-	-	-	-
Drainage CIP #41 Triple Crown	-	-	-	-	253,094
Drainage CIP #35 Chartwell Lane	238	4,604	-	159,988	-
Old Fredericksburg Road	-	-	-	205,882	-
Drainage CIP #15 Delta Dawn	238	-	-	-	-
Drainage CIP #2 8472 Rolling Acres Trail	-	125	162,240	-	-
Drainage CIP #4 8040 Rolling Acres Trail	-	2,380	162,240	4,350	-
Drainage CIP #42 Vestal Park Culvert	-	6,952	-	-	-
Front Gate Left Turn Lane	-	-	-	90,000	-
Drainage CIP #43 Triple Crown	-	-	-	-	269,967
Public Health, Safety, and Welfare				-	
Fire Station #3 Upgrades	111,813	40,034	200,000	40,000	-

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Operational Excellence					
Compensation and Benefit Plan Study	-	27,150	-	7,850	-
Employee Handbook	-	5,189	-	-	-
Communications and Marketing Strategy	42,178	207,170	-	-	-
City Records Digitization Program	-	-	-	-	-
Fuel Station	97,150	-	-	-	-
3rd Party Scanning	-	65	-	39,935	-
IT Master Plan	-	74,931	-	(11,919)	-
Strategic Planning	-	-	35,000	36,559	-
Total Expenditures	**1,785,609**	**1,577,512**	**659,480**	**734,457**	**723,061**
Total Change in Fund Balance	(972,083)	(1,207,512)	(495,763)	(570,740)	(503,061)
Ending Fund Balance	**2,297,490**	**1,089,978**	**594,215**	**519,239**	**16,178**

Vehicle and Equipment Replacement Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**1,140,475**	**1,220,166**	**1,542,604**	**1,542,604**	**1,762,414**
Revenues:					
Transfer from General Fund	301,945	373,138	359,500	359,500	396,000
Total Revenue	**301,945**	**373,138**	**359,500**	**359,500**	**396,000**
Transfers					
Transfer to General Fund for Purchases	222,254	50,700	133,135	139,690	113,194
Total Expenditures	**222,254**	**50,700**	**133,135**	**139,690**	**113,194**
Revenue Over / (Under) Expenditures	**79,691**	**322,438**	**226,365**	**219,810**	**282,806**
Ending Fund Balance	**1,220,166**	**1,542,604**	**1,768,969**	**1,762,414**	**2,045,220**

Scheduled Replacements:	
Patrol Car	82,000
Replace Ford Focus	6,194
IT Workstation Replacements	25,000
	113,194

Debt Service Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**77,976**	**104,949**	**33,681**	**33,681**	**53,326**
Revenues:					
General Property-I & S	556,341	905,994	794,365	800,895	1,032,650
Delinquent Property	4,363	5,871	4,000	5,500	4,000
Penalty & Interest	2,232	3,645	2,500	2,500	2,500
Interest Income on Investments	17,599	6,213	7,500	10,000	7,500
Total Revenue	**580,535**	**921,724**	**808,365**	**818,895**	**1,046,650**
Expenditures:					
Bond Principal	470,000	785,000	600,000	600,000	785,000
Bond Interest Payable	83,163	207,392	198,450	198,450	310,450
Bond Agent Fees	400	600	-	800	1,200
Total Expenditures	**553,563**	**992,992**	**798,450**	**799,250**	**1,096,650**
Revenue Over / (Under) Expenditures	**26,973**	**(71,268)**	**9,915**	**19,645**	**(50,000)**
Ending Fund Balance	**104,949**	**33,681**	**43,596**	**53,326**	**3,326**

Bond Capital Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**-**	**3,596,650**	**3,162,586**	**3,162,586**	**3,609,031**
<u>Revenues:</u>					
Developer Contributions	-	-	-	150,000	-
Bond Proceeds	3,550,000	-	-	11,300,000	-
Bond Premium	181,669	-	-	-	-
Interest Income	11,650	152,901	120,000	120,000	120,000
Total Revenue	**3,743,319**	**152,901**	**120,000**	**11,570,000**	**120,000**
<u>Expenditures:</u>					
Bond Issuance Fees	146,669	-	-	-	-
Dietz Elkhorn Rdwy Incidentals	-	-	-	-	-
Dietz Elkhorn Rdwy Construction	-	-	-	4,300,000	-
Rolling Acres Rdwy Incidentals	-	-	-	-	-
Rolling Acres Rdwy Construction	-	-	315,000	315,000	315,000
Ammann Rdwy Incidentals	-	-	-	-	-
Ammann Rdwy Construction	-	428,071	108,555	6,508,555	-
Battle Intense Rdwy Incidentals	-	-	-	-	-
Battle Intense Rdwy Construction	-	158,892	-	-	-
Total Expenditures	**146,669**	**586,964**	**423,555**	**11,123,555**	**315,000**
Revenue Over / (Under) Expenditures	**3,596,650**	**(434,063)**	**(303,555)**	**446,445**	**(195,000)**
Ending Fund Balance	**3,596,650**	**3,162,586**	**2,859,031**	**3,609,031**	**3,414,031**

Court Security & Technology Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**-**	**-**	**2,044**	**2,044**	**9,994**
Revenues:					
Court Security & Technology	-	2,044	-	7,825	8,500
Interest Income	-	-	-	125	125
Transfer from Other Funds	-	-	-	-	-
Total Revenue	**-**	**2,044**	**-**	**7,950**	**8,625**
Expenditures					
Salaries	-	-	-	-	-
Minor Equipment	-	-	-	-	9,000
Professional Services	-	-	-	-	-
Tech/Internet/Software Maintenance	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**9,000**
Revenue Over / (Under) Expenditures	**-**	**2,044**	**-**	**7,950**	**(375)**
Ending Fund Balance	**-**	**2,044**	**2,044**	**9,994**	**9,619**

Court Efficiency Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**-**	**-**	**1,951**	**1,951**	**2,306**
<u>Revenues:</u>					
Court Efficiency	-	270	-	275	360
Interest Income	-	-	-	80	30
Transfer from General Fund	-	1,681	-	-	-
Total Revenue	**-**	**1,951**	**-**	**355**	**390**
<u>Expenditures</u>					
Supplies	-	-	-	-	-
Minor Equipment	-	-	-	-	2,400
Professional Services	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**	**2,400**
Revenue Over / (Under) Expenditures	**-**	**1,951**	**-**	**355**	**(2,010)**
Ending Fund Balance	**-**	**1,951**	**1,951**	**2,306**	**296**

Court Youth Diversion Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**-**	**-**	**25,842**	**25,842**	**27,592**
Revenues:					
Court Youth Diversion	-	4,308	-	4,750	5,020
Interest Income	-	-	-	1,000	600
Transfer from General Fund	-	21,534	-	-	-
Total Revenue	**-**	**25,842**	**-**	**5,750**	**5,620**
Expenditures					
Salaries	-	-	-	-	-
Supplies	-	-	-	4,000	4,000
Minor Equipment	-	-	-	-	-
Professional Services	-	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**4,000**	**4,000**
Revenue Over / (Under) Expenditures	**-**	**25,842**	**-**	**1,750**	**1,620**
Ending Fund Balance	**-**	**25,842**	**25,842**	**27,592**	**29,212**

Court Jury Fund

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed 2026-27
Beginning Fund Balance	**-**	**-**	**364**	**364**	**454**
<u>Revenues:</u>					
Court Jury Revenue	-	83	-	75	120
Interest Income	-	-	-	15	-
Transfer from General Fund	-	281	-	-	-
Total Revenue	**-**	**364**	**-**	**90**	**120**
<u>Expenditures</u>					
Supplies	-	-	-	-	-
Minor Equipment	-	-	-	-	-
Professional Services	-	-	-	-	540
Total Expenditures	**-**	**-**	**-**	**-**	**540**
Revenue Over / (Under) Expenditures	**-**	**364**	**-**	**90**	**(420)**
Ending Fund Balance	**-**	**364**	**364**	**454**	**34**

Consolidated Utility Funds Budget by Division

Summary Budget

	Water	Wastewater	Equipment Replacement Fund	Utility Fund Total
Utility Operating Revenues	5,586,742	2,399,300	-	7,986,042
Utility Operating Expenses				
Personnel	1,193,030	1,171,498	-	2,364,528
Supplies, Maintenance & Operations	2,851,175	617,339	-	3,468,514
Services	397,052	114,096	-	511,148
Total Utility Operating Expenses	4,441,257	1,902,933	-	6,344,190
Operating Income/(Loss) Before Depreciation	1,145,485	496,367	-	1,641,852
Depreciation	(750,000)	(450,000)	-	(1,200,000)
Operating Income/(Loss) After Depreciation	395,485	46,367	-	441,852
Non-Operating Revenues (Expenses)				
Non-Operating Revenues	3,750,000	200,000	-	3,950,000
Capital Outlay	(5,393,730)	(840,143)	-	(6,233,873)
GAAP Adjustments	1,893,730	840,143	-	2,733,873
Bond Interest Costs	(522,535)	(244,331)	-	(766,866)
Transfers Out	(328,500)	(265,500)	-	(594,000)
Transfers In	200,000	175,000	219,000	594,000
Total Non-Operating Revenue (Expenses)	(401,035)	(134,831)	219,000	(316,866)
Net Income/(Loss)	**(5,550)**	**(88,464)**	**219,000**	**124,986**

Consolidated Utility Budget by Fund

Summary

	Water Operations	Wastewater Operations	Water Capital	Wastewater Capital	Water Impact Fees	Wastewater Impact Fees	Utility Equip. Repl	Utility Fund Total
Utility Operating Revenues	5,386,742	2,224,300			200,000	175,000		7,986,042
Utility Operating Expenses								
Personnel	1,193,030	1,171,498						2,364,528
Supplies, Maintenance & Operations	2,851,175	617,339						3,468,514
Services	397,052	114,096						511,148
Total Utility Operating Expenses	4,441,257	1,902,933	-	-	-	-	-	6,344,190
Operating Income/(Loss)	945,485	321,367	-	-	200,000	175,000	-	1,641,852
Non-Operating Revenues (Expenses)								
Non-Operating Revenues	250,000	200,000	3,500,000	-	-	-		3,950,000
Capital Outlay	(190,056)	(28,380)	(5,203,674)	(811,763)				(6,233,873)
Depreciation	(750,000)	(450,000)						(1,200,000)
GAAP Adjustments	1,893,730	840,143						2,733,873
Debt Service Costs	(522,535)	(244,331)						(766,866)
Transfers Out	(128,500)	(90,500)			(200,000)	(175,000)	-	(594,000)
Transfers In	-	-	200,000	175,000			219,000	594,000
Total Non-Operating Revenue (Expenses)	552,639	226,932	(1,503,674)	(636,763)	(200,000)	(175,000)	219,000	(1,516,866)
Net Income/(Loss)	**1,498,124**	**548,299**	**(1,503,674)**	**(636,763)**	**-**	**-**	**219,000**	**124,986**

Utility Funds Net Position

	Actual 9/30/2025	Projected FY 2025-26	Projected 9/30/2026	Budget FY 2026-27	Projected 9/30/2027
Net investment in Capital Assets	11,195,334	445,000	11,640,334	2,548,690	14,189,024
Unrestricted Net Position					
Contribution in Aid - EST	-	-	-	-	-
Water Capital	2,853,787	(1,310,009)	1,543,778	(1,503,674)	40,104
Wastewater Capital	1,602,298	(688,933)	913,365	(636,763)	276,602
Emergency Reserve	2,056,904	2,682,210	4,739,114	(367,826)	4,371,288
Debt Service Reserve	1,358,684	107,120	1,465,804	(134,441)	1,331,363
Equipment Replacement Fund	726,832	118,302	845,134	219,000	1,064,134
Total Unrestricted	8,598,505	908,690	9,507,195	(2,423,704)	7,083,491
Total Net Position	19,793,839	1,353,690	21,147,529	124,986	21,272,515

Water Utility All Funds Summary
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Water Operating Revenues	5,034,819	5,507,480	5,715,486	5,600,756	5,586,742	(128,744)	-2.3%	(14,014)
Water Operating Expenses								
Personnel	950,159	1,057,796	1,048,631	1,093,121	1,193,030	144,399	13.8%	99,909
Supplies, Maintenance & Operations	2,463,423	2,493,559	2,845,038	2,837,233	2,851,175	6,137	0.2%	13,942
Services	141,837	293,056	339,791	339,791	397,052	57,261	16.9%	57,261
Total Water Operating Expenses	3,555,419	3,844,410	4,233,460	4,270,146	4,441,257	207,797	4.9%	171,111
Depreciation	(592,159)	(643,774)	(550,000)	(700,000)	(750,000)	(200,000)	36.4%	(50,000)
Operating Income after Depreciation	887,241	1,019,296	932,026	630,610	395,485	(336,541)	-36.1%	(185,125)
Non-Operating Revenues (Expenses)								
Non-Operating Revenues	216,683	346,110	200,000	350,000	250,000	50,000	25.0%	(100,000)
Capital Outlay	(852,999)	(2,242,497)	(7,390,830)	(11,989,018)	(5,393,730)	1,997,100	-27.0%	6,595,288
GAAP Adjustments	842,670	2,207,166	6,640,830	10,210,260	1,893,730	(4,747,100)	-71.5%	(8,316,530)
Debt Service Expense	(124,880)	(286,543)	(103,927)	(308,970)	(522,535)	(418,608)	402.8%	(213,565)
Transfers Out	(552,985)	(3,444,053)	(7,169,155)	(6,969,155)	(328,500)	6,840,655	-95.4%	6,640,655
Transfers In	644,951	3,364,383	7,286,504	7,086,504	200,000	(7,086,504)	-97.3%	(6,886,504)
Total Non-Operating Revenues (Expenses)	173,440	(55,436)	(536,578)	(1,620,379)	(3,901,035)	(3,364,457)	627.0%	(2,280,656)
Net Income/(Loss)	**1,060,680**	**963,860**	**395,448**	**(989,769)**	**(3,505,550)**	**(3,700,998)**	**-935.9%**	**(2,465,781)**

Water Utility Fund Revenue
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Water Operating Revenues								
Water Revenue Residential	3,752,222	3,807,987	3,910,769	3,910,769	3,943,551	32,782	0.8%	32,782
Water Debt Service	284,559	935,221	938,914	938,914	1,085,319	146,405	15.6%	146,405
Water Capital	285,723	104,659	105,155	105,155	-	(105,155)	-100.0%	(105,155)
Water Impact Fees	217,396	140,395	-	-	-	-	0.0%	-
Water Revenue Commercial	147,704	147,865	180,094	180,094	150,412	(29,682)	-16.5%	(29,682)
Water Contract Commercial	177,354	177,354	177,354	59,124	-	(177,354)	-100.0%	(59,124)
Water Revenue Non Potable	39,986	37,211	74,000	74,000	74,740	740	1.0%	740
Water Service Connect Fees	28,965	24,505	30,000	30,000	30,300	300	1.0%	300
Water Penalties	48,426	36,081	48,000	48,000	48,720	720	1.5%	720
Water-Bad Debts	(5,609)	(4,066)	(4,000)	(4,000)	(4,000)	-	0.0%	-
Misc./Special Requests	145	3,982	500	500	500	-	0.0%	-
Third Party Reimbursement	963	1,117	3,500	7,000	6,000	2,500	71.4%	(1,000)
Permits/Variances	475	25	1,200	1,200	1,200	-	0.0%	-
Credit Card Service Fee	56,510	61,995	50,000	50,000	50,000	-	0.0%	-
Sale of Assets	-	33,151	-	-	-	-	0.0%	-
Total Operating Revenues	5,034,819	5,507,480	5,515,486	5,400,756	5,386,742	(128,744)	-2.3%	(14,014)
Water Non-Operating Revenues								
Water Interest Income	216,683	346,110	200,000	350,000	250,000	50,000	25.0%	(100,000)
Total Non-Operating Revenues	216,683	346,110	200,000	350,000	250,000	50,000	25.0%	(100,000)
Total Water Revenues	**5,251,502**	**5,853,590**	**5,715,486**	**5,750,756**	**5,636,742**	**(78,744)**	**-1.4%**	**(114,014)**

Water Utility Fund Operating Expense
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Operating Expenses								
Service Salaries	238,706	263,994	285,070	309,572	360,453	75,383	26.4%	50,881
Service Overtime	11,397	14,576	7,734	13,734	9,884	2,150	27.8%	(3,850)
Service Taxes - FICA	15,310	18,657	18,154	18,963	22,961	4,807	26.5%	3,998
Service Taxes - MEDICARE	3,581	4,363	4,246	4,435	5,370	1,124	26.5%	935
Service Workers' Comp	9,215	6,227	6,410	6,231	8,055	1,645	25.7%	1,824
Service Taxes - SUTA/FUTA	660	422	347	941	1,069	722	208.1%	129
Service Retirement	34,321	81,637	37,230	41,053	46,922	9,692	26.0%	5,869
Service Insurance	43,032	44,116	52,341	50,804	61,459	9,118	17.4%	10,655
Water Service OPEB	-	-	-	-	-	-	0.0%	-
Water Service Allowance for Vacancies	-	-	(20,000)	-	(20,000)	-	0.0%	(20,000)
Administration Salaries	456,889	121,711	122,177	122,877	133,421	11,244	9.2%	10,544
Administration Overtime	262	2	62	62	62	-	0.0%	-
Administration Taxes - FICA	26,377	8,608	7,499	7,097	8,133	634	8.5%	1,036
Administration Taxes - MEDICARE	6,181	2,028	1,772	1,676	1,936	164	9.3%	260
Administration Workers' Comp	1,278	221	244	236	267	23	9.4%	31
Administration Taxes - SUTA/FUTA	657	113	98	250	265	167	170.4%	15
Administration Retirement	55,075	13,609	15,543	15,167	16,912	1,369	8.8%	1,745
Administration Insurance	47,217	13,131	15,620	14,089	15,657	37	0.2%	1,568
Administration OPEB	-	-	-	-	-	-	0.0%	-
Project Allocation	-	(264)	-	(653)	-	-	0.0%	653
HR & Communications Salaries	-	69,203	52,308	51,960	54,454	2,146	4.1%	2,494
HR & Communications Overtime	-	-	-	-	-	-	0.0%	-
HR & Communications Taxes - FICA	-	4,746	3,243	2,988	3,376	133	4.1%	388
HR & Communications Taxes - MEDICARE	-	1,110	758	699	790	32	4.2%	91
HR & Communications Workers' Comp	-	129	105	103	109	4	3.8%	6
HR & Communications Taxes - SUTA/FUTA	-	47	32	86	86	54	168.8%	1
HR & Communications Retirement	-	8,705	6,651	7,217	6,899	248	3.7%	(318)
HR & Communications Insurance	-	4,817	3,318	3,010	3,239	(79)	-2.4%	229
Finance Salaries	-	111,384	113,581	116,213	123,267	9,686	8.5%	7,054
Finance Overtime	-	-	83	83	-	(83)	-100.0%	(83)
Finance Taxes - FICA	-	7,648	7,047	6,630	7,643	596	8.5%	1,013
Finance Taxes - MEDICARE	-	1,789	1,648	1,551	1,787	139	8.4%	236
Finance Workers' Comp	-	204	227	220	247	20	8.8%	27
Finance Taxes - SUTA/FUTA	-	79	79	214	214	135	170.9%	0

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Finance Retirement	-	13,875	14,452	14,728	15,618	1,166	8.1%	890
Finance Insurance	-	15,321	16,235	16,594	17,521	1,286	7.9%	927
Information Technology Salaries	-	44,007	49,253	44,158	48,309	(944)	-1.9%	4,151
Information Technology Taxes - FICA	-	3,138	3,054	2,603	2,995	(59)	-1.9%	392
Information Technology Taxes - MEDICARE	-	734	714	609	700	(14)	-2.0%	91
Information Technology Workers' Comp	-	89	99	96	97	(2)	-2.0%	1
Information Technology Taxes - SUTA/FUTA	-	32	32	100	86	54	168.8%	(14)
Information Technology Retirement	-	6,008	6,263	5,596	6,121	(142)	-2.3%	525
Information Technology Insurance	-	5,009	5,292	3,999	4,367	(925)	-17.5%	368
Engineering & Planning Salaries	-	123,564	139,891	138,838	148,692	8,801	6.3%	9,854
Engineering & Planning Overtime	-	423	651	771	697	46	7.1%	(74)
Engineering & Planning Taxes - FICA	-	9,053	8,714	8,136	9,103	389	4.5%	967
Engineering & Planning Taxes - MEDICARE	-	2,118	2,038	1,903	2,166	128	6.3%	263
Engineering & Planning Workers' Comp	-	294	321	311	341	20	6.2%	30
Engineering & Planning Taxes - SUTA/FUTA	-	101	98	265	265	167	170.4%	(0)
Engineering & Planning Retirement	-	17,682	17,870	17,743	18,928	1,058	5.9%	1,185
Engineering & Planning Insurance	-	13,338	14,939	13,788	14,879	(60)	-0.4%	1,091
Communications Salaries	-	-	19,006	19,425	20,750	1,744	9.2%	1,325
Communications Taxes - FICA	-	-	1,178	1,161	1,286	108	9.2%	125
Communications Taxes - MEDICARE	-	-	276	272	301	25	9.1%	29
Communications Workers' Comp	-	-	38	35	42	4	10.5%	7
Communications Taxes - SUTA/FUTA	-	-	16	43	43	27	168.8%	0
Communications Retirement	-	-	2,417	2,460	2,629	212	8.8%	169
Communications Insurance	-	-	2,157	1,980	2,157	-	0.0%	177
Uniforms	6,386	5,806	6,718	6,718	7,975	1,257	18.7%	1,257
Power	126,817	151,340	150,000	150,000	150,000	-	0.0%	-
Maintenance of Plants/Lines	197,145	145,980	150,000	154,422	150,000	-	0.0%	(4,422)
Analysis Fees	10,601	10,867	12,300	12,300	12,300	-	0.0%	-
Chemicals	5,932	6,249	6,500	6,500	6,500	-	0.0%	-
City Management Fee	205,872	206,676	217,111	211,199	208,435	(8,676)	-4.0%	(2,764)
Equipment Maintenance	7,768	13,722	16,400	16,400	16,560	160	1.0%	160
Equipment Gas & Oil	15,451	16,870	15,000	15,000	16,500	1,500	10.0%	1,500
GBRA Water Fees	1,522,466	1,575,572	1,800,325	1,800,325	1,850,000	49,675	2.8%	49,675
Equipment Lease	-	-	300	300	300	-	0.0%	-
Tools & Minor Equipment	12,085	8,696	12,950	12,950	11,125	(1,825)	-14.1%	(1,825)
Training	14,908	17,252	25,500	25,500	28,214	2,714	10.6%	2,714
Utilities & Radio	24,728	26,384	36,750	36,785	38,538	1,788	4.9%	1,753
Signal & Telemetry	-	-	585	585	135	(450)	-76.9%	(450)
Water Building Maintenance	4,686	3,653	9,900	9,900	4,900	(5,000)	-50.5%	(5,000)
Supplies & Consumables	5,012	4,468	3,700	3,700	3,700	-	0.0%	-

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Vehicle Maintenance/Repair	4,944	7,936	7,000	7,000	7,000	-	0.0%	-
Water Inventory Adjustment	-	-	-	-	-	-	0.0%	-
Utilities & Telephone	8,757	8,469	8,565	8,565	8,565	-	0.0%	-
Dues & Publications	886	2,344	2,998	2,998	3,783	785	26.2%	785
Water Professional Services	141,837	293,056	339,791	339,791	397,052	57,261	16.9%	57,261
Permit & Licenses	8,437	8,903	8,936	8,936	9,858	922	10.3%	922
General Libility Insurance	35,029	44,121	54,115	54,115	54,115	-	0.0%	-
Office Supplies	2,339	3,552	4,084	4,084	4,084	-	0.0%	-
Travel & Meetings	2,911	170	1,200	1,200	1,200	-	0.0%	-
Software & Computer	156,830	135,496	214,950	208,600	177,064	(37,886)	-17.6%	(31,536)
Recording/Reporting	-	380	500	500	500	-	0.0%	-
Postage	441	376	689	689	689	-	0.0%	-
Building/Equip Maintenance	-	-	150	150	150	-	0.0%	-
Conservation Ed & Newsletter	698	-	1,370	1,370	1,370	-	0.0%	-
Billing Statement Charges	4,020	4,250	4,200	4,200	4,300	100	2.4%	100
Billing Postage	10,758	12,559	11,000	11,000	12,500	1,500	13.6%	1,500
Copier Lease	193	17	1,789	1,789	1,789	-	0.0%	-
Public Relations	4,206	1,411	2,250	2,250	1,250	(1,000)	-44.4%	(1,000)
Employment Costs	284	829	1,338	1,338	1,751	413	30.9%	413
Employee Appreciation	4,196	5,317	5,615	5,615	5,775	160	2.8%	160
Water Miscellaneous	-	-	250	250	250	-	0.0%	-
Credit Card Service Fee	58,636	63,892	50,000	50,000	50,000	-	0.0%	-
Total Operating Expenses	**3,555,419**	**3,844,410**	**4,233,460**	**4,270,146**	**4,441,257**	**207,797**	**4.9%**	**171,111**

Water Utility Fund
Capital, Debt and Non-Cash Expenses
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Capital Outlays								
Operational Capital	289,454	191,642	289,240	321,495	173,676	(115,564)	-40.0%	(147,819)
Water Vehicle and Equipment Purchases	197,106	39,989	31,349	162,358	16,380	(14,969)	-47.7%	(145,978)
Total Capital Outlays	486,561	231,631	320,589	483,854	190,056	(130,533)	-40.7%	(293,798)
Debt Service								
Bond Water Issuance Fees	97,200	148,295	-	-	-	-	0.0%	-
Bond Interest Cost	22,224	132,615	103,927	308,970	522,535	418,608	402.8%	213,565
Tax Exempt Lease Interest	232	150	-	-	-	-	0.0%	-
SBITA Interest	5,224	5,483	-	-	-		0.0%	-
Total Debt Service	124,880	286,543	103,927	308,970	522,535	418,608	402.8%	213,565
Non-Cash Adjustments								
Transfer to Veh/Equip Replace Fund	49,866	114,000	114,000	114,000	128,500	14,500	12.7%	14,500
Transfer to Water Capital Fund	503,119	3,330,053	7,055,155	6,855,155	-	(7,055,155)	-100.0%	(6,855,155)
Transfer from ERF	(141,832)	(34,329)	(31,349)	(31,349)	-	31,349	-100.0%	31,349
GAAP Adjustments	(842,670)	(2,207,166)	(6,640,830)	(10,210,260)	(1,893,730)	4,747,100	-71.5%	8,316,530
Water Depreciation	592,159	643,774	550,000	700,000	750,000	200,000	36.4%	50,000
Water Amortization - SBITAs	38,193	41,429	-	-	-	-	0.0%	-
Water Amortization - Leases	1,536	1,536	-	-	-	-	0.0%	-
Total Non-Cash Adjustments	200,372	1,889,298	1,046,976	(2,572,454)	(1,015,230)	(2,062,206)	-197.0%	1,507,224
Total Non-Operating Expenses	**811,812**	**2,407,472**	**1,471,492**	**(1,779,630)**	**(302,639)**	**(1,774,131)**	**-120.6%**	**1,426,991**

Water Strategic and Capital Funds
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27
Beginning Fund Balance	**1,397,920**	**1,534,600**	**2,853,787**	**2,853,787**	**1,543,778**
Resources:					
Developer Contributions	-	-	-	540,000	-
Cert of Obligation Proceeds	-	-	-	2,600,000	3,500,000
Transfer from Other Funds	503,119	3,330,053	7,255,155	7,055,155	200,000
Total Transfers	**503,119**	**3,330,053**	**7,255,155**	**10,195,155**	**3,700,000**
Capital Projects					
Elevated Storage Tank	-	552,037	4,367,901	6,021,326	4,803,674
Plant 5 Expansion	17,214	287,492	-	1,239,737	-
Scada Systems Upgrade	-	-	-	-	-
GIS Compatible Work Order System	-	-	-	-	-
Willow Wind/Red Bud Hill	10,702	376,160	-	527,814	-
Old Fredericksburg Rd	4,883	549,726	-	50,127	-
Rolling Acres Trail Rehab	10,104	29,964	-	607,655	-
Well 27 Upgrades	30,000	30,000	-	-	-
Well 31 Upgrades	30,000	30,000	-	-	-
Well 25 Upgrades	30,000	30,000	-	-	-
Well 28 Upgrades	30,000	30,000	-	-	-
Cibolo Creek Waterline Relocation	203,537	-	-	-	-
Upgrade Plant 3 Electrical	-	38,960	100,000	138,960	-
SAWS Emergency Interconnect	-	21,195	352,340	390,787	-
Dietz Elkhorn Road Waterline	-	-	1,500,000	1,778,758	-
Plant 4 Ground Storage Tank	-	-	-	-	400,000
Non-Capital Projects					
Impact Rate Study	-	35,332	-	-	-
GBRA Waterline	-	-	750,000	750,000	-
Total Expenditures	**366,439**	**2,010,866**	**7,070,241**	**11,505,164**	**5,203,674**
Total Change in Fund Balance	136,680	1,319,187	184,914	(1,310,009)	(1,503,674)
Ending Fund Balance	**1,534,600**	**2,853,787**	**3,038,701**	**1,543,778**	**40,104**

Water Impact Fees

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27
Beginning Fund Balance	**-**	**-**	**-**	**-**	**-**
Revenues					
Impact Fee Revenue	-	-	200,000	200,000	200,000
Interest Income	-	-	-	-	-
Total Transfers In	**-**	**-**	**200,000**	**200,000**	**200,000**
Transfers Out:					
Transfer to Other Funds	-	-	-	200,000	200,000
Total Transfers Out	**-**	**-**	**-**	**200,000**	**200,000**
Total Change in Fund Balance	-	-	200,000	-	-
Ending Fund Balance	**-**	**-**	**200,000**	**-**	**-**

Wastewater Utility All Funds Summary
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Wastewater Operating Revenues	1,997,789	2,243,758	2,357,790	2,318,664	2,399,300	41,510	1.8%	80,636
Wastewater Operating Expenses								
Personnel	1,019,992	1,109,671	1,075,894	1,122,398	1,171,498	95,604	8.9%	49,100
Supplies, Maintenance & Operations	580,608	540,692	709,701	706,253	617,339	(92,362)	-13.0%	(88,914)
Services	40,170	67,870	78,255	78,255	114,096	35,841	45.8%	35,841
Total Wastewater Operating Expenses	1,640,770	1,718,233	1,863,850	1,906,906	1,902,933	39,083	2.1%	(3,973)
Depreciation	(341,013)	(390,507)	(270,600)	(400,600)	(450,000)	(179,400)	66.3%	(49,400)
Operating Income After Depreciation	16,006	135,017	223,340	11,158	46,367	2,427	1.1%	84,609
Non-Operating Revenues (Expenses)								
Non-Operating Revenues	210,971	215,101	200,000	200,000	200,000	-	0.0%	-
Capital Outlay	(414,241)	(531,444)	(1,898,857)	(6,352,963)	(840,143)	1,058,714	-55.8%	5,512,820
GAAP Adjustments	406,022	531,444	1,898,857	6,352,963	840,143	(1,058,714)	-55.8%	(5,512,820)
Debt Service Expense	(28,551)	(120,908)	(53,046)	(163,453)	(244,331)	(191,285)	360.6%	(80,878)
Transfers Out	(291,310)	(747,343)	(1,422,000)	(1,247,000)	(265,500)	1,156,500	-81.3%	981,500
Transfers In	395,210	780,442	1,561,349	1,211,349	175,000	(1,386,349)	-88.8%	(1,036,349)
Total Non-Operating Revenues (Expenses)	278,101	127,292	286,303	896	(134,831)	(421,134)	-147.1%	(135,727)
Net Income/(Loss)	**294,106**	**262,309**	**509,643**	**12,054**	**(88,464)**	**(418,707)**	**-82.2%**	**(51,118)**

Wastewater Utility Fund Revenue
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Wastewater Operating Revenues								
Sewer Revenue Residential	1,626,221	1,727,265	1,674,810	1,810,684	1,699,932	25,122	1.5%	(110,752)
Sewer Debt Service	54,502	414,227	415,630	415,630	431,523	15,893	3.8%	15,893
Sewer Capital	108,764	-	-	-	-	-	0.0%	-
Sewer Impact Fee	141,614	30,343	-	-	-	-	0.0%	-
Sewer Revenue Commercial	37,120	55,960	59,000	59,000	59,000	-	0.0%	-
Sewer Service Connect Fee	18,200	4,200	25,000	25,000	25,375	375	1.5%	375
Sewer Penalties	12,113	12,301	9,000	9,000	9,135	135	1.5%	135
Sewer Bad Debt	(744)	(1,048)	(1,000)	(1,000)	(1,015)	(15)	1.5%	(15)
Sewer Grant Revenue	-	-	-	-	-	-	0.0%	-
Misc/Special Requests	-	509	350	350	350	-	0.0%	-
Third Party Reimbursement	-	-	-	-	-	-	0.0%	-
Sale of Assets	-	-	-	-	-	-	0.0%	-
Total Operating Revenues	1,997,789	2,243,758	2,182,790	2,318,664	2,224,300	41,510	1.9%	(94,364)
Wastewater Non-Operating Revenues								
Sewer Interest Income	210,971	215,101	200,000	200,000	200,000	-	0.0%	-
Total Non-Operating Revenues	210,971	215,101	200,000	200,000	200,000	-	0.0%	-
Total Wastewater Revenues	**2,208,760**	**2,458,859**	**2,382,790**	**2,518,664**	**2,424,300**	**41,510**	**1.7%**	**(188,728)**

Wastewater Utility Fund Operating Expense
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Operating Expenses								
Service Salaries	312,795	318,836	322,765	349,086	366,453	43,688	13.5%	17,367
Service Overtime	12,872	10,448	8,800	14,215	10,039	1,239	14.1%	(4,176)
Service Taxes - FICA	19,461	22,430	20,557	21,050	23,343	2,786	13.6%	2,293
Service Taxes - Medicare	4,551	5,246	4,808	4,923	5,459	651	13.5%	536
Service Workers' Comp	9,543	7,089	7,238	7,039	8,187	949	13.1%	1,148
Service Taxes - SUTA/FUTA	718	454	378	1,026	1,069	691	182.8%	43
Service Retirement	44,078	89,425	42,158	45,994	47,702	5,544	13.2%	1,708
Service Insurance	45,446	50,798	57,169	53,170	57,632	463	0.8%	4,462
Sewer Service OPEB	-	-	-	-	-	-	0.0%	-
Sewer Service Allowance for Vacancies	-	-	(20,000)	-	(20,000)	-	0.0%	(20,000)
Administration Salaries	438,125	121,711	122,177	125,612	133,421	11,244	9.2%	7,809
Administration Overtime	262	2	62	62	62	-	0.0%	-
Administration Taxes - FICA	25,233	8,607	7,499	7,246	8,133	634	8.5%	887
Administration Taxes - Medicare	5,910	2,027	1,772	1,711	1,936	164	9.3%	225
Administration Workers' Comp	1,230	221	244	236	267	23	9.4%	31
Administration Taxes - SUTA/FUTA	622	112	98	250	265	167	170.4%	15
Administration Retirement	52,799	13,608	15,543	15,482	16,912	1,369	8.8%	1,430
Administration Insurance	46,345	11,637	15,620	14,090	15,657	37	0.2%	1,567
Administration OPEB	-	-	-	-	-	-	0.0%	-
Administration Allowance for Vacancies	-	-	-	-	-	-	0.0%	-
Project Allocation	-	(264)	-	(653)	-	-	0.0%	653
HR & Communications Salaries	-	69,203	52,308	51,960	54,454	2,146	4.1%	2,494
HR & Communications Overtime	-	-	-	-	-	-	0.0%	-
HR & Communications Taxes - FICA	-	4,746	3,243	2,988	3,376	133	4.1%	388
HR & Communications Taxes - MEDICARE	-	1,110	758	699	790	32	4.2%	91
HR & Communications Workers' Comp	-	129	105	103	109	4	3.8%	6
HR & Communications Taxes - SUTA/FUTA	-	47	32	86	86	54	168.8%	1
HR & Communications Retirement	-	8,705	6,651	7,217	6,899	248	3.7%	(318)
HR & Communications Insurance	-	4,817	3,318	3,010	3,239	(79)	-2.4%	229
Finance Salaries	-	111,384	113,581	116,213	123,267	9,686	8.5%	7,054
Finance Overtime	-	-	83	83	-	(83)	-100.0%	(83)
Finance Taxes - FICA	-	7,648	7,047	6,630	7,643	596	8.5%	1,013
Finance Taxes - MEDICARE	-	1,788	1,648	1,550	1,787	139	8.4%	237
Finance Workers' Comp	-	204	227	220	247	20	8.8%	27

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Finance Taxes - SUTA/FUTA	-	79	79	214	214	135	170.9%	0
Finance Retirement	-	13,875	14,452	14,728	15,618	1,166	8.1%	890
Finance Insurance	-	15,320	16,235	16,594	17,521	1,286	7.9%	927
Information Technology Salaries	-	44,007	49,253	44,158	48,309	(944)	-1.9%	4,151
Information Technology Overtime	-	-	-	-	-	-	0.0%	-
Information Technology Taxes - FICA	-	3,137	3,054	2,603	2,995	(59)	-1.9%	392
Information Technology Taxes - MEDICARE	-	734	714	609	700	(14)	-2.0%	91
Information Technology Workers' Comp	-	89	99	96	97	(2)	-2.0%	1
Information Technology Taxes - SUTA/FUTA	-	32	32	100	86	54	168.8%	(14)
Information Technology Retirement	-	6,008	6,263	5,198	6,121	(142)	-2.3%	924
Information Technology Insurance	-	5,008	5,292	4,009	4,367	(925)	-17.5%	358
Engineering & Planning Salaries	-	112,986	121,221	120,595	129,906	8,685	7.2%	9,311
Engineering & Planning Overtime	-	423	651	771	697	46	7.1%	(74)
Engineering & Planning Taxes - FICA	-	7,693	7,556	7,040	7,938	382	5.1%	898
Engineering & Planning Taxes - MEDICARE	-	1,799	1,767	1,646	1,894	127	7.2%	248
Engineering & Planning Workers' Comp	-	258	283	274	304	21	7.4%	30
Engineering & Planning Taxes - SUTA/FUTA	-	63	79	214	214	135	170.9%	0
Engineering & Planning Retirement	-	15,002	15,496	15,433	16,547	1,051	6.8%	1,114
Engineering & Planning Insurance	-	10,994	12,391	11,445	12,328	(63)	-0.5%	883
Communications Salaries	-	-	19,006	19,425	20,750	1,744	9.2%	1,325
Communications Overtime	-	-	-	-	-	-	0.0%	-
Communications Taxes - FICA	-	-	1,178	1,161	1,286	108	9.2%	125
Communications Taxes - MEDICARE	-	-	276	272	301	25	9.1%	29
Communications Workers' Comp	-	-	38	35	42	4	10.5%	7
Communications Taxes - SUTA/FUTA	-	-	16	43	43	27	168.8%	0
Communications Retirement	-	-	2,417	2,460	2,629	212	8.8%	169
Communications Insurance	-	-	2,157	1,980	2,157	-	0.0%	177
Uniforms	6,755	5,718	4,955	4,955	7,975	3,020	60.9%	3,020
Power	40,350	41,817	40,000	40,000	40,000	-	0.0%	-
Maintenance Of Plant/ Lines	163,350	79,419	160,000	160,000	85,000	(75,000)	-46.9%	(75,000)
Sludge Hauling	-	2,200	10,000	-	10,000	-	0.0%	10,000
Analysis Fees	31,838	30,311	27,000	27,000	27,000	-	0.0%	-
Chemicals	31,112	34,924	33,600	33,600	33,600	-	0.0%	-
City Management Fee	83,167	89,172	85,632	93,484	87,947	2,315	2.7%	(5,537)
Equipment Maintenance	8,295	9,807	16,790	16,790	17,060	270	1.6%	270
Equipment Gas & Oil	14,092	13,061	11,875	11,875	13,065	1,190	10.0%	1,190
Equipment Lease	1,454	-	300	300	300	-	0.0%	-
Tools & Minor Equipment	9,606	7,954	7,950	7,950	9,825	1,875	23.6%	1,875

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Training	9,731	16,901	24,450	24,450	26,264	1,814	7.4%	1,814
Utilities & Radios	24,862	26,649	36,750	37,050	38,425	1,675	4.6%	1,375
Signal & Telemetry	-	-	2,385	2,385	2,385	-	0.0%	-
Building Maintenance	6,213	13,829	10,900	10,900	3,900	(7,000)	-64.2%	(7,000)
Supplies & Consumables	5,392	5,387	5,200	5,200	5,200	-	0.0%	-
Vehicle Maintenance & Repairs	7,805	3,317	5,000	5,000	5,000	-	0.0%	-
Inventory Adjustment	-	-	-	-	-	-	0.0%	-
Utilities/Telephone	7,567	7,297	7,330	7,330	7,330	-	0.0%	-
Dues & Publications	886	1,776	3,219	3,219	3,992	773	24.0%	773
Professional Fees	40,170	67,870	78,255	78,255	114,096	35,841	45.8%	35,841
Permits & Licenses	1,762	1,754	3,443	3,443	3,443	-	0.0%	-
Liability Insurance	35,029	44,121	34,925	34,925	25,000	(9,925)	-28.4%	(9,925)
Office Supplies	4,023	3,052	3,084	3,084	3,084	-	0.0%	-
Travel & Meetings	920	170	1,200	1,200	1,200	-	0.0%	-
Software & Computers	62,386	77,351	146,135	144,535	131,543	(14,592)	-10.0%	(12,992)
Recording/Reporting	-	-	350	350	350	-	0.0%	-
Sewer Postage	532	376	686	686	686	-	0.0%	-
Adm Bldg/Equip. Maintenance	-	-	150	150	150	-	0.0%	-
Billing Statement Charges	4,020	4,250	4,200	4,200	4,300	100	2.4%	100
Billing Postage	10,758	12,559	11,000	11,000	12,500	1,500	13.6%	1,500
Copier Lease	193	17	1,789	1,789	1,789	-	0.0%	-
Public Relations	4,200	1,411	2,250	2,250	1,250	(1,000)	-44.4%	(1,000)
Employment Costs	284	809	1,338	1,338	1,751	413	30.9%	413
Employee Appreciation	4,028	5,281	5,565	5,565	5,775	210	3.8%	210
Miscellaneous	-	-	250	250	250	-	0.0%	-
Total Operating Expenses	**1,640,770**	**1,718,233**	**1,863,850**	**1,906,906**	**1,902,933**	39,083	2.1%	(3,973)

Wastewater Utility Fund
Capital, Debt, and Non-Cash Expenses
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27	Budget v Budget	Budget v Budget %	Budget v PY Projected
Capital Outlays								
Operational Capital	26,713	-	39,000	37,926	12,000	(27,000)	-69.2%	(25,926)
Wastewater Equipment Purchases	254,513	120,758	31,349	46,104	16,380	(14,969)	-47.7%	(29,724)
Total Capital Outlays	281,226	120,758	70,349	84,030	28,380	(41,969)	-59.7%	(55,650)
Debt Service								
Bond Water Issuance Fees	18,676	49,432	-	-	-	-	0.0%	-
Bond Interest Cost	7,295	68,222	53,046	163,453	244,331	191,285	360.6%	80,878
SBITA Interest	2,349	3,104	-	-	-			
Tax Exempt Lease Interest	232	150	-	-	-	-	0.0%	-
Total Debt Service	28,551	120,908	53,046	163,453	244,331	191,285	360.6%	80,878
Non-Cash Adjustments								
Transfer To Vehicle Repl. Fund	40,933	67,000	67,000	67,000	90,500	23,500	35.1%	23,500
Transfer to Wastewater Capital Fund	250,377	680,343	1,355,000	1,180,000	-	(1,355,000)	-100.0%	(1,180,000)
Transfer from ERF	(144,833)	(100,098)	(31,349)	(31,349)	-	31,349	-100.0%	31,349
GAAP Adjustments	(406,022)	(531,444)	(1,898,857)	(6,352,963)	(840,143)	1,058,714	-55.8%	5,512,820
Wastewater Depreciation	315,658	364,654	270,600	400,600	450,000	179,400	66.3%	49,400
Wastewater Amortization - SBITAs	23,819	24,317	-	-	-	-	0.0%	-
Wastewater Amortization - Leases	1,536	1,536	-	-	-	-	0.0%	-
Total Non-Cash Adjustments	81,468	506,308	(237,606)	(4,736,712)	(299,643)	(62,037)	26.1%	4,437,069
Total Capital, Debt, and Non-Cash	**391,246**	**747,974**	**(114,211)**	**(4,489,229)**	**(26,932)**	**87,279**	**-76.4%**	**4,462,297**

Wastewater Strategic and Capital Funds
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2025-26
Beginning Fund Balance	**1,250,609**	**1,367,972**	**1,602,297**	**1,602,297**	**913,364**
Transfers:					
Cert of Obligation Proceeds	-	-	-	4,400,000	-
Transfer from Other Funds	250,377	680,343	1,530,000	1,180,000	175,000
Total Transfers	**250,377**	**680,343**	**1,530,000**	**5,580,000**	**175,000**
Capital Projects					
Solids Handling	(18,141)	-	-	-	-
Wastewater Treatment Plant Expansion	151,155	410,686	1,714,987	6,155,412	-
Cojak Circle Sewer Upgrade	-	-	-	-	-
Install Sewer Line and Decommission Falls Lift Station	-	-	113,521	113,521	811,763
Non-Capital Projects					
Wastewater Rate Study	-	-	-	-	-
Impact Fee Study	-	35,332	-	-	-
Total Expenditures	**133,015**	**446,017**	**1,828,508**	**6,268,933**	**811,763**
Total Change in Fund Balance	117,363	234,326	(298,508)	(688,933)	(636,763)
Ending Fund Balance	**1,367,972**	**1,602,297**	**1,303,789**	**913,364**	**276,601**

Wastewater Impact Fees

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27
Beginning Fund Balance	**-**	**-**	**-**	**-**	**-**
Revenues					
Impact Fee Revenue	-	-	175,000	-	175,000
Interest Income	-	-	-	-	-
Total Transfers In	**-**	**-**	**175,000**	**-**	**175,000**
Transfers Out:					
Transfer to Other Funds	-	-	-	-	175,000
Total Transfers Out	**-**	**-**	**-**	**-**	**175,000**
Total Change in Fund Balance	-	-	175,000	-	-
Ending Fund Balance	**-**	**-**	**175,000**	**-**	**-**

Utility Equipment and Vehicle Replacement Fund
Proposed Budget

	Actual 2023-24	Actual 2024-25	Adopted Budget 2025-26	Projected 2025-26	Proposed Budget 2026-27
Beginning Fund Balance	**876,126**	**680,260**	**726,832**	**726,832**	**845,134**
Transfers In:					
Transfer from Water Division	49,866	114,000	114,000	114,000	128,500
Transfer from Wastewater Division	40,933	67,000	67,000	67,000	90,500
Total Transfers In	**90,799**	**181,000**	**181,000**	**181,000**	**219,000**
Transfers Out:					
Transfer to Water for Purchases	141,832	34,329	31,349	31,349	-
Transfer to Wastewater for Purchases	144,833	100,098	31,349	31,349	-
Total Transfers Out	**286,665**	**134,428**	**62,698**	**62,698**	**-**
Total Change in Fund Balance	(195,866)	46,572	118,302	118,302	219,000
Ending Fund Balance	**680,260**	**726,832**	**845,134**	**845,134**	**1,064,134**

Preliminary Budget Overview

FY 2026-27

Summer Fleming, CGFO
Director of Finance

Workshop Agenda

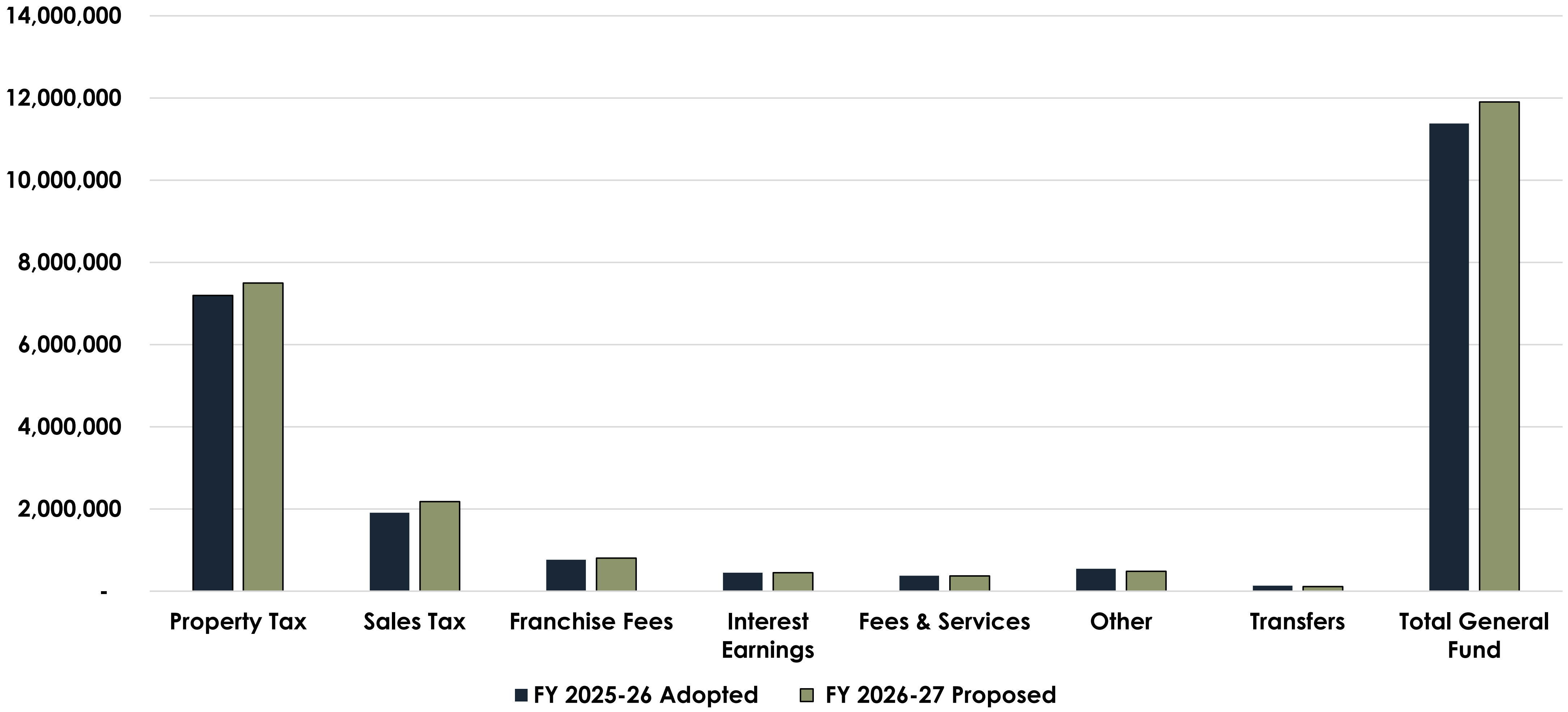
- Review General Fund updates
- Review key short-term and long-term budget drivers
- Discuss preliminary property tax rate options and the voter-approval rate
- Review Utility Fund operating and capital updates
- Confirm direction for the maximum tax rate to be presented on Aug. 6

Governmental Funds

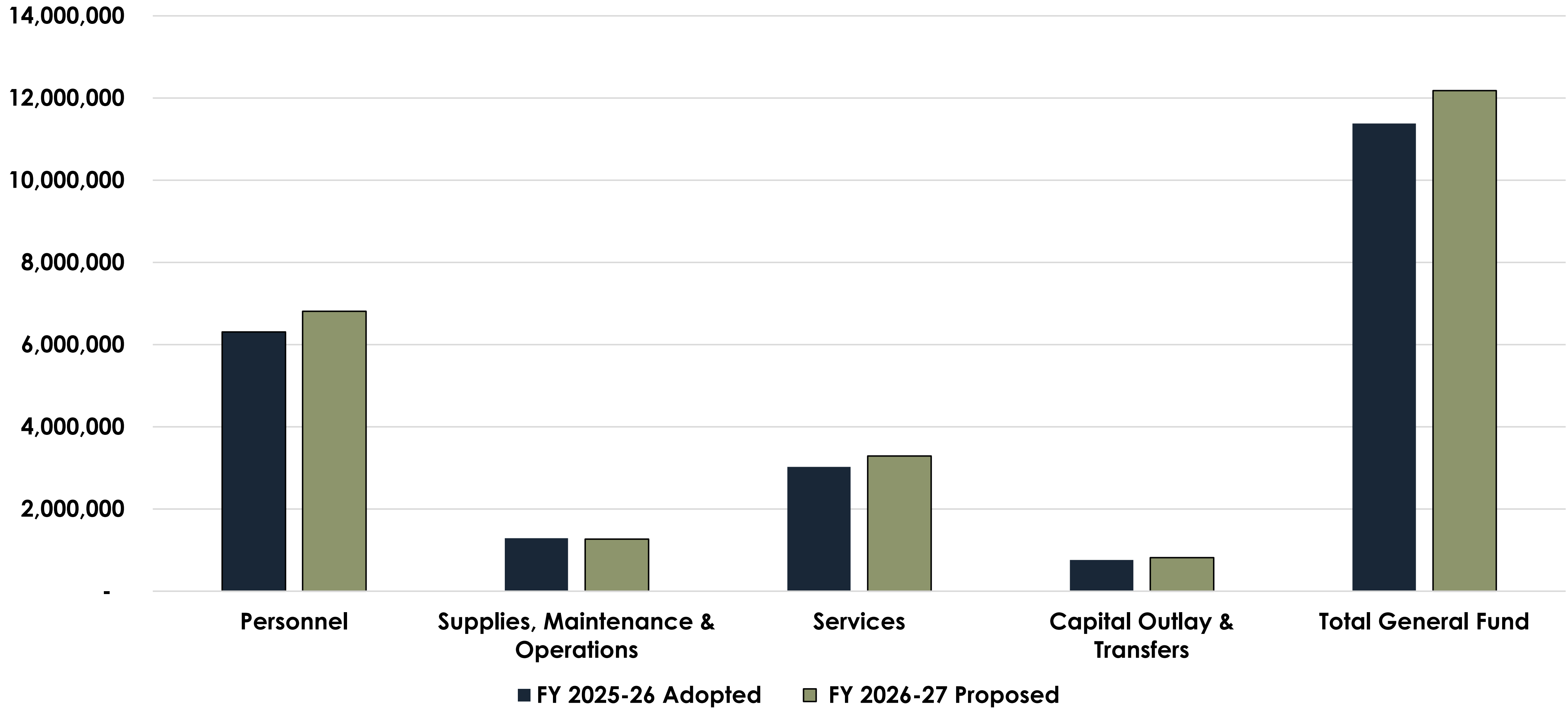
Tax-Supported Funds

- General Fund
- Strategic & Capital Projects Fund
- Bond Capital Fund
- Debt Service Fund
- Equipment Replacement Fund
- Special Revenue Funds

General Fund Revenues



General Fund Expenditures



Budget Updates – General Fund

Expenditure updates since last workshop

Expenditure Change	Impact
Reduced TML Risk Pool contribution	($24,000)
Court Security	+$ 4,820
Capital Project Tracker software	+$ 5,500
CDL Tracking software	+$ 5,000
ADA compliance software	+$ 5,500
IT contingency	+$20,000
Net Expenditure Changes	**+$16,820**

Budget Highlights – General Fund

New Investments for FY 2026-27

Expenditure	Impact
Off-Site Records Storage	+$ 2,500
New PIA Software	+$ 8,300
CDL Tracking Software	+$ 5,000
Chevy Tahoe Patrol Vehicle*	+$ 82,000
Taser Replacement (Year 1 of 5)	+$ 29,089
CDL School for 2 FTEs	+$ 8,900
Electric Message Board	+$ 18,448
Permanent Radar Signs (one pair)	+$ 7,000
Ford Bronco for Environmental/Project Managers**	+$ 36,400
Safety Coordinator	+$ 25,000

** Funded by Equipment Replacement Fund (ERF)*
*** Partially funded by ERF*

Strategic & Capital Projects Fund

Reliable Infrastructure

- Drainage CIP
  - 8426 Triple Crown (#41) - $253,094
  - 8312 Triple Crown (#43) - $269,967

Operational Excellence

- Update Comprehensive Plan - $200,000

These projects advance City Council priorities and capital improvement plan.

Available Fund Balance
Project savings and cancellations:

$519,000

Amount Needed from
General Fund Transfer:

$220,000

Total Project Funding Available:

$740,000

Bond Capital Fund - Roadway CIP

	Prior	2025-26	2026-27	2027-28	Total
Dietz Elkhorn Roadway Reconstruction	$569,586	$4,300,000	$-	$-	$4,869,586
Battle Intense	158,861	-	-	-	158,861
Rolling Acres Trail Reconstruction	-	315,000	315,000	2,520,000	3,150,000
Ammann Road reconstruction	700,838	6,508,555	-	-	6,508,555
Roadway Total	**$3,563,771**	**$11,235,555**	**$315,000**	**$2,520,000**	**$14,687,002**

Note: Most roadway project funding was appropriated in prior fiscal years. FY 2026-27 preliminary budget includes only new appropriations for the Rolling Acres Trail Reconstruction project.

General Fund Balance Summary

Category	FY 2025-26 Projected Ending	FY 2026-27 Proposed Budget	FY 2026-27 Ending
Non-spendable	$133,420	$0	$133,420
Court Restricted (Legacy funds)	23,714	(12,820)	10,894
Public Safety Restricted	45,508	(1,000)	44,508
Tree Mitigation Funds	109,017	(42,850)	66,167
Emergency Reserve	3,588,119	190,000	3,778,119
Budget Stabilization Reserve	1,800,000	80,000	1,880,000
Unassigned	3,066,495	(492,918)	2,573,177
Total Fund Balance	**$8,765,873**	**$(279,588)**	**$8,486,285**

Maintains reserves in accordance with policy

COLA Recommendation - Update

Personnel policy ties annual COLA review to CPI-U, Southwest Region.

Indicator	June 4 Workshop	Current Update	Change
U.S. CPI-U (All items)	3.8%	4.1%	+0.3%
West South-Central CPI-U (All items)	3.2%	3.3%	+0.1%
State & Local Gov't Wages & Salaries (ECI)	3.4%	-	

Proposed COLA: 2.5%

Recommendation remains unchanged while inflation and labor-cost trends continue to be monitored.

WHAT TO CONSIDER

Current CPI and labor-cost indicators have increased since the June workshop.

The proposed 2.5% COLA remains below current inflation and labor-cost indicators.

Next ECI update will not be available until late July.

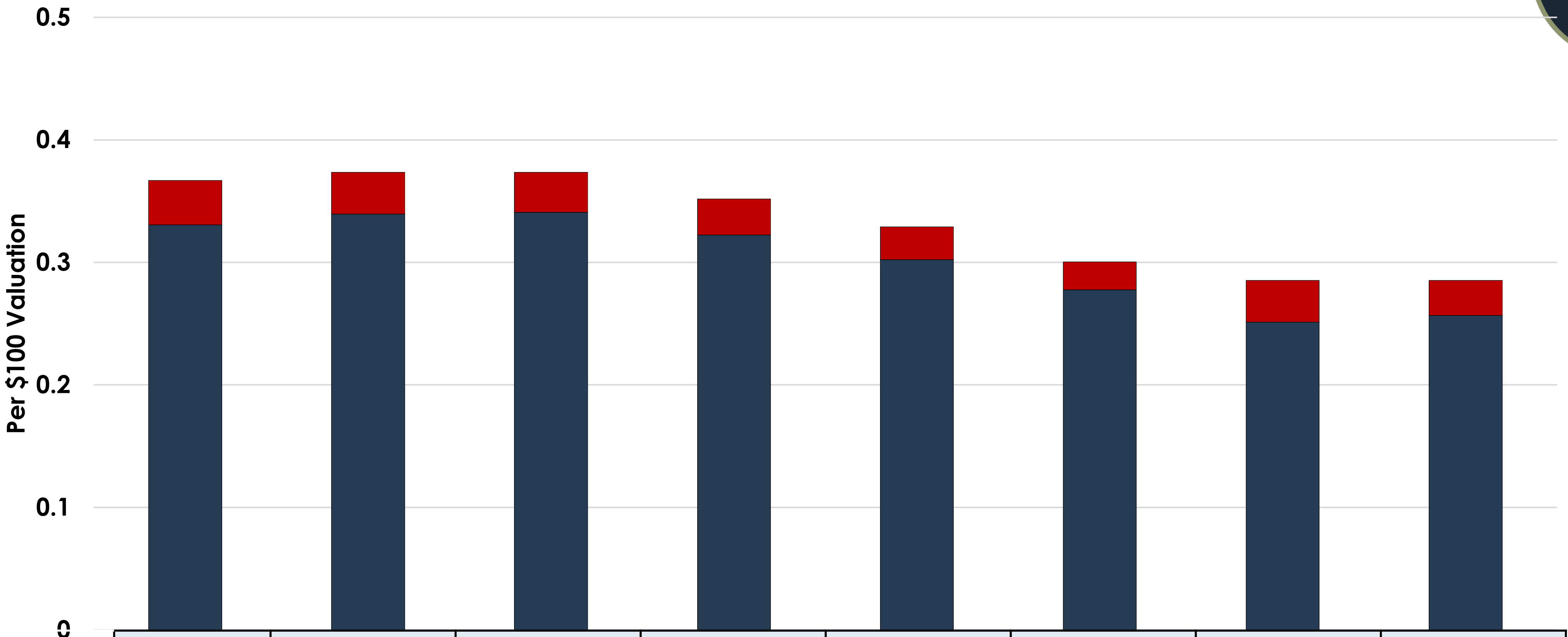
Staff will continue monitoring the data and provide a final recommendation during the August budget process.

Key Budget Drivers

- **Short-term issue**
  - FY 2026-27 preliminary General Fund budget requires either additional revenue, expenditure reductions, or use of fund balance
  - At the unadjusted voter-approval rate, the projected General Fund deficit is approximately **$279,588**
- **Long-term issues**
  - Fire/EMS contract costs increase from **$1.1 million in FY 2025-26** to **$2.72 million by FY 2029-30**
  - Voter-approved GO bond debt service increases the I&S portion of the tax rate and affects the average tax bill
  - Inflationary pressures affect costs of personnel, supplies, and services

Property Tax Rates
Voter-Approval Rate

Historical Tax Rates (Fiscal Year)



	2019	2020	2021	2022	2023	2024	2025	2026
M&O Rate	0.3306	0.3395	0.3409	0.3223	0.3023	0.2776	0.2512	0.2567
I&S Rate	0.0362	0.0340	0.0326	0.0295	0.0268	0.0229	0.0341	0.0286
Total Rate	0.3668	0.3735	0.3735	0.3518	0.3291	0.3005	0.2853	0.2853

How the Property Tax Decision Fits the Budget

- The General Fund is supported primarily by property tax revenue
- The M&O rate funds operations, including police, public works, administration, municipal court, and the Fire/EMS contract
- The I&S rate funds voter-approved debt service
- The maximum tax rate set in August creates the ceiling for the rate Council may adopt in September
- The Council may adopt a lower rate, but not a higher rate, than the noticed maximum

Unused Increment Rate Calculation - "Foregone Revenue"

Comptroller Form 50-856: The unused increment rate and corresponding foregone revenue is calculated independently each year.

		Year 3 FY 2025-26	Year 2 FY 2024-25	Year 1 FY 2023-24	Total Foregone Revenue
A	Voter-approval tax rate	0.326198	0.345477	0.356547	-
B	Unused increment rate	0.045367	0.037628	0.041203	-
C	Subtract B from A	0.280831	0.307849	0.315344	-
D	Adopted tax rate	0.2853	0.2853	0.3005	-
E	Subtract D from C	-0.004469	0.022549	0.014844	-
F	Total taxable value	2,809,485,168	2,636,680,015	2,388,156,944	-
G	Multiply E by F and divide the result by $100.	**$(125,555)**	**$594,544**	**$354,498**	**$823,487**

FY 2026-27 Unused Increment (UI) Rate

Adjusted Voter-Approval Rate Calculation

1	**Total Foregone Revenue** (from Calculation)	**$823,487**
2	**Current Year Total Taxable Value**	**$2,876,423,650**
3	**Unused Increment Rate** (Line 1 ÷ Line 2 x 100)	**0.028628**
4	**Unadjusted Voter-Approval Rate** (separate calculation)	**0.298863**
5	**Adjusted Voter-Approval Rate** (Line 3 + Line 4)	**0.327491** (per $100 of assessed value)

Tax Rate Comparison (Preliminary)

The No-New-Revenue and Voter-Approval tax rates are calculated annually in accordance with the Texas Tax Code. (per $100 valuation)

	Current FY 2025-26	2026 No-New-Revenue Rate (NNR)	2026 Recommended VAR+29% UI	2026 Maximum Voter Approval Rate
M&O Tax Rate	$0.25674	$0.24362 ↓	$0.27044	$0.29096
I&S Tax Rate	$0.02856	$0.03654 ↑	$0.03654	$0.03654
Total Tax Rate	**$0.28530**	**$0.28016**	**$0.30698**	**$0.32749**
M&O Levy	$7,238,103	$7,007,543 ↓	$7,779,000	$8,369,098
I&S Levy	805,173	1,050,901	1,050,901	1,050,901
Total Levy	**$8,043,276**	**$8,058,445**	**$8,829,901**	**$9,420,000**
Avg. Home Value	$713,497	$726,108	$726,108	$726,108
Annual Tax Bill	$2,036	$2,034	$2,229	$2,378
Change in Tax Bill	-	**($1)**	**$193**	**$342**

What if the Maximum Tax Rate the Law Allows is Used?

- **Available incremental rate used before it expires**
  If not used now, this future revenue capacity is permanently lost.

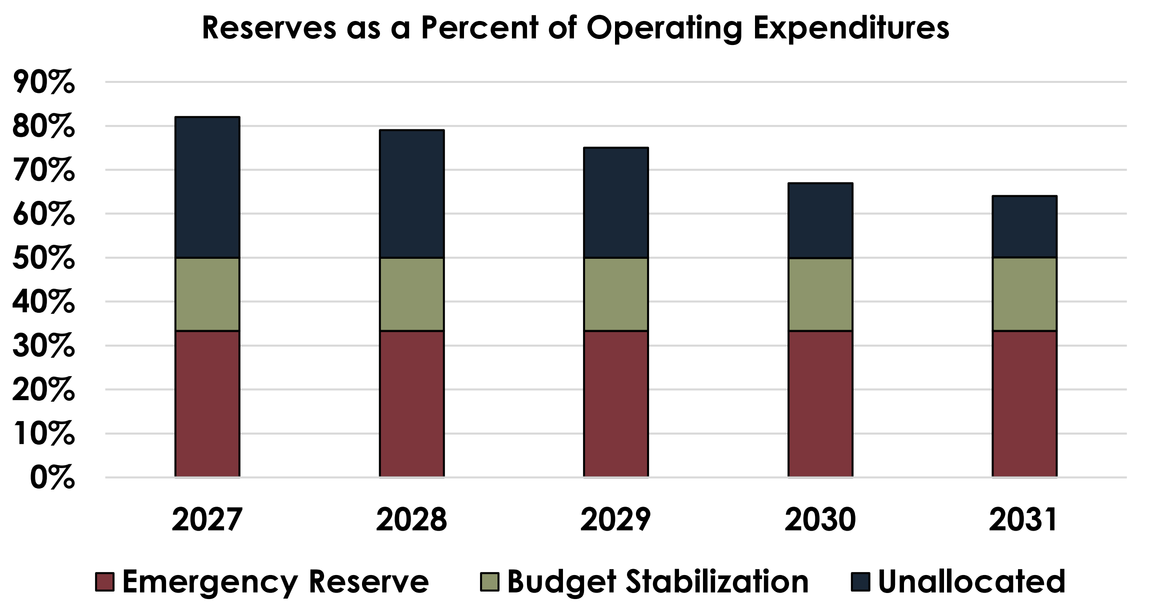
- **Using it now preserves future revenue flexibility**
  It generates additional revenue beyond what is needed in the current year and gives the City maximum flexibility going forward.

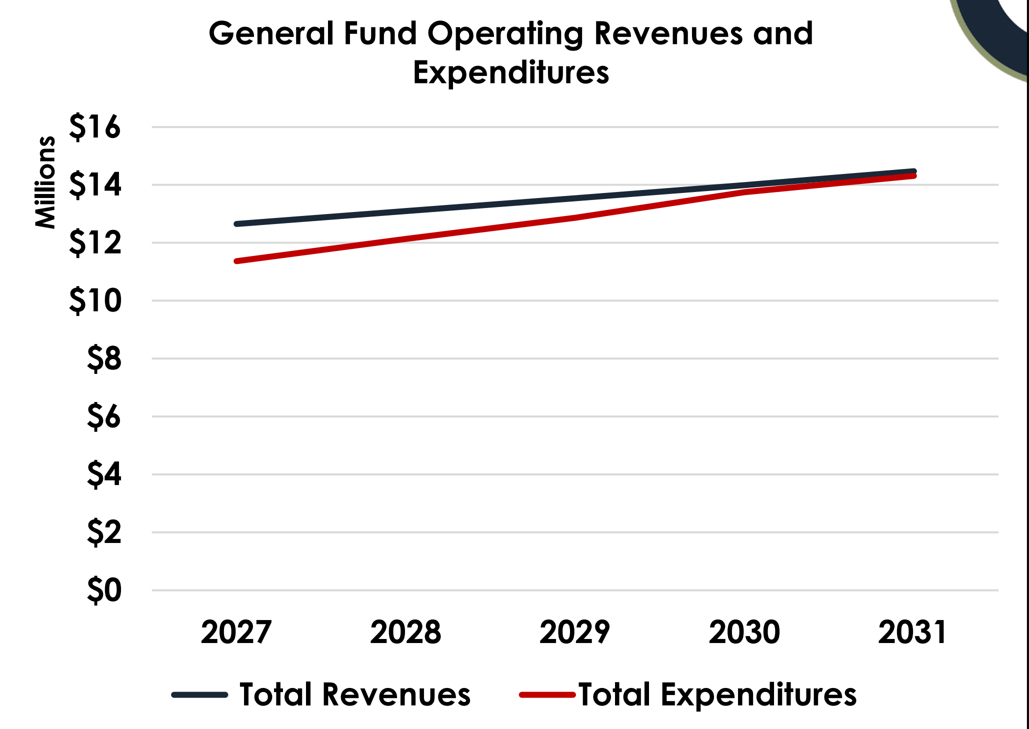
- **No future impact on the Budget Stabilization Reserve**
  The five-year plan anticipates having $1.9M available unassigned fund balance and maintaining both the Budget Stabilization Reserve and Emergency Reserve in 2031.

- **Largest increase in the average tax bill in year one ($342)**

Maximum Scenario: Five-Year Tax Bill / Reserve Impact

Protect Reserves Over Five-Year Horizon





	2026	2027	2028	2029	2030	2031
Average Tax Bill	$2,036	$2,378	$2,509	$2,574	$2,644	$2,615
Total change		+$342	+$131	+$65	+$70	-$29
M&O change		+$281 (15%)	+$50 (2%)	+$52 (2%)	+$54 (2%)	+$56 (2%)
I&S change		+$ 61 (30%)	+$81 (31%)	+$13 (4%)	+$16 (4%)	-$85 (-23%)

What if the Recommended Rate is Used?

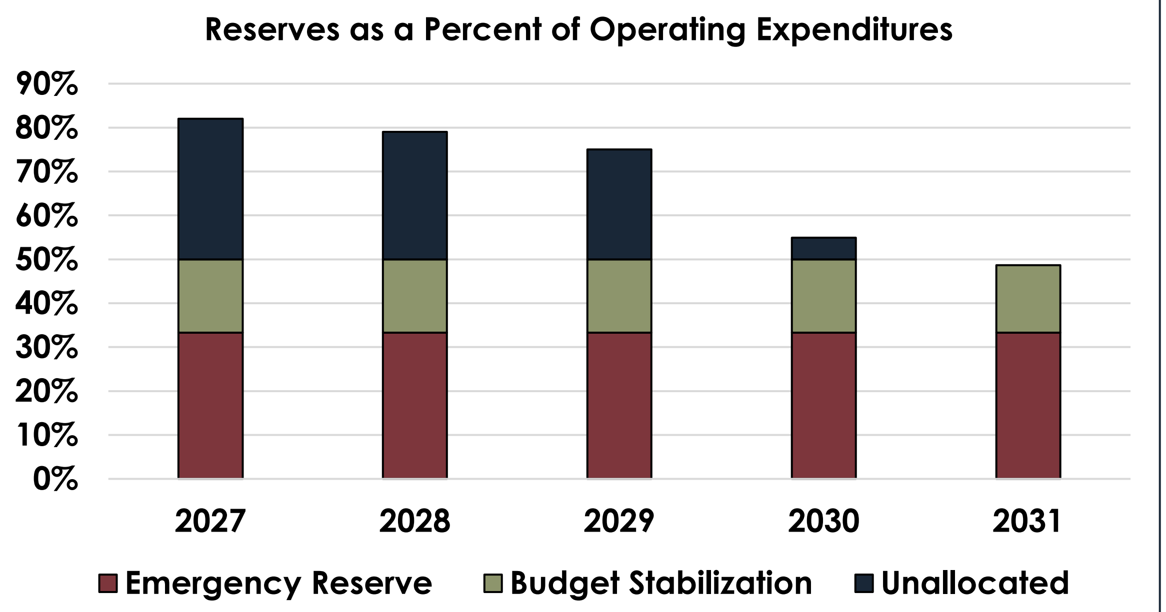
- **Uses some of our unused incremental rate (foregone revenue)**
  Unused increments would be used completely, but over two years, allowing a portion to expire.

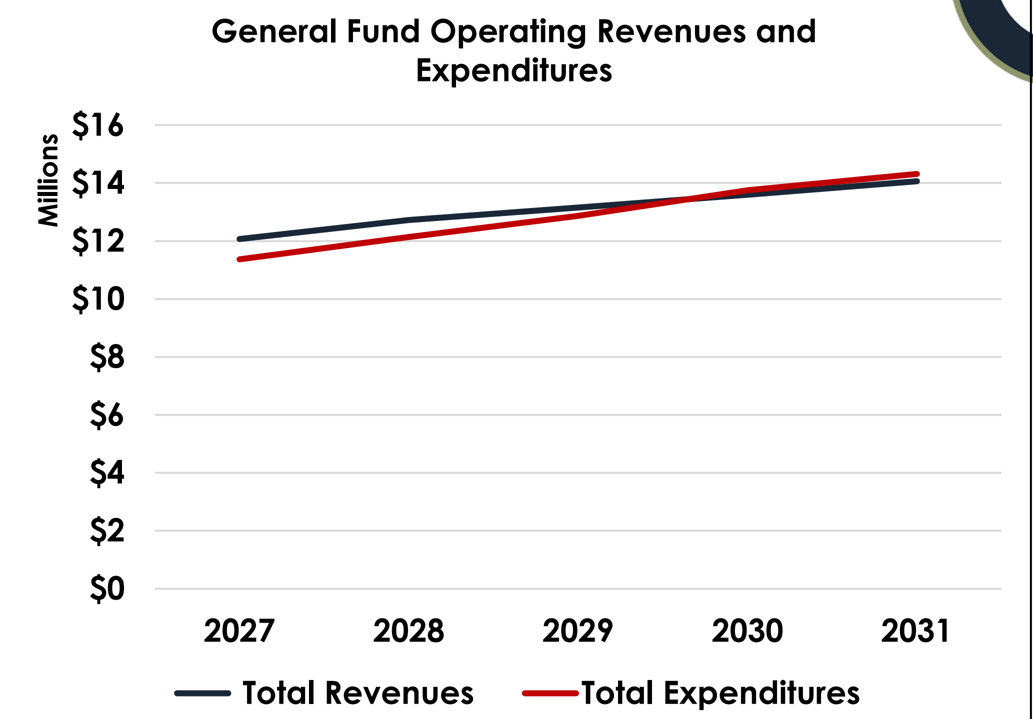
- **Reduces impact of the tax bill increase on residents**
  Average increases would be under $200 the first two years, dropping to under $100 in future years.

- **Requires future reliance on the Budget Stabilization Reserve to supplement revenue**
  The five-year plan anticipates using all available unassigned fund balance and drawing on the Budget Stabilization Reserve in 2031

Staff-Recommended Rate

Minimal use of Reserves Over Five-Years





	2026	2027	2028	2029	2030	2031
Average Tax Bill	$2,036	$2,229	$2,415	$2,478	$2,546	$2,514
Total change		+$193	+$186	+$63	+$68	-$31
M&O change		+$132 (7%)	+$105 (5%)	+$50 (2%)	+$52 (2%)	+$54 (2%)
I&S change		+$ 61 (30%)	+$81 (31%)	+$13 (4%)	+$16 (4%)	-$85 (-23%)

Budget Updates – General Fund

Property Tax Revenue

Staff Recommendation
Recommend adopting a tax rate that uses a portion of available incremental rate

June Workshop (Unadjusted Voter-Approval Rate(VAR))	Current Recommendation (VAR + some unused increments)
Estimated Property Tax Revenue $7,421,664	**Estimated Property Tax Revenue $7,701,252**

Additional Property Tax Revenue: +$279,588

Uses 29% of available incremental rate

Prevents expiration of all unused taxing capacity

Strengthens the City's long-term financial position

General Fund Summary with Revenue Updated

Total Revenues
$12,068,461

–

Total Operating Expenditures
$11,367,718

=

Operating Surplus
$700,743

How the Operating Surplus is Used

Transfer to Equipment Replacement Fund	($282,806)
Transfer to Strategic & Capital Projects Fund	($220,000)
Capital Outlay	($197,937)
Total Uses	($700,743)
Total Surplus (added to Fund Balance)	$0

Options for setting max tax rate

Maximum Allowable Tax Rate	Staff Recommended Tax Rate	Current Budget Proposal Tax Rate
0.32749	**0.30697**	**0.29886**
Voter-Approval-Rate + 100% of unused increments	Voter-Approval-Rate + 29% of unused increments	Unadjusted Voter-Approval-Rate
Addition of $584,298 to the fund balance	No change in the fund balance	Reduction of fund balance by $279,588
Greatest flexibility for tax rate adoption	Can reduce the rate before adoption	Least flexibility for adoption

Utility Funds

Operating Performance & Rate Sufficiency

	FY 2025-26 Adopted Budget	FY 2026-27 Preliminary Budget	Budget vs Budget
Operating Revenues	$8,073,276	$7,986,042	($87,234)
🔒 Less (-): Restricted Revenues *(Debt Service & Impact Fees)*	(1,729,544)	(1,891,842)	162,298
Available Revenue for Operations	**6,343,732**	**6,094,200**	**(249,532)**
Total Operating Expenses	**6,097,310**	**6,344,190**	**246,880**
Operating Income (Available, Before Depreciation)	**246,422**	**(249,990)**	**(496,412)**
Depreciation & Amortization	820,600	1,200,000	379,400
Operating Income After Depreciation (Rate Sufficiency Indicator)*	**($574,178)**	**($1,449,990)**	**($875,812)**

- **Operating revenue does not include interest earnings +$450,000**
- **Major infrastructure is funded through debt, not operating revenues**

Expenditures

Category	FY 2025-26 Adopted Budget	FY 2026-27 Preliminary Budget	Budget vs Budget ($)	Budget vs Budget (%)
Personnel	$2,124,525	$2,364,528	$240,003	11.3%
Supplies, Maintenance, and Operations	3,554,739	3,468,514	(86,225)	(2.4%)
Services	418,046	511,148	93,102	22.3%
Total Operating Expenditures	**$6,097,310**	**$6,344,190**	**$246,880**	**4.0%**
Capital Purchases	390,938	218,436	(172,502)	(44.1%)

Budget Updates – Utility Fund

Expenditure updates since the last workshop

Expenditure Change	Impact
Addition of a Utility Technician FTE (wages and ancillary)	+$64,904
Net Expenditure Changes	**+$64,904**

Budget Highlights – Utility Fund

New Investments for FY 2026-27

Expenditure	Impact
Satellite Leak Detection Service	+$63,000
Safety Coordinator	+$25,000
Valve Exercising Machine	+$13,676
Easement Gates (Year 1 of 3)	+$10,000
Electric Message Board	+$18,448
Trailers for Generators (2)	+$14,312
Wastewater Pump for Falls Lift Station	+$12,000
New FTE – Utility Technician	+$64,904

Water CIP

	Prior	2025-26	2026-27	Total
Willow Wind/Red Bud Hill WL (29R)	$422,698	$527,814	$-	$950,512
Elevated Storage Tank (2W)	887,154	6,021,326	4,803,674	11,712,154
Rolling Acres Trail WL Rehab (28R)	70,080	607,655	-	677,735
Old Fredericksburg Rd. WL (21W)	588,546	50,127	-	638,673
Expand Plant No. 5 (5W)	310,562	1,239,737	-	1,550,299
Plant No. 3 Electrical (5R)	38,960	138,960	-	177,920
SAWS Emergency Interconnect	21,195	390,787	-	411,982
Ground Storage Tank at Plant No. 4	-	-	400,000	400,000
GBRA Waterline contribution	-	750,000	-	750,000
Dietz Elkhorn Rd. Waterline	-	1,778,758	-	1,778,758
Water Total	**$2,339,195**	**$11,505,164**	**$5,203,674**	**$19,048,033**

Wastewater CIP

	Prior	2025-26	2026-27	Total
WWTP Phase 1 Expansion (2S)	$855,838	$6,155,412	-	$7,011,250
Install Sewer Line & Decommission Falls Lift Station (1S)	-	113,521	811,763	925,284
Wastewater Total	**$855,838**	**$6,268,933**	**$811,763**	**$7,936,534**

Projected Net Position

Category	Projected 9/30/2026	FY 2026-27 Budget	Projected 9/30/2027
Net Investment in Capital Assets	$11,640,334	$2,548,690	$14,189,024
Water Capital Fund	1,543,778	(1,503,674)	40,104
Wastewater Capital Fund	913,365	(636,763)	276,602
Equipment Replacement Fund	845,134	219,000	1,064,134
Debt Service Reserve	1,465,804	(134,441)	1,331,363
Emergency Reserve	4,739,114	(367,826)	4,371,288
Total Net Position	**$21,147,529**	**$124,986**	**$21,272,515**

Estimated Change in Fees

Water Fees			
	FY 2026	FY 2027	Change
Surface Water Fee	$18.50	$17.81	($0.69)
TCEQ Fee	0.20	0.20	-
Debt Service Fee	23.89	29.69	5.80
Capital Reserve Fee	2.67	-	(2.67)
Total Fees	**$45.26**	**$47.70**	**$2.44**

Wastewater Fees			
	FY 2026	FY 2027	Change
TCEQ Fee	$0.05	$0.05	$-
Debt Service Fee	16.91	17.85	0.94
Capital Reserve Fee	-	-	-
Total Fees	**$16.96**	**$17.90**	**$0.94**

Surface Water Fee Decreases
Total GBRA charges are increasing approximately 3%; however, lower O&M costs offset the increase in the firm water rate, resulting in a decrease in the per-1,000-gallon surface water fee charged to customers.

Council Direction & Next Steps

Budget Calendar

Date	Action
July 25	Receive Certified Values
August 6 **Regular Meeting**	Budget Workshop Present calculated tax rates Resolution setting maximum tax rate and the Public Hearing
August 17	File the FY 2026-27 Proposed Budget
August 20 **Regular Meeting**	Budget Workshop
September 17 **Regular Meeting**	Public Hearing for Budget Public Hearing for Tax Rate 1st reading Budget Ordinance 1st reading Tax Rate Ordinance
September 22 **Special Meeting**	2nd reading Budget Ordinance 2nd reading Tax Rate Ordinance

Council Direction & Next Steps

- Staff is requesting Council direction on whether to prepare the Aug. 6 maximum tax-rate resolution using:
  1. Maximum adjusted voter-approval rate: **$0.32749**
  2. Staff-recommended rate: **$0.30697**
  3. Unadjusted voter-approval rate: **$0.29886**

- The Aug. 6 action sets the maximum rate for notice.
- The proposed budget will be filed Aug. 17.
- The Council may adopt a lower rate in September.