



## AGENDA ITEM COMMENTARY

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<b>MEETING NAME:</b>	City Council
<b>MEETING DATE:</b>	August 5, 2024
<b>ITEM TITLE:</b>	Consider and take appropriate action on Budget Workshop #4.
<b>STAFF INITIATOR:</b>	Randy Criswell, City Manager

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### BACKGROUND:

At the time of the creation of this agenda item, the budget process remains somewhat on “hold” until we receive final tax rate calculations. As was discussed at the previous workshop, we anticipate those figures sometime prior to the August 5 meeting. Those figures will allow us to finalize property tax revenue and to determine exactly where we are with the General Fund.

I have some positive news, in that after discussing water rates with Newgen, the proposed water rates that coincide with the Impact Fee adoption will generate enough revenue to meet the commitments you’ve requested and will not require additional increases at this time. We will discuss those recommendations when we hear the impact fee reports on Monday.

We are also including as an attachment a DRAFT version of the budget. Please understand this is draft only, and may or may not reflect every change that I’ll make between now and budget adoption. It is, however, close.

As you will receive the budget (Friday August 2), we are roughly \$182,000 from being completely balanced. The Utility Fund is balanced and the General Fund has a deficit of \$182,368. I am still hopeful our final tax rates will positively effect these figures.

As discussed previously, there will be a couple of action items from this Budget Workshop.

1. We will need action to authorize staff to proceed with the steps necessary for the issuance of a Tax Anticipation Note for proceeds of \$2,000,000.
2. We will need action to vote on the maximum tax rate that will be adopted. As discussed, this is a roll-call vote.

### EXHIBITS:

Draft budget

### COUNCIL ACTION/STAFF RECOMMENDATION:

- Motion to authorize staff with steps necessary to issue a Tax Note for proceeds of \$2,000,000 for equipment purchases.
- Conduct Record Vote on maximum tax rate that will be adopted.