



AGENDA ITEM COMMENTARY

MEETING NAME:	City Council
MEETING DATE:	August 17, 2026
ITEM TITLE:	Consider and take appropriate action on FY 2027 Budget Workshop #6
STAFF INITIATOR:	Randy Criswell, City Manager

BACKGROUND:

We still have some work to do on the final “written” parts of the budget publication, but from a “numbers” standpoint, the budget is finished. Instead of another PowerPoint presentation, here’s a summary and highlight of the budget, and there’s a link below.

Goals for the FY 2027 Budget:

- Balanced Budget
- Don’t increase the tax rate
- Employees
- Maintain infrastructure
- Increase staff where needed, if possible

How did we do?

- Budget is balanced.
 - Budget is conservative
 - Department Heads and staff did a great job of identifying true needs
- Tax rate remains at \$0.847604
- Employees
 - 3.5% pay increase
 - Kept health insurance increase to less than 20% without sacrificing benefits or adding cost to employees – this year.
- Infrastructure
 - Increased Sealcoating (Up by \$52,000)
 - Increased street maintenance (\$30,000 for miscellaneous needs)
 - Alleys (and therefore trash collection) will be improved in old Wolfforth (\$70,000)
 - Computer equipment
 - Security upgrades
 - Well rehabilitation (\$54,000)
 - Water system improvements (\$130,000)
 - Wastewater Lift Station upgrades and improvements (\$120,000)
 - WWTP improvements (\$75,000)
 - Vehicles (\$195,000)

- Increased staff
 - New position in Library
 - New position - Building Inspector
 - New position – Assistant City Secretary
 - New position – Public Works department
 - Addressed salary compression in Fire/EMS
- Looking to the future
 - City Complex Master Plan (\$240,000)
 - Downtown Master Plan (\$240,000 EDC)
 - Law enforcement training facility (\$10,000 for site design)
 - WWTP – engineering pertaining to future use or decommissioning (\$50,000)
 - Bringing some Fire Marshall functions in-house, improving third-party function
- Other highlights:
 - Additional water from Loop 88 East (\$200,000)
 - Saved \$75,000 by changing property tax deductibles
 - No increases in sewer rates or sanitation rates
 - Scheduled increase in water rates per our Rate Study recommendations. To be adopted on August 24 with budget.

Total Budget

	FY 2027: \$27,722,641	FY 2026: \$23,844,128
General Fund	\$12,524,438	\$11,054,334
Utility Fund	\$9,790,760	\$8,419,750
Sanitation Fund	\$1,702,000	\$1,340,000
Debt Service Fund	\$1,880,993	\$1,768,795
EDC Fund	\$1,150,000	\$775,000
Other Funds	\$674,450	\$486,249

Tax Rate Information

	<u>FY 2027</u>	<u>FY 2026</u>
NNR Rate	\$0.814396	\$0.737459
VAR Rate	\$0.832559	\$0.812173
De Minimis Rate	\$0.861808	\$0.847604
Adopted Rate	\$0.847604	\$0.847604

Overall revenues in the General Fund are up in several areas, all because of growth. Property taxes are up due to increased values and \$89 million in new growth. Sales tax collections, Permit fees, and Franchise Fees are growing as homes are built.

EXHIBITS:

https://cg-prod-v2.s3.us-east-2.amazonaws.com/cleardocs/pdf/ClearDoc_27439_1786715661980.pdf

COUNCIL ACTION/STAFF RECOMMENDATION:

Council discretion.