

Budget Work Session Fiscal Year 2023-2024

June 27, 2023

Proposed Revenue/Expenditure Assumptions

Certified Total Estimated Value as of April 30: \$6,920,554,955

Certified Estimated Value of New Construction as of April 30: \$213,430,800 (equates to \$1,244,579 in revenue)

Proposed Sales Tax is a 10% increase over FY 2023 Budgeted/Projected (6 month actuals at 54%)

Assumes an **estimated** No New Revenue Tax Rate of **.533130** and voter approval rate of **.640763**

Assumes an additional two cents for new debt requirement (approved by voters) **.553130**

Assumes another 1/2 cent to partially fund the new Ambulance Service Program **.558130**

Assumes sales tax increase and interest earnings will fund the remaining cost of the Ambulance Service Program

Base Budget increased overall by 1.7% which must account for any inflation

Includes a \$700,000 reduction in the Streets Department base budget for maintenance

Items Included in Proposed Base Budget

	<u>Amount</u>
15% increase in health insurance	\$486,129
3% average merit increase for the General Employees (effective January 2024)	\$267,709
Pay plan adjustments for Police and Fire (effective October 2023)	<u>\$785,000</u>
Total	\$1,538,838 *

* Supported by No New Revenue Rate

General Fund Summary

Estimated Beginning Fund Balance - 10/01/23	\$ 21,422,311
Proposed Revenues '24 (@ .558130)	55,549,839
Proposed Expenditures Base Budget '24	(52,210,273)
New EMS Program (Recurring Expense)	(2,476,032)
Recommended Requests (Recurring Expense)	(863,534)
Use of Fund Balance	<u>(1,668,710)</u>
Estimated Ending Fund Balance 09/30/24	\$ 19,753,601 a)

a) Fund balance is 35.6% of expenditures.

New Recurring Recommendations - General Fund

Dept	Description	Amount
Personnel		
City Secretary	Upgrade Record Analyst to Records and information Analyst II	\$ 3,448
IT	IT System Specialist	\$ 80,639
Police	Two Sworn Officers (4)	\$ 476,727
Police	School Resource Officer	\$ 119,186 (a)
Police	Records Clerk	\$ 57,192
Streets	Signal Technician	<u>\$ 58,342</u>
		\$ 795,534
Non-Personnel		
Police	Axon Tasers	\$ 68,000
	Total Recommend Recurring Requests	\$ 863,534

a) WISD \$51,000 reimbursement
included in General Fund Revenue.

Use of Fund Balance - General Fund

Dept	Description	Amount
City Secretary	Public Information Request Software	\$ 14,010
Police	Patrol Replacement Tahoes (3)	\$ 120,000
Police	New Patrol Tahoes for Requested Positions (4)	\$ 160,000
Fire	Replace Fire Marshall Vehicle	\$ 74,200
Fire	EMS One Time Expense	\$ 837,000
Animal Control	Needs Assessment Study	\$ 35,000
Streets	Aerial Bucket Truck	\$ 220,000
Streets	Fleet Services Equipment and Updates	\$ 18,500
Streets	School Zone Flasher Assembly	\$ 90,000
Streets	Sachse Road/Creek Crossing Traffic Signal Design	<u>\$ 100,000</u>
Total		\$ 1,668,710

Utility Fund Summary

Estimated Beginning Fund Balance - 10/01/23	\$ 25,610,271
Proposed Revenues '24	30,193,114 a)
Proposed Expenditures '24	(26,585,246)
Recommended Requests (Recurring Expense)	(72,895)
Recommended Requests (One Time Uses and Equipment)	<u>(944,095)</u>
Estimated Ending Fund Balance 09/30/24	\$ 28,201,149 b)

a) Assumes 5.0% water rate increase and 5.5% sewer rate increase per the 2023 rate study.

b) Policy requirement is 90 days of operating expenditures. This ending fund balance is 387 days.

Utility Fund Recommended Requests

Dept	Description	Amount
Water	Water Quality Specialist	\$ 72,895
	Total Personnel	\$ 72,895
Water	6 YD. Dumptruck	\$ 137,000
Water	Hydro-Vac Truck	\$ 513,000
Water	Infrared Gate Openers	\$ 15,000
Water	Portable Radios	\$ 22,700
Engineering	Stormwater Utility Fee Study	\$ 150,000
Wastewater	Multi-Smart Controllers	\$ 36,530
Wastewater	Portable Camera Inspection Equipment System	\$ 69,865
	Total Equipment and One Time Uses	\$ 944,095
	Total Recommended Requests	\$ 1,016,990

4B Sales Tax Fund Summary

Estimated Beginning Fund Balance - 10/01/23	\$ 3,926,368
Proposed Revenues '24	5,696,500
Proposed Expenditures '24	(4,089,026)
Recommended Requests (Recurring Expense)	<u>(96,881)</u>
Recommended Requests (One Time Uses and Equipment)	<u>(1,422,000)</u>
Estimated Ending Fund Balance 09/30/24	\$ 4,014,961 a)

a) Policy requirement is 25% of budgeted sales tax revenue ($\$4,536,561 \times 25\% = \$1,134,140$).

4B Recommended Requests

Dept	Description	Amount
WRC	Upgrade PT GSS Programs to FT	\$ 33,970
4B Parks	Equipment Operator - Athletics	<u>\$ 62,911</u>
	Total Personnel	\$ 96,881
SRC	12 Passenger Van	\$ 70,000
4B Parks	Community Park Playground Phase 2 Installation	\$ 65,000
4B Parks	Community Park Playground Poured in Place Surfacing	\$ 375,000
4B Parks	Zero Turn Mower Replacement	\$ 15,000
4B Parks	5900 Large Mower Replacement	\$ 147,000
4B Parks	Pavilion at the Library	\$ 50,000
4B Parks	Pirate Cove Playground Replacement	\$ 700,000
	Total Equipment and One Time Uses	\$ 1,422,000
	Total Recommend Requests	\$ 1,518,881