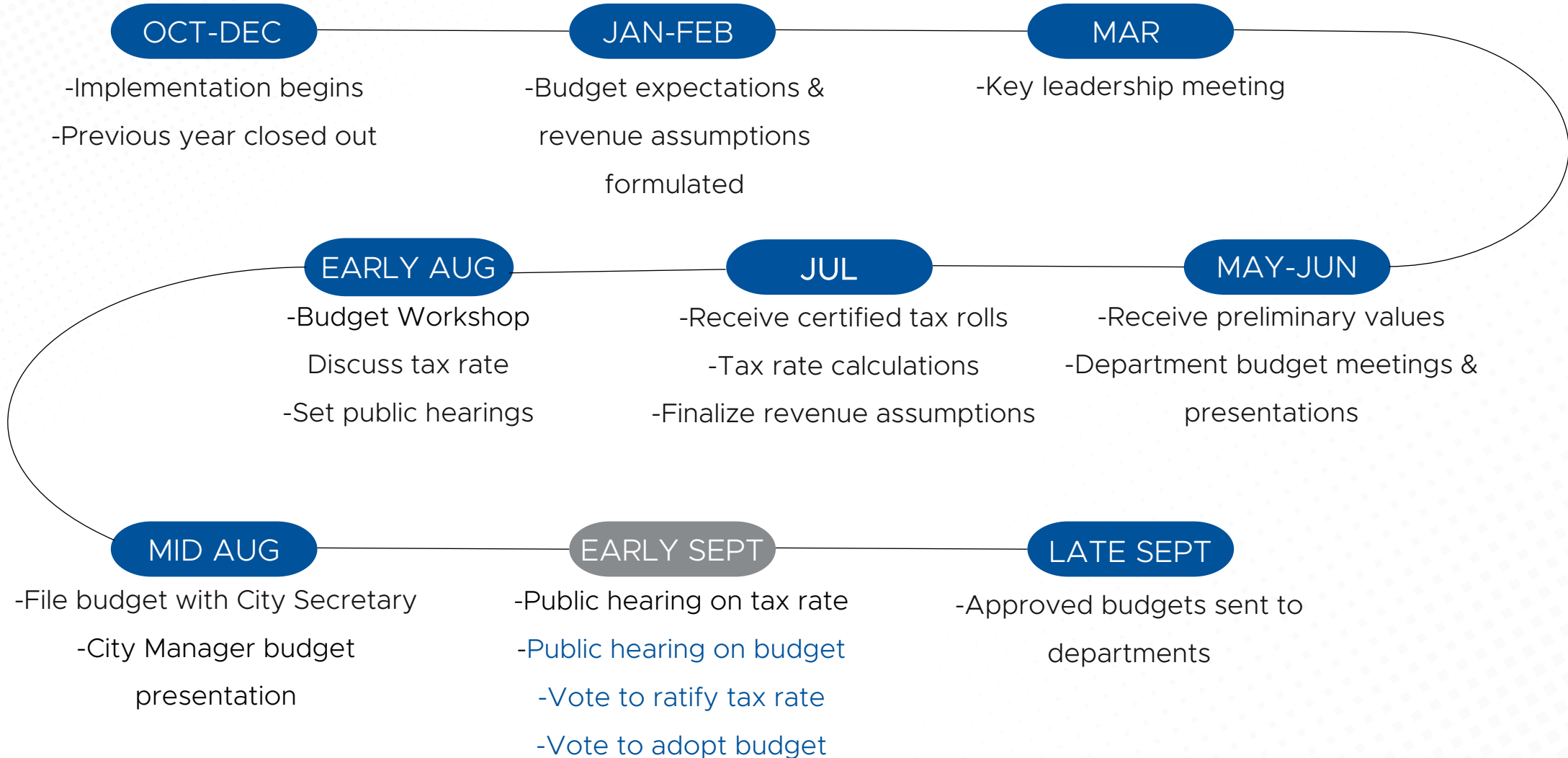


FY 2024-2025 BUDGET PRESENTATION

September 16th, 2024

BUDGET DEVELOPMENT PROCESS



IMPORTANT DATES

PREVIOUS COUNCIL BRIEFINGS:

- June 3rd: North Texas Municipal Water District (NTMWD) Annual Report
- June 10th: Transportation and Mobility & Information Technology Work Plan, Dallas Area Rapid Transit (DART) Annual Report
- June 17th: Water/Wastewater Maintenance & Drainage Utility Program Strategies
- July 8th: Streets and Alleys Council Briefing
- July 15th: Facilities Services Maintenance & Parks Maintenance Strategies
- July 22nd: Golf course renovations and rates
- August 5th and 6th: Budget Workshop
- August 15th: Budget filing
- August 19th: Budget Presentation
- September 9th: Public Hearing on Tax Rate

TODAY: September 16th: Public Hearing on Budget and vote to ratify tax increase reflected in the budget, adopt budget and adopt property tax rate for FY 2024-2025

Briefings can be found at: www.cor.net/government/boards-commissions-meetings/city-council/city-council-regular-meeting-documents

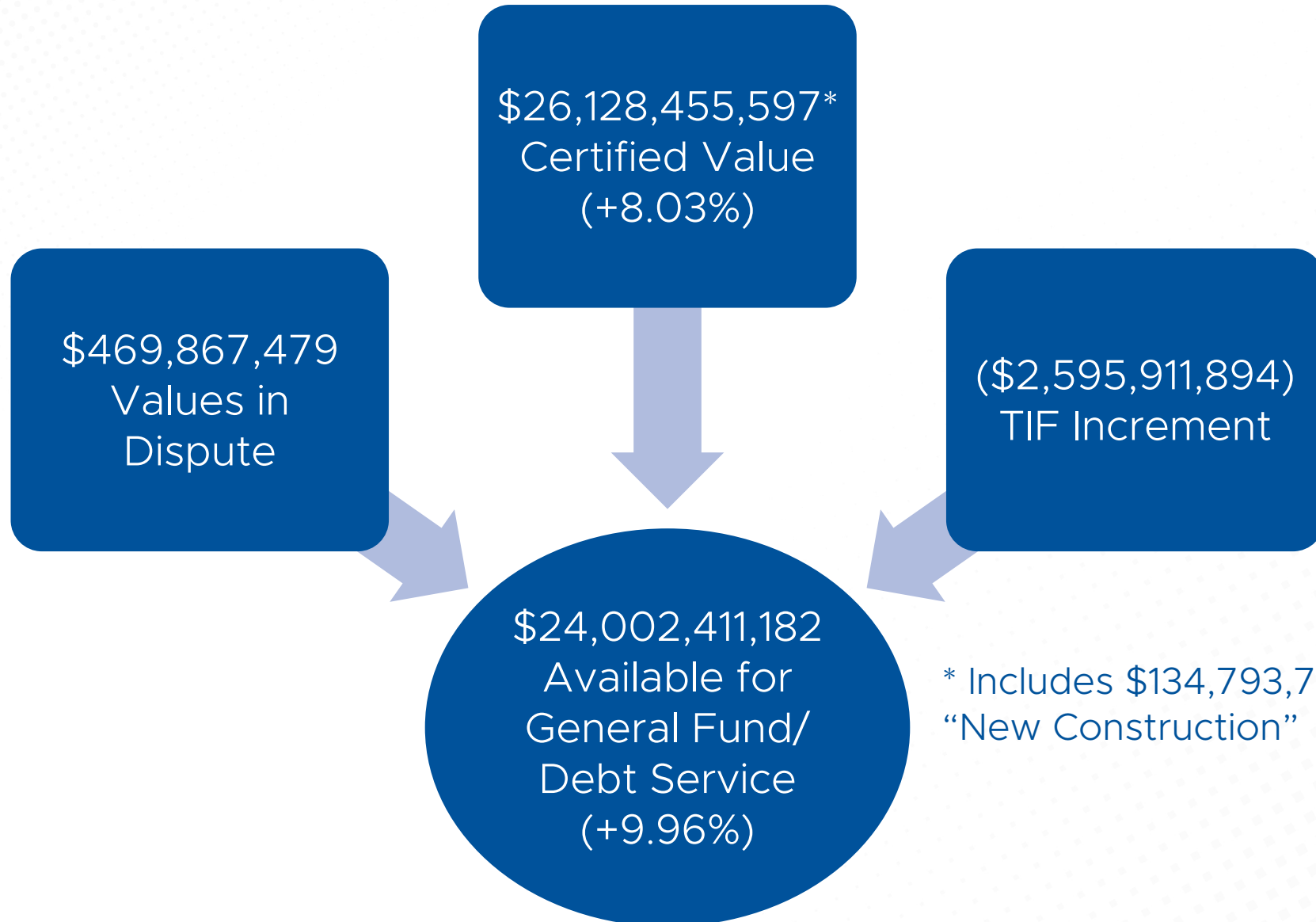
BUDGET PRESENTATION OVERVIEW

- Economic Factors Impacting Budget Development
- Economic Development Response
- Key Budget Focus Areas
 - Employee Recruitment and Retention
 - Public Safety
 - Infrastructure
 - Economic Development
- General Fund Highlights
 - Tax Rate Discussion
- Other Fund Highlights
- Capital and Debt Planning
- Total Operating Budget
- Final Thoughts



TAX RATE DISCUSSION

CERTIFIED TAX ROLL



* Includes \$134,793,718 of
“New Construction”

TAX ROLL IMPACTS

- 51.75% of residential accounts saw a market value increase of 10% or more
- 65.56% of residential accounts qualified for the homestead cap limiting taxable increases to 10%

Average Home Values

Market: \$475,638 (+10.18%)
Taxable: \$387,624 (+10.37%)

- Current senior exemption of \$145,000 equates to a 30.21% protection against market value
- Total senior accounts increased by 2.27% - currently 31.99% of residential accounts

Residential/Commercial Value Split

41.76% Residential
58.24% Commercial

Taxable Roll Change

+10.38% Residential
+3.95% Commercial
+12.41% BPP

TAX RATE OVERVIEW

- **Property Tax Rate** is the adopted tax rate assessed on the taxable value of real and business personal property
 - Comprised of two components:
 - A **Maintenance & Operations Rate** that goes to the General Fund for general spending
 - A **Debt Rate** that goes to the Debt Service fund to pay outstanding debt
- **No New Revenue Rate** would generate approximately the same revenue as the prior year
- **Voter Approval Rate** is the highest rate that a City Council can adopt without a mandatory ratification election
 - This rate allows a City to collect 3.5% more revenue from property taxes than in the prior year unless the City has increment to apply to the rate
 - Increment is created when a City adopts a Property Tax Rate lower than the Voter Approval Rate
 - Available unused increment is \$.00493 of the tax rate based on current taxable valuation
 - State Law allows for the increment to be applied to future tax rates within three years
 - After three years, any increment is forfeited
 - **Published Voter Approval Rate** includes the total increment available to the City

TAX RATE OVERVIEW

Current Tax Rate	No New Revenue Rate	Voter Approval Rate (without increment)	Voter Approval Rate (with increment)
\$0.34316 M&O \$0.21779 Debt <hr/> \$0.56095 Total	\$0.30866 M&O \$0.19242* Debt <hr/> \$0.50108 Total	\$0.31946 M&O \$0.21779 Debt <hr/> \$0.53725 Total	\$0.32439 M&O \$0.21779 Debt <hr/> \$0.54218 Total

* True Debt Service rate is calculated based on actual Debt Service requirements

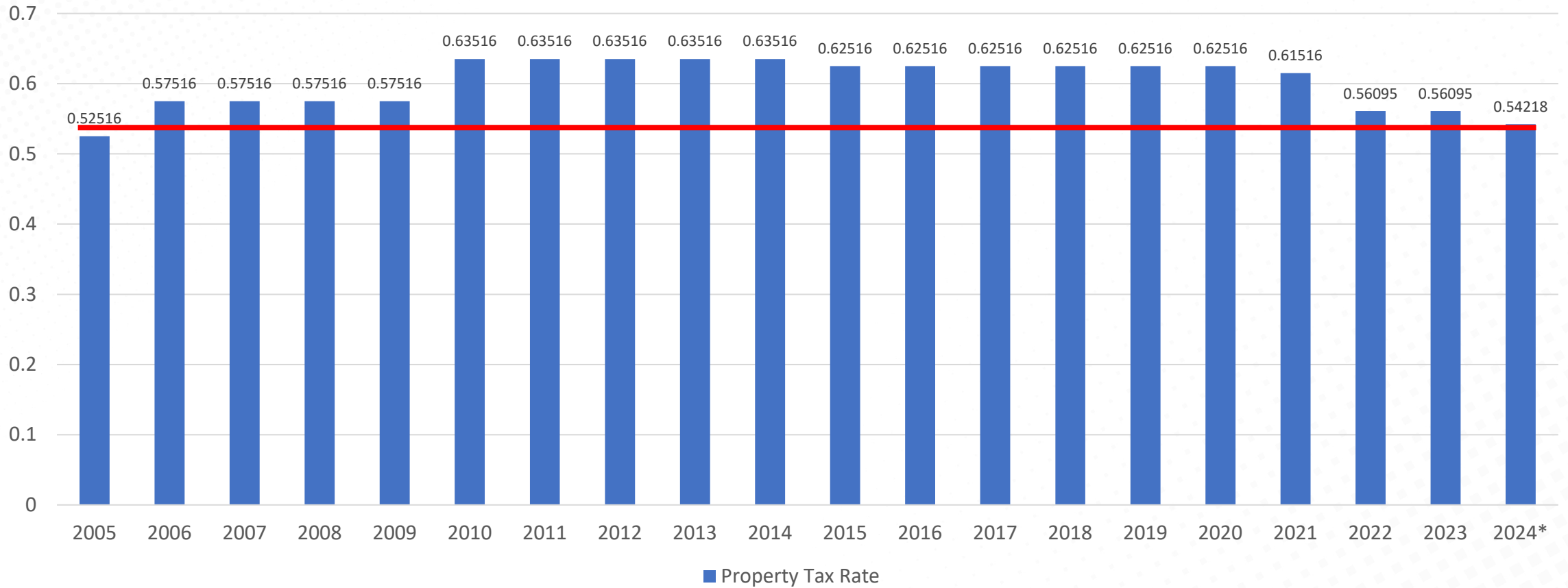
PEER COMPARISONS

- Last year, Richardson’s tax rate ranked 6th lowest among peer cities and was \$0.011309 below the average rate of \$0.572259
- The current peer city average tax rate is expected to decrease once other cities adopt their rates this year

City	FY 2023-2024 Tax Rate
Dallas	\$0.735700
Mesquite	\$0.690000
Garland	\$0.689746
Fort Worth	\$0.672500
Grand Prairie	\$0.660000
Arlington	\$0.589800
Irving	\$0.589100
Average	\$0.572259
Richardson (Current Rate)	\$0.560950
Carrollton	\$0.553750
Richardson (Proposed Rate)	\$0.542180
Frisco	\$0.432205
McKinney	\$0.427513
Allen	\$0.420500
Plano	\$0.417600

PROPERTY TAX RATE HISTORY

Property Tax Rate



*Proposed Rate

RESIDENTIAL IMPACTS

Rate	Value	Average Resident Tax Increase	Average Senior Tax Increase
Current Rate	\$0.56095	\$204.37 (10.37%)	\$145.69 (10.32%)
Voter Approval Rate (with increment) / Proposed Rate	\$0.54218	\$131.61 (6.68%)	\$93.57 (6.63%)

Tax Rate	Average Resident Bill	Average Senior Bill
Current Rate	\$2,175	\$1,557
Voter Approval Rate (with increment) / Proposed Rate	\$2,102	\$1,505
Savings from Proposed Rate	\$73	\$52

ESTIMATED RESIDENTIAL TAX BILLS

- All tax rates shown are for the prior year unless marked with a *.
- Final adopted rates may be lower than proposed rates.
- Includes all applicable exemptions.

Entity	Tax Rate	Amount	% of Total
City of Richardson*	\$0.542180	\$2,102	24.3%
Richardson ISD*	\$1.139900	\$4,419	51.2%
Dallas County	\$0.215718	\$836	9.7%
Dallas College	\$0.110028	\$426	4.9%
Parkland Hospital	\$0.219500	\$851	9.9%
Total	\$2.227326	\$8,634	100.0%

Entity	Tax Rate	Amount	% of Total
City of Richardson*	\$0.542180	\$2,102	29.3%
Plano ISD*	\$1.076750	\$4,174	58.2%
Collin County	\$0.149343	\$579	8.1%
Collin College	\$0.081220	\$314	4.4%
Total	\$1.849493	\$7,169	100.0%

KEY FOCUS AREAS

KEY FOCUS AREA DRIVERS

- Current and anticipated economic factors
- City Council Goals & Strategies
- City Council Feedback during “Deep Dives”
- City Manager’s Organizational Assessment
- Boards and Commissions Input
- Homeowner/Neighborhood Association Meetings
- Institutional Partners
- Business and Development Community
- Adopted Plans and Special Initiatives
- City Assessments and Evaluations
- External Assessments and Evaluations



KEY FOCUS AREAS



**RECRUITMENT
& RETENTION**



INFRASTRUCTURE



**PUBLIC
SAFETY**



**ECONOMIC
DEVELOPMENT**

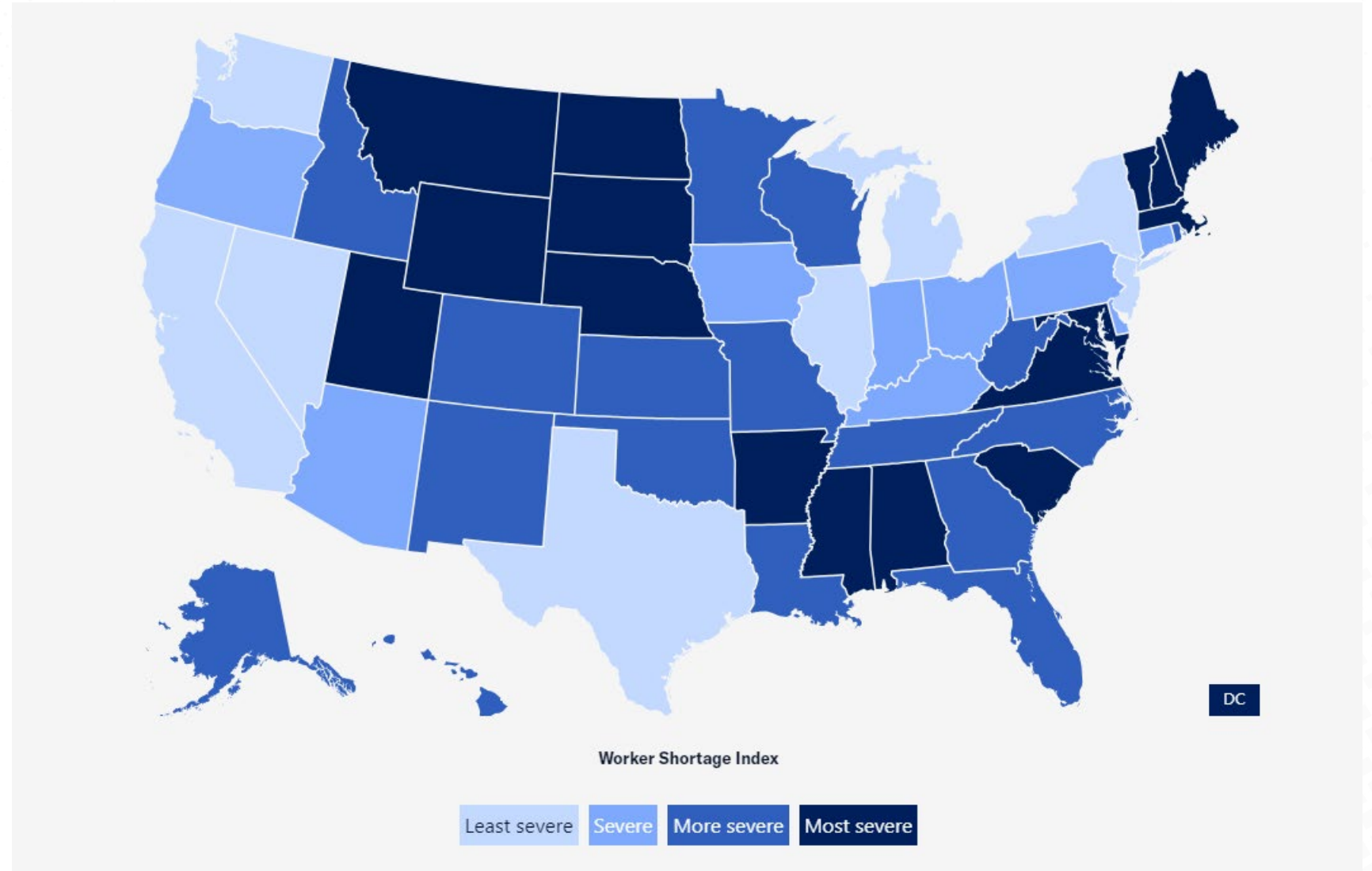
WORKER SHORTAGE INDEX

Texas has **80** available workers for every 100 open jobs.

0.80

Texas's Worker Shortage Index

- Job Openings: 774,000
- Unemployed Workers: 622,845
- Labor Force Participation Rate: 64.2
- Unemployment Rate: 4.1
- Quit Rate: 2.7
- Hiring Rate: 3.8



STRATEGIES IMPLEMENTED TO RECRUIT & RETAIN TALENT

PAY:

- Market adjustments for various classifications (for Police, Fire, General employees) (2022 thru 2024); Salary ranges further adjusted based on wages of competitors and/or because difficult to fill positions (2022 & 2023)
- “Living Wage” Adjustment of \$18.89/hour for FT positions (based on MIT study of Dallas County – 2022 thru 2024)
- Alleviated significant salary compression issues for some difficult to fill positions (2022)
- Increased auto allowances for positions that drive significant miles to fulfill duties (2022 & 2023)
- Increased longevity pay (2023)
- Parks Department paid/reimbursed for lifeguard certification training (since 2023)
- Lateral Entry program for Fire and Police (since 2022)
- Increased recruitment and referral incentives for difficult to fill positions (2022 thru 2024)
- Increased “Box Pay” for Fire (2023)

BENEFITS:

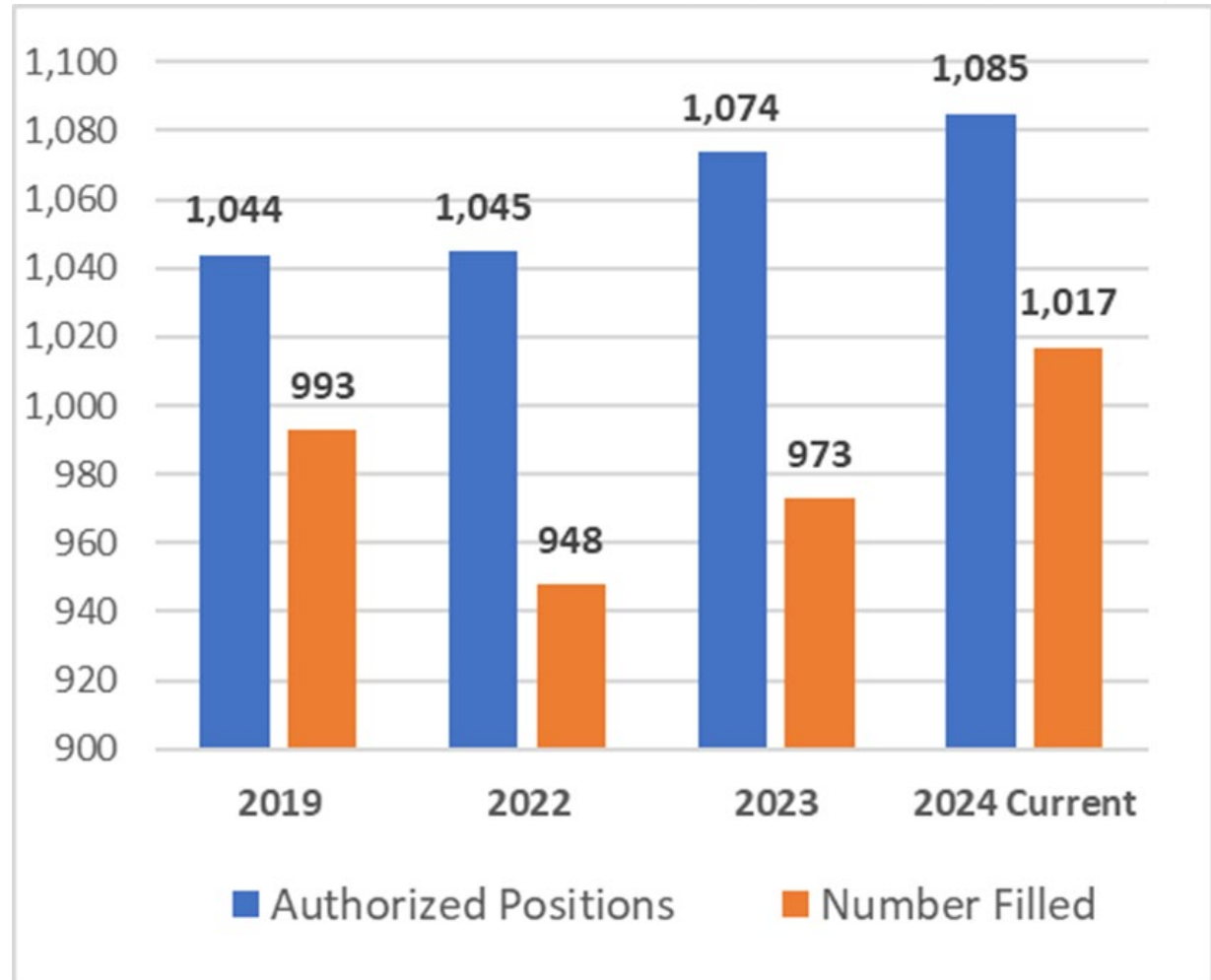
- Enhanced retirement eligibility benefit (2023)
- Adjusted vacation leave accruals for new hire employees (2022)
- Added new floating holiday (2024)
- No increase in medical insurance premiums (for last 7 years)
- December insurance premium holiday
- Increased City contribution for employee’s Health Savings Account (2023), enhanced medical benefits (2024)
- Departments pay for the cost for employee training and testing for CDLs (2022 thru 2024)

WORK-LIFE:

- Telecommuting Policy (with approval of director) (2022)
- Ability to work 4–10-hour days (with approval of director) (2022)

PRE-PANDEMIC VS POST-PANDEMIC VACANCIES

City-Wide	2019	2022	2023	2024 Current
Authorized Positions	1,044	1,045	1,074	1,085
Number Filled	993	948	973	1,017
Number Vacant	51	97	101	76
% Vacant	4.9%	9.3%	9.4%	7.0%



CITY DEPARTMENTS WITH HIGHEST LEVEL OF VACANCIES*

*Difficult to fill positions as of July 31, 2024



PUBLIC SERVICES

Division	Authorized	Vacancies
Construction	7	1
Meter Shop	6	1
PS Administration	2	0
Sewer Collection	10	4
SW - BABIC	10	0
SW - Commercial	13	1
SW - Recycling	10	1
SW - Residential	37	6
Streets	35	3
Water Operations	15	5
Water Production	17	0
TOTAL	162	22



FLEET & FACILITIES

Division	Authorized	Vacancies
Custodial Services	21	1
Facilities Maintenance	13	3
Fleet Services	23	3
Warehouse	2	1
TOTAL	59	8



ENGINEERING

Division	Authorized	Vacancies
Engineering/Cap Proj	30	3
TOTAL	30	3



POLICE

Police	Authorized	Vacancies
911 Dispatcher	25	1
Detention Officer	16	3
Police Officer	136	4
Public Safety Officer	4	2
Police Sergeant	22	1
TOTAL		14

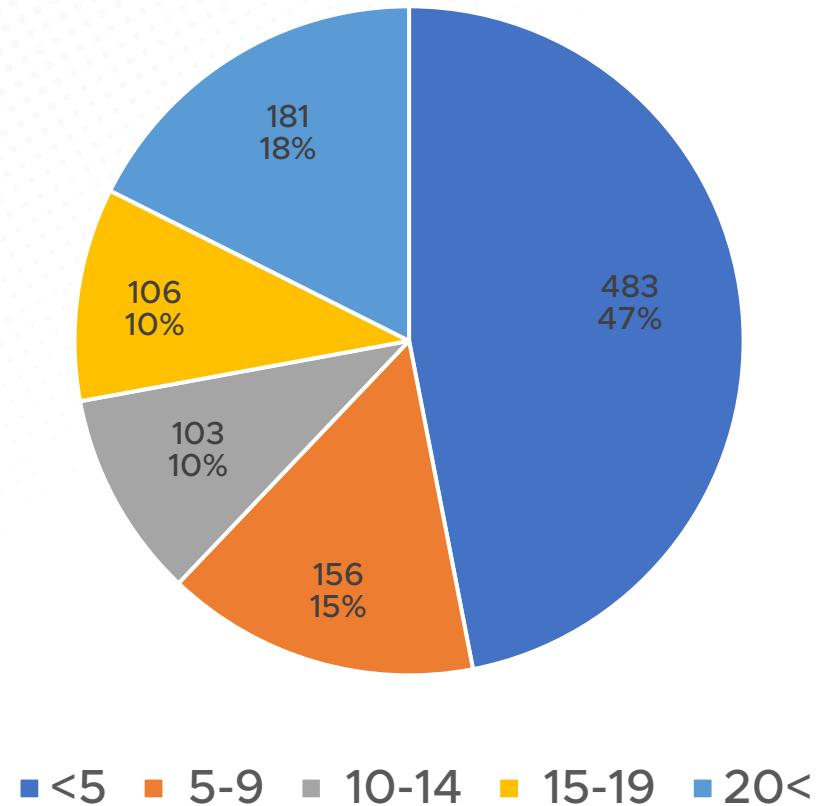


BUILDING INSPECTION

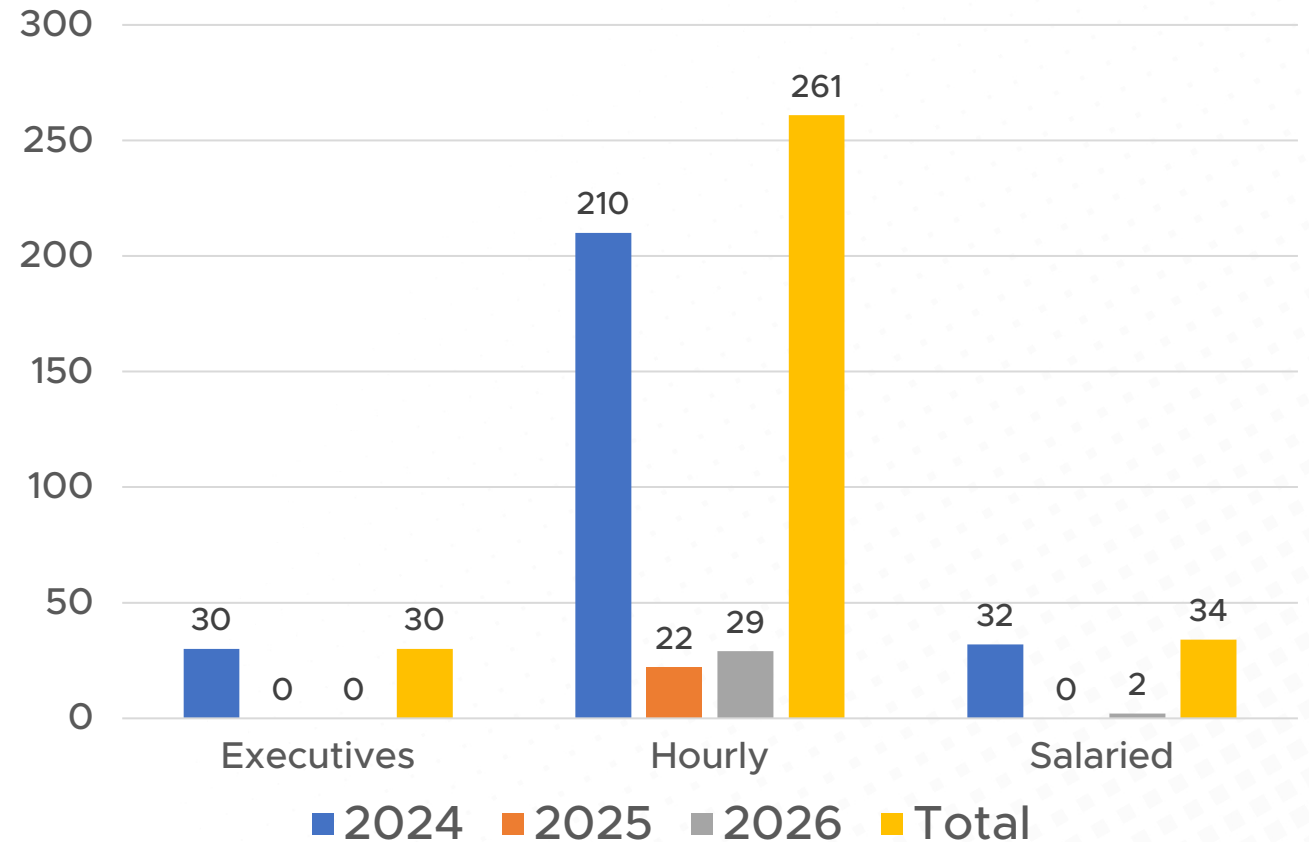
Division	Authorized	Vacancies
Building Inspection	13	4
TOTAL	13	4

RETIREMENT ELIGIBILITY

Employee Years of Service



272* Employees Eligible to Retire Today 325 Employees Eligible to Retire by End of 2026



*Of the 272 employees currently eligible to retire, the number of employees with 20-25 years of service is 71

RECOMMENDED COMPENSATION ADJUSTMENTS

SWORN POLICE & FIRE PERSONNEL

Police:

- Up to a 3% merit-based pay adjustment for up to 273 total positions - \$841,017
- Scheduled Steps: Steps for 36 of 168 sworn and 26 of 63 civilian positions - \$224,891



Fire:

- Up to a 3% merit-based pay adjustment for up to 183 total positions - \$643,541
- Scheduled Steps: Steps for 70 of 178 sworn positions - \$280,145



GENERAL PERSONNEL

Merit-Based Market Adjustment: Up to a 3% pay adjustment for general employees - \$1,624,190



Adjusts the minimum hourly wage for full-time and permanent part-time positions to **\$20.00** per hour, up from \$18.89 per hour

Total recommended Pay Plan Adjustments - \$3,613,784

KEY FOCUS AREAS



**RECRUITMENT
& RETENTION**



**PUBLIC
SAFETY**



INFRASTRUCTURE



**ECONOMIC
DEVELOPMENT**

PUBLIC SAFETY

GENERAL FUND SUMMARY:

FY24 Original Budget:
\$70,435,138

FY25 Proposed Budget:
\$72,437,872

\$ Change: \$2,002,734

% Change: 2.8%

Departments included:
Police, Fire,
Emergency Management

CONTINUED KEY INVESTMENTS:

- Police services which are essential to the public's safety and well-being: \$39.6 million
- Full-service emergency response providing fire suppression, advanced emergency medical service, specialized rescue, hazardous materials response, and fire prevention/education to the community: \$32.2 million
- Preparedness and disaster resiliency of the whole community: \$716,000

PUBLIC SAFETY - FIRE

CAPITAL REPLACEMENT FUND:

- Command vehicle: \$84,000
- Thermal imagers (quantity 12): \$127,184
- Rotary rescue saws (quantity 9): \$15,777
- Positive pressure ventilation fans (PPV) (quantity 5): \$28,500
- Fire training tower roll-up overhead door: \$15,000
- Fire Training Center auxiliary building misting fan system: \$8,500
- Fire tower second floor balcony sliding door assembly: \$9,000

SPECIAL PROJECTS FUND:

- Station bay improvements: \$75,000

DEBT FINANCED:

- Aerial Platform Truck: \$2,014,000
- M.I.C.U: \$418,000

PUBLIC SAFETY - POLICE

CAPITAL REPLACEMENT FUND:

- Replacement of fourteen vehicles: \$1.1 million

SPECIAL PROJECTS FUND:

- Forensic Imaging System Replacement (Crime-light auto): \$45,000

EXPANDED KEY INVESTMENTS:

- Thermal Drone: \$17,000
- Crime Prevention Bait Vehicle Equipment: \$14,000
- Rapid Deployment Smart Camera (UbiHub): \$5,000
- Community relations and programs: \$10,000

PUBLIC SAFETY – EMERGENCY MANAGEMENT

CAPITAL REPLACEMENT FUND:

- Additional security cameras: \$9,000

KEY FOCUS AREAS



**RECRUITMENT
& RETENTION**



**PUBLIC
SAFETY**



INFRASTRUCTURE



**ECONOMIC
DEVELOPMENT**

INFRASTRUCTURE

GENERAL FUND SUMMARY:

FY24 Original Budget:
\$21,172,625

FY25 Proposed Budget:
\$21,111,609

Change: (\$61,016)

% Change: (0.3%)

Departments included:
Engineering – Capital Projects,
Streets, Transportation & Mobility,
Street & Alley Rehabilitation

CONTINUED KEY INVESTMENTS:

- Screening Walls, Entry Features and Bridges:
 - Screening Wall Maintenance: \$120,000
 - Bridge Rail Maintenance: \$150,000
- Transportation & Mobility: Inflationary increases for supplies and materials: \$99,537

SPECIAL PROJECTS FUND :

- Transportation & Mobility: New School Zone Flashers (Renner Rd): \$35,000

INFRASTRUCTURE

KEY INITIATIVES:

- 2021 GO Bond Program: \$54,150,000 (Year 4)
- 2023 GO Bond Program: \$9,520,000 (Year 2)
- Water and Wastewater Maintenance and Capital Projects: \$18,852,000 in a combination of debt and cash funding
- Drainage Fee Initiatives: \$2,727,007
- Property Tax Maintenance Initiatives are indexed to grow at the same rate as the revenue from current year property taxes or 3.95% for FY 2024-2025
 - Street dedication of \$5,258,694, a decrease of (\$500,220) after the removal of the FY24 one-time supplement of \$700,000 and then indexed to property tax revenue growth
 - Alley dedication of \$2,009,613, an increase of \$76,345
 - Parks Maintenance dedication of \$623,114, an increase of \$23,672
 - Facility Maintenance dedication of \$623,114, an increase of \$23,672

CAPITAL REPLACEMENT FUND:

- Streets: Replacement of 2-yard dump body: \$75,000
- Transportation & Mobility: Replacement of Sign Roller Table: \$50,000

KEY FOCUS AREAS



**RECRUITMENT
& RETENTION**



**PUBLIC
SAFETY**



INFRASTRUCTURE



**ECONOMIC
DEVELOPMENT**

ECONOMIC DEVELOPMENT

The City utilizes three primary funding sources to promote economic development

GENERAL FUND

- Manages and coordinates specific assigned projects and programs, which include complex development and redevelopment projects, economic development activities, public/private partnerships, policy and ordinance development, and interdepartmental strategic plans and studies
- Total FY 2024-2025 proposed funding: **\$627,818**

ECONOMIC DEVELOPMENT FUND

- Established in FY 2014-2015, the Economic Development Fund to advance development opportunities in the community
- Yearly transfers from General Fund occur through property tax dedication. FY 2024-2025 is funded at **\$2,076,659**
- Key FY 2024-2025 expenditures:
 - International Business Development: \$90,000

TAX INCREMENT FINANCING (TIF) FUNDS

- The City has three TIF Zones that are utilized for various economic development purposes. TIF #1 was established in 2006 and TIF #2 and TIF #3 were established in 2012
- Key FY 2024-2025 expenditures from TIF #1:
 - IQHQ Enhancements: \$90,000
 - ED Personnel cost offset: \$123,000
 - CORE District Programming: \$250,000
 - Placemaking Initiatives: \$100,000



RICHARDSON

TEXAS

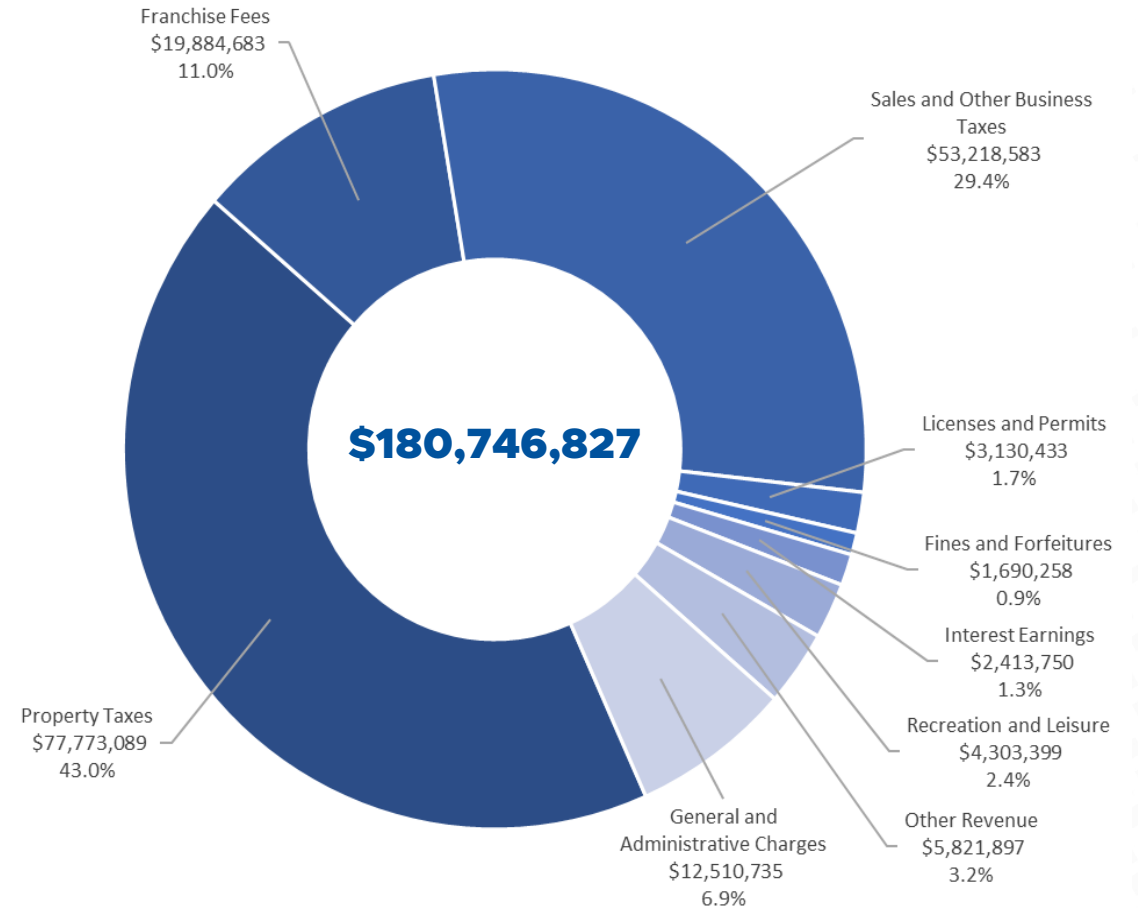
GENERAL FUND

GENERAL FUND – REVENUES

\$180,746,827

Projected to increase **\$1.1 million** to **\$180.7 million** from Prior Year Budget

- Revenue from Current Property Taxes are projected to increase 3.95% from the FY24 Budget
 - Based on 3.5% max from Supplemental Tax Rolls allowed under SB2
 - Uses total available SB2 tax rate increment
 - Results in a \$0.01877 reduction to the tax rate
 - Includes the senior tax exemption of \$145,000
- Sales tax revenue projected to decrease from the FY 2023-2024 adopted budget by (9.1%)



GENERAL FUND REVENUES

83.5% of general fund revenues derive from Property Taxes, Sales & Other Business Taxes, and Franchise Fees



PROPERTY
TAXES
43.0%
\$77,773,089



SALES &
BUSINESS TAXES
29.4%
\$53,218,583



FRANCHISE
FEES
11.0%
\$19,884,683

PROPERTY TAX REVENUES

Projected at **\$77.8 million**, which is an increase of **\$2.6 million** above the FY24 Original Budget

CURRENT TAXES



Projection of **\$77.9 million** is based on **9.96% value growth** from FY24

- Assumes the maximum revenue increase allowed under SB2
- Lowers the current rate by \$0.01877, while using the available increment of \$0.00493
- An **increase of \$3.0 million** from FY 2023-2024
- One Cent is worth \$2.4 million
- 1% from FY24 Certified = \$749,034 to the General Fund
- **Commercial Office sector values down (9.4%)**

PRIOR TAXES



Projection of **(\$350,000)**

- Forecast for FY 2024-2025 is based on current trends and assumes continued higher than normal property value dispute lawsuits filed in District Court, **many related to commercial office sector**
- Assumes a continued impact of less than favorable outcomes of these lawsuits
- A **decrease of (\$411,000)** from FY 2023-2024

PENALTIES & INTEREST



Projection of **\$261,667** based on 5-year average

- An **increase of \$32,000** from FY 2023-2024

SALES & OTHER BUSINESS TAX REVENUE

Projected at **\$53.2 million** which is a decrease of **(\$5.2 million)** below the FY24 Original Budget



SALES TAX

- Budgeted at **\$52.4** million
- Based on (2.0%) decline from the FY24 Base Collections, which removes all state adjustments from total collections
 - (9.1%) reduction from FY24 budget



MIXED BEVERAGE TAX

- Budgeted at **\$755,735**
- Increased \$47,222 from FY24 Budget



BINGO TAX

- Budgeted at **\$48,736**
- Decreased (\$1,502) from FY24 Budget

FRANCHISE FEE REVENUES

Projected at **\$19.9 million** which is an increase of **\$819,087** above the FY24 Original Budget



ELECTRIC FRANCHISE FEES

Based on a normalized year (non pandemic year) and 2.5% growth



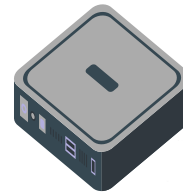
GAS FEES

Based on a normalized year and removes the impact of the colder than normal February 2023, but does factor in recent increases in the unit cost



TELEPHONE FRANCHISE FEES

Assumes reduced fees as residential customers continue to drop their land lines.



CABLE FEES

Continue to reflect the full impact of SB 1152 and the current trend of customers switching from cable service to streaming

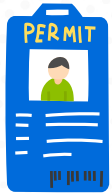


WATER/SEWER & SOLID WASTE FRANCHISE FEES

Based on 5.0% of sales and service fees for the use of the City's rights-of-way and is consistent with best practices

OTHER REVENUES

Projected at **\$29.9 million** which is an increase of **\$2.9 million** above the FY24 Original Budget



LICENSES & PERMITS

Based on current trends and includes \$66,300 from increases to building and development fees



FINES & FORFEITURES

Based on current trends

OTHER REVENUES

FY25 forecast includes increased ambulance revenue resulting from higher insurance reimbursements rates. Also includes an increase to ambulance transport fee.



INTEREST

FY24 budget assumed multiple rate cuts by the Fed, which did not occur. FY25 forecast based on high fund balance and gradual rate cuts in 2025.



RECREATION & LEISURE

Includes revenues from Community Events, Athletics, Recreation Centers and Senior Center, Aquatics, and from the City's Gymnastics and Tennis programs. This category includes \$108,613 in increases to Parks fees



GENERAL & ADMINISTRATIVE CHARGES

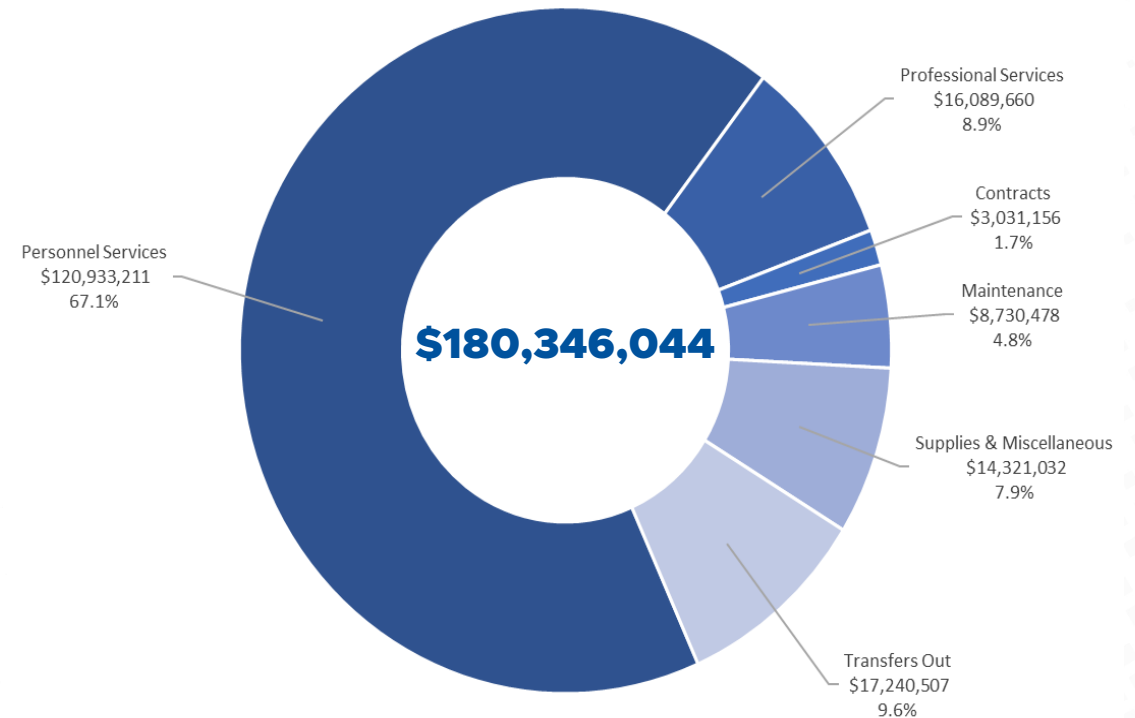
Based on most recent update to the City's cost allocation plan

GENERAL FUND – EXPENDITURES

\$180,346,044

Projected to increase **\$2.2 million** to **\$180.3 million** from Prior Year Budget

- Up to 3.0% merit-based pay plan adjustment full-time staff
- Increase the minimum starting salary for full-time and permanent part-time positions to \$20.00 from \$18.71
- Continued investment in public safety via 5.0% public safety steps, capital equipment replacement, mental health care, expanded community programming
- Property Tax Dedications (Street and Alley Rehabilitation, Facility Maintenance, Parks Maintenance, Economic Development, pay-as-you-go capital and IT replacements) are all programmed to increase 3.95%, after removal of the FY24 one-time supplement of \$700,000 from Street Maintenance
- \$1.25 million in funding for the replacement of the City’s legacy IT systems and for upgrades to the traffic management system
- Budgeted at **90.99 days**



GENERAL FUND EXPENDITURES

WHERE THE MONEY GOES
75.3%

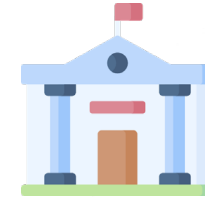
of General Fund expenditures are from Public Safety, General Government, Infrastructure & Mobility and Recreation & Leisure



PUBLIC SAFETY

40.2%

\$72.4 MILLION



GENERAL GOVERNMENT

13.8%

\$24.8 MILLION



INFRASTRUCTURE & MOBILITY

11.7%

\$21.1 MILLION



RECREATION & LEISURE

9.6%

\$17.3 MILLION

PROPERTY TAX KEY INVESTMENTS



REDUCE
Property Tax
Rate by
\$.01877 to
\$0.54218



INCREASE
Tax Exemption
by **\$15,000** to
\$145,000



INCREASE
Property Tax
Dedications by
3.95%*



* programmed to increase at the same rate
as Property Tax revenue from current taxes



INCREASE
Home
Improvement
Incentive
Program tax
rebates by
\$657,086 to
\$1.9M





Support for
Network of Community Ministries
The Counseling Place:
\$500,000 each



Program will assist with
the multi-year
restoration plan after
May 2024 wind event:
\$200,000



Support for
Chamber of Commerce:
\$200,000

KEY PROGRAM INVESTMENTS



Housing Needs
Assessment:
\$135,000



ADA Transition Plan
\$150,000



Citizen Programs:
Richardson CARES : **\$8,725**
Citizen Police Academy : **\$13,438**
Citizen Fire Academy : **\$14,834**
Various Partner Workshops: **\$18,500**

CAPITAL REPLACEMENT KEY INVESTMENTS

FY 2024-2025

\$3.84M

**PAY-AS-YOU-GO
CAPITAL REPLACEMENTS**



FY 2024-2025

\$1.56M

**IT REPLACEMENT
FUND**





OTHER FUND HIGHLIGHTS

FY 2024-2025 OTHER FUND HIGHLIGHTS

- Pages [35 through 89](#) of the filed budget represents the remaining funds for the City of Richardson including the **Water and Sewer, Solid Waste Services, Golf, Hotel/Motel Tax, Internal Service, Special Revenue, Debt Service, and Capital Funds**
- The **Water and Sewer Fund** ([pages 35-38](#)) is programmed at \$112.7 million and includes increases in the City's contracts for wholesale water and sewer treatment services
 - Includes a 3.0% increase to the City's water and sewer rates
- The **Solid Waste Services Fund** ([pages 41-44](#)) is programmed at \$19.2 million and provides for residential and commercial solid waste collection services, including residential recycling and bulky item pickup
 - Includes a \$2.00 (plus tax) per month rate increase for residential customers, while maintain the 26% senior discount
 - No change to commercial rates is expected at this time
- The **Golf Fund** ([pages 47-50](#)) is programmed at \$3.3 million and reflects both courses being open, after Course #2 was closed during FY 2023-2024 for renovations

FY 2024-2025 OTHER FUND HIGHLIGHTS

- The **Hotel/Motel Tax Fund** ([pages 51-54](#)) is programmed at \$9.8 million and supports the Eisemann Center, a full Eisemann Center Presents season, the operation of the parking garage, and the support of the Arts
- The **Drainage Fund** ([page 60](#)) is programmed at \$4.8 million and includes \$3.9 million in new projects for FY25
 - Includes a \$1.00 per month increase to the residential drainage fee and an equivalent increase to the commercial drainage fee
- **Tax Increment Financing Funds** ([pages 71-73](#)) are expected to generate \$14.1 million in property tax revenue
 - These funds are also impacted by the tax rate reduction
 - This tax revenue, in combination with Collin and Dallas County participation revenue and prior year fund balance, allows for the funding of \$31.9 million of incentives and programs for FY25
- The **Economic Development Fund** ([page 83](#)) was established in FY15 and is funded by a transfer from the General Fund
 - For FY25 that amount is \$2.1 million, an increase of 3.9% from FY24

CAPITAL AND DEBT PLANNING








FY 2024-2025 PROPOSED DEBT ISSUANCE

Purpose	Type	Life	Amount
2021 GO Program (Year 4)	GO Bonds	20 Year	\$54,150,000
2023 GO Program (Year 2)	GO Bonds	20 Year	\$ 9,520,000
Water/Wastewater Infrastructure	CO Bonds	15/20 Year	\$17,425,000
Solid Waste Equipment	CO Bonds	8 Year	\$ 1,875,000
Fire Equipment	CO Bonds	8 Year	\$ 2,435,000
Golf Course Facilities	CO Bonds	20 Year	\$ 6,000,000



FINAL THOUGHTS

TYPICAL TAXPAYER IMPACT STATEMENT

Description		FY 2023-24 Cost	FY 2024-25 Proposed Cost	Annual Dollar Change	Typical Ratepayer Assumptions:
	Property Tax (City Portion)	\$1,970	\$2,102	\$132	FY24 Avg Taxable Value = \$351,191 FY25 Avg Taxable Value = \$387,624
	Water Charges	\$1,081	\$1,110	\$29	8,000 gal/month - Oct-May; 18,000 gal/month - Jun-Sep
	Sewer Charges	\$573	\$587	\$14	Based on 98% of water usage (7,840 per month)
	Drainage Fee	\$51	\$63	\$12	Flat monthly rate of \$5.25 per household
	Residential Solid Waste	\$300	\$326	\$26	Flat monthly rate of \$25.09 (+ tax) per household
	Total:	\$3,975	\$4,188	\$213	Equates to a 5.4% increase

TOTAL OPERATING BUDGET

Total FY 2024-2025 budget is **\$406,078,754**, an increase of **\$7,074,458** or **1.8%** from FY 2023-2024

	ACTUAL 2022-23	BUDGET 2023-24	ESTIMATE 2023-24	BUDGET 2024-25	VARIANCE BUD to BUD EST to BUD	
Expenditures and Transfers Out						
Operating Funds						
General Fund	\$ 173,792,467	\$ 178,125,311	\$ 178,737,276	\$ 180,346,044	1.2%	0.9%
Water and Sewer Fund	103,622,523	105,059,411	109,699,321	112,704,076	7.3%	2.7%
Solid Waste Services Fund	17,332,729	18,213,924	18,347,145	19,211,479	5.5%	4.7%
Golf Fund	2,625,609	2,792,196	3,000,630	3,252,606	16.5%	8.4%
Hotel/Motel Tax Fund	6,906,691	9,322,782	11,023,630	9,756,082	4.6%	-11.5%
Internal Service Funds	18,523,593	20,209,258	21,163,522	22,605,219	11.9%	6.8%
Special Revenue Funds	27,368,304	51,507,157	32,482,427	40,411,399	-21.5%	24.4%
Total Operating Funds	\$ 350,171,916	\$ 385,230,039	\$ 374,453,951	\$ 388,286,905	0.8%	3.7%
Debt Service Funds						
General Debt Service Fund	\$ 44,482,304	\$ 47,521,971	\$ 47,521,971	\$ 51,711,529	8.8%	8.8%
Water and Sewer Debt Service Fund	7,439,952	8,155,071	8,153,636	9,059,798	11.1%	11.1%
Solid Waste Services Debt Service Fund	1,428,649	1,587,787	1,587,399	1,674,853	5.5%	5.5%
Total Operating Funds	\$ 53,350,905	\$ 57,264,829	\$ 57,263,006	\$ 62,446,180	9.0%	9.1%
Total Expenditures and Transfers Out	\$ 403,522,821	\$ 442,494,868	\$ 431,716,957	\$ 450,733,085	1.9%	4.4%
Less Interfund Transfers	\$ (41,501,118)	\$ (43,490,572)	\$ (43,891,142)	\$ (44,654,331)	2.7%	1.7%
Net Expenditures	\$ 362,021,703	\$ 399,004,296	\$ 387,825,815	\$ 406,078,754	1.8%	4.7%

Fund summaries for the Operating Funds can be found on pages 23-75 of the filed budget.

