



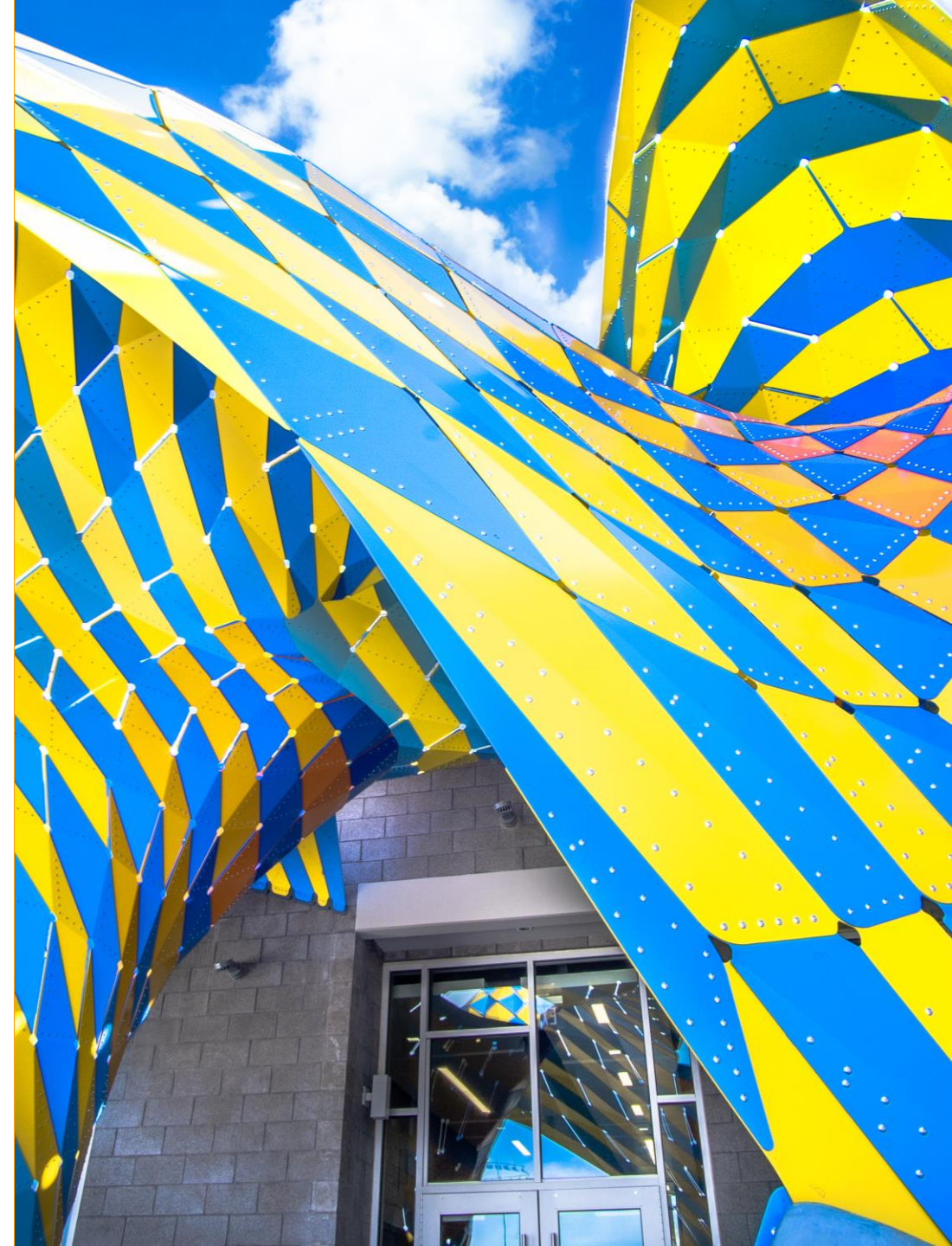
FY 2022 Budget Update

June 22, 2021



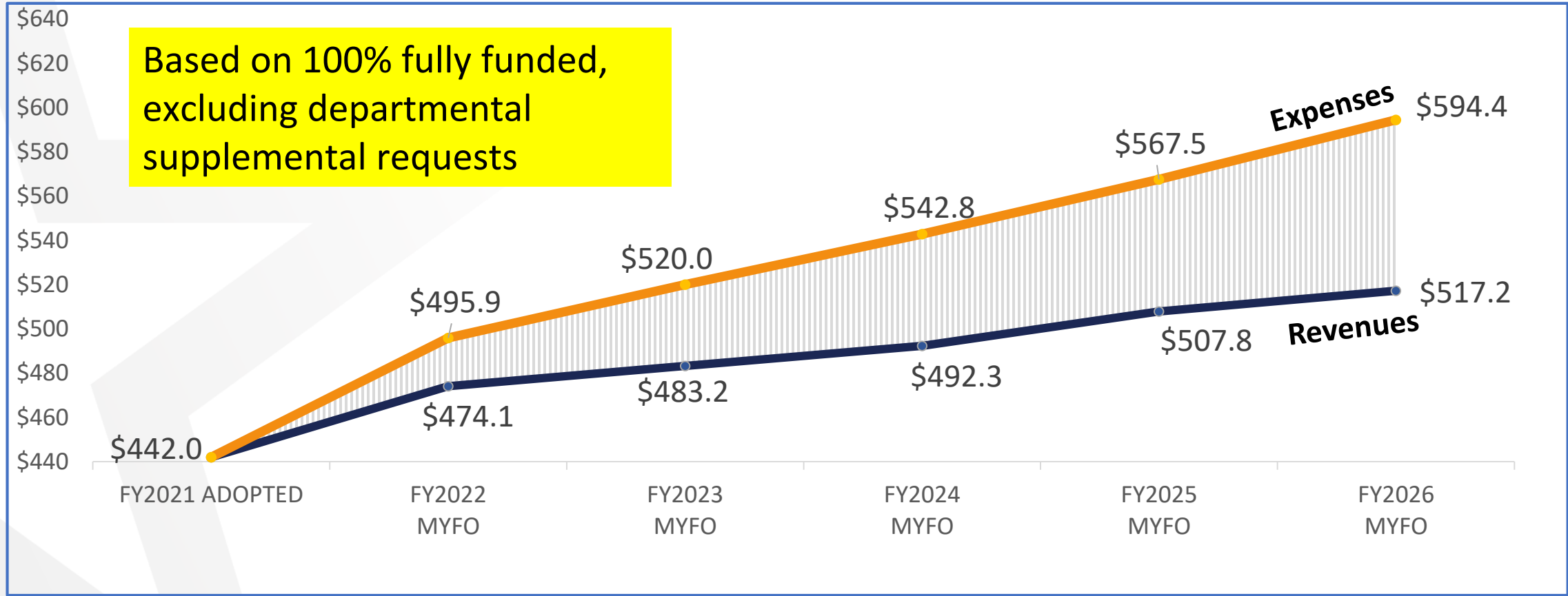
Agenda

- Balancing the budget
- FY 2020 (Pre-COVID) vs FY 2022
- Budget Focus
- Investing in priorities
- FY 2023 and Beyond

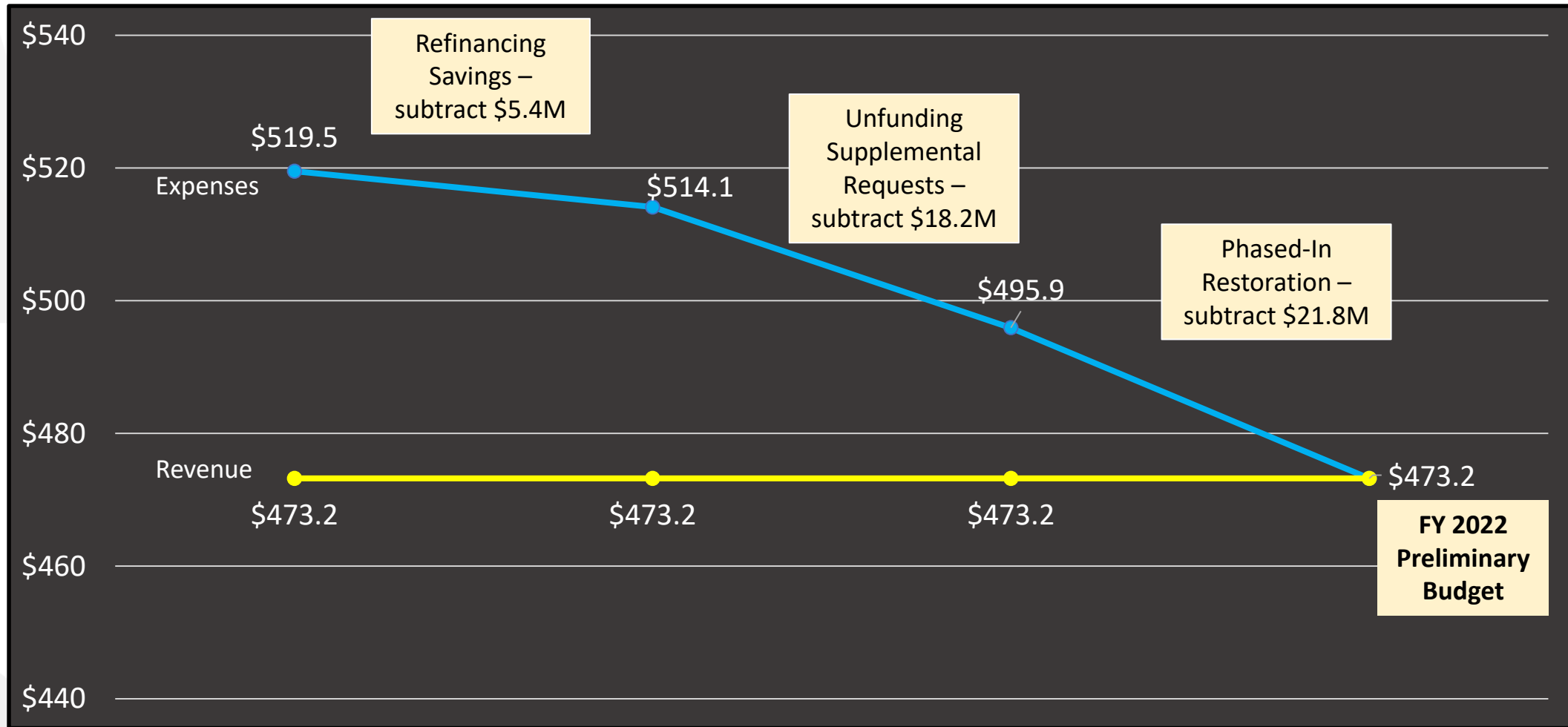


General Fund Five-Year Outlook

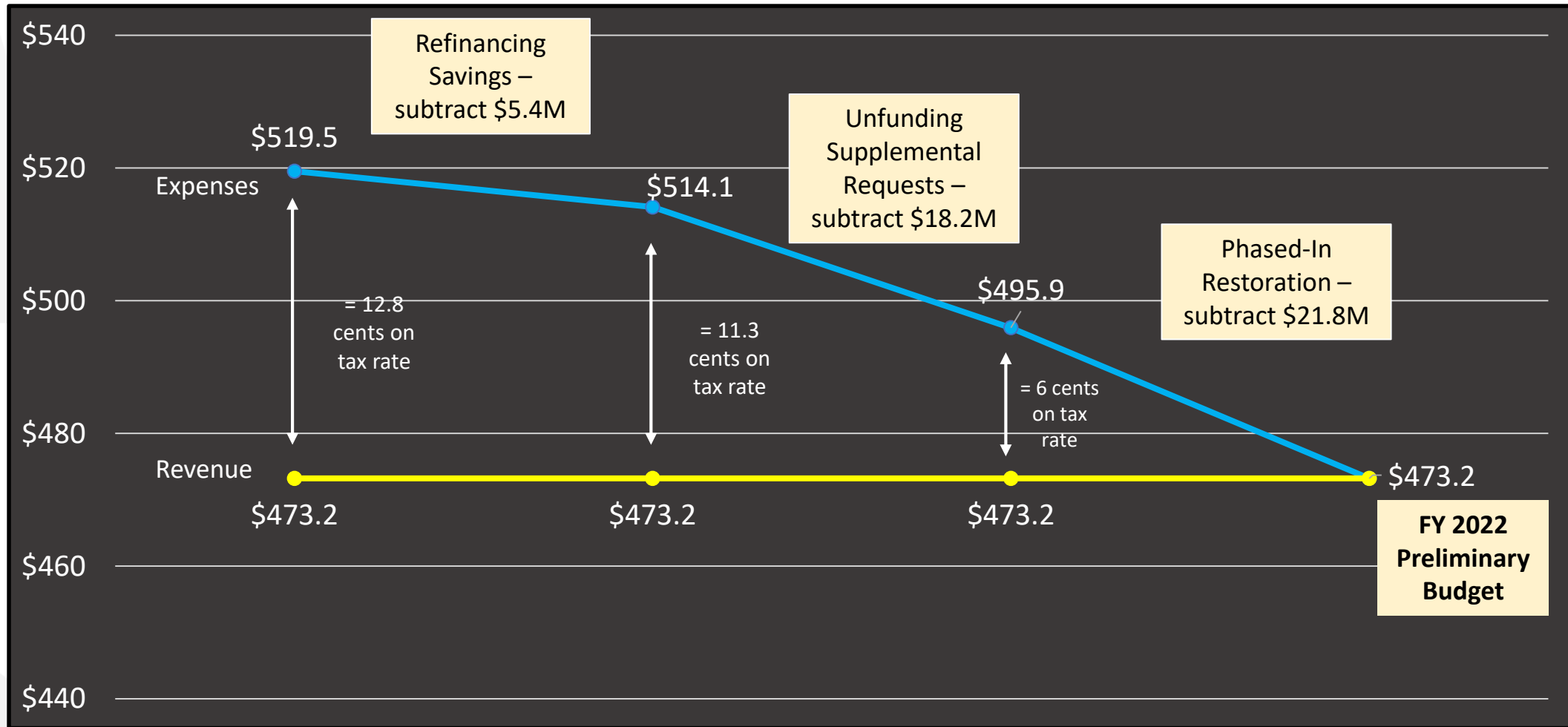
Presented February 15, 2021



Balancing the FY 2022 Budget

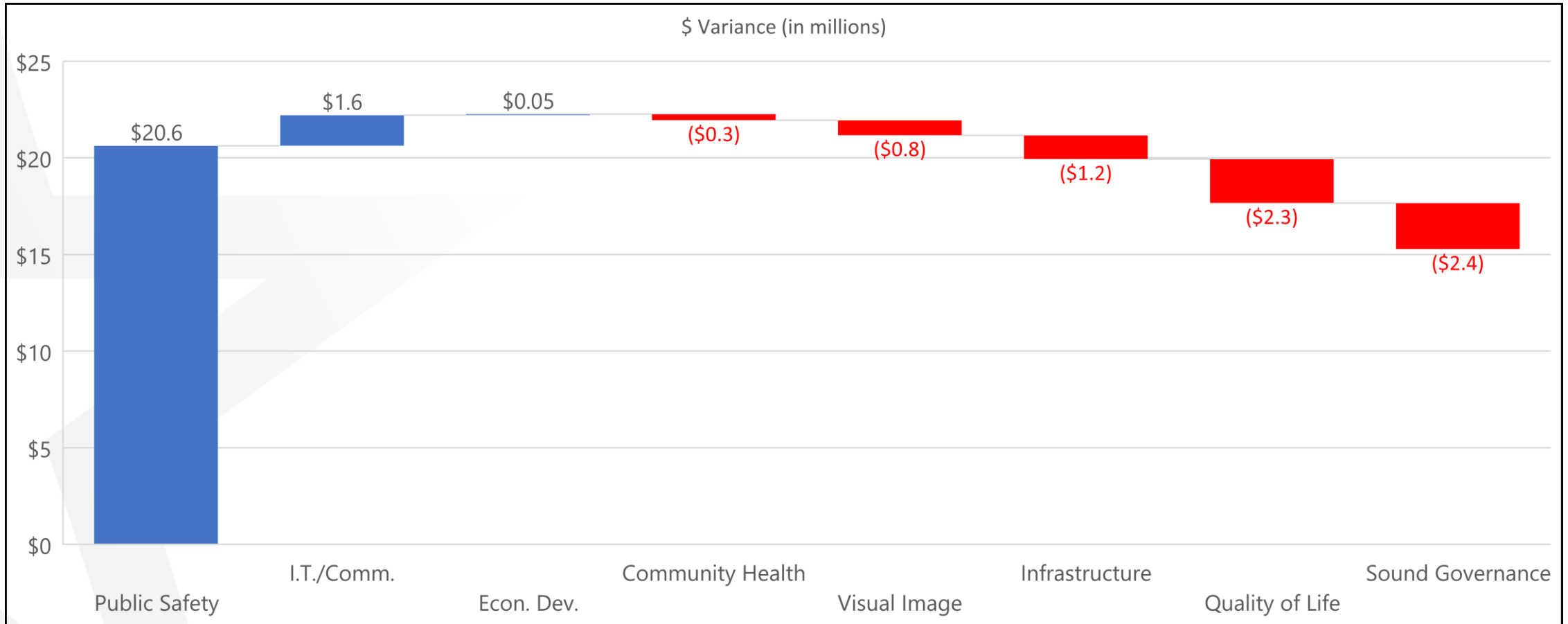


Balancing the FY 2022 Budget



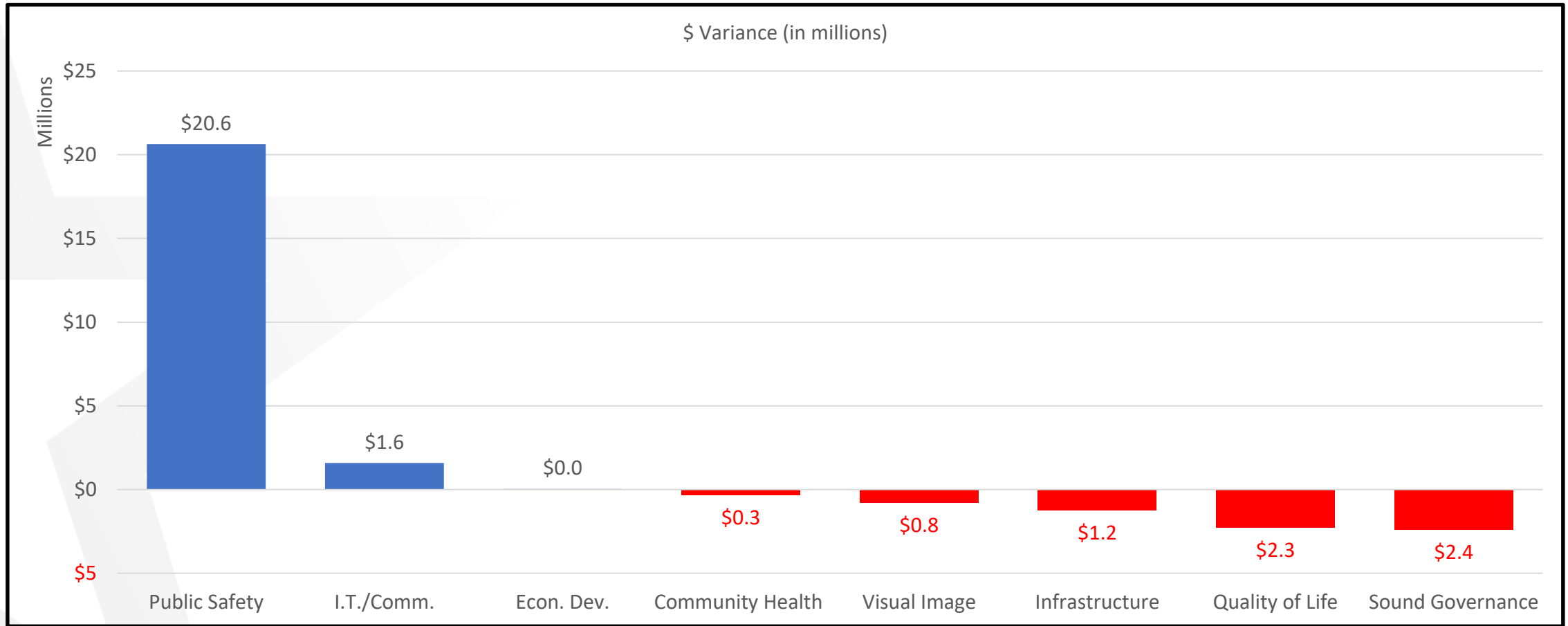
FY 2020 (Pre-COVID) vs FY 2022 Preliminary

\$15.3 million increase



FY 2020 (Pre-COVID) vs FY 2022 Preliminary

\$15.3 million increase



FY 2022 Budget Focus

- No property tax rate increase (second consecutive year)
- Lower taxes for seniors and disabled
- Restoring high-priority services impacted by COVID-19

Sound Governance and Fiscal Management



- Focus must remain on long-term financial sustainability
 - 3.5% Tax Rate Cap - Texas Property Tax Reform and Transparency Act of 2019
 - Increasing fund balance (reserves) and budget stabilization fund
 - Achieving quality and performance excellence through continuous improvement and best practices
 - Creating and implementing a plan to address unfunded pension (police, fire, and City employees)
 - Strategic usage of new Economic Development funding to create jobs and increase tax base

Investing In Our Priorities

Preliminary General Fund Expenses



Strategic Goal	FY 2020 (Pre-COVID)	FY 2021 Budget	FY 2022 Prelim. Budget	FY 2021 / FY 2022 \$ Variance
Economic Development....	1,914,207	1,826,045	1,961,689	135,644
Public Safety.....	269,925,210	277,071,145	290,553,847	13,482,702
Visual Image.....	7,725,084	7,343,043	6,950,879	(392,164)
Quality of Life.....	55,442,603	42,734,506	53,171,357	10,436,851
I.T./Comm.....	19,858,231	18,953,219	21,442,986	2,489,767
Sound Governance.....	44,213,129	44,768,429	41,827,543	(2,940,886)
Infrastructure.....	50,794,322	41,792,085	49,555,175	7,763,090
Community Health	8,072,146	7,496,849	7,754,668	257,819
Total	\$457,944,931	\$441,985,321	\$473,218,145	\$31,232,824

- FY 2022 Preliminary Budget is subject to change during the budget process
- Community Health - Public Health grants are appropriated at the time of award (during the year)

FY 2022 Preliminary Budget...

Delivering Priority Services for our Community

- Public safety - **Equipment replacement and increased staffing**
 - \$7.8 million (set-aside funds) for police cars, fire trucks, ambulances, radio system replacement
 - Increased public safety staffing – new police officers, firefighters, 911 communicators
- Streets - **Maintenance and traffic safety and ADA**
 - \$7.8 million (set-aside funds) for street maintenance projects
 - \$1.8 million for a new traffic safety program, plus \$500K for ADA on-demand request projects

FY 2022 Preliminary Budget...

Delivering Priority Services for our Community

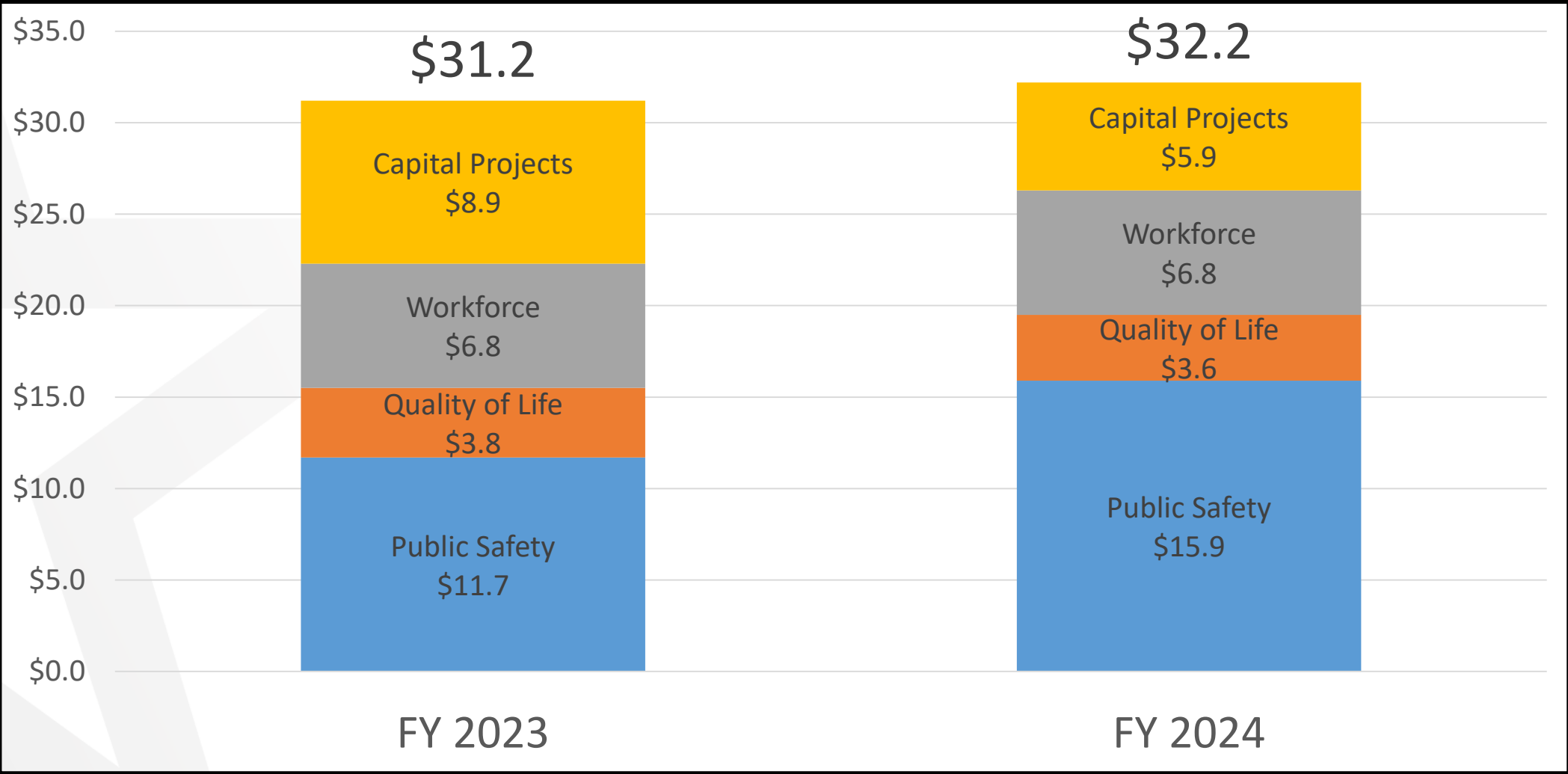
- Restoring senior centers, libraries, recreation, and pools
 - Reopening 32 additional sites (72 total w/ current year), including recreation centers, aquatic facilities, libraries, and senior centers
 - New automated irrigation pilot project (water conservation efforts)
- Funding vacancies, increasing wages, and paying for healthcare for employees
 - Prioritizing funding for vacancies
 - Minimum 1.5% compensation increase, plus no healthcare cost increase for civilian employees

FY 2023 and Beyond

- Public Safety – future collective bargaining impacts, increased staffing and operating costs from bond projects
- Capital projects - \$405 million in bonds remaining to issue for previously approved projects
- Workforce – remaining unfunded vacancies, compensation increases, healthcare costs
- Parks, Libraries, Museums, Zoo – future operating costs for bond projects
- Future needs - facility maintenance, vehicle and equipment replacement, technology investments, additional capital projects

FY 2023 and FY 2024 Cost Drivers

(\$ in millions)



MISSION



Deliver exceptional services to support a high quality of life and place for our community

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople