

SUMMARY OF FY2018 PROPOSED BUDGET

August 1, 2017

General Overview of Proposed Budget

- Total Budget for all Funds is approximately \$78.7 million
- Increases in both property tax revenues and sales tax revenues
- Provides funding to invest in the City's employees by including the following:
 - Including a 2½ percent average merit and/or salary schedule increase
 - 12% increase in health insurance
- Addition of two new positions and converting two positions from part-time to full-time
- Provides funding for five of the supplemental items
- Maintains reserve balances at or above 20% of operational expenses
- Includes a plan to fund the majority of the 27 FY2018 CIP projects

Overview of General Fund Revenues

- Tax Rate is included at approximately \$0.01 below the current tax rate of \$0.47
 - Proposed tax rate is projected to be at or near the estimated effective tax rate
 - Actual rates will not be calculated until certified values are received from Fort Bend County
- Increase in Sales Tax Revenues is projected at approximately 8% greater than FY2017 budget and FY2017 actual sales tax collections based on estimates from the recent incentive agreement

Overview of General Fund Expenditures

- Changes in Personnel and Benefits
 - A merit and/or salary schedule increase of 2.5%
 - Maintaining health insurance coverage with a slight increase to deductibles, a projected 12% increase to premiums, and a shift of 5% premium to the employee for dependent coverage
 - Addition of an Administrative Technician for Animal Control
 - Addition of a Purchasing Agent/Contract Administrator
 - Conversion of a Crime Analyst from part-time to full-time
 - Conversion of an Administrative Technician in Code Enforcement from part-time to full-time
- Changes in Supplies
 - Cost increase for chemical supplies, medical supplies, vehicle supplies
- Changes in Maintenance & Services
 - Increase in Fleet Replacement Funding due to addition of large equipment and increases in general liability insurance coverage
 - Increase in maintenance at an estimated cost of \$300,000 to replace the City Hall roof

Supplemental Budget Requests Proposed Funding

Funded 5 of 15 Supplemental Budget Requests

- Web Based Online Incident Reporting - Police \$13,740
(General Fund)
- 11 Tablets/Mobile Data Terminals for Vehicles – Fire 55,000
(MUD Fire Services Fund)
- Fire Truck 750,000
(General Fund and Fleet Replacement Fund)
- 1 Thermal Imaging Camera - Fire 10,000
(General Fund Budget)
- APCO 911 Advisor Software – Police and Fire 36,800
(Law Enforcement Fund and MUD Fire Services Fund)

Capital Improvement Plan (CIP) Funded Projects

Majority of FY2018 CIP Projects have current funding available:

GENERAL/STREETS AND DRAINAGE PROJECTS

- Bryan Road
- Spacek Road Improvements – Phase II
- Reading Road Center Turn Lane (Industrial to Allwright)
- Bamore Road Connector to I-69
- Seabourne Creek Regional Sports Complex – Big League Baseball Field
- Sidewalks – New Construction
- Avenue G Connector to Frost Street

WATER and WASTEWATER PROJECTS

- Lift Station No. 19 Replacement (Bryan Road)
- Spacek Road Sewer Line
- US90A Triple Fork Utility Adjustments (TxDOT)
- North Side Water Improvements – Phase Five (CBDG)
- WWTP 1A Collection System – Phase Three
- Sanitary Sewer SCADA Installations
- Utility Adjustments for I-69 Improvements Project (TxDOT)

Capital Improvement Plan (CIP) Future Funding

Projects in the planning/engineering phase that need additional funding

GENERAL STREET AND DRAINAGE PROJECTS

- Spacek Road Improvements – Phase Three
- Railway Quiet Zones
- Drainage Improvements East of Lane Drive
- Dry Creek Drainage Improvements
- Seabourne Creek Park Nature Center
- Travis Park Splash Pad (No funding allocated)

• WATER and WASTEWATER PROJECTS

- WWTP 1A Collection System – Additional Phase
- Spacek Road Sewer Lines – Additional Phase
- Parkplace Southwest Water and Sanitary Sewer Extension
- Reclaimed Water Distribution System – Phase II (Seabourne Creek Park to Bryan Road)

Capital Improvement Plan (CIP) Future Funding

Possible projects for Certificates of Obligation in FY2018:

GENERAL STREET AND DRAINAGE PROJECTS

- Spacek Road Improvements – Phase III (Construction)
- Railway Quiet Zones (Engineering and Construction)
- Drainage Improvements East of Lane Drive
- Dry Creek Drainage Improvements

• WATER and WASTEWATER PROJECTS

- WWTP 1A Collection System – Additional Phase
- Parkplace Southwest Water and Sanitary Sewer Extension

• PROJECT NOT CURRENTLY IN THE FY2018 CIP

- Mustang Avenue and Herndon Drive

Proposed Budget Calendar

- August 12, 2017 – Special Council Meeting
 - Acceptance of Certified Values
 - Discuss Tax Rate
 - Set Public Hearing Dates
- August 12, 2017 – Budget Workshop
 - Review Proposed Budgets for City Departments
 - Review Proposed Budgets for Special Funds
- August 15, 2017 – City Council Meeting
 - Discuss Revenue Projections
 - Discuss Capital Projects and Debt Service
 - Discuss Tax Rate
 - Record Vote on Tax Rate

Proposed Budget Calendar (continued)

- August 22, 2017 – Special City Council Meeting (before Workshop)
 - Public Hearing on Budget
 - 1st Public Hearing on Tax Rate, if necessary
 - City Council Discussion on Budget
- August 29, 2017 – Special City Council Meeting, if necessary
 - 2nd Public Hearing on Tax Rate, if necessary
 - City Council Discussion on Budget
- September 5, 2017 – Regular Council Meeting
 - Action to Adopt Budget
 - Action to Ratify the Budget
 - Action to Adopt Tax Rate