



MEMORANDUM

TO: Mayor and City Council

FROM: Bryan Langley, City Manager

DATE: July 5, 2023

SUBJECT: Budget Worksession No 2: Preliminary Proposed Budget for Fiscal Year 2023-2024

The City Council and City staff began the budget development process in March 2023 for the upcoming Fiscal Year 2023-2024. On May 13, 2023, the City Council held Budget Worksession No. 1 during which the following topics were discussed:

- 5-Year financial forecast and key assumptions.
- New budget needs presented by City Departments for the upcoming fiscal year.
- 5-Year capital improvement plan (CIP).
- Preliminary revenue outlook and funding gap.
- City Council

The next Council Budget Worksession No. 2 is scheduled on July 8, 2023 which will focus on the following four discussion areas:

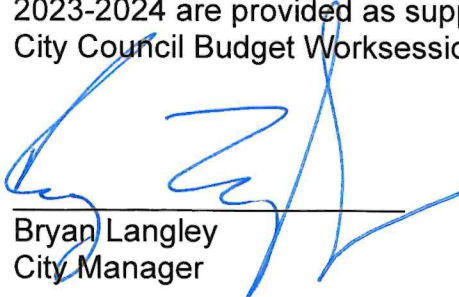
1. Key Budget Initiatives and Focus Areas
2. Preliminary Proposed Fund Financials for Fiscal Year 2023-2024
3. Preliminary Proposed 5-Year Capital Improvements Plan for 7-2028
4. Preliminary Recommendations for Supplemental Budget Requests by City Departments for Fiscal Year 2023-2024

For your information, below are highlights from the preliminary proposed budget for Fiscal Year 2023-2024:

1. Funding for City Council initiatives for economic development:
 - a. Strategic plan for economic development - \$150,000
 - b. Downtown Redevelopment Program - \$10,500,000
 - c. Downtown Façade Grant - \$50,000
 - d. Small Business Retention - \$150,000 (\$50,000 Kyle Kash, \$100,000 for permit fee waivers)
2. Funding for high priority road improvement projects:
 - a. Goforth road extension (from Casetta Ranch roundabout to Bebee Road) - \$1,128,300
 - b. Heidenreich Lane (from FM 150 to Hays County bridge) - \$1,178,800

- c. Other internal City roadways
- d. and streets - \$1,000,000 per year
- 3. Increased funding for community engagement:
 - a. Quarterly information mailers to all residents - \$75,000
 - b. Council Chamber equipment upgrades - \$30,510
- 4. Funding for rewrite of City's development code - \$500,000
- 5. Funding for E.coli & nutrient reduction study - \$250,000
- 6. 30 new full-time positions being recommended.
 - a. Police – 6
 - b. Parks and Recreation – 7
 - c. Public Works – 3
 - d. ES&T/Facilities – 5
 - e. Finance – 3
 - f. Other – 6 (City Secretary 1, City Manager 1, Communications 1, Engineering 1, Development Services 1, Library 1)
- 7. Staffing study & implementation for Police
 - a. Staffing study – \$100,000
 - b. Implementation - \$250,000
- 8. Funding for a cost of service and rate design study for water and wastewater utility systems - \$180,000
- 9. Funding for heavy and specialized equipment:
 - a. Emergency management: citywide voice-based siren system - \$122,878
 - b. Facilities: heavy equipment \$75,000, security \$65,000, HVAC \$107,500
 - c. Parks & recreation: various heavy equipment \$332,000
 - d. Police: ATV and golf cart - \$42,000
 - e. Public Works: various heavy equipment - \$1,355,000
- 10. Capital Improvement Plan for FY 2024 - \$176,324,855

The following detailed documents for the preliminary proposed budget for Fiscal Year 2023-2024 are provided as supporting documentation to the meeting agenda for the City Council Budget Worksession No. 2.



Bryan Langley
City Manager

Attachments

cc: Jerry Hendrix, Assistant City Manager

Memorandum: Mayor and City Council
Budget Worksession No. 2: Preliminary Proposed Budget for FY 2023-2024
July 5, 2023

Amber Schmeits, Assistant City Manager
All City Department Directors,