



MEMORANDUM

TO: Mayor and City Council Members

FROM: Bryan Langley, City Manager

DATE: July 12, 2023

SUBJECT: Follow-up on Council Items From Budget Worksession No 2 on July 8, 2023

As a follow-up to the Council Budget Worksession No. 2 held on July 8, 2023, this memorandum provides information pertaining to items requested by the City Council during the worksession.

1. What is Kyle Cash and how will it be distributed?

The Kyle Cash program is intended as an incentive and marketing program to assist small businesses in our community. The preliminary proposed budget includes \$50,000 for a Kyle Cash program. The Economic Development department staff with the assistance of the City's Economic Development Board is finalizing the program goals, scope, eligibility criteria, and other details. As soon as the program details are ready for discussion, this information will be presented to the City Council for your consideration and approval before implementation.

2. Can \$100,000 be set aside in the proposed budget for FY 2024 for mental health resources?

The City Manager's proposed budget for FY 2024 will include \$100,000 for a yet-to-be defined Mental Health & Behavioral Assistance program. Staff is working on developing specific recommendations for City Council's consideration and approval including options for entering into a partnership with an agency in this region that specializes in providing mental health services.

3. Please provide a copy of the recently completed employee survey for the City Council's review.

As requested, a complete copy of the 2023 Team Kyle Engagement Survey Results is attached.

4. Does the proposed budget include funds for a curb painting maintenance program?

The Street Maintenance division of the City's Public Works department is responsible for the maintenance and painting of curbs throughout the City. The Street Maintenance division does not have a dedicated curb maintenance and painting crew. As such, this type of specialty work competes with all other work priorities and assignment of the Street Maintenance division.

The Public Works department has been charged with preparing a plan and associated cost estimate for implementing a Curb Maintenance & Painting program including outsourcing this service to an outside contracting entity. We will include the results of this analysis for the Council's consideration during Budget Worksession No. 3 on July 29th.

5. In the 5-year financial forecast for the General Fund, can we show the transfer-out to each TIRZ separately?

All future 5-year financial forecasts for the General Fund will itemize separately transfers-out to each TIRZ rather than showing a consolidated summary.

6. Please provide a detailed revenue and expenditures for TIRZ #1 and TIRZ #2.

A complete detailed sources and uses of funds for TIRZ #1 and TIRZ #2 for Fiscal Years 2019-2020, 2020-2021, 2021-2022, 2022-2023, and proposed 2023-2024 is attached for your information.

7. What is the repayment schedule for the General Fund to be paid back by TIRZ #2 for the total amount of funds "loaned" for the design and construction of the La Verde Park and the Heroes Memorial Park within TIRZ #2?

The City's General Fund has expended to date through June 30, 2023, a total of \$6,693,119.55 for the La Verde Park and a total of \$10,181,645.32 for the Heroes Memorial Park – for a combined total of \$16,874,764.87 for both park projects.

On May 18, 2023, the City's Financial Advisor, SAMCO Capital Market presented the Board of TIRZ #2, a 32-year cash flow analysis which included an inclining loan repayment schedule to the General Fund. The annual repayment amounts ranged from \$250,000 in 2023 to \$850,000 in 2054 based on availability of funds.

The repayment schedule as presented to the Board of TIRZ #2 on May 18, 2023, is as follows:

1) FY 2023:	\$ 250,000
2) FY 2024:	\$ 400,000
3) FY 2025:	\$ 450,000
4) FY 2026:	\$ 450,000
5) FY 2027:	\$ 450,000
6) FY 2028:	\$ 475,000
7) FY 2029:	\$ 500,000
8) FY 2030:	\$ 500,000
9) FY 2031:	\$ 525,000
10)FY 2032:	\$ 550,000
11)FY 2033:	\$ 550,000
12)FY 2034:	\$ 575,000
13)FY 2035:	\$ 600,000
14)FY 2036:	\$ 600,000
15)FY 2037:	\$ 625,000
16)FY 2038:	\$ 625,000
17)FY 2039:	\$ 650,000
18)FY 2040:	\$ 650,000
19)FY 2041:	\$ 650,000
20)FY 2042:	\$ 675,000
21)FY 2043:	\$ 700,000
22)FY 2044:	\$ 700,000
23)FY 2045:	\$ 725,000
24)FY 2046:	\$ 750,000
25)FY 2047:	\$ 750,000
26)FY 2048:	\$ 775,000
27)FY 2049:	\$ 800,000
28)FY 2050:	\$ 800,000
29)FY 2051:	\$ 800,000
30)FY 2052:	\$ 800,000
31)FY 2053:	\$ 800,000
32)FY 2054:	\$ 850,000
Total:	<u>\$20,000,000</u>

8. Could we provide utility bill comparison with the ten selected cities?

The City Manager’s proposed budget presentation on July 29th will include a comparison of average monthly residential bills for water and wastewater utility services for each of the ten selected benchmark cities.

9. Are we budgeting for Kohlers Crossing illumination?

The City Engineer, with the assistance of consulting engineering firm is developing options and associated estimated costs for providing additional illumination on Kohlers Crossing (from FM 2770 to FM 1626). We will include the results of this

analysis for the Council’s consideration during Budget Worksession No. 3 on July 29th.

10. Could we add a line item in the proposed budget for infrastructure improvements on the east side of Kyle?

The City Manager’s proposed budget will include a yet-to-be defined and funded placeholder capital improvement project under General Fund CIP, Water Utility Impact Fee Fund, and Wastewater Utility Impact Fee Fund titled “Eastside Retail Infrastructure Plan.”

11. Could we get a staff update on the downtown Fire Station acquisition discussions?

There is no new information to report regarding this subject matter. City staff had preliminary discussions with the fire chief regarding purchase of the fire station should the fire department decide to relocate. Currently, there does not appear to be any interest by the Fire department to consider the sale of its downtown fire station.

12. Could we get overtime expenditures incurred by the City Secretary’s office?

Provided below is a table showing actual overtime expenditures incurred by the City Secretary’s office since Fiscal Year 2017-2018 to June 30, 2023:

	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Approved Budget 2022-23	Year to Date w/Encumbrance 6/30/2023	Current Year Estimate 2022-23	Department Proposed Budget 2023-2024
CITY SECRETARY’S OFFICE									
Overtime Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 878	\$ 1,201	\$ 3,500

13. Based on our discussions, could we add back the Certified Therapeutic Recreation Specialist position in the Parks and Recreation department’s proposed budget for FY 2024?

The City Manager’s proposed budget for Fiscal Year 2023-2024 will include the new position and funding for the Certified Therapeutic Recreation Specialist position in the Parks and Recreation department.

14. Could we receive a timeline for road fixes?

As requested, the City’s Public Works department is currently developing a timeline for all roads identified under its maintenance program. We will include the requested

timeline and associated information for the Council’s consideration during Budget Worksession No. 3 on July 29th.

15. How much do we pay for purchasing ready-mix concrete and delivered? Is it worth buying a concrete truck?

Based on invoices paid for the purchase of concrete by the Public Works department over the last five fiscal years and through June 2023 of the current fiscal year, the annual cost of concrete purchases has been as follows:

Vendor Name	Fiscal Year						Total
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	
1 Five Star Concrete	\$ 14,614	\$ 4,950	\$ 6,665	\$ 2,887	\$ 891	\$ 1,040	\$ 31,047
2 Central Texas Ready Mix	-	-	1,440	-	-	-	1,440
3 Yarrington Road Materials	-	5,202	3,501	28,142	14,502	17,509	68,856
4 Express Metered Concrete	9,606	5,634	628	-	1,428	6,013	23,309
5 Lauren Concrete	-	-	-	-	-	-	-
6 Total:	<u>\$ 24,220</u>	<u>\$ 15,786</u>	<u>\$ 12,234</u>	<u>\$ 31,029</u>	<u>\$ 16,820</u>	<u>\$ 24,562</u>	<u>\$ 124,651</u>

In addition, the Public Works department routinely purchases pallets of bagged concrete from local hardware stores and work crews mix in a tow-behind mixer by hand at various job sites.

Based on the data provided in the table above, the City Manager’s recommendation for funding of supplemental budget requests by City departments will not include funding for the purchase of a \$210,000 concrete truck in the proposed budget for Fiscal Year 2023-2024.

16. Regarding the new Library/Recreation/Senior Center (multi-purpose facility project), if we decide to go forward - what would it take to go forward with a future bond?

As we discussed during Budget Worksession No. 2, the proposed 5-year Capital Improvements Plan covering Fiscal Years 2024 to 2028 includes \$1.25 million in cash funding for a Community Center project (a multi-purpose facility). The \$1.25 million in cash funding is provided over a 3-year period beginning in 2026 for preliminary assessment, development of concept plans and options, survey, etc.

After the certified taxable valuations have been released by the Hays County Central Appraisal District, staff will request the City’s Financial Advisor, SAMCO Capital Markets, to prepare a General Obligation bond capacity analysis. As soon as this information is available, we will provide the results of this analysis for the Council’s information and consideration.

17. Please provide a list of the remaining parks projects funded under the 2020 GO Bonds and the timeline associated with each.

The City’s Parks and Recreation department has prepared the below list of remaining parks projects funded under the 2020 GO Bonds and the timeline associated with each:

Project	Status
Gregg-Clarke Park Improvements	<p><u>Ash Pavilion</u> Scoreboard and athletic sports floor are installed and complete.</p> <p><u>Skatepark:</u> Public Engagement Session #1 was conducted. Public Engagement Session #2 is scheduled for Thursday, August 3rd 6-8 p.m. at City Hall. Estimated project completion: Late 2024</p> <p><u>Splashpad:</u> Public Engagement Sessions 1 & 2 were completed. Construction begins July 27th. Estimated project completion: September 2024.</p>
Plum Creek Trail Improvements	<p>Trails Committee to be appointed at the July 18th City Council Meeting.</p> <p>Trails Committee to meet in July 2023.</p> <p>Trail Improvement RFP to post in September 2023.</p> <p>Estimated Project Completion: Mid 2024</p>
Sportsplex Park Improvements	Under discussions.

18. Can we budget for new chairs for the City Council or pay out of this year with cost savings?

Staff is researching possible options to purchase replacement chairs for the City Council and the executive session room from cost savings in the current approved budget for Fiscal Year 2022-2023. As soon as this information is available, we will

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send the options and associated costs to the Council for your consideration and selection.

Please let me know if you have any questions or need additional information.



Bryan Langley
City Manager

Attachments: 1. 2023 Team Kyle Engagement Survey Results
2. Sources & Uses of Funds for TIRZ #1 and TIRZ #2.

cc: Jerry Hendrix, Assistant City Manager
Amber Schmeits, Assistant City Manager
All City Department Directors