

September 16, 2009

Re: FY2009-10 Annual Budget – **Final City Council Revisions**

Following this memorandum is the *City Manager's Budget Message* as presented to the City Council on July 21, 2009 as part of the proposed *FY2009-10 Annual Operating Budget*, describing its various attributes and providing additional information on the budget plan proposed by staff for next year.

Subsequent to the presentation of the proposed budget, the City Council engaged in an extensive review of the proposed spending plan – that included the staff producing hundreds of pages of documents, information, and in-depth analysis in response to requests by the Council and general public.

As result of this lengthy review process, the City Council ultimately determined the following final adjustments to the proposed FY09-10 Annual Budget were warranted prior to its adoption:

- a.) *Eliminate additional contingency funding for expanded EMS – \$135,000 reduction*
- b.) *Approve the proposed refunding and/or/restructuring of annual debt payments for the TxDOT - SIB-I loan - \$795,764 reduction*
- c.) *Add consulting fees for development of a Comprehensive Sidewalk Plan - \$40,000 increase*

As such, the proposed FY09-10 Annual Budget has been adjusted as follows:

<i>Ad Valorem (property) Tax Rate</i>	PROPOSED	REVISED	VARIANCE
Maintenance & Operations	\$1.1900/\$100	\$1.1830/\$100	(\$.0070)
Debt Service	\$1.3060/\$100	\$1.2410/\$100	(\$.0650)
Total Property Tax Rate.....	\$1.4960/\$100	\$1.4240/\$100	(\$.0720)

<i>General Fund Appropriations</i>	PROPOSED	REVISED	VARIANCE
Administration.....	\$ 1,361,614	1,361,614	0
Finance.....	\$ 642,223	642,223	0
Library.....	\$ 348,595	348,595	0
Police.....	\$ 3,330,448	3,330,448	0
Public Safety.....	\$ 302,484	167,484	(135,000)
Public Works Streets.....	\$ 1,829,373	1,869,373	40,000
Parks & Recreation.....	\$ 1,226,193	1,226,193	0
Total General Fund Appropriations.....	\$ 9,040,930	\$8,945,930	(\$95,000)

<i>Total Appropriations – All Funds</i>	PROPOSED	REVISED	VARIANCE
General Fund.....	\$ 9,040,930	8,945,930	(95,000)
Special Revenue Funds.....	\$ 55,650	55,650	0
Recreation Fund.....	\$ 654,998	654,998	0
Capital Project Funds.....	\$ 8,273,000	8,273,000	0
Debt Service Funds.....	\$ 6,390,250	5,594,486	(795,764)
Community Development.....	\$ 854,114	854,114	0
Utility-Operating.....	\$ 6,859,383	6,859,383	0
Utility-CIP.....	\$ 4,780,522	4,780,522	0
Total Proposed Appropriations.....	\$36,908,847	\$36,018,083	(\$890,764)

Minor modifications have been made to the *City Manager's Budget Message* to reflect these final adjustments; its basic content, however, remains unchanged from that originally presented to the City Council.