
# Proposed Budget 2026-27

Prepared By:

**Office of Strategy, Budget, and Performance**

CITY OF DENTON

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# Proposed Annual Program of Services
# Fiscal Year 2026-2027

## SUBMITTED TO:
## THE MAYOR AND CITY COUNCIL
## July 31, 2026

The following statement is provided in accordance with the Texas Local Government Code 102.005:

### This budget will raise more total property taxes than last year's budget by an amount of $14,556,150 which is an 11.38% percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $10,281,198

In accordance with Section 140.0045 of the Local Government Code requires the itemization of certain expenditures by a political subdivision. These citywide expenditures include advertising costs for notices required by law to be published in a newspaper, and expenditures for lobbying costs which directly or indirectly influence or attempt to influence the outcome of legislation in fiscal year 2026 with the amount budgeted for similar activities in fiscal year 2027. The City of Denton is expected to expend for fiscal year 2026, and has budgeted to expend for fiscal year 2027, the following amounts:

- Notices required by law to be published in a newspaper (i.e. public hearing expense) are estimated at $10,000 for the fiscal year ending September 30, 2026, and $11,000 budgeted for the fiscal year ending September 30, 2027.
- Legislative costs are estimated at $240,175 for the fiscal year ending September 30, 2026, and $205,700 budgeted for the fiscal year ending September 30, 2027.

| Tax Rate | | | | |
|---|---|---|---|---|
| **Fiscal Year** | **Property Tax Rate** | **No New Revenue Tax Rate** | **Effective O&M Tax Rate** | **Debt Rate** |
| **2026-27** | **0.548485** | **0.515958** | **0.316344** | **0.232141** |
| **2025-26** | **0.595420** | **0.554279** | **0.334780** | **0.260640** |

| Municipal Debt Obligations - Principal & Interest | | |
|---|---|---|
| Tax Supported | Revenue Supported | Total |
| $825,233,330 | $1,809,249,596 | $2,643,482,926 |

# Distinguished Budget Presentation Award

GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget Presentation Award*

**PRESENTED TO**

**City of Denton**
**Texas**

For the Fiscal Year Beginning

**October 01, 2025**

Christopher P. Morrill
**Executive Director**

The Government Finance Officers Association of the United States and Canada presented a Distinguished Budget Presentation Award to the City of Denton, Texas for its annual budget for the fiscal year beginning October 1, 2025. In order to receive this award, the governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

# Prepared By

Cassey Ogden
Interim City Manager

Christine Taylor
Assistant City Manager

Frank Dixon
Assistant City Manager

Kenneth Hedges
Interim Assistant City Manager

Aimee Kaslik
Chief Strategic Officer

Matthew Hamilton
Chief Financial Officer

Kristi Fogle
Chief of Staff

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Interim Budget Manager

Sherly Joseph
Senior Financial Analyst

Young Hwang
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Jenna Long
Senior Financial Analyst

Daniel Jones
Senior Financial Analyst

Sunita Gautam
Financial Analyst

Eric Keith
Financial Analyst

**Visit our website at: www.cityofdenton.com**


# Introduction

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City Manager's Office
215 E. McKinney St., Denton, TX 76201 • (940) 349-7206

**DATE:** July 31, 2026

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Cassey Ogden, Interim City Manager

Honorable Mayor and Members of the City Council
City of Denton, Texas

I am pleased to present the Proposed Budget for Fiscal Year 2026–27. This balanced budget reflects deliberate choices to invest in our employees, maintain the services our community relies on, respond responsibly to growth, and protect the City's long-term financial health.

I am presenting a balanced FY 2026–27 Proposed Budget totaling $2.22B which includes:

- A General Fund budget of $233.50M
- A Capital Improvement Program budget of $905.25M
- 1,901 full-time equivalents
- A proposed property tax rate of $0.548485

Developing this budget required us to navigate continued economic uncertainty, increasing service demands, and rising costs, while remaining focused on the priorities established by the City Council and the needs of our growing community. The proposed budget balances revenues and expenditures while maintaining current service levels and directing resources toward the areas where they will have the greatest impact.

This proposed budget also reflects a continued commitment to Denton's long-term financial sustainability. As the community grows and new development becomes occupied, the City must balance current needs with the responsibility to maintain essential services, invest in infrastructure to keep pace with and stay ahead of growth, preserve financial flexibility, and prepare for future obligations. This requires careful prioritization, realistic revenue assumptions, close scrutiny of ongoing costs, and a willingness to reconsider how resources are allocated and services are delivered.

With this long-term perspective in mind, our approach began with a clear set of priorities:

- Invest in our employees and maintain a competitive workforce.
- Align staffing and resources with service delivery needs.
- Support a sustainable outcome for Police Meet and Confer.
- Maintain current service levels.
- Limit supplemental requests and carefully evaluate the need for additional resources.

These priorities guided our decisions throughout the budget process and were supported by our broader "Business Not as Usual" mindset, an organizational commitment to question longstanding approaches, consider new ways of delivering services, and focus resources where they provide the greatest value. Maintaining current service levels does not always mean continuing to perform work in the same way. We must continue identifying efficiencies, improving how services are delivered, and evaluating whether work can be performed differently.

One of the most important investments in this budget is our continued commitment to employees. The City will absorb the increase in health insurance costs so that employee contributions remain the same as last year. Retiree health insurance rates will also include a subsidy to help stabilize retiree contributions, which have continued to rise.

The proposed budget includes an average two and half percent merit increase for general government employees, as well as a three-percent cost-of-living adjustment and step increases for Fire Civil Service employees. A placeholder is included for Police Civil Service compensation while negotiations for a new Police Meet and Confer agreement continue, with the goal of finalizing a new agreement in September 2026.

Additionally, we are continuing our pilot year of the alternative work week program, which provides flexible scheduling options for employees while continuing to meet service delivery expectations.

These investments recognize the important role our employees play in delivering services every day, as well as, our ability to recruit and retain a skilled workforce in an increasingly competitive environment. Investing in employees is essential to maintaining service quality, supporting organizational stability, and meeting the expectations of our community.

The proposed budget also includes limited and targeted staffing changes to address growth and improve service delivery. Seven positions have been added within the Solid Waste Fund to respond to growth-related service demands. Four of these positions support residential collections and are driven by major developments, including Landmark and Cole Ranch. These positions are funded through the Solid Waste Fund and will help ensure that the City can maintain current collection services as the number of customers continues to increase.

An HVAC Technician has also been added within the Facilities Maintenance Fund. This service will be brought in-house at no additional cost through a corresponding reduction in contractual services. This change creates efficiencies, improves responsiveness, and allows the City to provide more consistent service while making better use of existing resources.

Beyond operational staffing, the City is coordinating capital investments to prepare infrastructure ahead of future occupancy. This includes roadway and public safety improvements along with expansions to water utility facilities to ensure our systems remain resilient and ready to meet long-term community needs.

Fiscal discipline remained central to the development of this budget, with General Fund personnel costs set at 98% staffing, a strategic reduction identified through the director-led Budget Task Force that aligns with normal vacancy patterns while preserving departments’ ability to meet service expectations. In total, the budget incorporates $6,764,545 in reductions identified by the Task Force. While the current economic landscape presents notable fiscal challenges, this budget is not merely a reaction to them; it is a deliberate effort to proactively manage resources, identify efficiencies, and innovate in service delivery. Our approach emphasizes prudent financial management, protecting long-term financial health without compromising service quality, and includes specific actions such as:

- Anticipating personnel savings $3,187,545
- Reevaluating the use of overtime $1,514,200

- Reducing travel and training $82,900
- Evaluating cost allocations to various internal service funds $1,150,000
- Reducing reliance on single-use consumable goods $50,000
- Reducing advertising expenses $62,800
- Reducing use of outside legal counsel $17,100
- Reducing mowing services to align with historical spend $500,000

These reductions were achieved without eliminating programs. Instead, departments evaluated operations, expenditures, and service delivery approaches to identify opportunities to use resources more effectively. This work reflects our "Business Not as Usual" mindset and demonstrates that fiscal discipline is not limited to reducing services; it also means challenging established practices, finding better ways to work, and directing resources to the areas of greatest need.

The proposed budget is not simply a financial plan. It is a reflection of our priorities and the choices we are making about Denton's future. It invests in the workforce responsible for delivering City services, responds to growth where additional resources are necessary, improves operations through more efficient approaches, and maintains the programs and services that contribute to Denton's quality of life.

This budget would not be possible without the dedication and hard work of employees throughout the organization. I want to thank our staff for carefully reviewing their budgets, identifying efficiencies, evaluating how services are delivered, and remaining focused on the needs of our community.

I also extend my appreciation to the Mayor and City Council for your leadership and direction, and to our residents for their continued engagement and feedback. Together, we are positioning Denton to meet today's needs while preparing responsibly for the opportunities and challenges ahead.

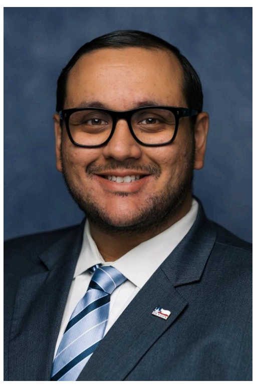
Sincerely,

Cassey Ogden
Interim City Manager

# Elected Officials

Chris Watts

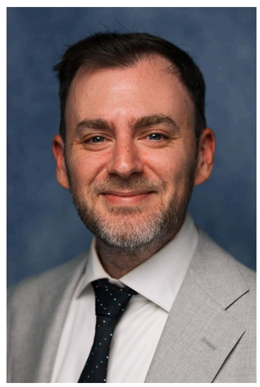
Mayor



Jordan E. Villarreal

Council Member

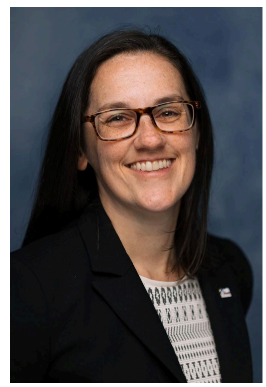
District 1



Nick Stevens

Mayor Pro Tem

District 2



Suzi Rumohr

Council Member

District 3

Joe Holland

Council Member

District 4

George Ferrie

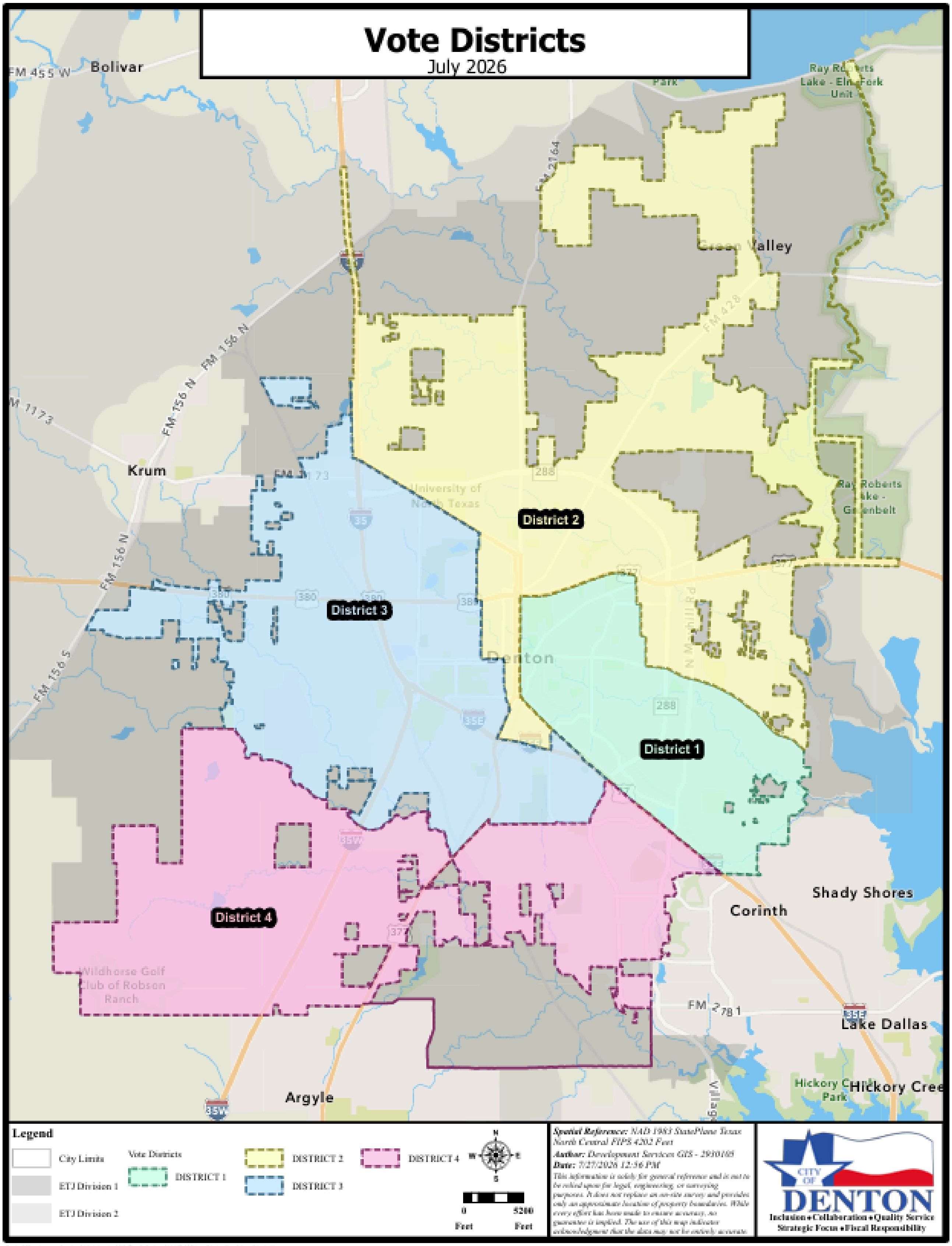
Council Member

At-Large, Place 5

Jill Jester

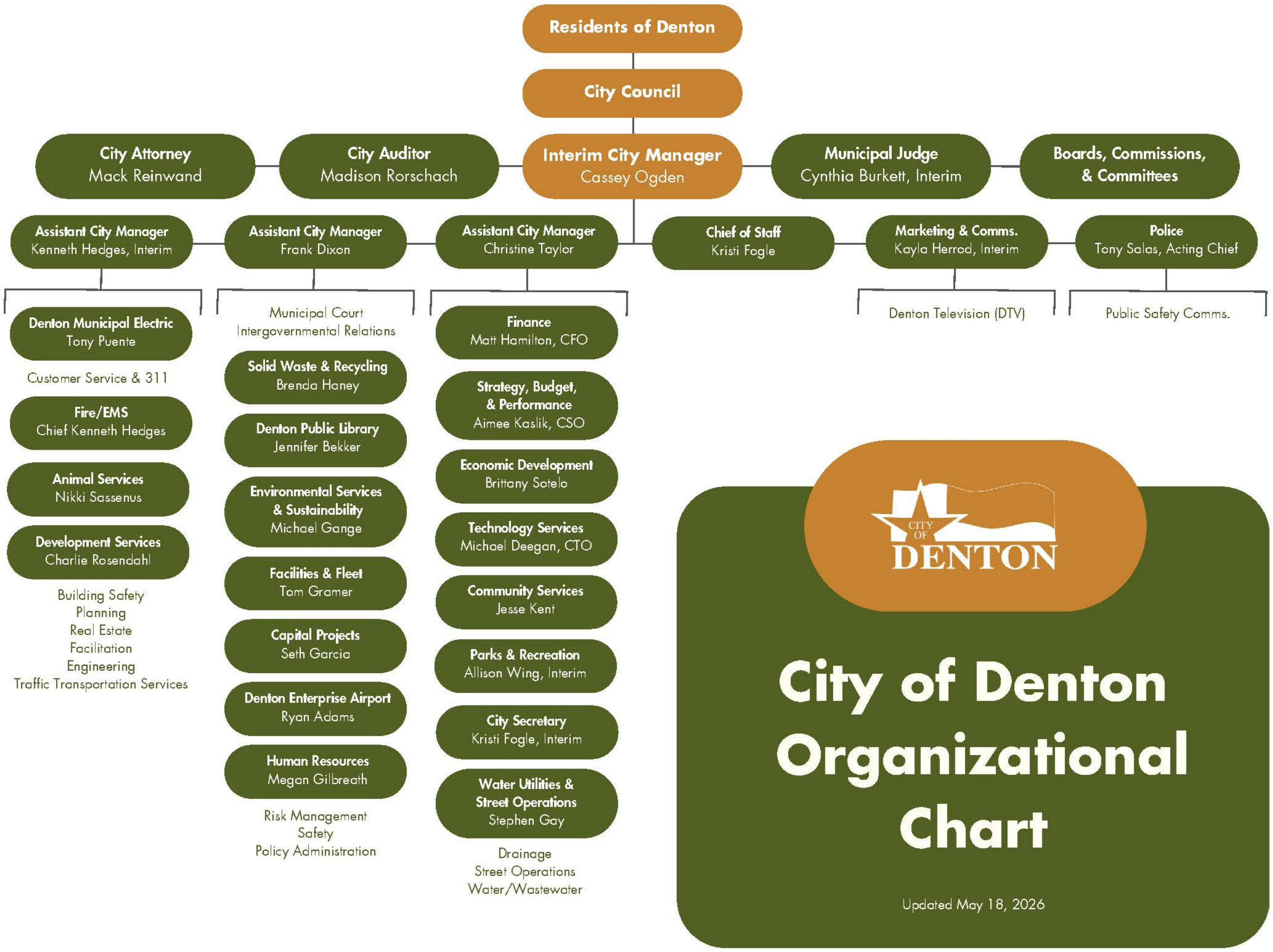
Council Member

At-Large, Place 6



Vote Districts
July 2026
District 1
District 2
District 3
District 4
Bolivar
Krum
Denton
University of North Texas
Corinth
Shady Shores
Lake Dallas
Argyle
Wildhorse Golf Club of Robson Ranch
Ray Roberts Lake - Greenbelt
FM 156 N
FM 1173
FM 2164
FM 428
FM 2181
Legend
City Limits
ETJ Division 1
ETJ Division 2
Vote Districts
DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
0
5200
Feet
Feet
CITY OF DENTON
Inclusion • Collaboration • Quality Service
Strategic Focus • Fiscal Responsibility

# City Organizational Chart



# Boards, Commissions, and Council Committees

## Judicial or Quasi-Judicial Boards (Governmental Board Members)

### Board of Ethics

Enforces the Ethics Ordinance, issues and enforces limited subpoenas to compel attendance of witnesses and the production of testimony, evidence, and/or documents as is reasonably relevant to complaints regarding violation of the Ethics Ordinance. Makes recommendations on amendments to the ordinance.

### Civil Service Commission

Ensures compliance with Chapter 143 of the Texas Local Government Code governing police and fire. The duties of the Commission include approval of eligibility hiring lists and holding hearings, upon appeal, on matters of promotions, performance, reclassifications, and other civil service issues.

### Health and Building Standards Commission

Hears and decides appeals of orders, decisions or determinations made by the Building Official, Code Official, or Fire Marshal made pursuant to Chapters 13, 14, 17, 28 and 29 of the Code of Ordinances; makes reasonable interpretations or rulings in matters properly before it pursuant to Section 2-460.

### Historic Landmark Commission

Recommends to the Planning & Zoning Commission and City Council those buildings, structures, sites, districts, and areas in the city that the Commission has determined should be preserved and designated as historic landmarks. The Commission also regulates design review for designated properties and districts.

### Planning & Zoning Commission

Makes decisions or recommendations to the City Council regarding the Comprehensive Plan, Development Code, zoning regulations, long-range planning, zoning changes, platting, and other development-related policies as required or permitted by State law or Council policy.

### Zoning Board of Adjustment

Provides a forum for citizens to appeal zoning interpretations, decisions of the Building Official, and request variances from the zoning and sign regulations in the Denton Development Code. The Board may also make final decisions regarding changes, the reestablishment, or termination of nonconforming uses within the city.

## Advisory Boards

### Airport Advisory Board

Serves in an advisory capacity to the City Council on matters relative to airport safety, flight and ground operations, safety and security issues arising from the creation and development of long-term master plans; tenant/stakeholder outreach; the Airport Business Plan and the Airport Master Plan; airport infrastructure improvement or other major projects impacting the airport; grant funding for the airport; and long-term financial planning and budgetary issues affecting the airport.

## Animal Shelter Advisory Committee

Assists the City in complying with the provisions of the Animal Shelter Act and makes recommendations to the City Council regarding methods and procedures necessary to ensure compliance with the Act.

## Bond Oversight Committee (Ad Hoc)

Serves to ensure efficiency, equity, timeliness, and accountability in the implementation of the City's voter approved General Obligation (GO) bond program; monitors the City's plans relating to the issuance of bonds and the implementation of projects approved in bond elections, including the annual appropriation of bond funds, and any changes in the amount of bond funds issue or cash commitments made; assesses current City facilities and needs, prioritizes proposals, and makes recommendations to the City Council.

## Capital Improvement Advisory Committee (Ad Hoc)

Advises and assists the City Council in adopting land use assumptions; reviews the capital improvements plans and files written comments; monitors and evaluates implementation of the capital improvements plan; files semiannual reports with respect to the progress of the capital improvements plan and reports to the political subdivision any perceived inequities in implementing the plan or imposing the impact fee; and advises the City Council of the need to update or revise the land use assumptions, capital improvements plan, and impact fee.

## Committee on Persons with Disabilities

Advises the City in those areas of committee interest, including, but not limited to, disability concerns such as accessibility and accommodations for City projects and activities. Specific projects may include the following: (a) construction of new sidewalks, ramps, and crosswalk features; (b) replacing and repairing existing sidewalks, ramps, and crosswalk features; (c) the creation of an ADA Transition Plan; (d) the planning and development of an adaptive/handicap-accessible park; (e) providing guidance on incorporating new or enhanced signage at the City facilities; (f) advising on improvements for new and existing city facilities; (g) providing input on parking lot rehabilitation projects; (h) providing input for improving City operations (i) providing input for improving the operation of other entities; and (j) providing input on Parks and Recreation adaptive activities.

## Community Services Advisory Committee

Advises the City Council on programs, services, and use of public resources to address complex social problems such as economic instability, housing, homelessness, and meeting community service needs.

## Denton Police Department Chief of Police Advisory Board

Assists with review, gathering of community input, and establishing clear findings, conclusions and achievable recommendations that promote the use of best practices in the use-of-force policies and training for the Denton Police Department.

## Development Code Review Committee

Reviews proposed Denton Development Code amendments and makes recommendations to the Planning and Zoning Commission and the City Council regarding proposed Denton Development Code amendments.

## Discover Denton Advisory Board

Monitors, evaluates, and makes recommendations on the resources needed to secure, and promote conventions and tourism to the City.

## Economic Development Partnership Board

Provides economic development policy guidance and makes recommendations to the City Council.

## Library Board

Serves in an advisory capacity to the City Council to recommend policies, rules, and regulations for the operation of the library system. The Board also provides citizen input to the City Council and recommends fees for Council consideration.

## Main Street Board

Oversees and guides downtown revitalization efforts in partnership with the City's Economic Development Department.

## Parks, Recreation and Beautification Board

Serves in an advisory capacity to the City Council to recommend improvements to park and recreation programs. The Board is charged to stimulate public interest in the development and maintenance of parks and playgrounds; to promote close cooperation between the City and private citizens so that all park and recreational facilities are used to their maximum benefit; and pursuant to the Charter, make recommendations regarding the appearance, beautification, and environment of the city.

## Public Art Committee

Makes recommendations to the Parks, Recreation and Beautification Board and City Council on the commissioning, placing, and installation of public art; implementation of funding mechanism for public art; effective and efficient management of public art; ongoing maintenance of public art; and the accessioning, deaccessioning, and re-siting of public art.

## Public Utilities Board

Reviews utilities budget and makes recommendations to the City Council in the format required by the City Manager. The Board is authorized to expend funds for information and advertising. All matters relating to utility policies, capital projects, rates, and the sale and issuance of utility bonds are submitted to the Board for review and recommendation prior to Council consideration. The Public Utilities Board makes recommendations for the Capital Improvement Program pursuant to the provisions in the City Charter.

## Sustainability Framework Advisory Committee

Advises the City Council on the implementation of, and matters related to, the City's Sustainability Framework.

## Tax Increment Reinvestment Zone No. 1 Board

Makes recommendations to the City Council concerning the administration of the Zone; prepares and adopts a project plan and Tax Increment Financing Reinvestment Zone financing plan for the Zone and submits the plans to the City Council for approval; prepares, implements, and monitors such projects and financing plans for the Tax Increment Financing Reinvestment Zone as the City Council considers advisable, including the submission of an annual report on the status of the Zone.

## Tax Increment Reinvestment Zone No. 2 Board

Makes recommendations to the City Council concerning the administration of the Zone; prepares and adopts a project plan and Tax Increment Reinvestment Zone financing plan for the Zone and submits the plans to the City Council for approval. Prepares, implements, and monitors such projects and financing plans for the Tax Increment Reinvestment Zone as the City Council considers advisable, including the submission of an annual report on the status of the Zone.

# City Council Committees

## Agenda Committee

Reviews the City Manager's proposed City Council agendas as to form and agenda content. Committee on the Environment Reviews, discusses, deliberates, and considers environmental issues and resources and makes recommendations to the City Council; and makes recommendations regarding any other matter delegated to the Committee by the City Council.

## Community Partnership Committee

Monitors allocation and use of hotel occupancy tax and sponsorship funds, ensuring funds are being used to directly enhance and promote tourism and hotel/convention industry, ensuring the sponsorship funds are being used to further a charitable cause, economic or community growth and serve a public purpose in the best interest of the general welfare of the City of Denton, and recommends organizations to receive funding to City Council.

## Mobility Committee

Reviews, considers, and makes recommendations to the City Council regarding any changes to the Mobility Plan, local transportation policy and any items concerning regional transportation policies and activities.

# BUSINESS NOT AS USUAL

## A FUTURE BUILT FOR DENTON

## Organizational Strategy

A strategic focus is one of the core values guiding the City of Denton as it works to meet the needs of a growing and changing community. Through strategic planning, the City identifies what matters most to the community, establishes clear priorities, and directs resources toward the outcomes that will have the greatest long-term impact.

Denton's strategic framework provides continuity and direction while allowing the organization to respond to changing conditions, emerging needs, and new opportunities. As the community evolves, the City must also be willing to evaluate how services are delivered, challenge long-standing assumptions, and pursue more effective ways of doing business.

This approach is reflected in **Business Not as Usual**, an organization-wide mindset focused on innovation, accountability, collaboration, and continuous improvement. It encourages employees to look beyond how work has traditionally been done and identify practical solutions that improve service delivery, strengthen fiscal sustainability, and create greater value for the community.

### Strategic Planning Process

Following a comprehensive assessment of the City's operating environment, including emerging trends and an evaluation of organizational strengths, weaknesses, opportunities, and threats, the City Council establishes Key Focus Areas that form the foundation of Denton's strategic framework. These areas define broad, long-term priorities intended to guide meaningful progress over a three-to five-year period.

Within each Key Focus Area, Council identifies strategic objectives that provide a structure for action. City management and staff then develop specific initiatives aligned with these objectives, ensuring that day-to-day operations and resource decisions directly support the City's long-term direction.

In June 2022, the City Council held a retreat to establish six Key Focus Areas and 13 strategic objectives. Since then, annual workshops have allowed Council to reaffirm this framework and set priorities for the year ahead, creating a consistent foundation for departmental planning.

Community engagement plays a central role in shaping these priorities. Every two years, the City conducts a statistically valid community survey to better understand resident priorities, perceptions of City services, and areas needing additional attention. These results provide Council and City leadership with a representative snapshot of community sentiment and are reviewed alongside financial conditions, operational needs, emerging trends, and other forms of public input. Together, these insights inform Council priorities, guide the annual budget process, and support the development of departmental initiatives.

Building on the direction set by Council and informed by community feedback, departments identify initiatives each year that directly support the Key Focus Areas and associated strategic objectives. As part of this work, departments also evaluate existing programs, service delivery methods, and resource needs to determine where improvements, efficiencies, or new solutions may be appropriate.

This integrated process connects community priorities, Council direction, departmental work, and financial resources. It reinforces the City's commitment to measurable results and to continually improving how Denton serves its community. The Key Focus Areas and strategic objectives are as follows:

## Pursue Organizational Excellence and Collaborative and Respectful Leadership

- Become an Employer of Choice
- Ensure Quality Operations and Services
- Strengthen Community and Surrounding Region

## Enhance Infrastructure and Mobility

- Support Strategic Investment in City Infrastructure and Facilities
- Ensure High Standard of Development

## Foster Economic Opportunity and Affordability

- Grow Denton's Economic Vitality
- Promote Housing Affordability and Family Stability

## Strengthen Community and Quality of Life

- Preserve Community Character and Identity
- Strengthen Community Amenities

## Support Healthy and Safe Communities

- Enhance Safety of the Traveling Public
- Build Public Safety Capacity

## Promote Sustainability and the Environment

- Preserve Existing Natural Resources
- Increase Environmental Sustainability

## Monitoring Progress

Progress towards these priorities is tracked through the publicly-available Strategic Plan Dashboard that promotes transparency and accountability. The dashboard highlights key performance indicators (KPIs) linked to each strategic objective, enabling residents and stakeholders to monitor how initiatives are progressing and how resources are being allocated. Updated regularly, it ensures that progress remains measurable, visible, and aligned with Council's long-term goals.

# Budget Process

The City utilizes a zero-based budgeting process, requiring each department to build its budget from the ground up annually. All programs, activities, and expenditures must be fully justified each year rather than relying on prior year allocations. This approach ensures that resources are aligned with organizational priorities, promotes transparency, and supports the Government Finance Officers Association’s standards for responsible financial management.

## 1. Budget Training for Support Staff

January is the time when existing budget guidelines, procedures, and forms are reviewed. Changes may be made to the budget process in order to make budget development more efficient and address format changes. Preliminary budget training for departments is available prior to budget kickoff. During preliminary training, staff is informed of budgeting concepts and the budget process and given an introduction to the City's budget forms. During kickoff, departments receive the budget instruction manual, which includes specific instructions and a review of any changes to the budget process.

## 2. Revenue Projection

The budget revenue projections for the new fiscal year begin early in the current fiscal year. The projections are made by the departments responsible for the revenues with help from the Finance Department staff. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although revenue projections are prepared early in the budget process, the budget revenue analysis continues with departmental budget development and extends until the budget is adopted based upon any new information.

## 3. Proposed Budget Development

During budget development, the Finance Department works with departments to analyze requests, provide advice, and lend assistance. Budget requests are based upon a baseline budget and by priority. Any additional funding is made in the form of supplemental requests.

## 4. Proposed Budget Compilation

Once division and departmental budget requests are completed, the Finance Department reviews and compiles a preliminary draft of departmental budgets to present to the Executive Management Team, which is comprised of the City Manager and Assistant City Managers. A total recommended funding level is determined on both baseline and proposed supplemental packages. At this time, the funding level is weighed against available resources. A tax rate increase may or may not be recommended depending upon City Council program priorities and issues previously expressed in the budget process.

## 5. Budget Discussions with City Council

A workshop is held in June with the City Council to discuss key focus areas for the city. After this meeting, staff prepares a budget to address the key service areas. The budget is finalized at the end of July and included in the proposed budget document that is submitted to the City Council prior to the budget workshop in August.

## 6. City Council Budget Work Session

The proposed budget, including the Budget Overview, is compiled after final appraised property values and other data are received. This report highlights and summarizes funding requirements, major changes in programs, and alternatives for funding. A budget work session is held with the City Council to review and discuss the proposed budget. Discussions and study may follow at subsequent work sessions until budget adoption.

## 7. Public Hearing/Budget Adoption

A public hearing on the budget and the tax rate is held in September prior to final budget consideration. At the public hearing, community members may make formal comments concerning the proposed budget and tax rate.

Budget adoption occurs in September after City Council deliberations and public hearings. City Council may take action to modify the proposed budget. The City Council also adopts a tax rate to support adopted funding levels. Pursuant to City Charter, the proposed budget as submitted by the City Manager becomes the adopted budget if no City Council action is taken before the end of the fiscal year, September 30. The Council may make any changes to the budget it considers warranted by law or deemed to be in the best interest of the taxpayers (LGC, §102.007).

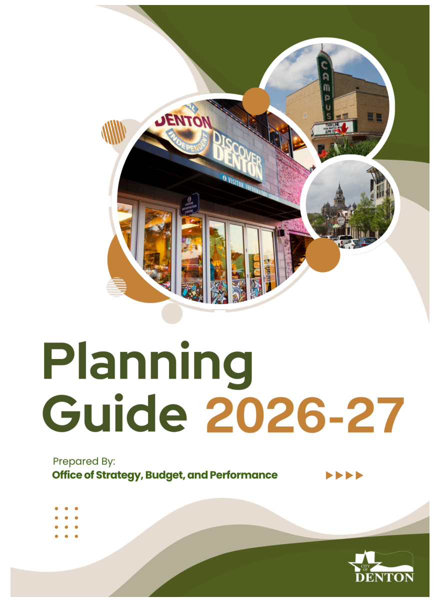
## 8. Compilation of Adopted Budget/Budget Maintenance

The adopted budget is compiled and published during the first months of the new fiscal year. The annual program of services in the form of an amended proposed budget is available for public inspection in December. After the budget is adopted, the City Council must adopt an ordinance amending the budget and annual program of services if an increase to appropriations is needed. Amendments may not increase total appropriations except in two instances, projects that are ongoing, and an emergency as defined by City Charter and LGC (LGC, §102.009).

Budget maintenance is a year-round activity of the organization. Spending controls consist of budget holds, position control reviews, and budget transfers. Additional spending control mechanisms include monthly review of expenditures by the Finance Department. During the budget process, departments make revenue and expenditure estimates for the current year. Finally, program goals, objectives, and measures are evaluated during budget development to determine the effectiveness of program activities and levels of appropriate funding for subsequent years.

# Major Budget Documents

The City of Denton has prepared a budget designed to meet the highest standards of performance in municipal budgeting. This document provides a summary of all budgeted funds, including both revenue and expenditure summaries. The City's budget process includes the production of six key documents.  It is important to understand the timing and purpose of these documents in order to fully understand the process itself.




## The Annual Planning Guide (January)

Prior to budget development and training of departmental support staff, the Annual Planning Guide is drafted and completed in January. This document serves as a development guide and includes sections on annual budget highlights and specific development instructions, as well as, appendices with rate calculations, format examples, and supplemental forms.

## The Budget Overview and Manager's Message (July)

The Budget Overview and Manager's Message is submitted to the City Council in late July as part of the proposed budget. This report summarizes and identifies key issues with regard to revenues and expenditures for the coming year.

## The Proposed Budget (August)

The proposed budget is reviewed by City Council in early August of each fiscal year. This document represents a balanced version of departmental budget requests versus projected resources.  The proposed budget is a product of policy as expressed by the City Council and is submitted by the City Manager.

## The Adopted Budget (September)

The adopted budget represents a modified version of the proposed budget after public hearings and City Council review in August/September. Any changes deemed necessary by City Council to funding levels or revenue projections are reflected in the adopted budget. Revisions may also be made to reflect any updates to budget information. In accordance with state law the adopted budget document is prepared as soon as possible after council approval.

## Budget-In-Brief (December)

The Budget in Brief represents a condensed version of the adopted budget. The budget is summarized showing key budget information, ideal for quick facts and public reference.

# Budget Process Timeline

Fiscal Year: October 1 To September 30

- **January 2026**
  Preliminary Forecasting and Planning.
- **February 2026**
  Budget Process Kickoff
- **April 2026**
  All Department Budget Requests Received
- **May 2026**
  Budget Reviews. Intention Setting. Strategic Alignment & Priority Setting.
- **June 2026**
  Review of All Requests. Public Utilities Board and City Council.
- **July 2026**
  Certified Property Tax Values Received from County. Review of All Requests by Public Utilities Board and City Council.
- **August 2026**
  Saturday Public Work Session on Budget with City Council
- **September 2026**
  Adoption of the Tax Rate and Budget by City Council.
- **October 2027**
  Beginning of Fiscal year
- **December 2027**
  Publication of the Adopted Budget, Capital Improvement Plan, and Budget-In-Brief.
- **December 2027**
  Submission of Adopted Budget to GFOA for Review.

# Budget Basis

The budget for the General, Special Revenue, Debt Service, and Capital Improvement Program (CIP) Funds are prepared on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period except where the accrual basis is specified by Generally Accepted Accounting Principles (GAAP). Expenditures are recognized when the related fund liability is incurred, except for (1) inventories of material and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debts which are generally recognized when due. Budgets for the Governmental Enterprise and Internal Service Funds are prepared on the full accrual basis of accounting under which transactions are recognized when they occur, regardless of timing or related cash flow. This basis of budgeting explained above is consistent with the City's accounting basis.

# Financial Structure

## Administrative Policies

The City of Denton has developed administrative policies which govern the formulation and administration of the annual budget. These administrative policies are incorporated within the City's Administrative Policies and Procedures.

## Financial Structure

The financial structure of the budget is organized by funds. A fund is generally defined as a fiscal and accounting entity which has its own self-balancing set of accounts for recording cash and other financial resources, as well as, any liabilities or residual equities or balances. Normally, funds are segregated for the purpose of carrying on specific activities or achieving certain objectives in accordance with special regulations, restrictions, or limitations. However, when appropriate, funds are made up of departments. The two types of funds utilized in this budget are Governmental and Proprietary. The specific funds that make up the Governmental Fund type are General Fund, General Debt Service Fund, Street Improvement Fund, Tourist and Convention Fund, Police Confiscation Fund, Catalyst Fund (formerly Economic Development Investment Fund), Parks Gas Well Fund, Roadway Impact Fee Fund, Tree Mitigation Fund, Public Education Government (PEG) Fund, McKenna Trust Fund, Park Land Dedication and Development Trust Funds, Downtown Tax Increment Reinvestment Zone (TIRZ) Fund, Westpark Tax Increment Reinvestment Zone (TIRZ) Fund, Donation Funds, Sustainability Framework Fund, Meadows Municipal Utility District (MUD) Fund, Legends Municipal Utility District (MUD) Fund, Tourism Public Improvement District Fund, and Public Housing Finance Corporation Fund. The proprietary Fund types are Electric Fund, Water Fund, Water Impact Fees Fund, Wastewater Fund, Wastewater Impact Fees Fund, Solid Waste Fund, Customer Service Fund, Airport Fund, Environmental Services Fund, Technology Services Fund, Materials Management Fund, Fleet Management Fund, Health Insurance Fund, Risk Retention Fund, Engineering Services Fund and Facilities Management Fund. Each of the above-mentioned funds operates separately and independent of one another; therefore, they are budgeted separately and include financial statements.

## Budgeted Funds

The City of Denton, like other state and local governments, uses fund accounting to provide more detailed information about the City's most significant funds, not the City as a whole. Each fund represents a specific function and maintains individual objectives. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by state law or bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities.

All City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

The City's major funds are the General Fund, the Debt Service Fund, and the Enterprise Funds. Non-major funds include Special Revenue and Internal Service Funds. The City of Denton's budget includes the following funds:

**General Fund (major fund)** – The General Fund reflects the City's general service operations such as public safety, libraries, and parks. The General Fund's two major revenue sources are sales and property taxes. The City's Fund Balance Policy is 20% to 25% of budgeted expenditures, which includes up to a 5% resiliency reserve (City Ordinance 21-2111).

**Debt Service Fund (major fund)** – The Debt Service Fund is used to record and control the accumulation of resources for payment of general obligation long-term debt principal and interest. The City issues debt to acquire or construct capital assets such as roads or parks for the general benefit of Denton residents. Resources include a portion of the ad valorem tax levy and a portion of the interest income from debt service. The fund balance is restricted to payment of principal and interest or refunding of tax-supported debt. The tax rate consists of two components; the amount of taxes to pay for maintenance and operation expenditures, and the amount needed to fund interest and sinking obligations (debt service) (Property Tax Code, §26.05a).

**Special Revenue Funds (non-major)** – Special Revenue Funds are used to account for the receipt of specific revenue sources that are restricted for expenditures for a specified purpose. Included in the special revenue funds are the Catalyst Fund, Donation Funds, Downtown Tax Increment Reinvestment Zone Fund, Health Fund, McKenna Trust Fund, Legends Municipal Utility District (MUD) Fund, Meadows Municipal Utility District (MUD) Fund, Park Land Dedication and Development Trust Funds, Parks Gas Well Fund, Police Confiscation Fund, Public Education Government (PEG) Fund, Public Housing Finance Corporation Fund, Roadway Impact Fee Fund, Street Improvement Fund, Sustainability Framework Fund, Tourism Public Improvement District Fund, Tourist and Convention Fund, Tree Mitigation Fund, and Westpark Tax Increment Reinvestment Zone Fund.

Catalyst Fund – The Catalyst Fund, prior known as the Economic Development Investment Fund, was created in FY 2022. This fund is used to account for grants provided to attract businesses to the City. Fund balance is restricted to economic development grants meeting specific criteria (City Ordinance 22-1803).

Donation Funds – The Donation Funds are comprised of the Animal Control Donation, Police Donation, Fire Donation, Library Donation, and Parks Donation Fund. The fund balances are maintained for the purpose in which they were donated.

Downtown Tax Increment Reinvestment Zone Fund – The Downtown TIRZ Fund is used for downtown development projects, and it accounts for the tax revenues that are collected above the FY 2010-11 level in the downtown area. The fund balance is restricted for use on public improvements within the boundaries of the Downtown TIRZ during the term of the TIRZ agreement.

Health Insurance Fund – The Health Insurance Fund accommodates self-insurance operations. The fund balance is restricted for defined health fund purposes as a self-insurance health plan and under Section 125 of the Federal Tax Code.

McKenna Trust Fund – The McKenna Trust Fund is used to account for interest received from the George McKenna Trust, which was established in 1958 and is currently managed by JP Morgan Chase Bank. One half of the net income from this trust is distributed to Cook Children's Hospital in Fort Worth and one half of the net income is distributed to the City of Denton for use only in maintaining, developing, preserving, and improving the George McKenna Park in the City. The fund balance is restricted to developing, preserving, and improving McKenna Park under the terms of the trust.

Legends Municipal Utility District (MUD) Fund – The Legends MUD Fund was created to provide fire services and capital improvements. Resources in this fund are restricted to the Legends utility district.

Meadows Municipal Utility District (MUD) Fund – The Meadows MUD Fund was created to provide fire services and capital improvements. Resources in this fund are restricted to the Meadows utility district.

Park Land Dedication and Development Trust Funds – The Park Land Dedication and Development Trust Funds are funds received from developers. These fees provide for community and neighborhood parks and projects within a service area of the development or platting. The fund balance is restricted to purchasing community or neighborhood park land or improvements to community or neighborhood parks within the service area of the development (City Ordinance 22-254).

Parks Gas Well Fund – The Parks Gas Well Fund was established to record the receipt of restricted gas well revenues on park property. Revenues from this fund will be used for park system projects. The fund balance is restricted to park system uses based on a legal opinion of state grant funding requirements.

Airport Gas Well Fund – The Airport Gas Well fund was established to record the receipt of restricted gas well revenues on Airport property. Revenues from this fund will be used for Airport projects. The Fund balance is restricted to airport-related uses.

Police Confiscation Fund – The Police Confiscation Fund is used to record the receipt and expenditure of confiscated contraband that is used in the commission of a variety of criminal offenses. Expenditures from this fund are allocated to the Police Department for materials, supplies, and operational costs. The fund balance is restricted to law enforcement purposes under federal guidelines.

Public Education Government (PEG) Fund – The PEG Fund provides for the acquisition of production equipment, capital, and other lawful PEG purposes. PEG fees are remitted to the City on a quarterly basis from cable subscribers. The fund balance is restricted by state law to capital purchases of facilities and equipment used to provide PEG services(City Ordinance 24-1900).

Public Housing Finance Corporation Fund – The Public Housing Finance Corporation Fund is a new fund created to provide for more affordable housing facilities. Resources from Debt and grant programs are used for planning, designing, acquiring, constructing, renovating, improving, and equipping infrastructure for low to moderate-income persons and families. This fund will also be used for land acquisition, and for funding affordable housing and home repair programs as may be permitted by law.

Roadway Impact Fee Fund – The Roadway Impact Fee Fund, created in FY 2017, was established to record the receipt and expenditure of impact fees associated with development affecting City roadways. The fund balance is restricted to roadway capital improvements within each roadway zone that were included in the Impact Fee Capital Improvement Plan (City Ordinance 2016-189).

Street Improvement Fund – The purpose of the fund is to provide a dedicated mechanism to account for street maintenance and rehabilitation activities. The fund will receive revenue from a portion of the franchise fees previously accounted for in the General Fund, as well as street cut reimbursements. Additionally, when market rates are low, and with guidance from the City's financial advisors, interest cost savings associated with the sale of Certificates of Obligation in lieu of Revenue Bonds will also be recorded as revenue. The fund balance is restricted to street maintenance and improvement activities (City Ordinance 2013-219).

Sustainability Framework Fund – The Sustainability Framework Fund was created for sustainability initiatives as recommended by City Council (City Ordinance 21-1689) and is funded with franchise fees.

Tree Mitigation Fund – The Tree Mitigation Fund is used to maintain and plant trees on public property. This includes the preservation of wooded property that remains in a naturalistic state, to perform and maintain a citywide tree inventory; and, to educate community members and developers on the benefits and value of trees. The fund balance is restricted to purchasing, planting, and maintaining trees and tree canopy related programs (City Ordinance 2015-252).

Tourism Public Improvement District Fund – The Tourism Public Improvement District Fund (TPID) was established in 2024 (City Ordinance 24-1901). This fund is specifically designated for initiatives that promote tourism and enhance hotel activity, including advertising, promotion, and business recruitment and development. Revenue for the TPID comes from an assessment on taxable room rates at hotels with 75 or more rooms located within the district.

Tourist and Convention Fund – The Tourist and Convention Fund was established to report the receipt and distribution of the City's Hotel Occupancy Tax, which is levied on room rental rates. Funding is utilized to promote tourism and the convention and hotel industry in Denton.

Westpark Tax Increment Reinvestment Zone Fund – The Westpark TIRZ Fund, located near the Denton Enterprise Airport, is used for development projects and to account for the tax revenues that are collected above the FY 2012-13 level in the Westpark area. The fund balance is restricted for use on public improvements within the boundaries of the Westpark TIRZ during the term of the TIRZ agreement.

**Enterprise Funds (major funds)** – Enterprise funds are used to account for governmental activities that are similar to those found in private businesses. The City budget includes Electric, Water, Wastewater, Drainage, Solid Waste, and Airport Funds. Each fund reflects the services denoted in the title of each fund. The major revenue source for these enterprise funds is the rate revenue generated from the customers who receive the services provided.

The City's Airport Fund is required to use the revenues received at the Airport including gas well revenues from Airport property, for Airport uses due to state and federal rules on the grant funding received for airport improvements.

**Internal Service Funds (non-major)** – Internal Service Funds are used to account for the financing of goods or services provided by one department to another department within the same government organization. The internal service funds are Customer Service, Engineering Services, Environmental Services, Facilities Management, Fleet Management, Materials Management, Risk Retention, and Technology Services. Each internal service fund listed is funded through payments from various City departments for the actual services received from the specific fund. The internal service fund balances are not restricted by a specific fund balance policy or City Ordinance unless otherwise noted.

Customer Service Fund – The Customer Service Fund is responsible for tracking utility service, producing bills, and collecting revenue from customers.

Engineering Services Fund – The Engineering Services Fund is comprised of the following operations: Engineering, Capital Projects, Real Estate, Public Works Inspections, and Development Review. This internal service fund is responsible for providing the above services primarily to internal City departments, although some services are provided to external entities.

Environmental Services Fund – The purpose of this fund is to consolidate and budget divisions within the City which are providing environmental services. The Fund includes the following eight divisions: Environmental Administration, Water Sustainability, Watershed Protection, Water & Wastewater Municipal Labs, Wastewater Industrial Pre-Treatment, Gas Well Inspection, Solid Waste Landfill Compliance and Solid Waste Sustainability.

Facilities Management Fund – The Facilities Management Fund is responsible for maintaining all City-owned facilities.

Fleet Management Fund – The Fleet Management Fund accounts for the maintenance and repair of the City's vehicle and equipment fleet.

Materials Management Fund – The Materials Management Fund is comprised of purchasing and warehouse operations. This internal service fund is responsible for procuring goods and services for City departments and the warehouse maintains an inventory of materials and supplies used by City departments.

Risk Retention Fund – The Risk Retention Fund records the activities associated with providing general liability insurance coverage and self-funded activities for City operations.

Technology Services Fund – The Technology Services Fund provides computer services such as programming, support, training, and maintenance of the City's computer resources and telephone maintenance.

# Budgeted Fund Relationships

| **Budgeted Funds** | **General** | **Capital Projects** | **Special Revenue** | **Enterprise** | **Internal Services** |
|---|---|---|---|---|---|
| **GENERAL** | | | | | |
| **Neighborhood Services** | ✓ | ✓ | | | |
| **Public Safety** | ✓ | ✓ | | | |
| **Administrative** | ✓ | ✓ | | | |
| **DEBT SERVICE** | | | | | |
| **Debt Service** | | ✓ | | ✓ | ✓ |
| **SPECIAL REVENUE** | | | | | |
| **Sustainability Framework Fund** | | ✓ | ✓ | | |
| **Street Improvement** | | ✓ | ✓ | | |
| **Tourist and Convention** | | | ✓ | | |
| **Police Confiscation** | | ✓ | ✓ | | |
| **Catalyst Fund** | | | ✓ | | |
| **Parks Gas Well** | | ✓ | ✓ | | |
| **Roadway Impact Fee** | | ✓ | ✓ | | |
| **Tree Mitigation** | | | ✓ | | |
| **Public Education Government (PEG)** | | ✓ | ✓ | | |

| SPECIAL REVENUE | | | | | |
|---|---|---|---|---|---|
| McKenna Trust | | ✓ | ✓ | | |
| Park Land Dedication | | ✓ | ✓ | | |
| Park Land Development Trust | | ✓ | ✓ | | |
| Downtown Tax Increment Reinvestment Zone | | | ✓ | | |
| Westpark Tax Increment Reinvestment Zone | | | ✓ | | |
| Water Impact Fees | | ✓ | ✓ | | |
| Wastewater Impact Fees | | ✓ | ✓ | | |
| Meadows Municipal Utility District | | | ✓ | | |
| Legends Municipal Utility District | | | ✓ | | |
| Tourism Public Improvement District | | | ✓ | | |
| Public Housing Finance Corporation | | | ✓ | | |
| Donation Special Revenue Funds | | | ✓ | | |

| ENTERPRISE | | | | | |
|---|---|---|---|---|---|
| Electric | | ✓ | | ✓ | |
| Water | | ✓ | | ✓ | |
| Wastewater | | ✓ | | ✓ | |
| Drainage | | ✓ | | ✓ | |
| Solid Waste | | ✓ | | ✓ | |
| Airport | | ✓ | | ✓ | |

| INTERNAL SERVICE | | | | | |
|---|---|---|---|---|---|
| Technology Services | | ✓ | | | ✓ |
| Materials Management | | ✓ | | | ✓ |
| Customer Service | | | | | ✓ |
| Fleet Management | | ✓ | | | ✓ |
| Risk Retention | | | | | ✓ |
| Health Insurance | | | | | ✓ |
| Engineering Services | | ✓ | | | ✓ |
| Facilities Management | | ✓ | | | ✓ |
| Environmental Services | | | | | ✓ |

# Budget Overview

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# General Fund Overview

The General Fund is the City's primary operating fund used to account for revenues and expenses related to essential city services such as Police, Fire, Parks, Library, Development Services, and administrative functions. The General Fund is primarily funded by ad valorem (property) taxes, sales tax, fees, and investment income. The General Fund is not restricted to specific purposes and can be used for a wide range of city operations.

The FY 2027 expenditure budget for the General Fund is **$233,494,396**

## Reserve Level

The City of Denton maintains a General Fund reserve balance for unanticipated expenditures, unforeseen revenue fluctuations, or other adverse circumstances. To ensure that resources are available for these types of issues, the City of Denton targets a fund balance equivalent to 20 to 25% of budgeted expenditures, which includes a resiliency reserve up to 5%. The resiliency reserve will only be utilized in cases of economic distress. As such, the purpose of the resiliency reserve is to minimize budget and service fluctuations due to economic conditions.

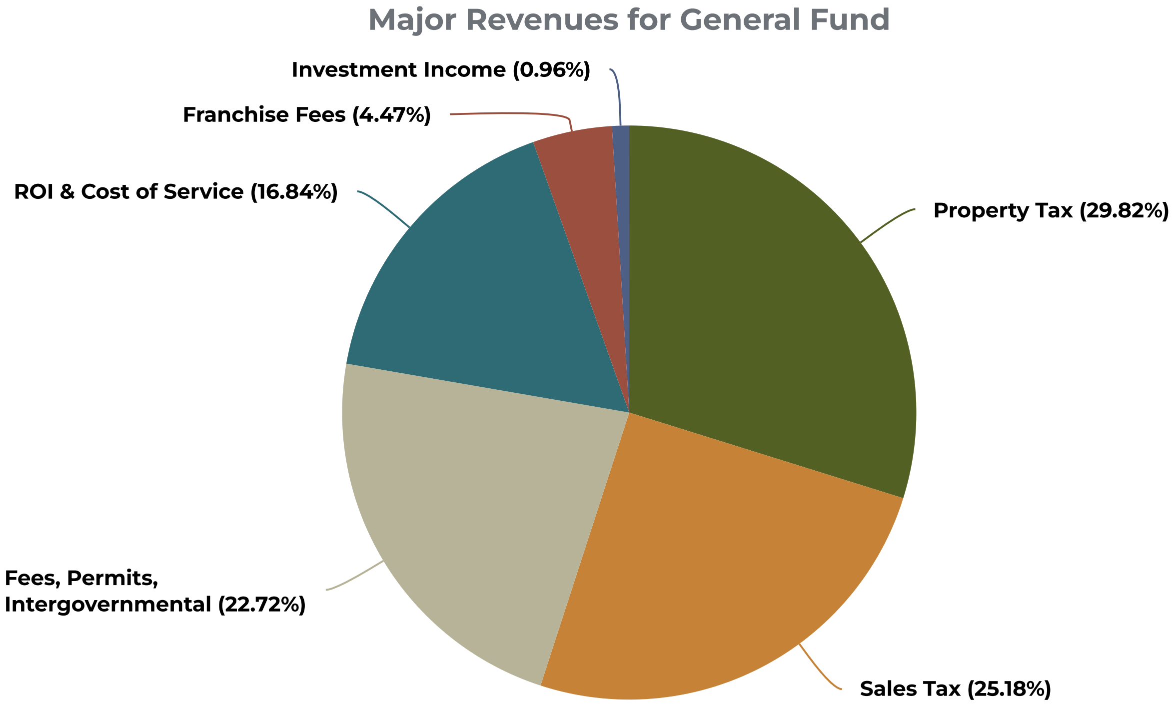
The estimated ending reserve balance of $46,777,628 at the end of FY 2026 represents approximately 22.49%of estimated expenditures and is within the targeted goal of 20 to 25%. The chart below provides a listing of the ending fund balances for the past year, an estimated balance for the fiscal year ending September 30, 2026, and the projected balance for the fiscal year ending September 30, 2027.

| | **As of 9/30/25** | **Estimated 9/30/26** | **Projected 9/30/27** |
|---|---|---|---|
| Ending Balance | $43,087,626 | $46,777,628 | $46,777,628 |
| % of Total Expenditures | 21.9% | 20.58% | 20% |
| Target % | 20 %-25 % | 20 %-25 % | 20 %-25 % |

As detailed in the chart, the City has continued to maintain strong reserve balances near the policy target over the past several years. City Management will continue to monitor the City's financial performance and make appropriate expenditure and/or revenue adjustments as necessary to manage the fund balance level.

## Revenues

The key General Fund revenue sources are discussed below. The chart below shows the source of the major revenues:




## Property Tax

Approximately one-third of the total General Fund revenue is generated from property taxes, also referred to as ad valorem taxes. As shown below, tax year 2026 certified value increased by 17.5%, approximately, or $3,982,769,501 (excluding TIRZ) from tax year 2025 certified value. Analysis of the increase shows there was approximately $1.89 million in new value added to the appraisal roll due to new growth and construction. Below is a chart with a detailed breakdown of certified values:

| | Tax Year 2025 Certified Total AV | Tax Year 2026 Certified Total AV | Increase (Decrease) | Percent Change | New Value |
|---|---|---|---|---|---|
| General Government | $22,755,601,832 | $26,738,371,333 | $3,982,769,501 | 17.5% | $1,903,016,733 |
| Downtown TIRZ [1] | $172,838,244 | $220,344,414 | $47,506,171 | 27.49% | $9,405,074 |
| Westpark TIRZ [2] | $179,489,315 | $190,741,488 | $11,252,173 | 6.27% | $12,775,230 |
| Downtown TIRZ 1A[3] | $0 | $5,933,321 | $5,933,321 | 0% | $13,013 |
| Total: | $23,107,929,391 | $27,135,882,577 | $4,047,461,166 | 17.43% | $1,925,210,050 |

[1] Downtown TIRZ - Reflects 90% of incremental value through FY 2039 per Ordinance No. 2010-316.

[2] Westpark TIRZ - Reflects 40% of incremental value through FY 2037 per Ordinance No. 2013-033.

[3]Downtown TIRZ 1A - Reflects 90% of incremental value through FY 2039 per Ordinance No. 2024-2390.

The increase in the annual certified value is a combination of the new property values added to the tax rolls and the increase in value for existing properties. The chart below has a detailed breakdown of the new property values and the change in existing property values for the last 10 years:

| Tax Year | New Property Value | Change in Value of Existing Properties |
|---|---|---|
| 2026 | $1,903,016,733 | $2,079,752,768 |
| 2025 | $599,600,902 | $909,419,190 |
| 2024 | $1,211,067,354 | $747,691,089 |
| 2023 | $1,023,634,611 | $1,499,322,114 |
| 2022 | $524,609,421 | $1,804,399,997 |
| 2021 | $461,312,678 | $590,765,527 |
| 2020 | $450,814,266 | $279,652,064 |
| 2019 | $386,062,956 | $917,562,289 |
| 2018 | $323,830,656 | $660,998,175 |
| 2017 | $317,877,303 | $926,733,421 |

The Over 65/Disabled tax limitation (freeze) represents approximately $3.30 billion in value, a 2.32% decrease from the prior year. Since eligible homeowners pay a frozen amount, the loss of taxable value represents a loss of approximately $4.96 million in revenue to the City.

The FY 2027 budget includes a tax rate less than the FY 2026 tax rate. The FY 2027 tax rate is $0.548485 per $100 of assessed valuation. Of this amount, $0.316344 is provided for operations and maintenance, and $0.232141 is provided for debt service. The rate for debt service has decreased by $0.028499 and the operations and maintenance rate has been reduced by $0.018436 cents per $100 of value, representing an overall rate decrease of $0.046935 from FY 2026 to FY 2027.

The following chart provides a 5-year history of certified assessed values and tax rates:

| Fiscal Year | Certified Assessed Value* | Operations and Maintenance Tax Rate | Debt Service Tax Rate | Total Tax Rate |
|---|---|---|---|---|
| 2026-27 | $27,135,882,577 | $0.316344 | $0.232141 | $0.548485 |
| 2025-26 | $22,755,601,832 | $0.334780 | $0.260640 | $0.595420 |
| 2024-25 | $21,246,581,740 | $0.334780 | $0.250640 | $0.585420 |
| 2023-24 | $19,287,823,297 | $0.354780 | $0.205902 | $0.560682 |
| 2022-23 | $16,764,866,572 | $0.356432 | $0.204250 | $0.560682 |

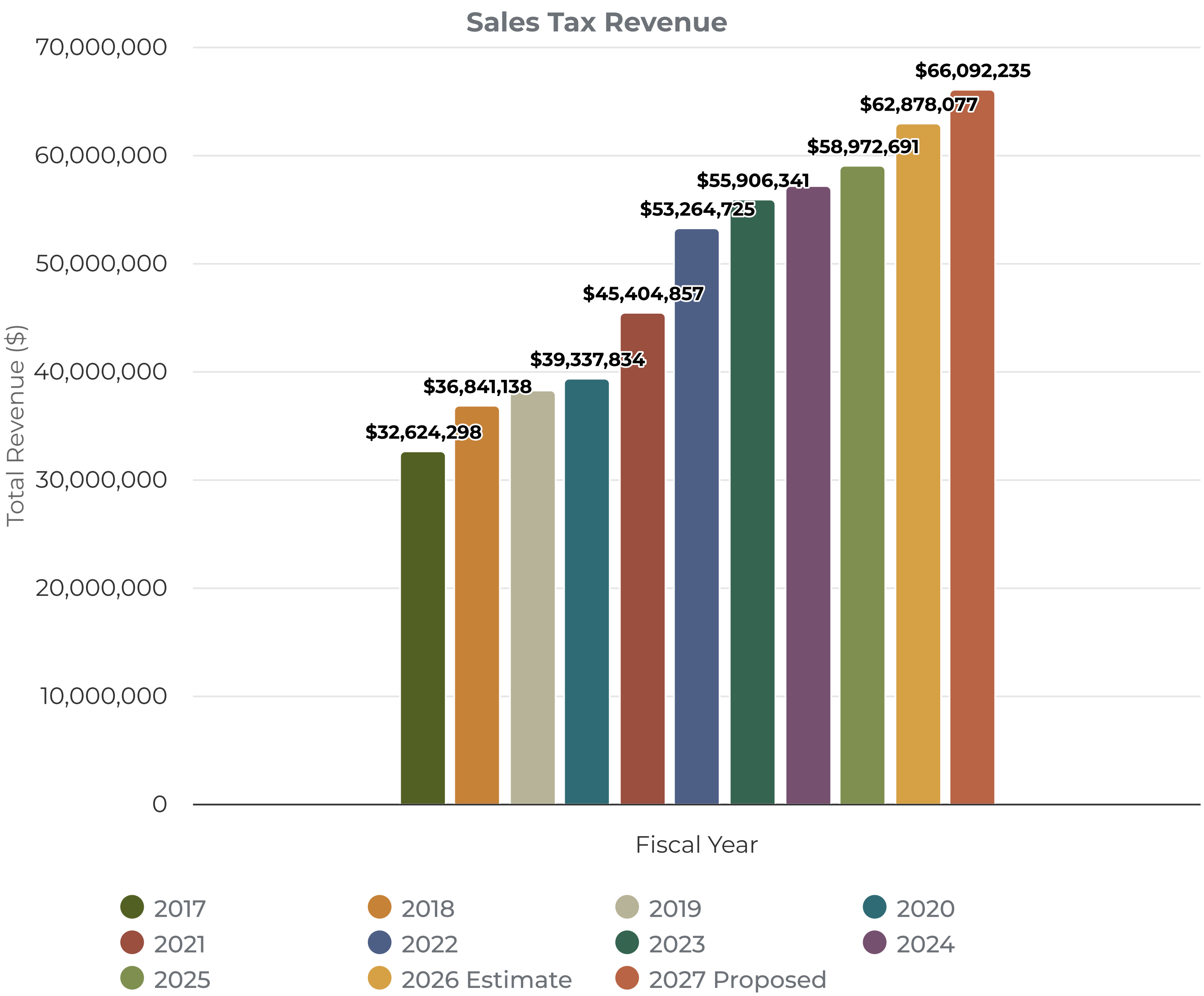
*Certified Assessed Value excludes Downtown and West Park TIRZs, but includes frozen values.

## Sales Tax

The FY 2026 year-end estimate of $62,878,077 is 0.11% or $66.909 below the adopted FY 2026 budget and 6.62% above prior year actuals. Revenue growth from sales tax is expected to continue at around 5% over the prior year in FY 2027.

The FY 2027 budget projects sales tax will be $66,092,235 which is approximately 5.11% above the FY 2026 estimated amount. The five-year financial forecast projects increases in sales tax receipts annually, which includes collections related to the Rayzor Ranch and Golden Triangle Mall. The City has economic development agreements with Unicorn Lake, Golden Triangle Mall, Rayzor Ranch, WinCo, Buc-ees and O'Reilly Hospitality for sales tax rebates which are shown as expenses in the Economic Development department budget.

The following chart provides a 10-year history of sales tax collection and growth:



## Franchise Fees

Approximately 4.47% of the General Fund's revenues are related to franchise fees. Typically assessed as a percentage of gross revenues, the purpose of the franchise fee is to provide compensation to the City in return for allowing utilities to access City rights-of-way. The FY 2027 budget includes $27,997,202 in total franchise fees from various utilities operating in the City, including city-owned utilities. In FY 2027, the budget will allocate $16,300,000 of franchise fee revenue to the Street Improvement Fund. Since franchise fees are generally considered to be compensation for the use of the city-owned rights-of-way, the City designates a portion of the franchise fees to the Street Improvement Fund, which was created in FY 2012. By doing so, this better establishes the linkage between the payment of franchise fees and the use of these funds on street maintenance activities. With this in mind, it is important to also note that the City is not required to spend franchise fees on street maintenance or any other specific activity. Rather, franchise fees are meant to be a General Fund resource, and as such, they may be spent on any activity deemed appropriate by the City Council. Additional details regarding the franchise fee allocation to street maintenance activities are contained in the Street Improvement Fund section of this document.

## Expenditures

To navigate current budget conditions, departments continue to use zero-based budgeting for FY 2027. As part of the process, departments assessed existing operations to identify opportunities for cost savings through service reductions, eliminations, technology implementation, or internalization of services. The Budget Task Force was reconvened to identify additional opportunities for FY 2027, resulting in reductions of approximately $6.8 million. The following tables illustrate the reduction amounts by service category.

| **Category** | **Proposed Reductions** |
| --- | --- |
| Personnel | $4,701,745 |
| Travel and Training | $82,900 |
| Cost Allocations | $1,350,000 |
| Consumable Goods (Sustainable Practices) | $50,000 |
| Contracts and Outside Services | $579,900 |
| **Total** | **$6,764,545** |

## Personnel

Included in these identified savings reductions is $1,514,200 in overtime expenses and assumed salary savings of $3,187,545 due to naturally occurring vacancies during the fiscal years, budgeted at 98 percent.

## Travel and Training

Departments reviewed training-related expenditures to identify cost-saving opportunities. In lieu of external conferences and off-site training, when possible, departments will leverage internal training opportunities, virtual training resources, and industry webinars. These reductions are expected to be temporary, as ongoing professional development remains a priority to ensure Denton remains an employer of choice. Additionally, departments will continue to support training necessary for employees to maintain required licenses and certifications, ensuring that essential qualifications remain current and compliance standards are met.

## Cost Allocations

Transfers to Technology Services, Facilities, Fleet, and Engineering were reviewed individually. Reductions reflect lower projected costs, identified efficiencies, and the reallocation of certain expenses to the funds that more directly benefit from them. As a result, lower transfers do not necessarily indicate reduced services, but rather more accurate cost allocation and closer scrutiny of expenditures.

## Consumable Goods (Sustainable Practices)

Departments are integrating sustainable practices into their daily operations by optimizing existing inventory, reducing paper usage, and limiting disposable paper and plastic products. These efforts support the City's sustainability goals and promote responsible stewardship of materials. By embedding these practices into routine workflows, departments reduce environmental impact while maintaining operational effectiveness and minimizing financial strain.

## Contracts and Outside Services

Budgets for contracted services, including consulting, mowing, advertising, and other outside services, have been reviewed and realigned to match demonstrated needs and historical spending patterns. Departments are evaluating scopes, identifying efficiencies, and exploring opportunities to streamline or consolidate services where feasible. This disciplined approach ensures continuity of high-quality service delivery while responsibly managing costs and supporting long-term financial stability.

## Compensation

The FY 2027 budget includes merit and cost of living adjustment (COLA), as applicable. The following charts are summaries of compensation increases for employees over the past five years:

### Non-Civil Service Compensation History

| Fiscal Year | Compensation Equivalent |
|---|---|
| **2026-27** | Up to 2.5% Merit increase. A one-time COLA of $1,000 per full-time employee and $500 per part-time employee, as eligible, was included as in the third quarter of the fiscal year. |
| **2025-26** | No COLA or Merit Increase in the adopted budget. A one-time COLA of $1,500 per full-time employee and $750 per part-time employee, as eligible, was included as in the fourth quarter of the fiscal year. |
| **2024-25** | 2.5% Average Merit Based Increase + 3% Cost of Living Adjustment (COLA) |
| **2023-24** | 2% Average Merit Based Increase |
| **2022-23** | 3%+ (Compensation Study) |

### Civil Service Compensation Increase History

| Fiscal Year | Compensation Equivalent |
|---|---|
| **2026-27** | Eligible STEP Pay* Increases, 3% COLA for Fire Civil Service. Note: A placeholder is included for Police Civil Service compensation while negotiations for a new Police Meet and Confer agreement continue, with the goal of finalizing a new agreement in September 2026. A one-time COLA of $1,000 per full-time employee and $500 per part-time employee, as eligible, was included as in the third quarter of the fiscal year. |
| **2025-26** | Eligible STEP Pay* Increases only, no market plus 5% pay adjustment.  A one-time COLA of $1,500 per full-time employee and $750 per part-time employee, as eligible, was included as in the third quarter of the fiscal year. |
| **2024-25** | Eligible STEP Pay* Increases and market plus 5% pay adjustments. |
| **2023-24** | Eligible STEP Pay* Increases and market plus 5% pay adjustments. |
| **2022-23** | Eligible STEP Pay* Increases and market plus 5% pay adjustments. |

- STEP Pay for eligible employees who meet the requirements in both Police and Fire Civil Service positions
- All City employees, except for employees who participate in the Fire Pension system, earn retirement benefits through the Texas Municipal Retirement System (TMRS). The TMRS contribution rate for FY 2027 is 18.28%.
- The Denton Firemen's Relief and Retirement Fund (DFRRF) for civil service employees in the Fire Department is 18.60%.
- City management and public safety employee associations have meet and confer agreements that include provisions for compensation.

## Strategic Investments

To support long-term financial sustainability, a total of $1,400,000 is proposed to cash-fund vehicle replacements and capital maintenance, allocating $700,000 to each category. Cash-funding these needs reduces future borrowing, stabilizes ongoing operational costs, and helps ensure the City maintains reliable assets without creating additional debt pressure. This approach protects the budget from volatility and supports a more resilient financial position over time.

To advance the City's long-term economic development goals, $1,000,000 is proposed. This investment strengthens the City's ability to respond quickly to high-value economic opportunities, support targeted development initiatives, and leverage additional private or public investment. Maintaining a robust Catalyst Fund enhances competitiveness, accelerates strategic growth, and helps ensure the City can proactively shape economic outcomes rather than react to them.

To strengthen the City's talent pipeline and expand workforce development opportunities, an intern program is proposed. This investment provides students with hands-on experience in public service, builds future workforce capacity, and helps cultivate skills that support long-term community and organizational needs. Establishing a structured intern program also enhances recruitment efforts and fosters early engagement with emerging talent.

## Other Agency Contributions

Other agency contributions represent allocations by the City of Denton to outside organizations for specific agreed-upon public purposes. The Community Service Advisory Committee received requests totaling $1,145,936, which is approximately 95.5% more than the FY2027 funding level of $586,144. The FY 2027 funding is split between support from the Community Development Block Grant (CDBG) of $171,144 and $415,000 from the General Fund. The General Fund's FY 2027 contribution is approximately a 9.8% increase from FY 2026.

# Grants

The City benefits from a variety of federal, state and local grants. In addition, the City routinely provides matching funds for various programs. A complete list of grants is provided in the Financial Summary section of the document. The total grant budget for FY2027 is $26,507,133 of which $11,399,856 is non-capital, and $15,107,277 is capital related and included in the Capital Improvement Program. This is a decrease of $34,562,449 from the prior year.

# Enterprise Funds Overview

## Utility Reserve Levels

The Utility Departments and the Public Utilities Board have developed financial strategies and objectives to maintain financial stability and resiliency. One objective is to achieve and maintain reserve balances that provide adequate working capital and operating reserve levels. These reserve targets are based primarily on the Government Finance Officers Association's (GFOA) best practices for enterprise funds. In general, "Reserves" are divided into two components: working capital and operating reserves. Working capital provides a minimum unrestricted fund balance to provide the liquidity needed to allow regular management of payables and payment cycles. The working capital target for each utility is 30 days (8%) of average budgeted expenditures. The operating reserve component provides a means of managing expense and demand volatility, ensuring that funding is available for emergencies such as equipment or infrastructure failure, and serving to improve overall resiliency. The table below summarizes the Council-approved targets and forecasts FY 2027 operating reserves as a percentage of total expenditures.

| | Electric | Water | Wastewater | Solid Waste |
|---|---|---|---|---|
| Actual Percentage | 39% | 60% | 30% | 26% |
| FY 2027 Target | 38-61% | 25-42% | 20-31% | 14%-18% |
| Equivalent Days of Operating Expenses | 140-225 Days | 90-150 Days | 75-110 Days | 30-140 Days |

In addition to the above amounts, the Water and Wastewater departments maintain separate impact fee funds and development plan line reserves. The Drainage fund is used for repairs of the drainage system in the event of major unforeseen circumstances. Lastly, the Solid Waste department maintains a separate fund for landfill closure/post-closure purposes.

The operating budgets, capital improvement plans, and future rate increases projected in the utilities' five-year financial plans have been developed to support these targeted reserve fund balances and are addressed in the Enterprise Fund details following this section.

## Aging Infrastructure

The utility departments will continue their financial strategy of replacing aging assets with current revenue and debt. The projected operating budgets, capital improvement plans, and rates contained in the five-year financial plans contemplate a phased approach to revenue-funded asset replacements and maintaining debt coverage ratios at bond covenant levels. Bond covenants are legally binding agreements between the bond issuer and the bondholder that outline what the issuer can and cannot do while the bond is outstanding.

# Electric Fund

The FY 2027 Electric budget includes $500,053,685 in revenues, $487,743,880 in expenditures, and no use of reserves.

Rates: The Denton Municipal Electric (DME) FY 2027 budget contemplates the following rate assumptions.

- 3% base rate increase for residential and commercial customers in FY 2027. The ECA and TCRF rates will adjust as needed to recover the net cost of energy and transmission expenses.

Personnel Changes: There are no position changes in FY 2027. The department is reorganizing to include a division for Planning and Inspections utilizing existing personnel.

Return on Investment (ROI) and Franchise Fees: The ROI for the Electric Fund was increased from 3.50% to 6.00% in FY 2022 and will remain at 6.00% for FY 2027.

Major Capital Improvement Projects: The Electric Fund CIP budget includes funding for the following major capital projects in FY 2027:

- Debt: $59.49 million
- Revenue: $8.5 million

Including the improvements discussed above, the FY 2027-31 five-year capital improvement program is $377.59 million. The program is necessary to meet the expected growth in demand for electric services, improve the reliability of the electric system, replace aging infrastructure, and comply with new regulatory requirements.

# Water Fund

The FY 2027 Water Fund budget includes $61,575,770 in revenues, $64,749,543 in expenditures, and $3,173,773 in use of reserves.

Rates: The FY 2027 budget includes an increased rate change of 3.00% for residential and commercial customers.

Personnel Changes: There are no position changes in FY 2027.

Major Capital Improvement Projects: The Water Fund CIP budget includes funding for the following major capital projects in FY 2027:

- Debt: $107.87 million
- Revenue: $0.06 million

# Wastewater Fund

The FY 2027 Wastewater budget includes $51,278,645 in revenues, $51,818,788 in expenditures, and $540,143 in use of reserves.

Rates: The FY 2027 budget includes an increased rate change of 9.00% for residential and commercial customers.

Personnel Changes: There are no position changes in FY 2027.

Major Capital Improvement Projects: The Wastewater Fund CIP budget includes funding for the following major capital projects in FY 2027:

- Debt: $143.81 million
- Revenue: $3.54 million

# Drainage Fund

The FY 2027 Drainage budget includes $5,915,669 in revenues, $5,915,669 in expenditures, and no use of reserves.

Rates: The FY 2027 budget includes an increased rate change of 5.00% for residential and non-residential customers.

Personnel Changes: Watershed Protection personnel have been moved to the Environmental Services fund. The Drainage fund includes one additional FTE moved from the Engineering Services fund.

Major Capital Improvement Projects: The Drainage Fund CIP budget includes $4.00 million for capital projects in FY 2027 funded entirely by revenue.

# Solid Waste Fund

The FY 2027 Solid Waste budget includes $47,088,660 in revenues, $55,345,497 in expenditures, and $8,256,837 in use of reserves.

Rates: No base rate change for residential and commercial customers in FY 2027.

Personnel Changes: A total of seven additional positions, budgeted at $731,132, are included to support increased service demand from new developments across the City. This includes two positions for commercial front-load service ($211,502), one position for commercial roll-off service ($105,751), and four positions for residential collection ($413,879), particularly related to Landmark, Hunter, and Cole.

Major Capital Improvement Projects: The Solid Waste Fund CIP budget includes funding for the following major capital projects in FY 2027:

- Debt: $5.27 million
- Revenue: $7.27 million

## Utility Rate Change Summary

The following chart summarizes the annual rate increases/ (decreases) for the last seven fiscal years. This chart illustrates the City's commitment to fiscal accountability and a continued effort to responsibly and appropriately set rates that provide optimal service levels.

| | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|---|---|---|---|---|---|---|---|
| Electric | - | - | - | - | 1.50% | - | 3.00% |
| Water | -2.00% | - | - | - | 3.00% | 3.00% | 3.00% |
| Wastewater | - | - | - | 11.00% | 11.00% | 11.00% | 9.00% |
| Solid Waste | -5.00% | - | - | - | 1.50% | - | 0% |
| Drainage | - | - | - | - | - | - | 5.00% |

# Airport Fund

The Airport Fund was established in FY 2011 as a self-sustaining enterprise. The fund is composed of both Airport operations and Airport gas wells. Beginning in FY 2017, the Airport debt service was paid by the City's General Debt Service Fund in order to ensure the long-term financial sustainability of the Airport Fund. However, in FY 2021 the Airport began funding, and continues to fund, its debt service.

The FY 2027 Airport budget includes $2,664,698 in revenues, $2,610,182 in expenditures, and no use of reserves.

<u>Rates</u>: The FY 2027 budget includes no increase to airport rates.

*Personnel Changes*: There are no position changes for FY 2027.

<u>Major Capital Improvement Projects</u>: The Airport Fund CIP budget includes funding for the following major capital projects in FY 2027:

- Revenue: $0.10 million

# Internal Service, Special Revenue, and Donation Funds Overview

## Internal Service Funds

### *Customer Service Fund*

The Customer Service Fund was established in FY 2019 and allows for more visibility into the allocation of Customer Service costs. It was previously part of the Water Fund. All associated costs and forty-two and a half positions were transferred from the Water Fund to the Customer Service Fund in FY 2019. In FY 2026, the 311 Call Center was created, and ten positions were moved from Customer Service to the new division.

### *Engineering Services Fund*

The Engineering Services Fund was created in FY 2014. The engineering functions that were previously budgeted in the Water Fund, Wastewater Fund, and General Fund were reorganized and consolidated into this new fund. This fund is made up of Engineering Administration, Capital Projects, Public Works Inspections, Development Review, Real Estate, and Engineering.

### *Environmental Services Fund*

The Environmental Services Fund was created to consolidate environmental-related services provided across the City through Ordinance No. 23-1871.

### *Facilities Management Fund*

Facilities Management The Facilities Fund was created in FY 2021 and allows for more visibility of the allocation of costs. This budget was previously part of the General Fund. As an Internal Service Fund, the cost of maintaining facilities is allocated to departments through a cost allocation model.

### *Fleet Services Fund*

The Fleet Services Fund reflects the costs of providing vehicle maintenance and equipment related support services to City departments. This internal service fund consists of four functional areas, including vehicle maintenance, fuel purchasing, vehicle parts contract, and motor pool administration.

### *Materials Management Fund*

The Materials Management Fund comprises purchasing and warehouse operations. Materials Management is an internal service fund responsible for procuring goods and services for City departments, which are regulated by local, state, and federal law. The department is also responsible for the warehousing of materials and supplies necessary for City departments to serve the community.

### *Risk Retention Fund*

The Risk Retention Fund was established to record the activities of providing insurance coverage and self-funded activities for City operations including vehicle, property, general liability, and worker's compensation claims.

### *Technology Services Fund*

The Technology Services Fund reflects the costs of providing technical support services to City departments. This internal service fund is composed of eight separate functional areas, including administration, telecommunications, geographic information systems, application development, user support, public safety support, and regulatory compliance.

## Special Revenue Funds

### *Catalyst Fund*

The Economic Development Investment Fund was created in FY 2016 and was reassigned as the Catalyst Fund beginning in FY 2023 (Ordinance No. 22-1803). The City created an expiring incentives program considered annually during the budget process. With Council consensus, expiring incentives budgets can be moved to the Catalyst Fund (City Ordinance 25-1015) for future grants.

### *Health Insurance Fund*

The City is self-insured. The Health Insurance Fund reflects the City's cost to provide medical, dental, vision, life, disability, and other insurance to eligible City employees and retirees. The City switched to a self-funded health insurance plan in 2008, projecting long-term savings for the Health Insurance Fund. In an effort to address rising costs, the City opened the Employee Health Center (clinic) in December 2011. The clinic provides primary care benefits at no cost to our employees, retirees, and dependents who are covered under the City's self-funded program.

### *Legends Municipal Utility District Fund*

On February 14, 2020, the City received a Petition for Consent from Legends Ranch Development, LLC to create a 496.136 acre MUD in the City's ETJ Division I through the Texas Commission on Environmental Quality (TCEQ) process. The property lies within the City's Certificate of Convenience and Necessity (CCN) area for both water and wastewater. The Fire Protection Services Agreement concerning Legends Ranch Municipal Utility District (MUD) was entered into by the City effective on May 12, 2023.

### *Parks Gas Well Fund*

The City's Parks Gas Well Fund was established to record the receipt of restricted gas well revenues on park property. Expenditures from this fund will be used for park system projects. The City currently has several producing gas wells located under City-owned property and throughout the community. As gas well revenue is considered a short-term resource, the expenditures programmed from these funds will be used for one-time capital project completion.

### *Police Confiscation Fund*

The Police Confiscation Fund was established to record the receipt of confiscated contraband and the expenditures funded by that revenue as approved by the courts.  State law passed in FY 2021 does not allow cities to budget revenues for the Police Confiscation Fund.

### *Public Housing Finance Corporation*

This fund was created for planning, designing, acquiring, constructing, renovating, improving, and equipping affordable housing facilities and related infrastructure for low and moderate-income persons and families, acquiring land and interest in land and property necessary for such purposes, funding affordable housing and home repair programs as may be permitted by law, and funding loans and grants for affordable housing purposes.

### *Roadway Impact Fee Fund*

The Roadway Impact Fee Fund was established in FY 2016 to record the receipt and expenditure of impact fees associated with developing city roadways.

## *Street Improvement Fund*

The Street Improvement Fund was established in FY 2012. The purpose of the fund is to provide a dedicated mechanism to account for street maintenance and improvement activities. The Street Improvement Fund receives revenue from a portion of franchise fees previously accounted for in the General Fund. Growth in Franchise Fee revenue is accounted for in the Street Improvement Fund. Interest cost savings associated with issuing Certificates of Obligation (CO) Bonds in lieu of Revenue Bonds are also transferred to the Street Improvement Fund from the utility funds. Beginning in 2010, the City changed the manner by which the utilities issue debt to fund capital improvements by selling CO Bonds instead of Revenue Bonds. Using the AA+ credit rating of the City, rather than the A+ credit rating of the Utility System, the City was able to lower the interest costs on the utility funds.

## *Downtown Tax Increment Reinvestment Zone (TIRZ)*

The Downtown Tax increment Reinvestment Zone Fund (TIRZ #1) was created in FY 2012 through Ordinance No. 2010-316, adopted on December 7, 2010. The fund accounts for the tax revenues that are collected above the FY 2011 assessed value level in the downtown area. Under Ordinance No. 2010-316 years 1-5 require the City to pay 100% of the tax increment to this fund. In years 6-10, 95%, years 11–20, 90%, and years 21–30, 85% of the tax increment will be paid to this fund. FY 2027 is the fifteenth year for the fund.

## *Westpark Tax Increment Reinvestment Zone (TIRZ)*

The Westpark Tax Increment Reinvestment Zone (TIRZ #2) was created through Ordinance No. 2012-366, which was adopted on December 18, 2012. The fund accounts for the tax revenues that are collected above the FY 2013 assessed value level. The base value for TIRZ #2 is $119,458. The City and Denton County contribute 40% of the tax increment to this fund. The FY 2027 certified value is $476,973,178, which represents an incremental value of $190,741,488; 40% of the incremental value. For FY 2027, the budget includes revenues of $1,381,137, and expenditures of $237,283, and no use of reserves.

## *Sustainability Framework Fund*

The Sustainability Framework Fund was created for sustainability initiatives as recommended by City Council through Ordinance No. 21-1689.

## *Tourism Public Improvement District Fund*

A Tourism Public Improvement District (TPID) in Texas is a specific type of public improvement district designed to enhance and promote tourism-related activities within a designated area by providing resources to attract convention and group business. A majority of hoteliers by the appraised value ( 61.5% ) and surface area ( 65.1% ) successfully petitioned the City to establish the TPID. On July 16, 2025, Council held a second public hearing and authorized a contract for the TPID management, service plan, assessment plan, and assessment roll with the Denton Tourism Public Improvement District Corporation (DTPIDC), and Chamber of Commerce.

## *Tourist and Convention Fund*

The Tourist and Convention Fund records the receipt and distribution of the City's Hotel Occupancy Tax, which is levied at 7.00% of room rental rates. The Community Partnership Committee is responsible for determining a recommendation on the allocation of funds annually.

### *Tree Mitigation Fund*

The Tree Mitigation Fund is currently used to fund tree plantings on both public and private property. The budget will be used for the continuation of the current programs for tree planting.

### *Public Education Government Fund (PEG)*

The Public Education Government fund to maintain, build, and equip local Public, Educational, and Governmental (PEG) television channels. Theses local stations are used to broadcast board meetings, city council hearings, and community-focused media.

### *Mckenna Trust Fund*

The McKenna Trust fund provides funding to maintain and enhance George McKenna Park and is dedicated to maintenance activities to preserve the park's appearance.

### *Parks Land Dedication and Development Trust Funds*

The Parks Land Dedication and Development Trust fund provides funding to enhance park facilities and amenities while continuing to invest in the City's park infrastructure.

## Donation Funds

Periodically, the City receives donations from the community for special purposes. The Donation Funds consist of separate collections for Police, Fire, Animal Control, Library, and Parks. Revenue and expenses for these funds will be represented collectively for budgeting purposes.

# Position Summary

| Full Time Equivalents (FTE) | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| General Fund | 997.75 | 1002.75 | 1004.75 | 1003.75 |
| Electric Fund | 189.00 | 189.00 | 189.00 | 189.00 |
| Water Fund | 116.00 | 116.00 | 116.00 | 116.00 |
| Wastewater Fund | 99.00 | 99.00 | 99.00 | 74.00 |
| Drainage Fund | - | - | - | 18.00 |
| Solid Waste Fund | 131.00 | 130.00 | 130.00 | 137.00 |
| Airport Fund | 7.50 | 7.00 | 7.00 | 7.00 |
| Customer Service Fund | 65.50 | 65.50 | 65.50 | 65.50 |
| Technology Services Fund | 71.00 | 71.00 | 71.00 | 71.00 |
| Materials Management Fund | 23.00 | 23.00 | 23.00 | 23.00 |
| Engineering Services Fund | 55.00 | 55.00 | 54.00 | 53.00 |
| Environmental Services | 32.00 | 32.00 | 32.00 | 40.00 |
| Facilities Management Fund | 22.00 | 22.00 | 23.00 | 24.00 |
| Fleet Services Fund | 32.00 | 32.00 | 31.00 | 31.00 |
| Risk Retention Fund | 13.00 | 8.00 | 8.00 | 9.00 |
| Street Improvement Fund | 40.00 | 40.00 | 40.00 | 40.00 |
| **TOTAL ALL FUNDS** | 1893.75 | 1892.25 | 1893.25 | 1901.25 |

# Major Budget Items

<table>
<tr><th>FY 2026</th><th>FY 2027</th></tr>
<tr><td>As adopted, five positions were reallocated from the Risk Fund to the General Fund. In addition to this reallocation, the following changes resulted in a net decrease of half of a position:
<ul><li>One Assistant Director was eliminated from the Solid Waste Fund.</li><li>One part-time position was eliminated from the Airport Fund.</li></ul>
During the fiscal year, additional adjustments were made. This included the reallocation of a position from the Engineering Fund to the General Fund and a position from the Fleet Services Fund to the Facilities Management Fund. The City also added a veterinarian to the General Fund for Animal Services, for a net increase post-budget adoption of one position.</td><td>As proposed, one position will be reallocated from the General Fund to the RIsk Fund for a DOT Coordinator/ CDL Instructor. A total of 25 positions will be reallocated from the Wastewater Fund with 17 moving to the Drainage Fund and eight moving to the Environmental Services Fund. One position will be moved from the Engineering Fund to the Drainage Fund. In addition to these reallocations, the following changes will result in a net increase of eight positions:
<ul><li>Seven positions will be added to the Solid Waste Fund to address the demands of growth.</li><li>One position will be added to the Facilities Management Fund as part of a cost-saving effort to bring HVAC maintenance in-house. Together, these changes resulted in a net increase to personnel of eight positions.</li></ul></td></tr>
</table>

# Estimated Ad Valorem Tax Collections and Distribution

| | | | |
|---|---|---|---|
| **City of Denton Overall Tax Collections** | | | |
| Assessed Valuation for 2026 | | $ | 27,135,882,577 |
| Gain or Loss in Value | | | 197,343,066 |
| Loss of Tax Limitation Values | | | (3,304,660,755) |
| Loss of TIRZ Values | | | (397,511,244) |
| Net Assessed Valuation for 2026 | | $ | 23,631,053,644 |
| Tax Rate Per $100 Valuation | x | | 0.548485 |
| | | $ | 129,612,785 |
| Estimated Collections | x | | 98.50% |
| **Subtotal - Tax Levy** | | $ | 127,668,593 |
| | | | |
| **Subtotal - Tax Limitation Actual Tax** | | $ | 13,163,062 |
| Estimated Collections | x | | 98.50% |
| **Total Tax Limitation** | | $ | 12,965,616 |
| | | | |
| **TOTAL GENERAL FUND AND DEBT SERVICE REVENUE** | | **$** | **140,634,209** |
| | | | |
| **Downtown TIRZ Value(1)** | | $ | 211,879,848 |
| Tax Rate Per $100 Valuation | x | | 0.548485 |
| | | $ | 1,162,129 |
| Estimated Collections | x | | 98.50% |
| **TOTAL DOWNTOWN TIRZ REVENUE** | | **$** | **1,144,697** |
| | | | |
| **Westpark TIRZ Value(2)** | | $ | 185,631,396 |
| Tax Rate Per $100 Valuation | x | | 0.548485 |
| | | $ | 1,018,160 |
| Estimated Collections | x | | 98.50% |
| **TOTAL WESTPARK TIRZ REVENUE** | | **$** | **1,002,888** |
| | | | |
| **TOTAL TAX REVENUE(3)** | | **$** | **142,781,794** |

**TAX RATE PER $100**

| **DISTRIBUTION** | | **2025-26 TAX RATE** | | **2026-27 TAX RATE** | | **2026-27 REVENUE** |
|---|---|---|---|---|---|---|
| General Fund (M&O) | $ | 0.334780 | $ | 0.305631 | $ | 81,112,114 |
| General Debt Service Fund (I&S) | $ | 0.260640 | $ | 0.224917 | $ | 59,522,111 |
| **Sub-Total** | $ | 0.595420 | $ | 0.548485 | $ | 140,634,225 |
| | | | | | | |
| Downtown TIRZ Fund | $ | 0.595420 | $ | 0.548485 | $ | 1,144,697 |
| Westpark TIRZ Fund | $ | 0.595420 | $ | 0.548485 | $ | 1,002,888 |
| **TOTAL** | | | | | **$** | **142,781,810** |

(1) 90% of incremental value
(2) 40% of incremental value
(3) Total ad valorem taxes are inclusive of other func


# Fiscal Summary

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# Consolidated Fund Summary

## Comprehensive Fund Summary

### Comprehensive Fund Summary

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Budgeted (% Change) |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$394,953,291** | **$465,963,908** | **$465,963,908** | **$502,171,536** | **7.77%** |
| **Revenues** | | | | | |
| Taxes | $183,411,849 | $198,782,094 | $198,841,221 | $216,591,104 | 8.96% |
| License & Permits | $6,980,873 | $7,746,632 | $7,452,642 | $6,548,071 | -15.47% |
| Franchise Fees & ROI | $35,761,375 | $48,494,374 | $40,312,057 | $49,451,421 | 1.97% |
| Fines & Fees | $2,749,785 | $2,528,462 | $3,330,237 | $3,297,826 | 30.43% |
| Fees for Service | $23,500,598 | $22,220,496 | $21,436,274 | $22,030,044 | -0.86% |
| Investment | $18,825,152 | $11,732,016 | $17,779,609 | $13,896,229 | 18.45% |
| Intergovernmental | $2,848,052 | $3,571,740 | $3,949,340 | $3,229,900 | -9.57% |
| Operating Revenue | $387,029,284 | $680,134,635 | $457,181,177 | $660,483,918 | -2.89% |
| Charges for Goods & Services | $72,529,329 | $83,418,539 | $80,298,476 | $86,170,910 | 3.30% |
| Other Revenues | $57,437,346 | $35,209,846 | $38,929,469 | $34,400,020 | -2.30% |
| Proceeds from Long Term Debt | $11,459,796 | - | - | - | - |
| Transfers | $160,505,785 | $180,347,222 | $179,120,332 | $199,122,239 | 10.41% |
| **Total Revenues** | **$963,039,224** | **$1,274,186,056** | **$1,048,630,835** | **$1,295,221,682** | **1.65%** |
| **Expenditures** | | | | | |
| PURCHASE POWER | $81,479,598 | $291,799,623 | $129,312,749 | $271,443,041 | -6.98% |
| TRANSMISSION POWER | $28,108,224 | $45,697,236 | $27,466,994 | $36,649,961 | -19.80% |
| PERSONNEL SERVICES | $242,823,659 | $266,840,357 | $243,824,248 | $275,220,972 | 3.14% |
| MATERIALS & SUPPLIES | $17,268,273 | $24,026,200 | $18,853,821 | $24,861,469 | 3.48% |
| MAINTENANCE & REPAIR | $14,192,673 | $20,726,519 | $17,291,238 | $28,494,634 | 37.48% |
| INSURANCE | $47,501,491 | $52,735,562 | $53,228,423 | $56,333,293 | 6.82% |
| ADMIN- COSTS | $55,418,298 | $59,542,074 | $47,588,028 | $59,722,732 | 0.30% |
| CLOSURE/POST CLOSURE COST | - | - | $946,819 | - | - |
| OTHER EXPENSES (MISCELLANEOUS) | $6,014,478 | $6,040,727 | $5,938,922 | $8,004,939 | 32.52% |
| OPERATIONS | $77,948,320 | $89,548,748 | $80,576,586 | $96,087,315 | 7.30% |
| INTEREST EXPENSES | $128,879,494 | $143,564,361 | $144,055,694 | $163,633,152 | 13.98% |
| DEBT SERVICE TRANSFERS | $112,712,975 | $120,277,469 | $122,141,889 | $140,019,687 | 16.41% |
| TRANSFERS | $103,702,617 | $122,918,011 | $113,751,927 | $127,362,323 | 3.62% |
| FIXED ASSETS | $2,933,473 | $2,025,664 | $4,031,911 | $3,621,730 | 78.79% |
| **Total Expenditures** | **$918,983,573** | **$1,245,742,551** | **$1,009,009,249** | **$1,291,455,248** | **3.67%** |
| **Total Revenues Less Expenditures** | **$44,055,651** | **$28,443,505** | **$39,621,586** | **$3,766,434** | **-86.76%** |
| **Ending Fund Balance** | **$439,008,942** | **$494,407,413** | **$505,585,494** | **$505,937,970** | **2.33%** |

*Consolidated Fund Summary only represents total operating funds. For total operating, Capital and grants funds, please see the "Budget Resources and Expenditure Summary" page.

# Revenues by Fund

## Revenues by Fund

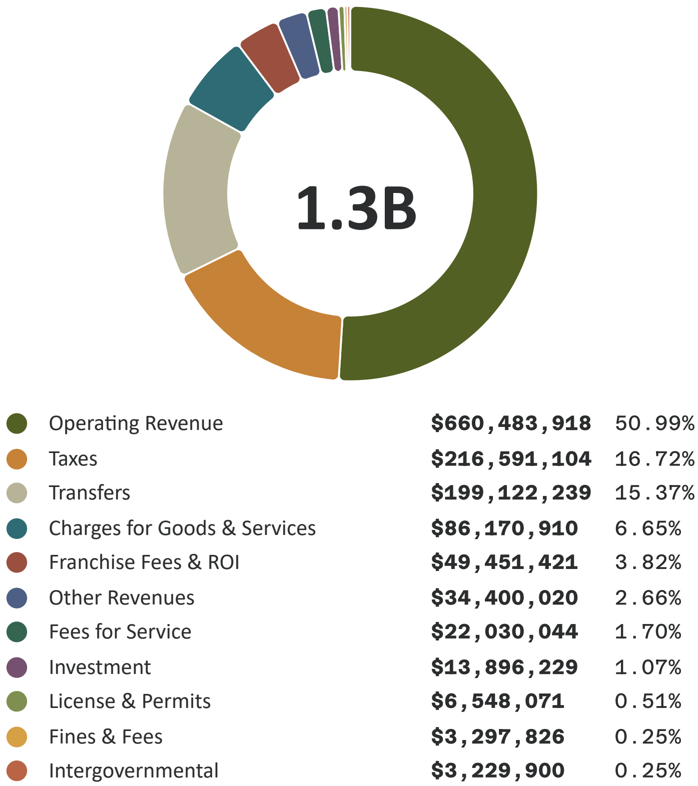
| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Tourist & Convention Fund | $3,389,420 | $4,072,966 | $4,361,911 | $4,470,959 | 9.77% |
| Police Donation Fund | $1,000 | $10,000 | - | $10,000 | - |
| Fire Donation Fund | - | $5,000 | - | $5,000 | - |
| Peg - Public Educ. Govt. Fund | $137,775 | $150,000 | $70,001 | $150,000 | - |
| Library Donation Fund | $39,661 | $38,000 | $50,000 | $45,000 | 18.42% |
| Tree Preservation Fund | $216,843 | $1,000,000 | $959,962 | $501,919 | -49.81% |
| Downtown Tirz | $1,014,592 | $1,194,519 | $1,482,899 | $1,537,958 | 28.75% |
| Westpark Tirz | $1,393,261 | $1,492,682 | $1,717,274 | $1,379,837 | -7.56% |
| Tourism Pub Improv Dist | $999,374 | $1,203,334 | $1,022,552 | $1,205,000 | 0.14% |
| Public Housing Fin.Corporation | - | - | - | $300,000 | - |
| Park Gas Well | $32,151 | $70,000 | $100,886 | $70,000 | - |
| Police Confiscation Fund | $300,493 | - | $152,452 | - | - |
| Meadows Mud | - | - | $141 | - | - |
| Legends Mud | $131,815 | $204,500 | $112,977 | $8,500 | -95.84% |
| Drainage Project Fund | - | - | - | $5,915,669 | - |
| Park Land Dedication Trust | $1,705,397 | $2,175,000 | $565,000 | $1,000,000 | -54.02% |
| Park Development Trust Fund | $3,700,045 | $2,700,000 | $2,770,000 | $2,500,000 | -7.41% |
| Mckenna Trust Fund | $9,586 | $11,500 | $52,685 | $20,000 | 73.91% |
| General Fund | $198,345,379 | $215,964,838 | $208,445,326 | $230,391,308 | 6.68% |
| Debt Service-Genl Debt Sinking | $141,006,986 | $143,561,695 | $144,258,574 | $163,122,486 | 13.63% |
| Parks & Recreation Fund | $36,134 | $125,500 | $113,173 | $167,500 | 33.47% |
| Aquatic Center Fund | $3,140,731 | $2,860,128 | $3,215,228 | $3,103,088 | 8.49% |
| Sustainability Fund | $91,340 | $1,050,150 | $1,052,095 | $50,150 | -95.22% |
| Catalyst Fund | $419,622 | $1,150,000 | $381,268 | $320,000 | -72.17% |
| Street Improvement Fund | $18,666,679 | $21,202,892 | $21,228,892 | $18,774,980 | -11.45% |
| Roadway Impact Fees Fund | $6,705,845 | $5,000,000 | $6,833,110 | $5,000,000 | - |
| Animal Control Adoption Fund | $53,605 | $39,000 | $39,000 | $285,000 | 630.77% |
| Electric Utilities | $267,183,504 | $526,631,020 | $310,543,605 | $500,053,685 | -5.05% |
| Water | $52,209,384 | $59,167,356 | $56,669,774 | $61,575,770 | 4.07% |
| Water Impact Fees Fund | $19,689,419 | $15,400,000 | $17,886,626 | $15,862,000 | 3.00% |
| Waste Water | $45,270,541 | $50,426,572 | $49,743,323 | $51,278,645 | 1.69% |
| Wastewater Impact Fees | $14,392,525 | $13,000,000 | $14,033,200 | $13,390,000 | 3.00% |
| Solid Waste | $46,356,902 | $45,353,673 | $49,183,408 | $47,088,660 | 3.83% |
| Airport Enterprise Fund | $2,651,242 | $2,177,520 | $2,894,213 | $2,664,698 | 22.37% |
| Airport Gas Well Fund | - | $407,896 | - | - | -100.00% |
| Materials Management | $15,775,111 | $20,934,363 | $16,927,760 | $21,199,232 | 1.27% |
| Fleet Services | $16,612,395 | $18,663,445 | $18,122,121 | $19,540,402 | 4.70% |
| Technology Services | $22,909,621 | $25,051,383 | $25,007,371 | $27,065,166 | 8.04% |
| Engineering Services | $7,822,400 | $13,314,400 | $10,558,949 | $14,028,197 | 5.36% |
| Health Insurance Fund | $39,396,768 | $43,900,363 | $43,900,363 | $46,566,566 | 6.07% |
| Risk Retention | $7,327,909 | $8,327,477 | $8,527,348 | $8,816,026 | 5.87% |
| Customer Service | $11,099,945 | $11,873,598 | $12,028,572 | $9,931,795 | -16.35% |
| Facilities Management | $7,328,241 | $8,459,548 | $8,496,815 | $8,452,305 | -0.09% |
| Environmental Services | $5,475,584 | $5,815,738 | $5,121,980 | $7,374,181 | 26.80% |
| **Total Revenues** | **$963,039,224** | **$1,274,186,056** | **$1,048,630,835** | **$1,295,221,682** | **1.65%** |

## Expenditures by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| General Fund | $195,763,213 | $213,457,931 | $201,345,796 | $228,406,838 | 7.00% |
| Drainage Project Fund | - | - | - | $5,915,669 | - |
| Debt Service-Genl Debt Sinking | $139,827,617 | $143,561,695 | $143,561,573 | $163,122,486 | 13.63% |
| Tourist & Convention Fund | $3,283,852 | $5,061,486 | $5,045,686 | $5,968,212 | 17.91% |
| Aquatic Center Fund | $4,904,038 | $5,367,035 | $6,624,756 | $5,087,558 | -5.21% |
| Police Donation Fund | $333 | $10,000 | $500 | $10,000 | - |
| Fire Donation Fund | - | $5,000 | - | $5,000 | - |
| Peg - Public Educ. Govt. Fund | $126,195 | $500,000 | $361,287 | $500,000 | - |
| Library Donation Fund | $50,453 | $60,000 | $39,000 | $85,000 | 41.67% |
| Tree Preservation Fund | $303,193 | $1,000,000 | $113,544 | $501,919 | -49.81% |
| Sustainability Fund | $246,904 | $1,050,150 | $682,264 | $988,970 | -5.83% |
| Catalyst Fund | $50,000 | $2,150,000 | $55,000 | $3,525,000 | 63.95% |
| Street Improvement Fund | $16,845,719 | $23,432,130 | $20,288,566 | $23,920,244 | 2.08% |
| Downtown Tirz | $207,148 | $1,542,251 | $1,642,251 | $1,642,251 | 6.48% |
| Westpark Tirz | $3,499,900 | $474,006 | $237,283 | $237,283 | -49.94% |
| Tourism Pub Improv Dist | $783,666 | $1,203,334 | $432,557 | $1,205,000 | 0.14% |
| Park Gas Well | - | $70,000 | $70,000 | $70,000 | - |
| Roadway Impact Fees Fund | $5,500,000 | $5,000,000 | $2,159,766 | $5,000,000 | - |
| Police Confiscation Fund | $645,574 | $756,180 | $399,981 | $756,180 | - |
| Animal Control Adoption Fund | $48,005 | $80,000 | $30,000 | $340,000 | 325.00% |
| Meadows Mud | $307,887 | - | - | - | - |
| Legends Mud | - | $204,500 | - | $8,500 | -95.84% |
| Parks & Recreation Fund | $29,530 | $125,500 | $187,932 | $167,500 | 33.47% |
| Public Housing Fin.Corporation | - | - | - | $300,000 | - |
| Electric Utilities | $263,815,765 | $509,582,231 | $312,929,156 | $487,743,880 | -4.29% |
| Water | $51,957,872 | $62,799,520 | $59,279,279 | $64,749,543 | 3.11% |
| Water Impact Fees Fund | $1,635,340 | $1,732,674 | $1,732,674 | $4,203,282 | 142.59% |
| Waste Water | $43,243,516 | $51,361,578 | $49,110,081 | $51,818,788 | 0.89% |
| Wastewater Impact Fees | $2,990,345 | $8,858,946 | $8,858,946 | $10,714,596 | 20.95% |
| Solid Waste | $41,609,633 | $45,353,673 | $43,078,030 | $55,345,497 | 22.03% |
| Airport Enterprise Fund | $2,392,080 | $2,535,416 | $2,514,960 | $2,610,182 | 2.95% |
| Airport Gas Well Fund | - | $50,000 | - | - | -100.00% |
| Materials Management | $15,732,738 | $20,934,363 | $16,927,760 | $21,199,232 | 1.27% |
| Fleet Services | $16,539,894 | $18,663,445 | $18,876,545 | $19,552,402 | 4.76% |
| Technology Services | $22,825,451 | $25,051,383 | $22,976,334 | $27,065,166 | 8.04% |
| Engineering Services | $11,039,941 | $13,314,400 | $10,558,949 | $14,028,197 | 5.36% |
| Health Insurance Fund | $40,714,589 | $43,900,363 | $43,900,663 | $46,566,566 | 6.07% |
| Risk Retention | $7,316,574 | $8,327,477 | $7,496,698 | $8,816,026 | 5.87% |
| Customer Service | $11,036,333 | $11,870,598 | $11,870,598 | $9,931,795 | -16.33% |
| Facilities Management | $7,278,920 | $8,459,548 | $8,458,852 | $8,452,305 | -0.09% |
| Environmental Services | $5,135,298 | $5,815,738 | $5,121,980 | $7,374,181 | 26.80% |
| Park Land Dedication Trust | $979,027 | $1,000,000 | $1,000,000 | $1,000,000 | - |
| Park Development Trust Fund | $317,030 | $1,000,000 | $1,000,000 | $2,500,000 | 150.00% |
| Mckenna Trust Fund | - | $20,000 | $40,000 | $20,000 | - |
| **Total Expenditures** | **$918,983,573** | **$1,245,742,551** | **$1,009,009,249** | **$1,291,455,248** | **3.67%** |

# Revenues by Category

## FY27 Revenues by Revenue Category

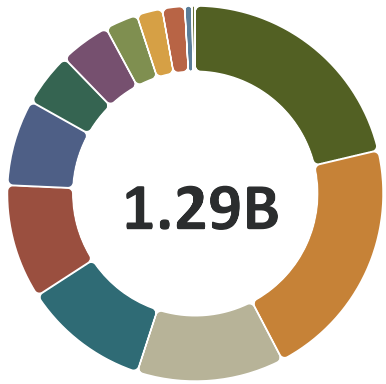



## Revenues by Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Taxes | $183,411,849 | $198,782,094 | $198,841,221 | $216,591,104 | 8.96% |
| License & Permits | $6,980,873 | $7,746,632 | $7,452,642 | $6,548,071 | -15.47% |
| Franchise Fees & ROI | $35,761,375 | $48,494,374 | $40,312,057 | $49,451,421 | 1.97% |
| Fines & Fees | $2,749,785 | $2,528,462 | $3,330,237 | $3,297,826 | 30.43% |
| Fees for Service | $23,500,598 | $22,220,496 | $21,436,274 | $22,030,044 | -0.86% |
| Investment | $18,825,152 | $11,732,016 | $17,779,609 | $13,896,229 | 18.45% |
| Intergovernmental | $2,848,052 | $3,571,740 | $3,949,340 | $3,229,900 | -9.57% |
| Operating Revenue | $387,029,284 | $680,134,635 | $457,181,177 | $660,483,918 | -2.89% |
| Charges for Goods & Services | $72,529,329 | $83,418,539 | $80,298,476 | $86,170,910 | 3.30% |
| Other Revenues | $57,437,346 | $35,209,846 | $38,929,469 | $34,400,020 | -2.30% |
| Proceeds from Long Term Debt | $11,459,796 | - | - | - | - |
| Transfers | $160,505,785 | $180,347,222 | $179,120,332 | $199,122,239 | 10.41% |
| **Total Revenues** | **$963,039,224** | **$1,274,186,056** | **$1,048,630,835** | **$1,295,221,682** | **1.65%** |

# Expenditures by Category

**FY27 Expenditures by Expense Category**




## Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PURCHASE POWER | $81,479,598 | $291,799,623 | $129,312,749 | $271,443,041 | -6.98% |
| TRANSMISSION POWER | $28,108,224 | $45,697,236 | $27,466,994 | $36,649,961 | -19.80% |
| PERSONNEL SERVICES | $242,823,659 | $266,840,357 | $243,824,248 | $275,220,972 | 3.14% |
| MATERIALS & SUPPLIES | $17,268,273 | $24,026,200 | $18,853,821 | $24,861,469 | 3.48% |
| MAINTENANCE & REPAIR | $14,192,673 | $20,726,519 | $17,291,238 | $28,494,634 | 37.48% |
| INSURANCE | $47,501,491 | $52,735,562 | $53,228,423 | $56,333,293 | 6.82% |
| ADMIN- COSTS | $55,418,298 | $59,542,074 | $47,588,028 | $59,722,732 | 0.30% |
| CLOSURE/POST CLOSURE COST | - | - | $946,819 | - | - |
| OTHER EXPENSES (MISCELLANEOUS) | $6,014,478 | $6,040,727 | $5,938,922 | $8,004,939 | 32.52% |
| OPERATIONS | $77,948,320 | $89,548,748 | $80,576,586 | $96,087,315 | 7.30% |
| INTEREST EXPENSES | $128,879,494 | $143,564,361 | $144,055,694 | $163,633,152 | 13.98% |
| DEBT SERVICE TRANSFERS | $112,712,975 | $120,277,469 | $122,141,889 | $140,019,687 | 16.41% |
| TRANSFERS | $103,702,617 | $122,918,011 | $113,751,927 | $127,362,323 | 3.62% |
| FIXED ASSETS | $2,933,473 | $2,025,664 | $4,031,911 | $3,621,730 | 78.79% |
| **Total Expenditures** | **$918,983,573** | **$1,245,742,551** | **$1,009,009,249** | **$1,291,455,248** | **3.67%** |

# Budget Resources and Expenditures Summary

## Revenues by Fund

### Revenues by Fund

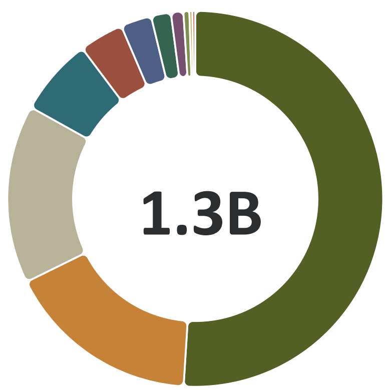
| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Tourist & Convention Fund | $3,389,420 | $4,072,966 | $4,361,911 | $4,470,959 | 9.77% |
| Police Donation Fund | $1,000 | $10,000 | - | $10,000 | - |
| Fire Donation Fund | - | $5,000 | - | $5,000 | - |
| Peg - Public Educ. Govt. Fund | $137,775 | $150,000 | $70,001 | $150,000 | - |
| Library Donation Fund | $39,661 | $38,000 | $50,000 | $45,000 | 18.42% |
| Tree Preservation Fund | $216,843 | $1,000,000 | $959,962 | $501,919 | -49.81% |
| Downtown Tirz | $1,014,592 | $1,194,519 | $1,482,899 | $1,537,958 | 28.75% |
| Westpark Tirz | $1,393,261 | $1,492,682 | $1,717,274 | $1,379,837 | -7.56% |
| Tourism Pub Improv Dist | $999,374 | $1,203,334 | $1,022,552 | $1,205,000 | 0.14% |
| Public Housing Fin.Corporation | - | - | - | $300,000 | - |
| Park Gas Well | $32,151 | $70,000 | $100,886 | $70,000 | - |
| Police Confiscation Fund | $300,493 | - | $152,452 | - | - |
| Meadows Mud | - | - | $141 | - | - |
| Legends Mud | $131,815 | $204,500 | $112,977 | $8,500 | -95.84% |
| Drainage Project Fund | - | - | - | $5,915,669 | - |
| Park Land Dedication Trust | $1,705,397 | $2,175,000 | $565,000 | $1,000,000 | -54.02% |
| Park Development Trust Fund | $3,700,045 | $2,700,000 | $2,770,000 | $2,500,000 | -7.41% |
| Mckenna Trust Fund | $9,586 | $11,500 | $52,685 | $20,000 | 73.91% |
| General Fund | $198,345,379 | $215,964,838 | $208,445,326 | $230,391,308 | 6.68% |
| Debt Service-Genl Debt Sinking | $141,006,986 | $143,561,695 | $144,258,574 | $163,122,486 | 13.63% |
| Parks & Recreation Fund | $36,134 | $125,500 | $113,173 | $167,500 | 33.47% |
| Aquatic Center Fund | $3,140,731 | $2,860,128 | $3,215,228 | $3,103,088 | 8.49% |
| Sustainability Fund | $91,340 | $1,050,150 | $1,052,095 | $50,150 | -95.22% |
| Catalyst Fund | $419,622 | $1,150,000 | $381,268 | $320,000 | -72.17% |
| Street Improvement Fund | $18,666,679 | $21,202,892 | $21,228,892 | $18,774,980 | -11.45% |
| Roadway Impact Fees Fund | $6,705,845 | $5,000,000 | $6,833,110 | $5,000,000 | - |
| Animal Control Adoption Fund | $53,605 | $39,000 | $39,000 | $285,000 | 630.77% |
| Electric Utilities | $267,183,504 | $526,631,020 | $310,543,605 | $500,053,685 | -5.05% |
| Water | $52,209,384 | $59,167,356 | $56,669,774 | $61,575,770 | 4.07% |
| Water Impact Fees Fund | $19,689,419 | $15,400,000 | $17,886,626 | $15,862,000 | 3.00% |
| Waste Water | $45,270,541 | $50,426,572 | $49,743,323 | $51,278,645 | 1.69% |
| Wastewater Impact Fees | $14,392,525 | $13,000,000 | $14,033,200 | $13,390,000 | 3.00% |
| Solid Waste | $46,356,902 | $45,353,673 | $49,183,408 | $47,088,660 | 3.83% |
| Airport Enterprise Fund | $2,651,242 | $2,177,520 | $2,894,213 | $2,664,698 | 22.37% |
| Airport Gas Well Fund | - | $407,896 | - | - | -100.00% |
| Materials Management | $15,775,111 | $20,934,363 | $16,927,760 | $21,199,232 | 1.27% |
| Fleet Services | $16,612,395 | $18,663,445 | $18,122,121 | $19,540,402 | 4.70% |
| Technology Services | $22,909,621 | $25,051,383 | $25,007,371 | $27,065,166 | 8.04% |
| Engineering Services | $7,822,400 | $13,314,400 | $10,558,949 | $14,028,197 | 5.36% |
| Health Insurance Fund | $39,396,768 | $43,900,363 | $43,900,363 | $46,566,566 | 6.07% |
| Risk Retention | $7,327,909 | $8,327,477 | $8,527,348 | $8,816,026 | 5.87% |
| Customer Service | $11,099,945 | $11,873,598 | $12,028,572 | $9,931,795 | -16.35% |
| Facilities Management | $7,328,241 | $8,459,548 | $8,496,815 | $8,452,305 | -0.09% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Environmental Services | $5,475,584 | $5,815,738 | $5,121,980 | $7,374,181 | 26.80% |
| **Total Revenues** | **$963,039,224** | **$1,274,186,056** | **$1,048,630,835** | **$1,295,221,682** | **1.65%** |

| Resource Description | FY 2025 Actuals | FY 2026 Adopted | FY 2026 Estimates | FY 2027 Proposed |
|---|---|---|---|---|
| Total Revenues | $963,039,224 | $1,274,186,056 | $1,048,630,835 | $1,295,061,179 |
| Grant Program | $94,995,840 | $61,069,582 | $61,069,582 | $26,507,133 |
| Capital Improvement Program | $926,014,483 | $1,244,443,000 | $1,244,443,000 | $905,249,000 |
| Total Resources | $1,972,481,058 | $2,579,698,638 | $2,354,143,417 | $2,226,817,312 |

## Revenues by Revenue Category

### FY27 Revenues by Revenue Category




| | | |
|---|---|---|
| Operating Revenue | $660,483,918 | 50.99% |
| Taxes | $216,591,104 | 16.72% |
| Transfers | $199,122,239 | 15.37% |
| Charges for Goods & Services | $86,170,910 | 6.65% |
| Franchise Fees & ROI | $49,451,421 | 3.82% |
| Other Revenues | $34,400,020 | 2.66% |
| Fees for Service | $22,030,044 | 1.70% |
| Investment | $13,896,229 | 1.07% |
| License & Permits | $6,548,071 | 0.51% |
| Fines & Fees | $3,297,826 | 0.25% |
| Intergovernmental | $3,229,900 | 0.25% |

## Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Taxes | $183,411,849 | $198,782,094 | $198,841,221 | $216,591,104 | 8.96% |
| License & Permits | $6,980,873 | $7,746,632 | $7,452,642 | $6,548,071 | -15.47% |
| Franchise Fees & ROI | $35,761,375 | $48,494,374 | $40,312,057 | $49,451,421 | 1.97% |
| Fines & Fees | $2,749,785 | $2,528,462 | $3,330,237 | $3,297,826 | 30.43% |
| Fees for Service | $23,500,598 | $22,220,496 | $21,436,274 | $22,030,044 | -0.86% |
| Investment | $18,825,152 | $11,732,016 | $17,779,609 | $13,896,229 | 18.45% |
| Intergovernmental | $2,848,052 | $3,571,740 | $3,949,340 | $3,229,900 | -9.57% |
| Operating Revenue | $387,029,284 | $680,134,635 | $457,181,177 | $660,483,918 | -2.89% |
| Charges for Goods & Services | $72,529,329 | $83,418,539 | $80,298,476 | $86,170,910 | 3.30% |
| Other Revenues | $57,437,346 | $35,209,846 | $38,929,469 | $34,400,020 | -2.30% |
| Proceeds from Long Term Debt | $11,459,796 | - | - | - | - |
| Transfers | $160,505,785 | $180,347,222 | $179,120,332 | $199,122,239 | 10.41% |
| **Total Revenues** | **$963,039,224** | **$1,274,186,056** | **$1,048,630,835** | **$1,295,221,682** | **1.65%** |

## Expenditures by Fund

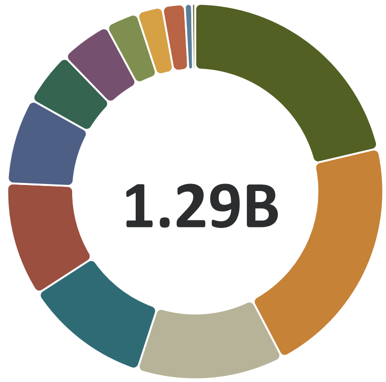
| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| General Fund | $195,763,213 | $213,457,931 | $201,345,796 | $228,406,838 | 7.00% |
| Drainage Project Fund | - | - | - | $5,915,669 | - |
| Debt Service-Genl Debt Sinking | $139,827,617 | $143,561,695 | $143,561,573 | $163,122,486 | 13.63% |
| Tourist & Convention Fund | $3,283,852 | $5,061,486 | $5,045,686 | $5,968,212 | 17.91% |
| Aquatic Center Fund | $4,904,038 | $5,367,035 | $6,624,756 | $5,087,558 | -5.21% |
| Police Donation Fund | $333 | $10,000 | $500 | $10,000 | - |
| Fire Donation Fund | - | $5,000 | - | $5,000 | - |
| Peg - Public Educ. Govt. Fund | $126,195 | $500,000 | $361,287 | $500,000 | - |
| Library Donation Fund | $50,453 | $60,000 | $39,000 | $85,000 | 41.67% |
| Tree Preservation Fund | $303,193 | $1,000,000 | $113,544 | $501,919 | -49.81% |
| Sustainability Fund | $246,904 | $1,050,150 | $682,264 | $988,970 | -5.83% |
| Catalyst Fund | $50,000 | $2,150,000 | $55,000 | $3,525,000 | 63.95% |
| Street Improvement Fund | $16,845,719 | $23,432,130 | $20,288,566 | $23,920,244 | 2.08% |
| Downtown Tirz | $207,148 | $1,542,251 | $1,642,251 | $1,642,251 | 6.48% |
| Westpark Tirz | $3,499,900 | $474,006 | $237,283 | $237,283 | -49.94% |
| Tourism Pub Improv Dist | $783,666 | $1,203,334 | $432,557 | $1,205,000 | 0.14% |
| Park Gas Well | - | $70,000 | $70,000 | $70,000 | - |
| Roadway Impact Fees Fund | $5,500,000 | $5,000,000 | $2,159,766 | $5,000,000 | - |
| Police Confiscation Fund | $645,574 | $756,180 | $399,981 | $756,180 | - |
| Animal Control Adoption Fund | $48,005 | $80,000 | $30,000 | $340,000 | 325.00% |
| Meadows Mud | $307,887 | - | - | - | - |
| Legends Mud | - | $204,500 | - | $8,500 | -95.84% |
| Parks & Recreation Fund | $29,530 | $125,500 | $187,932 | $167,500 | 33.47% |
| Public Housing Fin.Corporation | - | - | - | $300,000 | - |
| Electric Utilities | $263,815,765 | $509,582,231 | $312,929,156 | $487,743,880 | -4.29% |
| Water | $51,957,872 | $62,799,520 | $59,279,279 | $64,749,543 | 3.11% |
| Water Impact Fees Fund | $1,635,340 | $1,732,674 | $1,732,674 | $4,203,282 | 142.59% |
| Waste Water | $43,243,516 | $51,361,578 | $49,110,081 | $51,818,788 | 0.89% |
| Wastewater Impact Fees | $2,990,345 | $8,858,946 | $8,858,946 | $10,714,596 | 20.95% |
| Solid Waste | $41,609,633 | $45,353,673 | $43,078,030 | $55,345,497 | 22.03% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Airport Enterprise Fund | $2,392,080 | $2,535,416 | $2,514,960 | $2,610,182 | 2.95% |
| Airport Gas Well Fund | - | $50,000 | - | - | -100.00% |
| Materials Management | $15,732,738 | $20,934,363 | $16,927,760 | $21,199,232 | 1.27% |
| Fleet Services | $16,539,894 | $18,663,445 | $18,876,545 | $19,552,402 | 4.76% |
| Technology Services | $22,825,451 | $25,051,383 | $22,976,334 | $27,065,166 | 8.04% |
| Engineering Services | $11,039,941 | $13,314,400 | $10,558,949 | $14,028,197 | 5.36% |
| Health Insurance Fund | $40,714,589 | $43,900,363 | $43,900,663 | $46,566,566 | 6.07% |
| Risk Retention | $7,316,574 | $8,327,477 | $7,496,698 | $8,816,026 | 5.87% |
| Customer Service | $11,036,333 | $11,870,598 | $11,870,598 | $9,931,795 | -16.33% |
| Facilities Management | $7,278,920 | $8,459,548 | $8,458,852 | $8,452,305 | -0.09% |
| Environmental Services | $5,135,298 | $5,815,738 | $5,121,980 | $7,374,181 | 26.80% |
| Park Land Dedication Trust | $979,027 | $1,000,000 | $1,000,000 | $1,000,000 | - |
| Park Development Trust Fund | $317,030 | $1,000,000 | $1,000,000 | $2,500,000 | 150.00% |
| Mckenna Trust Fund | - | $20,000 | $40,000 | $20,000 | - |
| **Total Expenditures** | **$918,983,573** | **$1,245,742,551** | **$1,009,009,249** | **$1,291,455,248** | **3.67%** |

| Expenditure Description | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimates | FY 2027 Proposed |
|---|---|---|---|---|
| **Total Expenditures** | **$918,983,573** | **$1,245,742,551** | **$1,009,009,249** | **$1,291,455,248** |
| **Grant Program** | **$94,995,840** | **$61,069,582** | **$61,069,582** | **$26,507,133** |
| **Capital Improvement Program** | **$926,014,483** | **$1,244,443,000** | **$1,244,443,000** | **$905,249,000** |
| **Total Expenditures** | **$1,931,699,727** | **$2,551,258,133** | **$2,314,521,831** | **$2,223,211,381** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PERSONNEL SERVICES | $275,220,972 | 21.31% |
| PURCHASE POWER | $271,443,041 | 21.02% |
| INTEREST EXPENSES | $163,633,152 | 12.67% |
| DEBT SERVICE TRANSFERS | $140,019,687 | 10.84% |
| TRANSFERS | $127,362,323 | 9.86% |
| OPERATIONS | $96,087,315 | 7.44% |
| ADMIN- COSTS | $59,722,732 | 4.62% |
| INSURANCE | $56,333,293 | 4.36% |
| TRANSMISSION POWER | $36,649,961 | 2.84% |
| MAINTENANCE & REPAIR | $28,494,634 | 2.21% |
| MATERIALS & SUPPLIES | $24,861,469 | 1.93% |
| OTHER EXPENSES (MISCELLANEOUS) | $8,004,939 | 0.62% |
| FIXED ASSETS | $3,621,730 | 0.28% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PURCHASE POWER | $81,479,598 | $291,799,623 | $129,312,749 | $271,443,041 | -6.98% |
| TRANSMISSION POWER | $28,108,224 | $45,697,236 | $27,466,994 | $36,649,961 | -19.80% |
| PERSONNEL SERVICES | $242,823,659 | $266,840,357 | $243,824,248 | $275,220,972 | 3.14% |
| MATERIALS & SUPPLIES | $17,268,273 | $24,026,200 | $18,853,821 | $24,861,469 | 3.48% |
| MAINTENANCE & REPAIR | $14,192,673 | $20,726,519 | $17,291,238 | $28,494,634 | 37.48% |
| INSURANCE | $47,501,491 | $52,735,562 | $53,228,423 | $56,333,293 | 6.82% |
| ADMIN- COSTS | $55,418,298 | $59,542,074 | $47,588,028 | $59,722,732 | 0.30% |
| CLOSURE/POST CLOSURE COST | - | - | $946,819 | - | - |
| OTHER EXPENSES (MISCELLANEOUS) | $6,014,478 | $6,040,727 | $5,938,922 | $8,004,939 | 32.52% |
| OPERATIONS | $77,948,320 | $89,548,748 | $80,576,586 | $96,087,315 | 7.30% |
| INTEREST EXPENSES | $128,879,494 | $143,564,361 | $144,055,694 | $163,633,152 | 13.98% |
| DEBT SERVICE TRANSFERS | $112,712,975 | $120,277,469 | $122,141,889 | $140,019,687 | 16.41% |
| TRANSFERS | $103,702,617 | $122,918,011 | $113,751,927 | $127,362,323 | 3.62% |
| FIXED ASSETS | $2,933,473 | $2,025,664 | $4,031,911 | $3,621,730 | 78.79% |
| **Total Expenditures** | **$918,983,573** | **$1,245,742,551** | **$1,009,009,249** | **$1,291,455,248** | **3.67%** |

# Appropriable Fund Balance

## Financial Summary

| Fund Balance | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2026 vs. FY 2027 ($ Change) |
|---|---|---|---|---|---|
| General Fund | $42,353,136 | $43,087,626 | $46,777,628 | $50,000,000 | $3,222,372 |
| Drainage Project Fund | - | - | $1,000,000 | $1,000,000 | - |
| Debt Service-Genl Debt Sinking | $1,410,137 | $2,589,506 | $2,336,448 | $2,336,448 | - |
| Tourist & Convention Fund | $1,478,843 | $1,584,411 | $920,843 | $494,149 | -$426,694 |
| Parks & Recreation Fund | $127,710 | $134,314 | $127,710 | $127,710 | - |
| Police Donation Fund | $27,447 | $28,114 | $27,614 | $27,614 | - |
| Fire Donation Fund | $13,641 | $13,641 | $13,641 | $13,641 | - |
| Peg - Public Educ. Govt. Fund | $1,199,798 | $1,211,378 | $1,091,378 | $741,378 | -$350,000 |
| Library Donation Fund | $101,584 | $90,792 | $101,792 | $61,792 | -$40,000 |
| Tree Preservation Fund | $2,120,587 | $2,034,237 | $2,880,655 | $2,880,655 | - |
| Sustainability Fund | $1,583,163 | $1,427,599 | $1,795,020 | $856,200 | -$938,820 |
| Catalyst Fund | $5,312,248 | $5,681,870 | $4,578,175 | $1,373,175 | -$3,205,000 |
| Street Improvement Fund | $4,390,784 | $6,211,744 | $7,152,070 | $2,006,806 | -$5,145,264 |
| Downtown Tirz | $4,573,851 | $5,381,295 | $5,278,401 | $5,344,108 | $65,707 |
| Westpark Tirz | $2,546,024 | $439,384 | $1,485,738 | $2,663,292 | $1,177,554 |
| Tourism Pub Improv Dist | $59,378 | $275,087 | $59,378 | $59,378 | - |
| Park Gas Well | $190,698 | $222,850 | $253,736 | $253,736 | - |
| Roadway Impact Fees Fund | $11,203,420 | $12,409,265 | $17,082,609 | $17,082,609 | - |
| Police Confiscation Fund | $1,621,498 | $1,276,416 | $1,028,887 | $1,082,887 | $54,000 |
| Animal Control Adoption Fund | $143,221 | $148,821 | $157,821 | $142,821 | -$15,000 |
| Legends Mud | $313,575 | $445,390 | $445,390 | $445,390 | - |
| Electric Utilities | $123,467,546 | $148,716,335 | $146,330,784 | $158,640,590 | $12,309,806 |
| Water | $44,382,548 | $50,070,761 | $47,461,256 | $44,287,483 | -$3,173,773 |
| Water Impact Fees Fund | $56,865,161 | $74,729,957 | $90,883,909 | $102,542,647 | $11,658,738 |
| Waste Water | $18,497,799 | $20,336,865 | $19,974,633 | $19,434,490 | -$540,143 |
| Wastewater Impact Fees | $38,381,728 | $49,783,908 | $54,958,161 | $57,633,566 | $2,675,405 |
| Solid Waste | $12,248,136 | $16,891,720 | $22,997,098 | $14,740,260 | -$8,256,838 |
| Airport Enterprise Fund | $3,215,342 | $3,368,798 | $3,748,052 | $3,802,568 | $54,516 |
| Materials Management | $69,117 | $111,490 | $111,490 | $111,490 | - |
| Fleet Services | -$538,975 | -$471,039 | -$1,225,463 | -$1,225,463 | - |
| Technology Services | $663,655 | $747,825 | $2,778,862 | $2,777,862 | -$1,000 |
| Engineering Services | $126,902 | -$3,090,639 | -$3,090,639 | -$3,090,639 | - |
| Health Insurance Fund | $857,484 | -$460,337 | -$460,337 | -$460,637 | -$300 |
| Risk Retention | $2,358,377 | $2,369,712 | $3,400,362 | $3,400,362 | - |
| Customer Service | $550,280 | $613,892 | $771,866 | $771,866 | - |
| Facilities Management | -$13,237 | $36,084 | $74,047 | $74,047 | - |
| Environmental Services | $278,919 | $624,099 | $624,099 | $624,099 | - |
| Park Land Dedication Trust | $5,815,836 | $6,542,206 | $6,107,206 | $6,107,206 | - |
| Park Development Trust Fund | $6,927,177 | $10,310,192 | $12,080,192 | $12,080,192 | - |
| Mckenna Trust Fund | $28,753 | $38,339 | $51,024 | $51,024 | - |
| **Total Fund Balance** | **$394,953,291** | **$465,963,908** | **$502,171,536** | **$511,296,802** | **$9,125,266** |

*Fund Balance amounts are representative of the end of the fiscal year.

# General Fund Financial Summary

## Comprehensive Fund Summary

### Comprehensive Fund Summary

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Budgeted (% Change) |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$42,353,136** | **$43,087,626** | **$43,087,626** | **$46,777,628** | **8.56%** |
| **Revenues** | | | | | |
| Taxes | $126,828,879 | $135,400,320 | $134,953,578 | $148,325,239 | 9.55% |
| License & Permits | $6,853,283 | $6,846,632 | $6,573,368 | $6,136,152 | -10.38% |
| Franchise Fees & ROI | $19,461,375 | $32,194,374 | $24,012,057 | $33,151,421 | 2.97% |
| Fines & Fees | $2,749,785 | $2,528,462 | $3,330,237 | $3,297,826 | 30.43% |
| Fees for Service | $13,863,903 | $12,846,216 | $13,827,126 | $13,870,146 | 7.97% |
| Investment | $2,539,720 | $2,742,602 | $2,376,504 | $2,487,839 | -9.29% |
| Intergovernmental | $2,848,052 | $3,571,740 | $3,949,340 | $3,229,900 | -9.57% |
| Other Revenues | $5,623,176 | $739,847 | $683,571 | $180,988 | -75.54% |
| Transfers | $20,717,937 | $21,954,773 | $21,954,773 | $22,814,885 | 3.92% |
| **Total Revenues** | **$201,486,110** | **$218,824,966** | **$211,660,554** | **$233,494,396** | **6.70%** |
| **Expenditures** | | | | | |
| PERSONNEL SERVICES | $141,548,778 | $151,214,353 | $141,833,548 | $157,768,733 | 4.33% |
| MATERIALS & SUPPLIES | $4,205,898 | $4,617,746 | $4,297,860 | $5,170,204 | 11.96% |
| MAINTENANCE & REPAIR | $2,079,516 | $2,349,279 | $2,288,454 | $8,724,916 | 271.39% |
| INSURANCE | $3,279,920 | $3,868,485 | $3,868,485 | $4,313,964 | 11.52% |
| OTHER EXPENSES (MISCELLANEOUS) | $2,902,568 | $2,503,392 | $1,990,491 | $2,648,248 | 5.79% |
| OPERATIONS | $23,034,377 | $25,755,330 | $25,269,173 | $28,730,322 | 11.55% |
| INTEREST EXPENSES | $13,414 | - | $4,400 | $15,000 | - |
| TRANSFERS | $23,112,428 | $28,038,793 | $28,041,793 | $25,715,056 | -8.29% |
| FIXED ASSETS | $490,351 | $477,588 | $376,348 | $407,953 | -14.58% |
| **Total Expenditures** | **$200,667,251** | **$218,824,966** | **$207,970,552** | **$233,494,396** | **6.70%** |
| **Total Revenues Less Expenditures** | **$818,859** | **-** | **$3,690,003** | **-** | **-** |
| **Ending Fund Balance** | **$43,171,995** | **$43,087,626** | **$46,777,629** | **$46,777,628** | **8.56%** |

## General Fund Major Revenue Summary

The following information summarizes the major General Fund Revenues by category. In all, the General Fund has budgeted revenues of $233,494,396 and is divided into the following categories.

**Ad Valorem Tax**: The FY 2027 total certified appraised value for the City of Denton is $27,135,882,577 which is a 17.43% increase over the prior year's certified value. The net assessed valuation for the General Fund is $26,738,371,333, $220,344,414 for the Downtown TIRZ Fund, and $190,741,488 for the Westpark TIRZ Fund. This is the eighth year of the Over 65/Disabled tax limitation (freeze). The Freeze Adjusted Taxable value is $13,163,033 for the General Fund. The FY 2026-27 ad valorem tax rate is $0.548485 per $100 of valuation.

**Sales Tax**: The second-largest revenue source in the General Fund is sales tax receipts. The FY 2027 adopted amount for sales tax is $66,092,235. Future years of the financial forecast assume a 5% growth rate for sales tax receipts.

**Franchise Agreements**: Revenues from franchise fees are budgeted to increase by approximately $940,754 An amount of $11,697,202 is retained in the general fund for FY 2027.

**Fines and Fees**: Revenue from fines and fees is budgeted to increase by approximately $769,364

**Service Fees**: Revenue from service-related fees is budgeted to increase by approximately $1,023,930

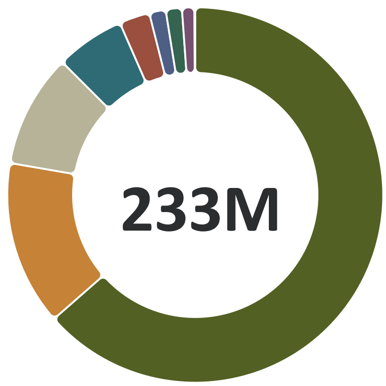
**Licenses and Permits**: Revenue from licenses and permits is budgeted to decreased by approximately $710,480

**Miscellaneous Revenues**: Miscellaneous revenues include approximately $2,487,839 in interest income revenue.

**Transfers**: Cost of service revenue is budgeted to increase $860,112 from FY 2026.

## General Fund Revenues by Category

**FY27 Revenues by Revenue Category**



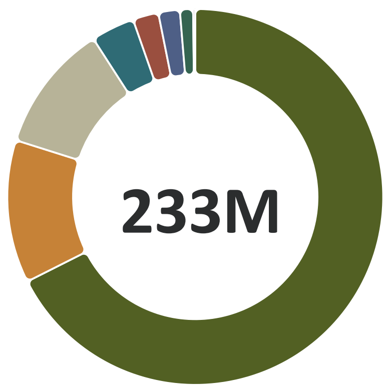

| | | |
|---|---|---|
| Taxes | $148,325,239 | 63.52% |
| Franchise Fees & ROI | $33,151,421 | 14.20% |
| Transfers | $22,814,885 | 9.77% |
| Fees for Service | $13,870,146 | 5.94% |
| License & Permits | $6,136,152 | 2.63% |
| Fines & Fees | $3,297,826 | 1.41% |
| Intergovernmental | $3,229,900 | 1.38% |
| Investment | $2,487,839 | 1.07% |
| Other Revenues | $180,988 | 0.08% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Taxes | $126,828,879 | $135,400,320 | $134,953,578 | $148,325,239 | 9.55% |
| License & Permits | $6,853,283 | $6,846,632 | $6,573,368 | $6,136,152 | -10.38% |
| Franchise Fees & ROI | $19,461,375 | $32,194,374 | $24,012,057 | $33,151,421 | 2.97% |
| Fines & Fees | $2,749,785 | $2,528,462 | $3,330,237 | $3,297,826 | 30.43% |
| Fees for Service | $13,863,903 | $12,846,216 | $13,827,126 | $13,870,146 | 7.97% |
| Investment | $2,539,720 | $2,742,602 | $2,376,504 | $2,487,839 | -9.29% |
| Intergovernmental | $2,848,052 | $3,571,740 | $3,949,340 | $3,229,900 | -9.57% |
| Other Revenues | $5,623,176 | $739,847 | $683,571 | $180,988 | -75.54% |
| Transfers | $20,717,937 | $21,954,773 | $21,954,773 | $22,814,885 | 3.92% |
| **Total Revenues** | **$201,486,110** | **$218,824,966** | **$211,660,554** | **$233,494,396** | **6.70%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PERSONNEL SERVICES | **$157,768,733** | 67.57% |
| OPERATIONS | **$28,730,322** | 12.30% |
| TRANSFERS | **$25,715,056** | 11.01% |
| MAINTENANCE & REPAIR | **$8,724,916** | 3.74% |
| MATERIALS & SUPPLIES | **$5,170,204** | 2.21% |
| INSURANCE | **$4,313,964** | 1.85% |
| OTHER EXPENSES (MISCELLANEOUS) | **$2,648,248** | 1.13% |
| FIXED ASSETS | **$407,953** | 0.17% |
| INTEREST EXPENSES | **$15,000** | 0.01% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $141,548,778 | $151,214,353 | $141,833,548 | $157,768,733 | 4.33% |
| MATERIALS & SUPPLIES | $4,205,898 | $4,617,746 | $4,297,860 | $5,170,204 | 11.96% |
| MAINTENANCE & REPAIR | $2,079,516 | $2,349,279 | $2,288,454 | $8,724,916 | 271.39% |
| INSURANCE | $3,279,920 | $3,868,485 | $3,868,485 | $4,313,964 | 11.52% |
| OTHER EXPENSES (MISCELLANEOUS) | $2,902,568 | $2,503,392 | $1,990,491 | $2,648,248 | 5.79% |
| OPERATIONS | $23,034,377 | $25,755,330 | $25,269,173 | $28,730,322 | 11.55% |
| INTEREST EXPENSES | $13,414 | - | $4,400 | $15,000 | - |
| TRANSFERS | $23,112,428 | $28,038,793 | $28,041,793 | $25,715,056 | -8.29% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| FIXED ASSETS | $490,351 | $477,588 | $376,348 | $407,953 | -14.58% |
| **Total Expenditures** | **$200,667,251** | **$218,824,966** | **$207,970,552** | **$233,494,396** | **6.70%** |

# General Fund Positions by Program Summary

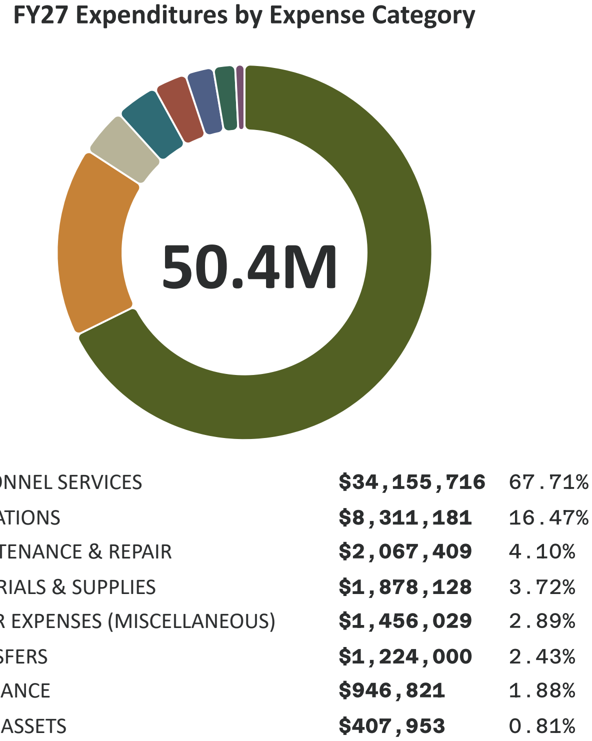
| | FY 2025 ACTUAL | FY 2026 ADOPTED | FY 2026 ESTIMATE | FY 2027 PROPOSED |
|---|---|---|---|---|
| **Neighborhood Services** | | | | |
| Community Services | 18.00 | 24.00 | 25.00 | 25.00 |
| Development Services | 81.00 | 81.00 | 83.00 | 83.00 |
| Library | 51.50 | 51.50 | 51.50 | 51.50 |
| Parks and Recreation | 108.00 | 108.00 | 108.00 | 108.00 |
| | 258.50 | 264.50 | 267.50 | 267.50 |
| **Public Safety** | | | | |
| Animal Services | 28.50 | 28.50 | 29.50 | 29.50 |
| Fire | 237.00 | 237.00 | 237.00 | 237.00 |
| Municipal Judge | 2.00 | 2.00 | 2.00 | 2.00 |
| Police | 341.00 | 335.00 | 335.00 | 335.00 |
| | 608.50 | 602.50 | 603.50 | 603.50 |
| **Administrative Services** | | | | |
| City Manager's Office | 17.00 | 17.00 | 15.00 | 15.00 |
| Economic Development | 5.75 | 5.75 | 6.75 | 6.75 |
| Finance | 41.00 | 41.00 | 29.00 | 29.00 |
| Human Resources | 21.00 | 26.00 | 26.00 | 25.00 |
| Internal Audit | 3.00 | 3.00 | 3.00 | 3.00 |
| Legal | 18.00 | 18.00 | 18.00 | 18.00 |
| Marketing and Communication | 12.00 | 12.00 | 12.00 | 12.00 |
| Municipal Court | 13.00 | 13.00 | 13.00 | 13.00 |
| Office of Strategy, Budget, and Performance | - | - | 11.00 | 11.00 |
| | 130.75 | 135.75 | 133.75 | 132.75 |
| **TOTAL POSITIONS** | **997.75** | **1,002.75** | **1,004.75** | **1,003.75** |

*Excludes seasonal/temporary positions.*

# Major Budget Items

| FY 2026 | FY 2007 |
|---|---|
| As adopted, five positions were reallocated from the Risk Fund to Human Resources and six Crisis Intervention Clinicians were reallocated from the Police Department to Community Services. During the fiscal year, in addition to positions being reallocated between departments, including one position moved from the City Manager's Office and 10 from Finance to create the Office of Strategy, Budget, and Performance. The following changes were made, resulting in an increase in two positions for the General Fund:<br>• A Veterinarian was added to Animal Services.<br>• A Senior Engineer position was moved from the Engineering Fund to Development Services to create an Assistant Transportation Director. | As proposed, the DOT Coordinator/CDL Instructor will be reallocated from Human Resources to the Risk Fund. |

# Neighborhood Services Expenditure Summary

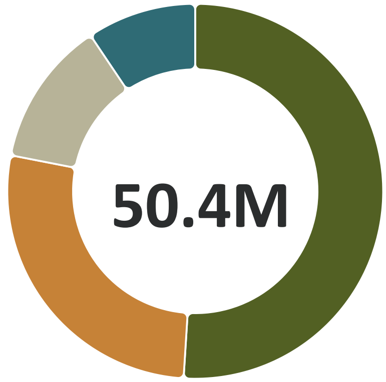



## Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $31,726,667 | $33,933,189 | $33,250,357 | $34,155,716 | 0.66% |
| MATERIALS & SUPPLIES | $1,614,129 | $1,789,595 | $1,232,713 | $1,878,128 | 4.95% |
| MAINTENANCE & REPAIR | $1,827,850 | $2,091,517 | $2,083,291 | $2,067,409 | -1.15% |
| INSURANCE | $698,363 | $918,207 | $918,207 | $946,821 | 3.12% |
| OTHER EXPENSES (MISCELLANEOUS) | $2,102,648 | $1,400,074 | $752,481 | $1,456,029 | 4.00% |
| OPERATIONS | $8,156,183 | $7,965,523 | $7,679,884 | $8,311,181 | 4.34% |
| TRANSFERS | $4,671,873 | $4,448,957 | $4,761,623 | $1,224,000 | -72.49% |
| FIXED ASSETS | $477,031 | $407,588 | $376,348 | $407,953 | 0.09% |
| **Total Expenditures** | **$51,274,743** | **$52,954,650** | **$51,054,903** | **$50,447,237** | **-4.74%** |

# Expenditures by Department

**FY27 Expenditures by Department**



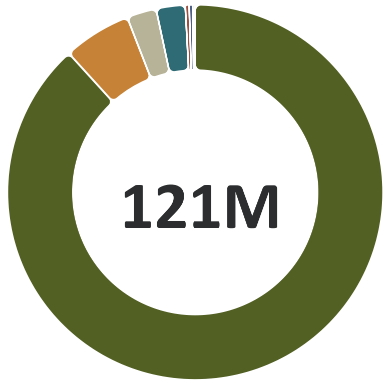

| | | |
|---|---|---|
| Parks And Recreation | $25,721,895 | 50.99% |
| Development Services | $13,665,842 | 27.09% |
| Library | $6,322,604 | 12.53% |
| Community Services | $4,736,896 | 9.39% |

## Expenditures by Department

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Library | $7,157,704 | $6,994,248 | $6,739,199 | $6,322,604 | -9.60% |
| Development Services | $13,512,135 | $14,362,394 | $13,331,651 | $13,665,842 | -4.85% |
| Community Services | $3,931,119 | $4,713,347 | $3,578,143 | $4,736,896 | 0.50% |
| Parks And Recreation | $26,673,784 | $26,884,661 | $27,405,910 | $25,721,895 | -4.33% |
| **Total Expenditures** | **$51,274,743** | **$52,954,650** | **$51,054,903** | **$50,447,237** | **-4.74%** |

# Public Safety Expenditure Summary

## FY27 Expenditures by Expense Category



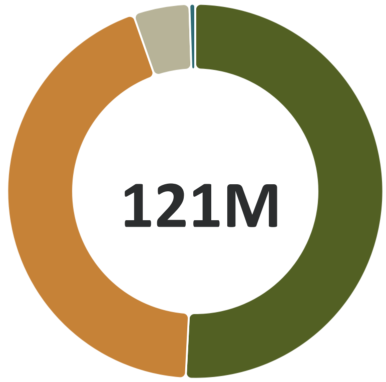

| | | |
|---|---|---|
| PERSONNEL SERVICES | $106,483,071 | 88.27% |
| OPERATIONS | $7,048,397 | 5.84% |
| MATERIALS & SUPPLIES | $3,058,337 | 2.54% |
| INSURANCE | $3,020,618 | 2.50% |
| TRANSFERS | $409,453 | 0.34% |
| OTHER EXPENSES (MISCELLANEOUS) | $369,429 | 0.31% |
| MAINTENANCE & REPAIR | $248,400 | 0.21% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $91,441,463 | $96,799,155 | $96,517,472 | $106,483,071 | 10.00% |
| MATERIALS & SUPPLIES | $2,393,153 | $2,541,741 | $2,867,712 | $3,058,337 | 20.32% |
| MAINTENANCE & REPAIR | $250,472 | $253,962 | $202,599 | $248,400 | -2.19% |
| INSURANCE | $2,301,828 | $2,688,591 | $2,688,591 | $3,020,618 | 12.35% |
| OTHER EXPENSES (MISCELLANEOUS) | $343,714 | $329,118 | $249,400 | $369,429 | 12.25% |
| OPERATIONS | $6,024,805 | $6,191,306 | $7,734,352 | $7,048,397 | 13.84% |
| TRANSFERS | $6,895,972 | $7,442,380 | $7,442,380 | $409,453 | -94.50% |
| FIXED ASSETS | $13,320 | $68,000 | - | - | -100.00% |
| **Total Expenditures** | **$109,664,727** | **$116,314,253** | **$117,702,506** | **$120,637,705** | **3.72%** |

# Expenditures by Department

**FY27 Expenditures by Department**



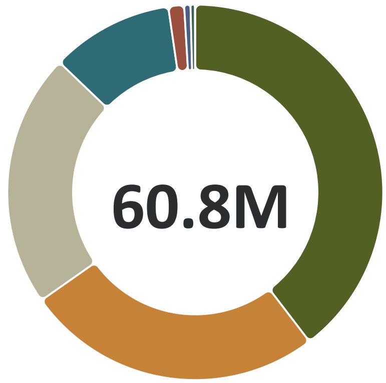

| | | |
|---|---|---|
| Police | **$61,306,743** | 50.82% |
| Fire | **$52,880,058** | 43.83% |
| Animal Services | **$5,849,202** | 4.85% |
| Municipal Judge | **$601,702** | 0.50% |

## Expenditures by Department

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Police | $56,960,181 | $61,181,875 | $62,028,803 | $61,306,743 | 0.20% |
| Fire | $47,565,420 | $49,812,987 | $49,658,040 | $52,880,058 | 6.16% |
| Animal Services | $4,430,775 | $4,619,086 | $5,327,068 | $5,849,202 | 26.63% |
| Municipal Judge | $708,351 | $700,305 | $688,595 | $601,702 | -14.08% |
| **Total Expenditures** | **$109,664,727** | **$116,314,253** | **$117,702,506** | **$120,637,705** | **3.72%** |

# Administrative Services Expenditure Summary

**FY27 Expenditures by Expense Category**



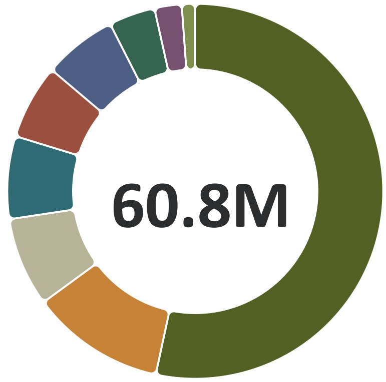

| | | |
|---|---|---|
| TRANSFERS | $24,081,603 | 39.61% |
| PERSONNEL SERVICES | $15,596,727 | 25.65% |
| OPERATIONS | $13,319,044 | 21.90% |
| MAINTENANCE & REPAIR | $6,409,107 | 10.54% |
| OTHER EXPENSES (MISCELLANEOUS) | $821,640 | 1.35% |
| INSURANCE | $328,390 | 0.54% |
| MATERIALS & SUPPLIES | $232,854 | 0.38% |
| INTEREST EXPENSES | $15,000 | 0.02% |

## Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $18,380,648 | $20,482,009 | $12,065,719 | $15,596,727 | -23.85% |
| MATERIALS & SUPPLIES | $198,617 | $286,410 | $197,435 | $232,854 | -18.70% |
| MAINTENANCE & REPAIR | $1,195 | $3,800 | $2,564 | $6,409,107 | 168,560.71% |
| INSURANCE | $279,728 | $261,687 | $261,687 | $328,390 | 25.49% |
| OTHER EXPENSES (MISCELLANEOUS) | $456,207 | $774,200 | $988,610 | $821,640 | 6.13% |
| OPERATIONS | $8,853,389 | $11,598,501 | $9,854,937 | $13,319,044 | 14.83% |
| INTEREST EXPENSES | $13,414 | - | $4,400 | $15,000 | - |
| TRANSFERS | $11,544,583 | $16,147,456 | $15,837,790 | $24,081,603 | 49.14% |
| FIXED ASSETS | - | $2,000 | - | - | -100.00% |
| **Total Expenditures** | **$39,727,781** | **$49,556,063** | **$39,213,143** | **$60,804,365** | **22.70%** |

# Expenditures by Department

**FY27 Expenditures by Department**




| | | |
|---|---|---|
| Non-Departmental | $32,454,942 | 53.38% |
| Economic Development | $7,024,850 | 11.55% |
| Human Resources | $4,673,518 | 7.69% |
| Finance | $4,341,768 | 7.14% |
| City Management | $3,912,273 | 6.43% |
| Legal Admininstration | $3,854,791 | 6.34% |
| Marketing And Communications | $2,418,965 | 3.98% |
| Municipal Court | $1,425,365 | 2.34% |
| Internal Audit | $697,893 | 1.15% |

### Expenditures by Department

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| City Management | $4,092,749 | $4,216,089 | $3,804,834 | $3,912,273 | -7.21% |
| Marketing And Communications | $2,212,304 | $2,663,388 | $2,091,876 | $2,418,965 | -9.18% |
| Internal Audit | $731,121 | $743,608 | $766,677 | $697,893 | -6.15% |
| Legal Admininstration | $3,556,423 | $3,939,249 | $3,739,432 | $3,854,791 | -2.14% |
| Human Resources | $3,874,551 | $5,083,941 | $4,166,883 | $4,673,518 | -8.07% |
| Non-Departmental | $11,960,520 | $18,273,501 | $11,112,456 | $32,454,942 | 77.61% |
| Finance | $5,957,542 | $6,822,629 | $6,658,116 | $4,341,768 | -36.36% |
| Municipal Court | $1,474,496 | $1,660,037 | $1,476,038 | $1,425,365 | -14.14% |
| Economic Development | $5,868,074 | $6,153,621 | $5,396,830 | $7,024,850 | 14.16% |
| **Total Expenditures** | **$39,727,781** | **$49,556,063** | **$39,213,143** | **$60,804,365** | **22.70%** |

# Summary of Goals

# General Fund Five-Year Forecast

| | FY 2026 Estimate | FY 2027 Proposed | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | FY 2031 Projected |
|---|---|---|---|---|---|---|
| **Beginning Fund Bal** | **$ 43,087,626** | **$ 46,777,628** | **$ 46,777,628** | **$ 48,099,474** | **$ 50,848,912** | **$ 55,138,167** |
| **REVENUES** | **$ 211,660,554** | **$ 233,494,396** | **$ 241,821,074** | **$ 250,463,643** | **$ 259,434,886** | **$ 268,748,133** |
| **Use of Reserves** | - | - | - | - | - | - |
| **TOTAL RESOURCES** | **$ 211,660,554** | **$ 233,494,396** | **$ 241,821,074** | **$ 250,463,643** | **$ 259,434,886** | **$ 268,748,133** |
| **EXPENDITURES** | **$ 211,270,552** | **$ 233,494,396** | **$ 240,499,228** | **$ 247,714,205** | **$ 255,145,631** | **$ 262,800,000** |
| **NET INCOME (LOSS)** | **$ 390,002** | **$ -** | **$ 1,321,846** | **$ 2,749,438** | **$ 4,289,255** | **$ 5,948,133** |
| **Ending Fund Balance** | **$ 46,777,628** | **$ 46,777,628** | **$ 48,099,474** | **$ 50,848,912** | **$ 55,138,167** | **$ 61,086,300** |
| **Operating Fund Bal** | **20.6%** | **20.0%** | **20.0%** | **20.5%** | **21.6%** | **23.2%** |
| **RESERVE TARGET (percent)** | **20-25%** | **20-25%** | **20-25%** | **20-25%** | **20-25%** | **20-25%** |

*(continued from above)*

# General Debt Service Fund

The General Debt Service Fund accumulates and makes payments of principal and interest on long-term debt secured by the general taxing powers pertaining to the City's jurisdiction. Resources include an applicable portion of the Ad Valorem Tax Levy and related interest income, as well as transfers from internal service and enterprise funds for their portion of the debt service payment.

## Debt Management Summary

### Debt Issuance

The City will issue debt primarily for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various missions as a city. Debt may be issued for the purposes of purchasing land or rights-of-way and/or improvements to land, for construction projects to provide for the general good, or for capital equipment.

### Types of Debt

***General Obligation Bonds (GOs).*** General Obligation Bonds will be used only to fund capital assets of the general government and are backed by the full faith and credit of the City and its ad valorem tax authority. They are not to be used to fund operating needs of the City. General Obligation Bonds must be authorized by a vote of the citizens of the City of Denton.

***Revenue Bonds (RBs).*** Revenue Bonds will be issued to provide for the capital needs of any activities where the capital requirements are necessary for continuation or expansion of a service which produces revenue and for which the asset may reasonably be expected to provide for an income stream to fund the debt service requirements. Prior to FY 2009-10 the City of Denton issued utility system revenue bonds for all utility financing needs. Beginning in June 2010, management elected to discontinue this practice in favor of issuing Certificates of Obligation (COs). The purpose of this change was to take advantage of interest savings associated with the higher AA+ bond rating for COs. However, in 2017, 2021, and 2024, the City issued Revenue Bonds for the Denton Energy Center, Winter Storm Uri expenditures, and purchase power expenditures, respectively. In 2025, the City also issued Revenue Bonds for Water and Wastewater infrastructure. The City continues to evaluate the most effective approach for capital financing on guidance from of the City's financial advisors, and Council.

***Certificates of Obligation (COs).*** Certificates of Obligation may be issued to:

- Finance permanent improvements and land acquisition, the need for which arose between bond elections;
- Finance costs associated with capital project overruns;
- Acquire equipment/vehicles;
- Leverage grant funding;
- Renovate, acquire, construct facilities and facility improvements;
- Construct street improvements;
- Provide funding for master plans/studies; or
- Address necessary life safety needs.

In accordance with state law, an ordinance authorizing publication of a notice of intent to issue Certificates of Obligation shall be presented for the consideration of the City Council. The notice of intent shall be published in a newspaper of general circulation in the City once a week for two consecutive weeks with the first publication to be at least forty-six (46) days prior to the passage of the ordinance authorizing the issuance of the certificates. Additionally, the notice of intent shall be posted to the City's website for the same minimum timeframe.

Certificates of Obligation may be backed by a tax pledge under certain circumstances as defined by law. They may also be backed by a combination of tax and revenue pledges eligible under state law.

Some revenues are restricted as to the uses for which they may be pledged. Electric, Water, and Wastewater revenues may be pledged without limit for Electric, Water, and Wastewater purposes but may only be pledged up to $1,000 for non-utility system purposes.

The life of the obligation will not exceed the estimated useful life of the projects financed.

## Method of Sale

The City will use a competitive bidding process in the sale of bonds unless the nature of the issue warrants a negotiated sale. In situations where a competitive bidding process is not elected, the City will present the reasons why, and will actively participate with the financial advisor in the selection of the underwriter or direct purchaser.

## Bidding Parameters

The notice of sale will be carefully constructed to ensure the best possible bid for the City, in light of the existing market conditions and other prevailing factors. Parameters to be examined include:

- Limits between lowest and highest coupons;
- Coupon requirements relative to the yield curve;
- Method of underwriter compensation, discount or premium coupons;
- Use of true interest cost (TIC);
- Use of bond insurance; Serial debt versus term debt with mandatory sinking fund redemptions; and
- Call provisions.

## Analysis of Financing Alternatives

Staff will explore alternatives to the issuance of debt for capital acquisitions and construction projects. These alternatives will include, but not be limited to: 1) grants in aid, 2) use of reserves, 3) use of current revenues, 4) contributions from developers and others, 5) leases, and 6) impact fees.

## Disclosure

Full disclosure of operations will be made to the bond rating agencies and other depositories of financial information including the Electronic Municipal Market Access (EMMA) System, as well as the Texas Municipal Advisory Council (State Information Depository) as required by the Securities and Exchange Commission (SEC) Rule 15c2-12

## Rating Agency Communication

The City staff will seek to maintain and improve its current bond rating so that its borrowing costs are reduced to a minimum and its access to credit preserved. The City staff, with the assistance of financial advisors and bond counsel, will prepare the necessary materials for presentation to the rating agencies, will aid in the production of Official Statements, and will take responsibility for the accuracy of all financial information released.

## Federal Requirements

The City will maintain procedures to comply with arbitration rebates and other federal requirements.

## Debt Limit

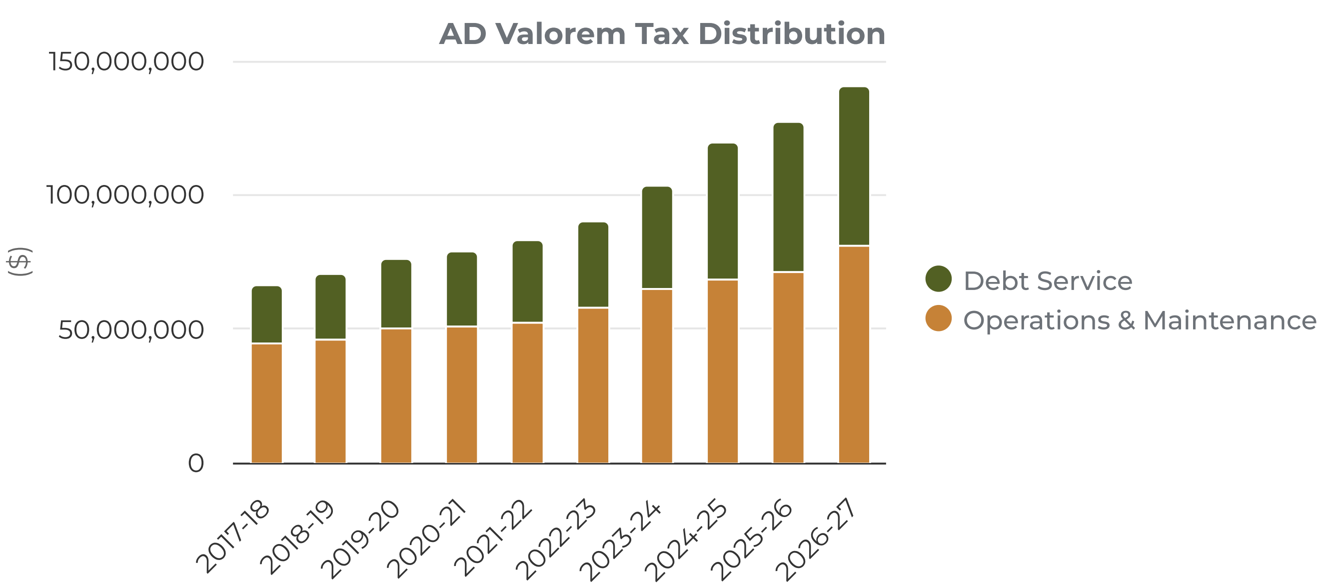
The State of Texas limits the ad valorem tax rate to $2.50 per $100 valuation. Denton's adopted rate of $0.548485 per $100 valuation falls well below this limit.

## Bond Ratings

Denton's bonds currently have the following ratings:

| Type of Debt | Standard & Poor's | Fitch |
|---|---|---|
| **General Obligation Bonds** | AA+ | AA+ |
| **Revenue Bonds** | A+ | A |

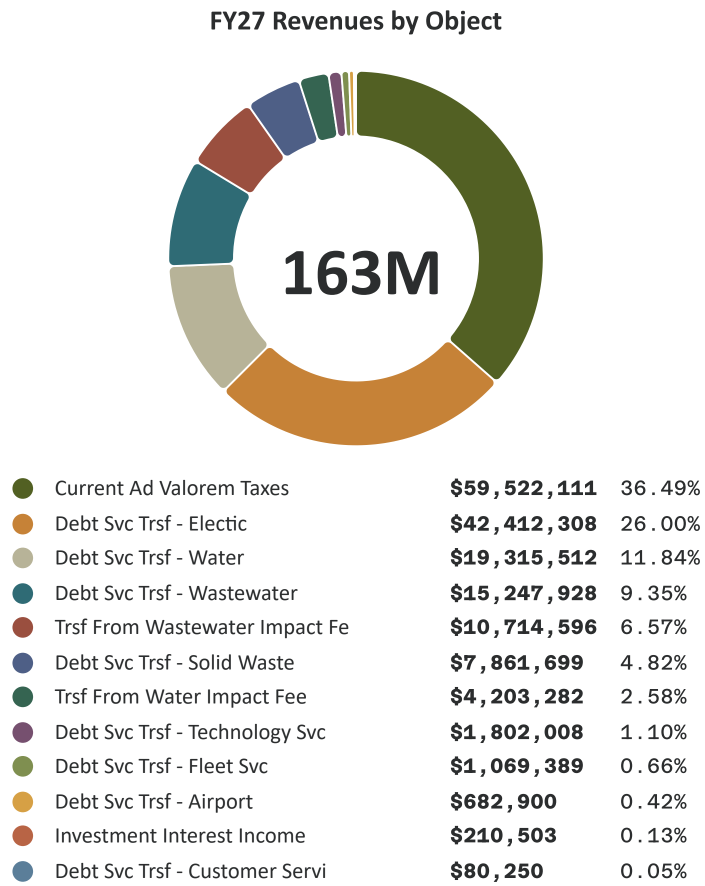
These ratings directly affect the cost of debt. The ratings for Revenue Bonds are associated with Utility System Revenue Bonds that were issued in January 2017 for the City's Denton Energy Center and August 2021 for Utility System expenses associated with Winter Storm Uri, and June 2024 for purchase power expenditures. The City's policies are focused on issues which maintain high bond ratings and keep debt costs reasonable.



# Municipal Debt Obligations

## Principal and Interest Requirements
## As of October 1, 2027

## Revenues by Object



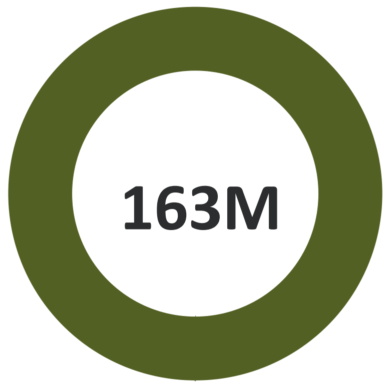

### Revenues by Object

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Current Ad Valorem Taxes | $50,274,493 | $55,556,965 | $55,381,451 | $59,522,111 | 7.14% |
| Delinquent Ad Valorem Taxes | -$219,505 | - | $8,450 | - | - |
| Investment Interest Income | $1,099,935 | $151,732 | $1,015,675 | $210,503 | 38.73% |
| Proceeds From Refunding Bonds | $10,375,000 | - | - | - | - |
| Debt Svc Trsf - Electic | $41,364,707 | $39,488,804 | $39,488,804 | $42,412,308 | 7.40% |
| Debt Svc Trsf - Water | $14,571,615 | $18,537,125 | $18,537,125 | $19,315,512 | 4.20% |
| Debt Svc Trsf - Wastewater | $9,785,288 | $9,663,658 | $9,663,658 | $15,247,928 | 57.79% |
| Debt Svc Trsf - Solid Waste | $5,269,872 | $6,417,619 | $6,417,619 | $7,861,699 | 22.50% |
| Debt Svc Trsf - Fleet Svc | $913,713 | $1,031,795 | $1,031,795 | $1,069,389 | 3.64% |
| Debt Svc Trsf - Technology Svc | $1,031,207 | $1,299,552 | $1,299,552 | $1,802,008 | 38.66% |
| Debt Svc Trsf - Customer Servi | $78,525 | $77,175 | $77,175 | $80,250 | 3.98% |
| Debt Svc Trsf - Airport | $751,656 | $745,650 | $745,650 | $682,900 | -8.42% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| G.O. Bonds | $1,084,796 | - | - | - | - |
| Trsf From Water Impact Fee | $1,635,340 | $1,732,674 | $1,732,674 | $4,203,282 | 142.59% |
| Trsf From Wastewater Impact Fe | $2,990,345 | $8,858,946 | $8,858,946 | $10,714,596 | 20.95% |
| **Total Revenues** | **$141,006,986** | **$143,561,695** | **$144,258,574** | **$163,122,486** | **13.63%** |

# Expenditures by Fund Category

**FY27 Expenditures by Fund Category**




General Debt Service **$163,122,486** 100.00%

### Expenditures by Fund Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| General Debt Service | $139,827,617 | $143,561,695 | $143,561,573 | $163,122,486 | 13.63% |
| **Total Expenditures** | **$139,827,617** | **$143,561,695** | **$143,561,573** | **$163,122,486** | **13.63%** |

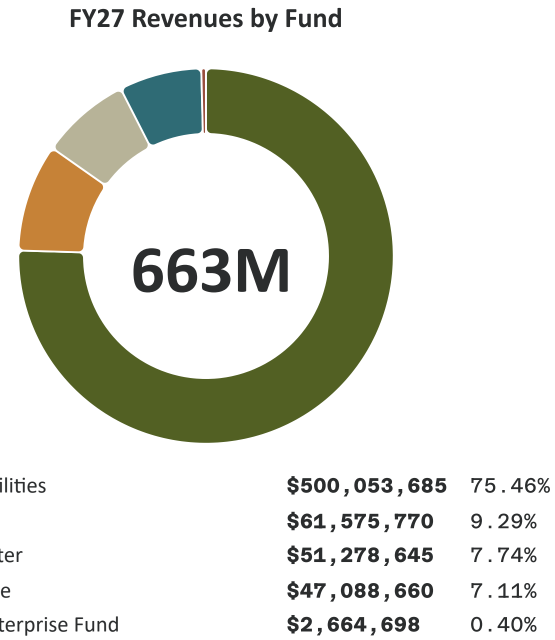
# Enterprise Funds Financial Summary

## Comprehensive Fund Summary

### Comprehensive Fund Summary

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Budgeted (% Change) |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$201,811,371** | **$239,384,479** | **$239,384,479** | **$240,511,823** | **0.47%** |
| **Revenues** | | | | | |
| Fees for Service | $2,293,591 | $2,377,520 | $2,283,420 | $2,435,140 | 2.42% |
| Investment | $7,548,969 | $4,429,303 | $6,802,218 | $6,198,801 | 39.95% |
| Operating Revenue | $382,777,367 | $670,404,653 | $452,397,931 | $648,266,747 | -3.30% |
| Other Revenues | $14,239,799 | $2,797,656 | $3,395,849 | $1,365,914 | -51.18% |
| Transfers | $6,811,846 | $4,154,905 | $4,154,905 | $4,394,856 | 5.78% |
| **Total Revenues** | **$413,671,573** | **$684,164,037** | **$469,034,323** | **$662,661,458** | **-3.14%** |
| **Expenditures** | | | | | |
| PURCHASE POWER | $81,479,598 | $291,799,623 | $129,312,749 | $271,443,041 | -6.98% |
| TRANSMISSION POWER | $28,108,224 | $45,697,236 | $27,466,994 | $36,649,961 | -19.80% |
| PERSONNEL SERVICES | $59,739,341 | $69,433,778 | $58,975,356 | $67,166,637 | -3.27% |
| MATERIALS & SUPPLIES | $7,961,549 | $10,419,723 | $8,412,172 | $10,282,143 | -1.32% |
| MAINTENANCE & REPAIR | $6,489,172 | $7,517,419 | $7,185,669 | $7,143,589 | -4.97% |
| INSURANCE | $3,034,512 | $3,103,594 | $3,565,007 | $3,696,970 | 19.12% |
| ADMIN- COSTS | $32,206,119 | $44,942,074 | $34,353,104 | $45,122,732 | 0.40% |
| CLOSURE/POST CLOSURE COST | - | - | $946,819 | - | - |
| OTHER EXPENSES (MISCELLANEOUS) | $913,107 | $1,127,835 | $1,055,793 | $1,102,037 | -2.29% |
| OPERATIONS | $20,968,960 | $28,407,305 | $23,912,482 | $30,522,079 | 7.44% |
| INTEREST EXPENSES | $495,667 | $2,666 | $489,599 | $495,666 | 18,492.12% |
| DEBT SERVICE TRANSFERS | $106,063,846 | $107,277,327 | $109,139,774 | $122,150,162 | 13.86% |
| TRANSFERS | $54,782,699 | $60,987,262 | $61,129,411 | $64,968,846 | 6.53% |
| FIXED ASSETS | $776,071 | $966,576 | $966,576 | $1,524,027 | 57.67% |
| **Total Expenditures** | **$403,018,865** | **$671,682,418** | **$466,911,506** | **$662,267,890** | **-1.40%** |
| **Total Revenues Less Expenditures** | **$10,652,708** | **$12,481,619** | **$2,122,817** | **$393,568** | **-96.85%** |
| **Ending Fund Balance** | **$212,464,079** | **$251,866,098** | **$241,507,296** | **$240,905,391** | **-4.35%** |

# Revenues by Fund

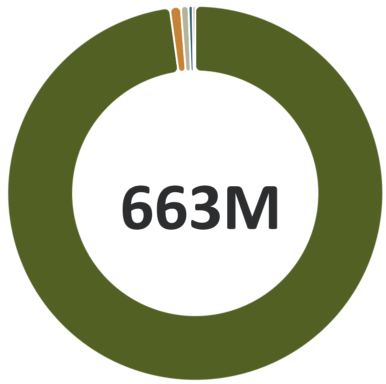



## Revenues by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Electric Utilities | $267,183,504 | $526,631,020 | $310,543,605 | $500,053,685 | -5.05% |
| Water | $52,209,384 | $59,167,356 | $56,669,774 | $61,575,770 | 4.07% |
| Waste Water | $45,270,541 | $50,426,572 | $49,743,323 | $51,278,645 | 1.69% |
| Solid Waste | $46,356,902 | $45,353,673 | $49,183,408 | $47,088,660 | 3.83% |
| Airport Enterprise Fund | $2,651,242 | $2,177,520 | $2,894,213 | $2,664,698 | 22.37% |
| Airport Gas Well Fund | - | $407,896 | - | - | -100.00% |
| **Total Revenues** | **$413,671,573** | **$684,164,037** | **$469,034,323** | **$662,661,458** | **-3.14%** |

# Revenues by Category

### FY27 Revenues by Revenue Category

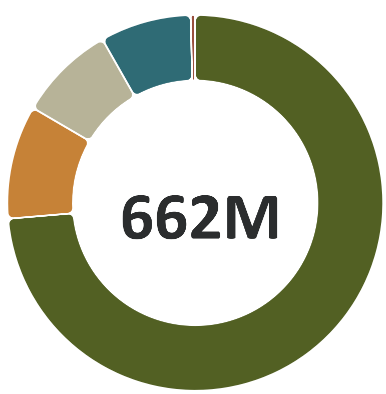



| | | | |
|---|---|---|---|
| ● | Operating Revenue | $648,266,747 | 97.83% |
| ● | Investment | $6,198,801 | 0.94% |
| ● | Transfers | $4,394,856 | 0.66% |
| ● | Fees for Service | $2,435,140 | 0.37% |
| ● | Other Revenues | $1,365,914 | 0.21% |

## Revenues by Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Fees for Service | $2,293,591 | $2,377,520 | $2,283,420 | $2,435,140 | 2.42% |
| Investment | $7,548,969 | $4,429,303 | $6,802,218 | $6,198,801 | 39.95% |
| Operating Revenue | $382,777,367 | $670,404,653 | $452,397,931 | $648,266,747 | -3.30% |
| Other Revenues | $14,239,799 | $2,797,656 | $3,395,849 | $1,365,914 | -51.18% |
| Transfers | $6,811,846 | $4,154,905 | $4,154,905 | $4,394,856 | 5.78% |
| **Total Revenues** | **$413,671,573** | **$684,164,037** | **$469,034,323** | **$662,661,458** | **-3.14%** |

### FY27 Expenditures by Fund



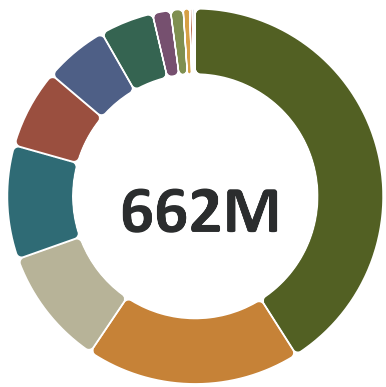

| | | | |
|---|---|---|---|
| ● | Electric Utilities | $487,743,880 | 73.65% |
| ● | Water | $64,749,543 | 9.78% |
| ● | Solid Waste | $55,345,497 | 8.36% |
| ● | Waste Water | $51,818,788 | 7.82% |
| ● | Airport Enterprise Fund | $2,610,182 | 0.39% |

### Expenditures by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Electric Utilities | $263,815,765 | $509,582,231 | $312,929,156 | $487,743,880 | -4.29% |
| Water | $51,957,872 | $62,799,520 | $59,279,279 | $64,749,543 | 3.11% |
| Waste Water | $43,243,516 | $51,361,578 | $49,110,081 | $51,818,788 | 0.89% |
| Solid Waste | $41,609,633 | $45,353,673 | $43,078,030 | $55,345,497 | 22.03% |
| Airport Enterprise Fund | $2,392,080 | $2,535,416 | $2,514,960 | $2,610,182 | 2.95% |
| Airport Gas Well Fund | - | $50,000 | - | - | -100.00% |
| **Total Expenditures** | **$403,018,865** | **$671,682,418** | **$466,911,506** | **$662,267,890** | **-1.40%** |

# Expenditures by Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PURCHASE POWER | **$271,443,041** | 40.99% |
| DEBT SERVICE TRANSFERS | **$122,150,162** | 18.44% |
| PERSONNEL SERVICES | **$67,166,637** | 10.14% |
| TRANSFERS | **$64,968,846** | 9.81% |
| ADMIN- COSTS | **$45,122,732** | 6.81% |
| TRANSMISSION POWER | **$36,649,961** | 5.53% |
| OPERATIONS | **$30,522,079** | 4.61% |
| MATERIALS & SUPPLIES | **$10,282,143** | 1.55% |
| MAINTENANCE & REPAIR | **$7,143,589** | 1.08% |
| INSURANCE | **$3,696,970** | 0.56% |
| FIXED ASSETS | **$1,524,027** | 0.23% |
| OTHER EXPENSES (MISCELLANEOUS) | **$1,102,037** | 0.17% |
| INTEREST EXPENSES | **$495,666** | 0.07% |

### Expenditures by Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PURCHASE POWER | $81,479,598 | $291,799,623 | $129,312,749 | $271,443,041 | -6.98% |
| TRANSMISSION POWER | $28,108,224 | $45,697,236 | $27,466,994 | $36,649,961 | -19.80% |
| PERSONNEL SERVICES | $59,739,341 | $69,433,778 | $58,975,356 | $67,166,637 | -3.27% |
| MATERIALS & SUPPLIES | $7,961,549 | $10,419,723 | $8,412,172 | $10,282,143 | -1.32% |
| MAINTENANCE & REPAIR | $6,489,172 | $7,517,419 | $7,185,669 | $7,143,589 | -4.97% |
| INSURANCE | $3,034,512 | $3,103,594 | $3,565,007 | $3,696,970 | 19.12% |
| ADMIN- COSTS | $32,206,119 | $44,942,074 | $34,353,104 | $45,122,732 | 0.40% |

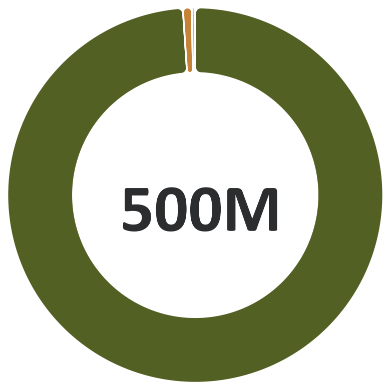
| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| CLOSURE/POST CLOSURE COST | - | - | $946,819 | - | - |
| OTHER EXPENSES (MISCELLANEOUS) | $913,107 | $1,127,835 | $1,055,793 | $1,102,037 | -2.29% |
| OPERATIONS | $20,968,960 | $28,407,305 | $23,912,482 | $30,522,079 | 7.44% |
| INTEREST EXPENSES | $495,667 | $2,666 | $489,599 | $495,666 | 18,492.12% |
| DEBT SERVICE TRANSFERS | $106,063,846 | $107,277,327 | $109,139,774 | $122,150,162 | 13.86% |
| TRANSFERS | $54,782,699 | $60,987,262 | $61,129,411 | $64,968,846 | 6.53% |
| FIXED ASSETS | $776,071 | $966,576 | $966,576 | $1,524,027 | 57.67% |
| **Total Expenditures** | **$403,018,865** | **$671,682,418** | **$466,911,506** | **$662,267,890** | **-1.40%** |

# Electric Fund Financial Summary

The Electric Fund is an enterprise fund that is used for the acquisition, operation, and maintenance of the City's electric utility system. It is entirely self-supported through user charges.

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**



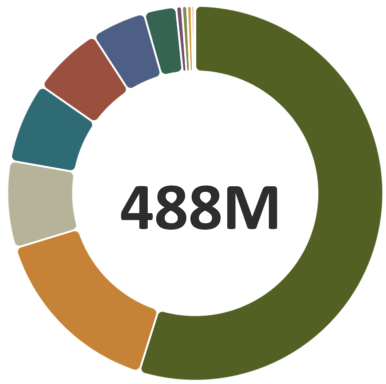

| | | |
|---|---|---|
| Operating Revenue | **$494,752,085** | 98.94% |
| Investment | **$3,855,691** | 0.77% |
| Transfers | **$1,163,169** | 0.23% |
| Other Revenues | **$282,740** | 0.06% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | $4,646,482 | $2,461,679 | $4,167,283 | $3,855,691 | 56.63% |
| Operating Revenue | $248,411,350 | $521,557,113 | $303,647,101 | $494,752,085 | -5.14% |
| Other Revenues | $12,279,764 | $1,711,863 | $1,828,856 | $282,740 | -83.48% |
| Transfers | $1,845,909 | $900,365 | $900,365 | $1,163,169 | 29.19% |
| **Total Revenues** | **$267,183,504** | **$526,631,020** | **$310,543,605** | **$500,053,685** | **-5.05%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PURCHASE POWER | $267,478,460 | 54.84% |
| DEBT SERVICE TRANSFERS | $75,322,810 | 15.44% |
| TRANSMISSION POWER | $36,646,961 | 7.51% |
| ADMIN- COSTS | $33,825,868 | 6.94% |
| PERSONNEL SERVICES | $29,966,142 | 6.14% |
| TRANSFERS | $22,995,755 | 4.71% |
| OPERATIONS | $13,576,058 | 2.78% |
| MATERIALS & SUPPLIES | $2,426,556 | 0.50% |
| INSURANCE | $2,109,573 | 0.43% |
| MAINTENANCE & REPAIR | $1,871,082 | 0.38% |
| OTHER EXPENSES (MISCELLANEOUS) | $1,031,615 | 0.21% |
| INTEREST EXPENSES | $493,000 | 0.10% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PURCHASE POWER | $77,860,647 | $288,316,607 | $125,635,504 | $267,478,460 | -7.23% |
| TRANSMISSION POWER | $28,106,539 | $45,695,176 | $27,464,934 | $36,646,961 | -19.80% |
| PERSONNEL SERVICES | $24,496,835 | $29,473,911 | $24,893,119 | $29,966,142 | 1.67% |
| MATERIALS & SUPPLIES | $1,902,691 | $2,442,104 | $2,147,354 | $2,426,556 | -0.64% |
| MAINTENANCE & REPAIR | $1,755,342 | $1,680,332 | $1,750,651 | $1,871,082 | 11.35% |
| INSURANCE | $1,779,695 | $1,453,738 | $2,081,277 | $2,109,573 | 45.11% |
| ADMIN- COSTS | $22,889,347 | $34,480,289 | $24,251,650 | $33,825,868 | -1.90% |
| OTHER EXPENSES (MISCELLANEOUS) | $855,599 | $1,031,615 | $981,543 | $1,031,615 | - |
| OPERATIONS | $8,158,662 | $12,279,294 | $9,838,853 | $13,576,058 | 10.56% |
| INTEREST EXPENSES | $493,000 | - | $485,333 | $493,000 | - |
| DEBT SERVICE TRANSFERS | $75,129,629 | $71,913,275 | $72,483,048 | $75,322,810 | 4.74% |
| TRANSFERS | $20,387,780 | $20,815,890 | $20,915,890 | $22,995,755 | 10.47% |
| **Total Expenditures** | **$263,815,765** | **$509,582,231** | **$312,929,156** | **$487,743,880** | **-4.29%** |

## Personnel by Division

| PERSONNEL BY DIVISION<br>FULL-TIME EQUIVALENTS (FTE) | FY2025<br>Actual | FY 2026<br>Adopted | FY 2026<br>Estimate | FY 2027<br>Proposed |
|---|---|---|---|---|
| Administration | 10.00 | 10.00 | 10.00 | 10.00 |
| Energy Management | 17.00 | 17.00 | 17.00 | 18.00 |
| Energy Services | 8.00 | 8.00 | 8.00 | 8.00 |
| Regulatory and Risk | 4.00 | 4.00 | 4.00 | 3.00 |
| Denton Energy Center | 18.00 | 18.00 | 18.00 | 18.00 |
| Operations and Maintenance | 27.00 | 27.00 | 27.00 | 26.00 |
| System Operations | 16.00 | 16.00 | 16.00 | 16.00 |
| Distribution | 27.00 | 27.00 | 27.00 | 27.00 |
| Substations | 10.00 | 10.00 | 10.00 | 10.00 |
| Engineering | 29.00 | 29.00 | 29.00 | 22.00 |
| Planning and Inspections | 0.00 | 0.00 | 0.00 | 8.00 |
| Meter Operations | 16.00 | 16.00 | 16.00 | 16.00 |
| Electric Technology Operations | 4.00 | 4.00 | 4.00 | 4.00 |
| Safety and Training | 3.00 | 3.00 | 3.00 | 3.00 |
| **TOTAL PERSONNEL** | **189.00** | **189.00** | **189.00** | **189.00** |

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget includes 60% increase in wholesale power, Return on Investment (ROI) and Franchise Fee commensurate with revenues and the Capital Appreciation Bonds ("CABS") reaching maturity.  $3.36M of reductions are noted for Winter and Summer Outage Insurance, Campus Expansion and Focused Advocacy Contract. | The budget includes a 3% base rate increase, and the addition of a Planning and Inspections division using existing personnel from the department. |

# Electric Fund Five-Year Forecast

| | FY 2026 Estimate | FY 2027 Proposed | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | FY 2031 Projected |
|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$ 148,716,335** | **$ 146,330,784** | **$ 158,640,589** | **$ 177,773,948** | **$ 205,813,554** | **$ 236,325,807** |
| **REVENUES** | **$ 310,543,605** | **$ 500,053,685** | **$ 563,467,049** | **$ 585,843,193** | **$ 596,164,559** | **$ 620,763,208** |
| Use of Reserves | | - | - | - | - | - |
| **TOTAL RESOURCES** | **$ 310,543,605** | **$ 500,053,685** | **$ 563,467,049** | **$ 585,843,193** | **$ 596,164,559** | **$ 620,763,208** |
| **EXPENDITURES** | **$ 312,929,156** | **$ 487,743,880** | **$ 544,333,690** | **$ 557,803,588** | **$ 565,652,306** | **$ 586,688,175** |
| **NET INCOME/LOSS** | **$ (2,385,551)** | **$ 12,309,805** | **$ 19,133,359** | **$ 28,039,606** | **$ 30,512,253** | **$ 34,075,033** |
| Working Capital Bal.(1) | $ 25,034,332 | $ 39,019,510 | $ 43,546,695 | $ 44,624,287 | $ 45,252,184 | $ 46,935,054 |
| Operating Reserve Bal.(2) | $ 121,296,452 | $ 119,621,079 | $ 134,227,253 | $ 161,189,267 | $ 191,073,623 | $ 223,465,786 |
| **Total Ending Fund Balance** | **$ 146,330,784** | **$ 158,640,589** | **$ 177,773,948** | **$ 205,813,554** | **$ 236,325,807** | **$ 270,400,840** |
| Working Capital Bal.(3) | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** |
| Operating Reserve Bal.(3) | **38.8%** | **24.5%** | **24.7%** | **28.9%** | **33.8%** | **38.1%** |
| **Target Balance** | **38%-61%** | **38%-61%** | **38%-61%** | **38%-61%** | **38%-61%** | **38%-61%** |
| **Rate Increases** | | **3.0%** | **3.5%** | **4.0%** | **4.0%** | **4.0%** |

(1) Target 30 Days: 8% Exp

(2) Target 140-225 Days: 38-61%

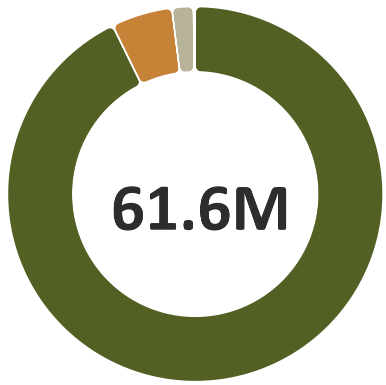
(3) Percentage of Expenses

# Water Fund Financial Summary

The Water Fund is an enterprise fund that is used for the acquisition, operation, and maintenance of the City's water utility system. It is entirely self-supported through user charges.

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**



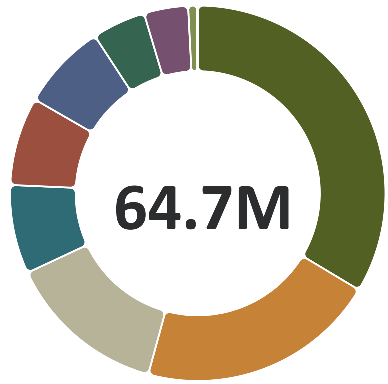

| | | |
|---|---|---|
| Operating Revenue | **$57,116,365** | 92.76% |
| Transfers | **$3,231,687** | 5.25% |
| Investment | **$1,137,395** | 1.85% |
| Other Revenues | **$90,323** | 0.15% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | $1,537,620 | $1,104,267 | $1,602,514 | $1,137,395 | 3.00% |
| Operating Revenue | $46,703,892 | $55,008,384 | $52,033,263 | $57,116,365 | 3.83% |
| Other Revenues | $163,951 | $109,831 | $89,123 | $90,323 | -17.76% |
| Transfers | $3,803,921 | $2,944,874 | $2,944,874 | $3,231,687 | 9.74% |
| **Total Revenues** | **$52,209,384** | **$59,167,356** | **$56,669,774** | **$61,575,770** | **4.07%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| DEBT SERVICE TRANSFERS | **$21,753,823** | 33.60% |
| PERSONNEL SERVICES | **$13,372,176** | 20.65% |
| TRANSFERS | **$8,933,050** | 13.80% |
| OPERATIONS | **$4,963,896** | 7.67% |
| MATERIALS & SUPPLIES | **$4,922,912** | 7.60% |
| ADMIN- COSTS | **$4,837,819** | 7.47% |
| MAINTENANCE & REPAIR | **$2,970,990** | 4.59% |
| PURCHASE POWER | **$2,463,126** | 3.80% |
| INSURANCE | **$498,358** | 0.77% |
| OTHER EXPENSES (MISCELLANEOUS) | **$29,060** | 0.04% |
| TRANSMISSION POWER | **$3,000** | 0.00% |
| INTEREST EXPENSES | **$1,333** | 0.00% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PURCHASE POWER | $2,205,082 | $2,212,016 | $2,221,739 | $2,463,126 | 11.35% |
| TRANSMISSION POWER | $1,685 | $2,060 | $2,060 | $3,000 | 45.63% |
| PERSONNEL SERVICES | $11,167,287 | $13,616,587 | $11,149,955 | $13,372,176 | -1.79% |
| MATERIALS & SUPPLIES | $3,463,890 | $4,739,332 | $3,815,088 | $4,922,912 | 3.87% |
| MAINTENANCE & REPAIR | $2,268,891 | $2,882,140 | $2,886,909 | $2,970,990 | 3.08% |
| INSURANCE | $377,004 | $495,690 | $495,690 | $498,358 | 0.54% |
| ADMIN- COSTS | $3,947,981 | $4,761,342 | $4,385,237 | $4,837,819 | 1.61% |
| OTHER EXPENSES (MISCELLANEOUS) | $27,470 | $53,955 | $29,060 | $29,060 | -46.14% |
| OPERATIONS | $2,762,600 | $4,281,631 | $3,496,099 | $4,963,896 | 15.93% |
| INTEREST EXPENSES | $1,333 | $1,333 | $1,333 | $1,333 | - |
| DEBT SERVICE TRANSFERS | $15,127,402 | $18,537,125 | $19,829,799 | $21,753,823 | 17.35% |
| TRANSFERS | $10,607,246 | $11,216,309 | $10,966,309 | $8,933,050 | -20.36% |
| **Total Expenditures** | **$51,957,872** | **$62,799,520** | **$59,279,279** | **$64,749,543** | **3.11%** |

## Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Water Administration | 13.00 | 11.00 | 9.00 | 9.00 |
| Asset Management | 14.00 | 16.00 | 19.00 | 19.00 |
| Water Production | 49.00 | 49.00 | 49.00 | 49.00 |
| Water Distribution | 24.00 | 24.00 | 24.00 | 24.00 |
| Water Metering | 16.00 | 16.00 | 15.00 | 15.00 |
| **TOTAL PERSONNEL** | **116.00** | **116.00** | **116.00** | **116.00** |

(1) **Excludes seasonal/temporary positions.**

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| This budget included a 3% rate increase, increases in maintenance and repair, increase in Franchise Fees commensurate with revenue expectations, increases in operations, increase in debt service payments, and an increase in revenue funded capital. | This budget includes a 3% rate increase, increases in operations for SCADA system implementation, increase in Franchise Fees commensurate with revenue expectations, and increase in debt service payments. |

# Water Fund Five-Year Forecast

| | FY 2026 Estimate | FY 2027 Proposed | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | FY 2031 Projected |
|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$ 50,070,761** | **$ 47,461,256** | **$ 44,287,483** | **$ 37,334,518** | **$ 29,585,266** | **$ 28,817,364** |
| **REVENUES** | **$ 56,669,774** | **$ 61,575,770** | **$ 67,404,323** | **$ 73,813,945** | **$ 80,164,444** | **$ 87,085,079** |
| Use of Reserves | $ 2,609,505 | $ 3,173,773 | $ 6,952,965 | $ 7,749,251 | $ 767,902 | $ - |
| **TOTAL RESOURCES** | **$ 59,279,279** | **$ 64,749,543** | **$ 74,357,288** | **$ 81,563,196** | **$ 80,932,346** | **$ 87,085,079** |
| **EXPENDITURES** | **$ 59,279,279** | **$ 64,749,543** | **$ 74,357,288** | **$ 81,563,196** | **$ 80,932,346** | **$ 83,153,289** |
| **NET INCOME/LOSS** | **$ (2,609,505)** | **$ (3,173,773)** | **$ (6,952,965)** | **$ (7,749,251)** | **$ (767,902)** | **$ 3,931,789** |
| Working Capital Bal.(1) | $ 4,742,342 | $ 5,179,963 | $ 5,948,583 | $ 6,525,056 | $ 6,474,588 | $ 6,652,263 |
| Operating Reserve Bal.(2) | $ 42,718,914 | $ 39,107,520 | $ 31,385,935 | $ 23,060,210 | $ 22,342,776 | $ 26,096,890 |
| **Total Ending Fund Balance** | **$ 47,461,256** | **$ 44,287,483** | **$ 37,334,518** | **$ 29,585,266** | **$ 28,817,364** | **$ 32,749,153** |
| Working Capital Bal.(3) | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** |
| Operating Reserve Bal.(3) | **72.1%** | **60.4%** | **42.2%** | **28.3%** | **27.6%** | **31.4%** |
| **Target Balance** | **25%-42%** | **25%-42%** | **25%-42%** | **25%-42%** | **25%-42%** | **25%-42%** |
| **Rate Increases** | | **3.0%** | **6.0%** | **6.0%** | **5.0%** | **5.0%** |

(1) Target 30 Days: 8% Exp

(2) Target 140-225 Days: 38-61

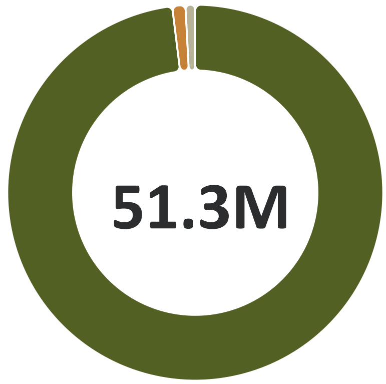
(3) Percentage of Expenses

# Wastewater Fund Financial Summary

The Wastewater Fund is an enterprise fund that is used for the acquisition, operation, and maintenance of the City's wastewater and drainage utility systems. It is entirely self-supported through user charges.

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**

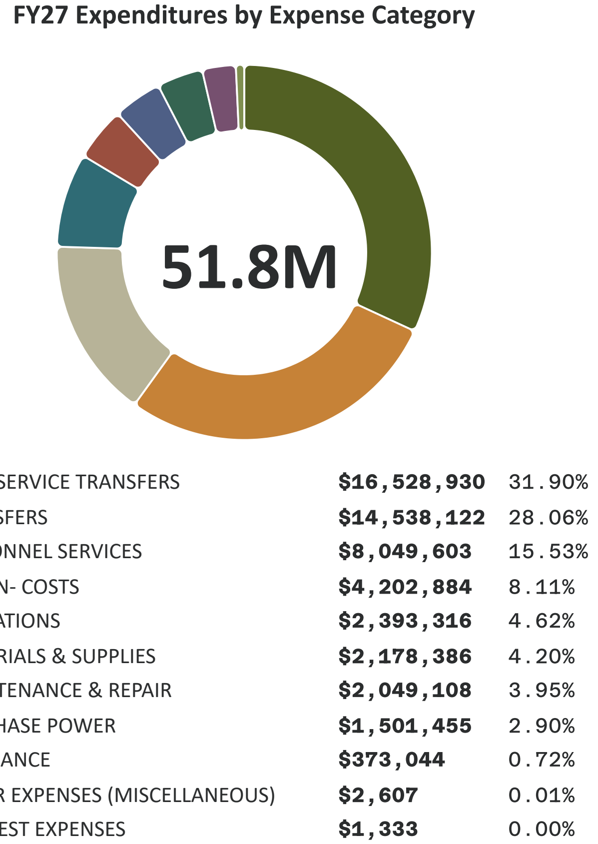



| | | |
|---|---|---|
| Operating Revenue | $50,275,072 | 98.04% |
| Other Revenues | $579,725 | 1.13% |
| Investment | $423,848 | 0.83% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | $635,739 | $470,942 | $532,990 | $423,848 | -10.00% |
| Operating Revenue | $43,195,965 | $49,083,128 | $48,350,435 | $50,275,072 | 2.43% |
| Other Revenues | $542,325 | $562,836 | $550,232 | $579,725 | 3.00% |
| Transfers | $896,511 | $309,666 | $309,666 | - | -100.00% |
| **Total Revenues** | **$45,270,541** | **$50,426,572** | **$49,743,323** | **$51,278,645** | **1.69%** |

## Expenditures by Expense Category




### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PURCHASE POWER | $1,413,869 | $1,271,000 | $1,455,506 | $1,501,455 | 18.13% |
| PERSONNEL SERVICES | $9,168,134 | $11,276,521 | $8,946,086 | $8,049,603 | -28.62% |
| MATERIALS & SUPPLIES | $2,178,752 | $2,718,756 | $1,954,503 | $2,178,386 | -19.88% |
| MAINTENANCE & REPAIR | $2,231,894 | $2,674,362 | $2,268,073 | $2,049,108 | -23.38% |
| INSURANCE | $336,165 | $441,991 | $441,991 | $373,044 | -15.60% |
| ADMIN- COSTS | $3,145,290 | $3,514,468 | $3,530,242 | $4,202,884 | 19.59% |
| OTHER EXPENSES (MISCELLANEOUS) | $3,513 | $9,180 | $12,105 | $2,607 | -71.60% |
| OPERATIONS | $1,989,634 | $3,076,792 | $2,882,499 | $2,393,316 | -22.21% |
| INTEREST EXPENSES | $1,333 | $1,333 | $2,933 | $1,333 | - |
| DEBT SERVICE TRANSFERS | $9,785,288 | $9,663,658 | $9,663,658 | $16,528,930 | 71.04% |
| TRANSFERS | $12,989,643 | $16,713,517 | $17,952,485 | $14,538,122 | -13.02% |
| **Total Expenditures** | **$43,243,516** | **$51,361,578** | **$49,110,081** | **$51,818,788** | **0.89%** |

## Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Water Reclamation | 32.00 | 32.00 | 32.00 | 32.00 |
| Wastewater Collection | 35.00 | 35.00 | 35.00 | 35.00 |

| PERSONNEL BY DIVISION<br>FULL-TIME EQUIVALENTS (FTE) | FY2025<br>Actual | FY 2026<br>Adopted | FY 2026<br>Estimate | FY 2027<br>Proposed |
|---|---|---|---|---|
| Beneficial Reuse | 7.00 | 7.00 | 7.00 | 7.00 |
| Drainage | 17.00 | 17.00 | 17.00 | - |
| Watershed Protection | 8.00 | 8.00 | 8.00 | - |
| **TOTAL PERSONNEL** | **99.00** | **99.00** | **99.00** | **74.00** |

**(1) Excludes seasonal/temporary positions.**

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget included an 11% rate increase. | The budget includes a 9% rate increase and increased debt payments driven primarily by plant improvement capital projects. A total of 25 positions were moved from the Wastewater Fund with 17 moving to the Drainage Fund and 8 moving to the Environmental Fund. |

# Wastewater Fund Five-Year Forecast

| | FY 2026 Estimate | FY 2027 Proposed | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | FY 2031 Projected |
|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$ 18,024,248** | **$ 19,974,633** | **$ 19,434,490** | **$ 18,953,403** | **$ 20,932,762** | **$ 23,047,225** |
| **REVENUES** | **$ 43,381,473** | **$ 51,278,645** | **$ 56,684,882** | **$ 62,145,506** | **$ 66,968,853** | **$ 72,178,441** |
| Use of Reserves | - | 540,143 | 481,087 | - | - | - |
| **TOTAL RESOURCES** | **$ 43,381,473** | **$ 51,818,788** | **$ 57,165,969** | **$ 62,145,506** | **$ 66,968,853** | **$ 72,178,441** |
| **EXPENDITURES** | **$ 41,431,089** | **$ 51,818,788** | **$ 57,165,970** | **$ 60,166,146** | **$ 64,854,390** | **$ 70,247,319** |
| **NET INCOME/LOSS** | **$ 1,950,384** | **$ (540,143)** | **$ (481,087)** | **$ 1,979,359** | **$ 2,114,463** | **$ 1,931,123** |
| Working Capital Bal.(1) | $ 3,314,487 | $ 4,145,503 | $ 4,573,278 | $ 4,813,292 | $ 5,188,351 | $ 5,619,786 |
| Operating Reserve Bal.(2) | 16,660,146 | 15,288,987 | 14,380,125 | 16,119,470 | 17,858,874 | 19,358,562 |
| **Total Ending Fund Balance** | **$ 19,974,633** | **$ 19,434,490** | **$ 18,953,403** | **$ 20,932,762** | **$ 23,047,225** | **$ 24,978,348** |
| Working Capital Bal.(3) | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** |
| Operating Reserve Bal.(3) | **40.2%** | **29.5%** | **25.2%** | **26.8%** | **27.5%** | **27.6%** |
| **Target Balance** | **20%-31%** | **20%-31%** | **20%-31%** | **20%-31%** | **20%-31%** | **20%-31%** |
| **Rate Increases** | | **9.0%** | **8.0%** | **7.0%** | **5.0%** | **5.0%** |

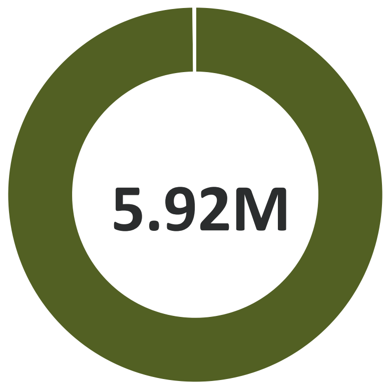
(1) Does not include Drainage.

# Drainage Fund Financial Summary

The Drainage Fund is an enterprise fund that is used for the acquisition, operation, and maintenance of the City's drainage utility systems. It is entirely self-supported through user charges.

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**



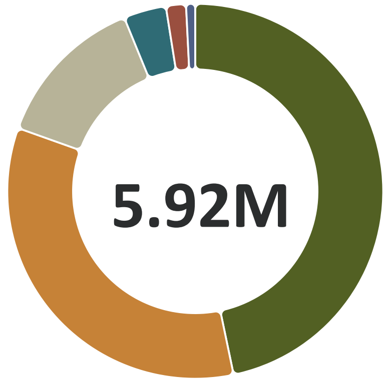

| | | |
|---|---|---|
| Operating Revenue | **$5,906,095** | 99.84% |
| Investment | **$9,574** | 0.16% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | - | - | - | $9,574 | - |
| Operating Revenue | - | - | - | $5,906,095 | - |
| **Total Revenues** | **-** | **-** | **-** | **$5,915,669** | **-** |

## Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| TRANSFERS | **$2,764,021** | 46.72% |
| PERSONNEL SERVICES | **$1,996,011** | 33.74% |
| OPERATIONS | **$790,541** | 13.36% |
| MAINTENANCE & REPAIR | **$217,300** | 3.67% |
| MATERIALS & SUPPLIES | **$101,058** | 1.71% |
| INSURANCE | **$46,108** | 0.78% |
| OTHER EXPENSES (MISCELLANEOUS) | **$630** | 0.01% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | - | - | - | $1,996,011 | - |
| MATERIALS & SUPPLIES | - | - | - | $101,058 | - |
| MAINTENANCE & REPAIR | - | - | - | $217,300 | - |
| INSURANCE | - | - | - | $46,108 | - |
| OTHER EXPENSES (MISCELLANEOUS) | - | - | - | $630 | - |
| OPERATIONS | - | - | - | $790,541 | - |
| TRANSFERS | - | - | - | $2,764,021 | - |
| **Total Expenditures** | **-** | **-** | **-** | **$5,915,669** | **-** |

## Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Drainage | - | - | - | 18.00 |
| **TOTAL PERSONNEL** | **-** | **-** | **-** | **18.00** |

**(1) Excludes seasonal/temporary positions.**

## Major budget Items

| FY 2026 | FY 2027 |
|---|---|
| The Drainage Fund was created. | The budget includes a 5% rate increase. A total of 18 positions were moved to the Drainage Fund including 17 from the Wastewater Fund and one from the Engineering Fund. |

# Drainage Fund Five-Year Forecast

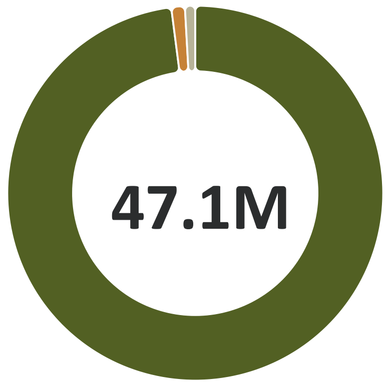
| | FY 2026 Estimate | FY 2027 Proposed | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | FY 2031 Projected |
|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$ 2,312,617** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** |
| **REVENUES** | **$ 6,361,850** | **$ 5,915,669** | **$ 6,397,303** | **$ 6,918,175** | **$ 7,481,483** | **$ 8,090,686** |
| Use of Reserves | - | - | - | - | - | - |
| **TOTAL RESOURCES** | **$ 6,361,850** | **$ 5,915,669** | **$ 6,397,303** | **$ 6,918,175** | **$ 7,481,483** | **$ 8,090,686** |
| **EXPENDITURES** | **$ 7,674,467** | **$ 5,915,669** | **$ 6,397,303** | **$ 6,918,175** | **$ 7,481,483** | **$ 8,090,686** |
| **NET INCOME/LOSS** | **$ (1,312,617)** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** |
| **Total Ending Fund Balance** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** |
| **Target Balance** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** | **$ 1,000,000** |
| **Rate Increases** | | **5.0%** | **5.0%** | **5.0%** | **5.0%** | **5.0%** |

# Solid Waste Fund Financial Summary

The Solid Waste Fund is an enterprise fund that is used for the acquisition, operation, and maintenance of the City's solid waste systems. It is entirely self-supported through user charges.

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**



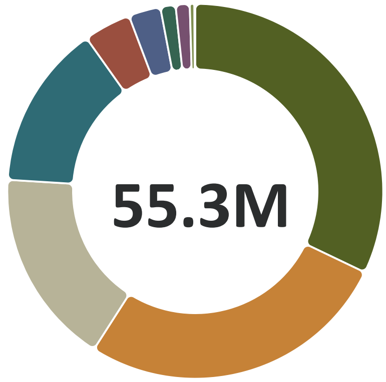

| | | |
|---|---|---|
| Operating Revenue | $46,123,225 | 97.95% |
| Investment | $552,309 | 1.17% |
| Other Revenues | $413,126 | 0.88% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | $400,478 | $184,519 | $211,675 | $552,309 | 199.32% |
| Operating Revenue | $44,466,160 | $44,756,028 | $48,367,132 | $46,123,225 | 3.05% |
| Other Revenues | $1,224,759 | $413,126 | $604,601 | $413,126 | - |
| Transfers | $265,505 | - | - | - | - |
| **Total Revenues** | **$46,356,902** | **$45,353,673** | **$49,183,408** | **$47,088,660** | **3.83%** |

# Expenditures by Expense Category

**FY27 Expenditures by Expense Category**




| | | |
|---|---|---|
| TRANSFERS | $17,771,744 | 32.11% |
| PERSONNEL SERVICES | $14,918,455 | 26.96% |
| OPERATIONS | $9,363,414 | 16.92% |
| DEBT SERVICE TRANSFERS | $7,861,699 | 14.20% |
| ADMIN- COSTS | $2,256,161 | 4.08% |
| FIXED ASSETS | $1,524,027 | 2.75% |
| MATERIALS & SUPPLIES | $724,889 | 1.31% |
| INSURANCE | $668,074 | 1.21% |
| MAINTENANCE & REPAIR | $218,559 | 0.39% |
| OTHER EXPENSES (MISCELLANEOUS) | $38,475 | 0.07% |

**Expenditures by Expense Category**

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $14,009,149 | $14,210,046 | $13,141,628 | $14,918,455 | 4.99% |
| MATERIALS & SUPPLIES | $400,186 | $509,831 | $491,292 | $724,889 | 42.18% |
| MAINTENANCE & REPAIR | $201,336 | $247,035 | $246,486 | $218,559 | -11.53% |
| INSURANCE | $505,395 | $664,506 | $498,380 | $668,074 | 0.54% |
| ADMIN- COSTS | $2,223,501 | $2,185,975 | $2,185,975 | $2,256,161 | 3.21% |
| CLOSURE/POST CLOSURE COST | - | - | $946,819 | - | - |
| OTHER EXPENSES (MISCELLANEOUS) | $26,525 | $33,085 | $33,085 | $38,475 | 16.29% |
| OPERATIONS | $7,941,586 | $8,511,170 | $7,489,159 | $9,363,414 | 10.01% |
| DEBT SERVICE TRANSFERS | $5,269,872 | $6,417,619 | $6,417,619 | $7,861,699 | 22.50% |
| TRANSFERS | $10,256,013 | $11,607,830 | $10,661,011 | $17,771,744 | 53.10% |
| FIXED ASSETS | $776,071 | $966,576 | $966,576 | $1,524,027 | 57.67% |
| **Total Expenditures** | **$41,609,633** | **$45,353,673** | **$43,078,030** | **$55,345,497** | **22.03%** |

# Personnel By Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Solid Waste Administration | 20.00 | 19.00 | 18.00 | 18.00 |
| Residential Collection | 40.00 | 40.00 | 40.00 | 44.00 |

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Commercial Collection | 34.00 | 34.00 | 34.00 | 37.00 |
| Collection Special Projects | 7.00 | 7.00 | 7.00 | 7.00 |
| Solid Waste Disposal | 23.00 | 23.00 | 24.00 | 24.00 |
| Home Chemical Collection | 6.00 | 6.00 | 6.00 | 6.00 |
| Site Operations | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL PERSONNEL** | **131.00** | **130.00** | **130.00** | **137.00** |

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget included the reduction of a Deputy Director position. | Seven positions will be added to the Solid Waste Fund to address the demands of growth. This includes two positions for commercial front-load service, one position for commercial roll-off service, and four positions for residential collection, particularly related to Landmark, Hunter, and Cole. |

# Solid Waste Fund Five-Year Forecast

| | FY 2026 Estimate | FY 2027 Preliminary | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | FY 2031 Projected |
|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$ 16,891,720** | **$ 22,997,098** | **$ 14,740,260** | **$ 12,922,333** | **$ 13,655,445** | **$ 18,581,410** |
| **REVENUES** | **$ 49,183,408** | **$ 47,088,660** | **$ 51,339,113** | **$ 55,317,989** | **$ 60,972,604** | **$ 64,635,169** |
| Use of Reserves | - | 8,256,837 | 1,817,928 | - | - | - |
| **TOTAL RESOURCES** | **$ 49,183,408** | **$ 55,345,497** | **$ 53,157,041** | **$ 55,317,989** | **$ 60,972,604** | **$ 64,635,169** |
| **EXPENDITURES** | **$ 43,078,030** | **$ 55,345,497** | **$ 53,160,815** | **$ 54,584,877** | **$ 56,046,639** | **$ 57,456,838** |
| **NET INCOME/LOSS** | **$ 6,105,378** | **$ (8,256,837)** | **$ (1,817,928)** | **$ 733,112** | **$ 4,925,965** | **$ 7,178,331** |
| Working Capital Bal.(1) | $ 6,030,924 | $ 7,748,370 | $ 7,442,514 | $ 7,641,883 | $ 7,846,529 | $ 8,043,957 |
| Operating Reserve Bal.(2) | 7,754,045 | 9,962,189 | 9,568,947 | 9,825,278 | 10,088,395 | 10,342,231 |
| **Total Ending Fund Balance** | **$ 22,997,098** | **$ 14,740,260** | **$ 12,922,333** | **$ 13,655,445** | **$ 18,581,410** | **$ 25,759,741** |
| Working Capital Bal.(3) | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** | **8.0%** |
| Operating Reserve Bal.(3) | **53.4%** | **26.4%** | **21.4%** | **17.2%** | **14.7%** | **14.7%** |
| **Target Balance** | **14%-18%%** | **14%-18%%** | **14%-18%%** | **14%-18%%** | **14%-18%%** | **14%-18%%** |
| **Rate Increases** | | **0.0%** | **1.0%** | **1.5%** | **2.5%** | **1.0%** |

(1) Target 30 Days: 8% Exp

(2) Target 140-225 Days: 14-18%

(3) Percentage of Expenses

# Airport Fund Financial Summary

The Airport Fund was established in FY 2011 as a self-sustaining enterprise. The fund is comprised of both Airport operations and Airport gas wells. Beginning in FY 2017, the Airport debt service was paid by the City's General Debt Service Fund in order to ensure the long-term financial sustainability of the Airport Fund. However, in FY 2021 the Airport began funding, and continues to fund, its debt service.

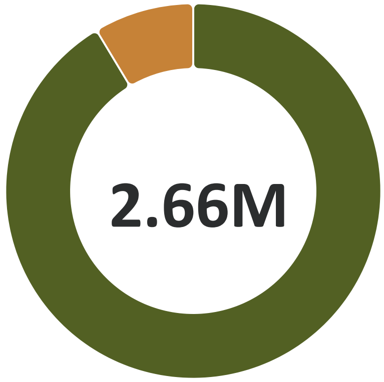
## Comprehensive Fund Summary

### Comprehensive Fund Summary

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Budgeted (% Change) |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$3,215,342** | **$3,368,798** | **$3,368,798** | **$3,748,052** | **11.26%** |
| **Revenues** | | | | | |
| Fees for Service | $2,293,591 | $2,377,520 | $2,283,420 | $2,435,140 | 2.42% |
| Investment | $328,650 | $207,896 | $287,756 | $229,558 | 10.42% |
| Other Revenues | $29,000 | - | $323,037 | - | - |
| **Total Revenues** | **$2,651,242** | **$2,585,416** | **$2,894,213** | **$2,664,698** | **3.07%** |
| **Expenditures** | | | | | |
| PERSONNEL SERVICES | $897,937 | $856,713 | $844,568 | $860,261 | 0.41% |
| MATERIALS & SUPPLIES | $16,031 | $9,700 | $3,935 | $29,400 | 203.09% |
| MAINTENANCE & REPAIR | $31,708 | $33,550 | $33,550 | $33,850 | 0.89% |
| INSURANCE | $36,254 | $47,669 | $47,669 | $47,921 | 0.53% |
| OTHER EXPENSES (MISCELLANEOUS) | - | - | - | $280 | - |
| OPERATIONS | $116,478 | $258,418 | $205,872 | $225,395 | -12.78% |
| DEBT SERVICE TRANSFERS | $751,656 | $745,650 | $745,650 | $682,900 | -8.42% |
| TRANSFERS | $542,017 | $633,716 | $633,716 | $730,175 | 15.22% |
| **Total Expenditures** | **$2,392,080** | **$2,585,416** | **$2,514,960** | **$2,610,182** | **0.96%** |
| **Total Revenues Less Expenditures** | **$259,161** | **-** | **$379,253** | **$54,516** | **-** |
| **Ending Fund Balance** | **$3,474,503** | **$3,368,798** | **$3,748,051** | **$3,802,568** | **12.88%** |

# Revenues by Revenue Category

### FY27 Revenues by Revenue Category



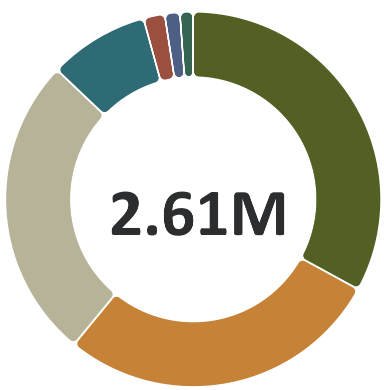

| | | |
|---|---|---|
| Fees for Service | $2,435,140 | 91.39% |
| Investment | $229,558 | 8.61% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Fees for Service | $2,293,591 | $2,377,520 | $2,283,420 | $2,435,140 | 2.42% |
| Investment | $328,650 | $207,896 | $287,756 | $229,558 | 10.42% |
| Other Revenues | $29,000 | - | $323,037 | - | - |
| **Total Revenues** | **$2,651,242** | **$2,585,416** | **$2,894,213** | **$2,664,698** | **3.07%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PERSONNEL SERVICES | $860,261 | 32.96% |
| TRANSFERS | $730,175 | 27.97% |
| DEBT SERVICE TRANSFERS | $682,900 | 26.16% |
| OPERATIONS | $225,395 | 8.64% |
| INSURANCE | $47,921 | 1.84% |
| MAINTENANCE & REPAIR | $33,850 | 1.30% |
| MATERIALS & SUPPLIES | $29,400 | 1.13% |
| OTHER EXPENSES (MISCELLANEOUS) | $280 | 0.01% |

**Expenditures by Expense Category**

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $897,937 | $856,713 | $844,568 | $860,261 | 0.41% |
| MATERIALS & SUPPLIES | $16,031 | $9,700 | $3,935 | $29,400 | 203.09% |
| MAINTENANCE & REPAIR | $31,708 | $33,550 | $33,550 | $33,850 | 0.89% |
| INSURANCE | $36,254 | $47,669 | $47,669 | $47,921 | 0.53% |
| OTHER EXPENSES (MISCELLANEOUS) | - | - | - | $280 | - |
| OPERATIONS | $116,478 | $258,418 | $205,872 | $225,395 | -12.78% |
| DEBT SERVICE TRANSFERS | $751,656 | $745,650 | $745,650 | $682,900 | -8.42% |
| TRANSFERS | $542,017 | $633,716 | $633,716 | $730,175 | 15.22% |
| **Total Expenditures** | **$2,392,080** | **$2,585,416** | **$2,514,960** | **$2,610,182** | **0.96%** |

# Personnel By Division

| PERSONNEL FULL-TIME EQUIVALENTS (FTE) | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| **Airport** | 7.50 | 7.00 | 7.00 | 7.00 |
| **TOTAL PERSONNEL** | **7.50** | **7.00** | **7.00** | **7.00** |

# Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget included the reduction of a part-time Airport Maintenance and Operations Coordinator, an increase in land leases, and a decrease in maintenance and repair. | The budget includes no significant changes. |

# Internal Service Funds Financial Summary

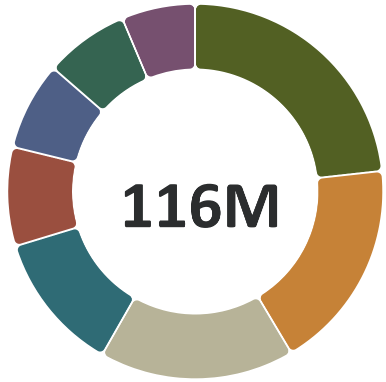
## Comprehensive Fund Summary

### Comprehensive Fund Summary

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Budgeted (% Change) |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$3,495,038** | **$941,424** | **$941,424** | **$3,444,624** | **265.90%** |
| **Revenues** | | | | | |
| Fees for Service | $2,423,085 | $2,150,660 | $2,414,368 | $2,141,258 | -0.44% |
| Investment | $635,718 | $390,609 | $550,387 | $1,016,229 | 160.17% |
| Operating Revenue | $4,251,917 | $9,729,982 | $4,783,246 | $6,311,076 | -35.14% |
| Charges for Goods & Services | $33,251,920 | $39,598,176 | $36,478,113 | $39,698,558 | 0.25% |
| Other Revenues | $1,330,915 | $875,843 | $1,097,010 | $973,118 | 11.11% |
| Transfers | $52,457,653 | $59,694,682 | $59,467,792 | $66,267,065 | 11.01% |
| **Total Revenues** | **$94,351,207** | **$112,439,952** | **$104,790,916** | **$116,407,304** | **3.53%** |
| **Expenditures** | | | | | |
| PERSONNEL SERVICES | $34,180,816 | $38,724,237 | $36,171,267 | $40,357,811 | 4.22% |
| MATERIALS & SUPPLIES | $4,499,383 | $8,583,502 | $5,523,045 | $8,746,135 | 1.89% |
| MAINTENANCE & REPAIR | $2,341,111 | $3,243,735 | $2,944,688 | $3,187,043 | -1.75% |
| INSURANCE | $3,794,693 | $4,784,453 | $4,815,886 | $5,204,011 | 8.77% |
| ADMIN- COSTS | $11,811,891 | $14,600,000 | $13,234,924 | $14,600,000 | - |
| OTHER EXPENSES (MISCELLANEOUS) | $144,192 | $485,810 | $310,215 | $487,485 | 0.34% |
| OPERATIONS | $27,203,150 | $28,254,853 | $25,525,358 | $28,929,152 | 2.39% |
| DEBT SERVICE TRANSFERS | $2,023,444 | $2,408,522 | $2,410,495 | $2,951,647 | 22.55% |
| TRANSFERS | $10,906,470 | $11,351,840 | $11,351,840 | $11,740,020 | 3.42% |
| FIXED ASSETS | - | - | - | $216,000 | - |
| **Total Expenditures** | **$96,905,149** | **$112,436,952** | **$102,287,717** | **$116,419,304** | **3.54%** |
| **Total Revenues Less Expenditures** | **-$2,553,943** | **$3,000** | **$2,503,199** | **-$12,000** | **-499.99%** |
| **Ending Fund Balance** | **$941,095** | **$944,424** | **$3,444,623** | **$3,432,624** | **263.46%** |

# Revenues by Fund

### FY27 Revenues by Fund

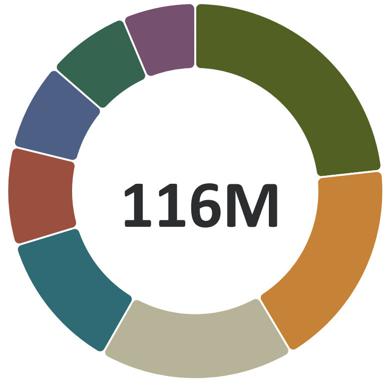



| | | |
|---|---|---|
| Technology Services | $27,065,166 | 23.25% |
| Materials Management | $21,199,232 | 18.21% |
| Fleet Services | $19,540,402 | 16.79% |
| Engineering Services | $14,028,197 | 12.05% |
| Customer Service | $9,931,795 | 8.53% |
| Risk Retention | $8,816,026 | 7.57% |
| Facilities Management | $8,452,305 | 7.26% |
| Environmental Services | $7,374,181 | 6.33% |

## Revenues by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Materials Management | $15,775,111 | $20,934,363 | $16,927,760 | $21,199,232 | 1.27% |
| Fleet Services | $16,612,395 | $18,663,445 | $18,122,121 | $19,540,402 | 4.70% |
| Technology Services | $22,909,621 | $25,051,383 | $25,007,371 | $27,065,166 | 8.04% |
| Engineering Services | $7,822,400 | $13,314,400 | $10,558,949 | $14,028,197 | 5.36% |
| Risk Retention | $7,327,909 | $8,327,477 | $8,527,348 | $8,816,026 | 5.87% |
| Customer Service | $11,099,945 | $11,873,598 | $12,028,572 | $9,931,795 | -16.35% |
| Facilities Management | $7,328,241 | $8,459,548 | $8,496,815 | $8,452,305 | -0.09% |
| Environmental Services | $5,475,584 | $5,815,738 | $5,121,980 | $7,374,181 | 26.80% |
| **Total Revenues** | **$94,351,207** | **$112,439,952** | **$104,790,916** | **$116,407,304** | **3.53%** |

## FY27 Expenditures by Fund




| | | |
|---|---|---|
| Technology Services | **$27,065,166** | 23.25% |
| Materials Management | **$21,199,232** | 18.21% |
| Fleet Services | **$19,552,402** | 16.79% |
| Engineering Services | **$14,028,197** | 12.05% |
| Customer Service | **$9,931,795** | 8.53% |
| Risk Retention | **$8,816,026** | 7.57% |
| Facilities Management | **$8,452,305** | 7.26% |
| Environmental Services | **$7,374,181** | 6.33% |

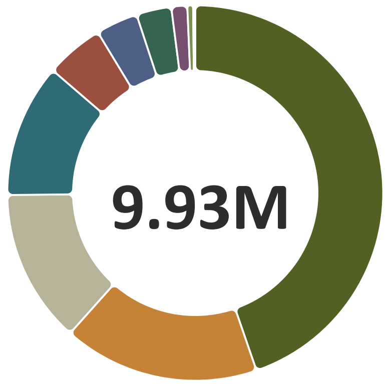
## Expenditures by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Materials Management | $15,732,738 | $20,934,363 | $16,927,760 | $21,199,232 | 1.27% |
| Fleet Services | $16,539,894 | $18,663,445 | $18,876,545 | $19,552,402 | 4.76% |
| Technology Services | $22,825,451 | $25,051,383 | $22,976,334 | $27,065,166 | 8.04% |
| Engineering Services | $11,039,941 | $13,314,400 | $10,558,949 | $14,028,197 | 5.36% |
| Risk Retention | $7,316,574 | $8,327,477 | $7,496,698 | $8,816,026 | 5.87% |
| Customer Service | $11,036,333 | $11,870,598 | $11,870,598 | $9,931,795 | -16.33% |
| Facilities Management | $7,278,920 | $8,459,548 | $8,458,852 | $8,452,305 | -0.09% |
| Environmental Services | $5,135,298 | $5,815,738 | $5,121,980 | $7,374,181 | 26.80% |
| **Total Expenditures** | **$96,905,149** | **$112,436,952** | **$102,287,717** | **$116,419,304** | **3.54%** |

# Customer Service Fund Financial Summary

## Revenues by Object

**FY27 Revenues by Object**




| | | |
|---|---|---|
| Admin Trsf - Electric | $4,441,173 | 44.72% |
| Admin Trsf - Solid Waste | $1,675,949 | 16.87% |
| Admin Trsf - Water | $1,315,062 | 13.24% |
| Admin Trsf - Wastewater | $1,141,233 | 11.49% |
| ADMIN TRSF - DRAINAGE | $497,873 | 5.01% |
| Admin Trsf - General Fund | $358,051 | 3.61% |
| Investment Income | $300,004 | 3.02% |
| Prepaid Metering Fees | $136,130 | 1.37% |
| Red Flag Fees | $48,366 | 0.49% |
| Admin Trsf - Airport | $7,554 | 0.08% |
| Admin Trsf - Engineering | $5,667 | 0.06% |
| Admin Trsf - Fleet Svcs | $3,782 | 0.04% |
| Admin Trsf - Tech Svcs | $951 | 0.01% |

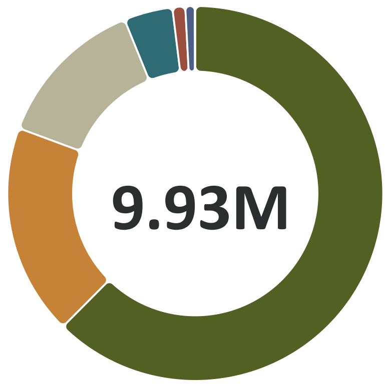
### Revenues by Object

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Admin Trsf - General Fund | $763,742 | $749,409 | $749,409 | $358,051 | -52.22% |
| Cash Over/Short | - | - | - | - | - |
| Admin Trsf - Water | $1,516,916 | $1,793,762 | $1,793,762 | $1,315,062 | -26.69% |
| Admin Trsf - Solid Waste | $1,905,484 | $1,519,476 | $1,519,476 | $1,675,949 | 10.30% |
| Admin Trsf - Wastewater | $1,693,106 | $1,736,379 | $1,202,726 | $1,141,233 | -34.28% |
| Admin Trsf - Fleet Svcs | $6,002 | $8,035 | $8,035 | $3,782 | -52.93% |
| Admin Trsf - Airport | $9,131 | $12,621 | $12,621 | $7,554 | -40.15% |
| Investment Income | $370,521 | $227,381 | $300,000 | $300,004 | 31.94% |
| Miscellaneous Income | - | - | - | - | - |
| Admin Trsf - Street Improvemen | $69,525 | $92,960 | $92,960 | - | -100.00% |
| Admin Trsf - Electric | $4,557,711 | $5,551,134 | $5,551,134 | $4,441,173 | -20.00% |
| ADMIN TRSF - DRAINAGE | - | - | $533,653 | $497,873 | - |
| Admin Trsf - Tech Svcs | - | $1,146 | $1,146 | $951 | -17.02% |
| Admin Trsf - Engineering | $5,648 | $11,478 | $11,478 | $5,667 | -50.63% |
| Prepaid Metering Fees | $158,439 | $123,754 | $206,109 | $136,130 | 10.00% |
| Red Flag Fees | $43,719 | $46,063 | $46,063 | $48,366 | 5.00% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| **Total Revenues** | **$11,099,945** | **$11,873,598** | **$12,028,572** | **$9,931,795** | **-16.35%** |

# Expenditures by Expense Category

**FY27 Expenditures by Expense Category**




| | | |
|---|---|---|
| PERSONNEL SERVICES | **$6,200,043** | 62.43% |
| OPERATIONS | **$1,811,373** | 18.24% |
| TRANSFERS | **$1,310,803** | 13.20% |
| MATERIALS & SUPPLIES | **$416,130** | 4.19% |
| INSURANCE | **$108,926** | 1.10% |
| DEBT SERVICE TRANSFERS | **$80,250** | 0.81% |
| OTHER EXPENSES (MISCELLANEOUS) | **$4,270** | 0.04% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $5,414,047 | $5,950,996 | $5,950,996 | $6,200,043 | 4.18% |
| MATERIALS & SUPPLIES | $461,343 | $408,995 | $408,995 | $416,130 | 1.74% |
| INSURANCE | $82,401 | $108,340 | $108,340 | $108,926 | 0.54% |
| OTHER EXPENSES (MISCELLANEOUS) | - | $2,310 | $2,310 | $4,270 | 84.85% |
| OPERATIONS | $3,302,376 | $3,502,964 | $3,502,964 | $1,811,373 | -48.29% |
| DEBT SERVICE TRANSFERS | $78,525 | $77,175 | $77,175 | $80,250 | 3.98% |
| TRANSFERS | $1,697,641 | $1,819,818 | $1,819,818 | $1,310,803 | -27.97% |
| **Total Expenditures** | **$11,036,333** | **$11,870,598** | **$11,870,598** | **$9,931,795** | **-16.33%** |

# Personnel By Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Customer Service | 55.50 | 55.5 | 55.5 | 55.5 |
| 311 Call Center | 10.00 | 10.00 | 10.00 | 10.00 |
| **TOTAL PERSONNEL** | **65.50** | **65.50** | **65.50** | **65.50** |

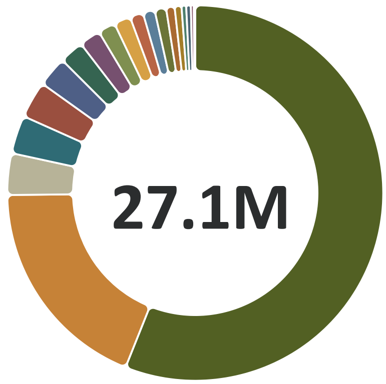
## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget includes a decrease in maintenance and repair and an increase in operations. | The budget includes a decrease in bank depository due to an implementation of credit card processing fee. |

# Technology Service Fund Financial Summary

## Revenues by Object

**FY27 Revenues by Object**




| | | |
|---|---|---|
| Admin Trsf - General Fund | $15,171,484 | 56.06% |
| Admin Trsf - Electric | $5,082,022 | 18.78% |
| Admin Trsf - Solid Waste | $967,665 | 3.58% |
| Admin Trsf - Wastewater | $894,458 | 3.30% |
| Admin Trsf - Water | $859,220 | 3.17% |
| Admin Trsf - Engineering | $707,044 | 2.61% |
| Investment Interest Income | $567,283 | 2.10% |
| Admin Trsf - Materials Mgmt | $498,305 | 1.84% |
| Admin Trsf - Envmntl Srvcs | $404,089 | 1.49% |
| Admin Trsf - Facilities | $386,509 | 1.43% |
| Admin Trsf - Customer Service | $309,387 | 1.14% |
| Admin Trsf - Street Improvemen | $278,066 | 1.03% |
| Admin Trsf - Fleet Svcs | $264,161 | 0.98% |
| Lease Revenues | $199,378 | 0.74% |
| ADMIN TRSF - DRAINAGE | $158,497 | 0.59% |
| Admin Trsf - Airport | $108,641 | 0.40% |
| Data Center - Dark Fiber | $107,000 | 0.40% |
| Admin Trsf - Risk | $69,957 | 0.26% |
| Radio-Maintenance Fees | $32,000 | 0.12% |

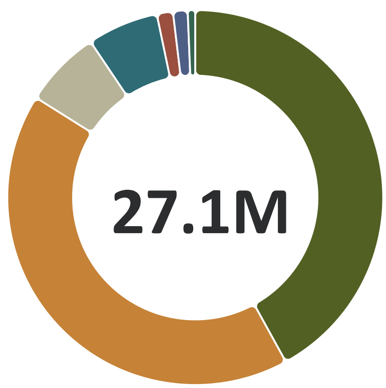
### Revenues by Object

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Admin Trsf - General Fund | $12,675,259 | $13,956,866 | $13,956,866 | $15,171,484 | 8.70% |
| Lease Revenues | $69,127 | $127,618 | $84,429 | $199,378 | 56.23% |
| Investment Interest Income | $58,655 | $75,000 | $67,206 | $567,283 | 656.38% |
| G/L On Sale Of Fixed Assets | $3,950 | $3,000 | $4,518 | - | -100.00% |
| Admin Trsf - Water | $936,438 | $1,010,660 | $1,010,660 | $859,220 | -14.98% |
| Admin Trsf - Solid Waste | $788,234 | $850,710 | $850,710 | $967,665 | 13.75% |
| Admin Trsf - Wastewater | $988,012 | $1,066,324 | $1,066,324 | $894,458 | -16.12% |
| Admin Trsf - Fleet Svcs | $216,671 | $233,845 | $233,845 | $264,161 | 12.96% |
| Admin Trsf - Airport | $88,554 | $95,574 | $95,574 | $108,641 | 13.67% |
| Radio-Maintenance Fees | $32,205 | - | $14,997 | $32,000 | - |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Data Center - Dark Fiber | $80,304 | $106,950 | $97,406 | $107,000 | 0.05% |
| Admin Trsf - Street Improvemen | $244,166 | $263,518 | $263,518 | $278,066 | 5.52% |
| Admin Trsf - Electric | $4,361,026 | $4,706,690 | $4,706,690 | $5,082,022 | 7.97% |
| ADMIN TRSF - DRAINAGE | - | - | - | $158,497 | - |
| Admin Trsf - Materials Mgmt | $406,174 | $438,367 | $438,367 | $498,305 | 13.67% |
| Admin Trsf - Engineering | $576,318 | $621,997 | $621,997 | $707,044 | 13.67% |
| Admin Trsf - Risk | $57,023 | $61,542 | $61,542 | $69,957 | 13.67% |
| Admin Trsf - Customer Service | $757,006 | $817,007 | $817,007 | $309,387 | -62.13% |
| Admin Trsf - Facilities | $317,585 | $342,757 | $342,757 | $386,509 | 12.76% |
| Admin Trsf - Envmntl Srvcs | $252,914 | $272,958 | $272,958 | $404,089 | 48.04% |
| **Total Revenues** | **$22,909,621** | **$25,051,383** | **$25,007,371** | **$27,065,166** | **8.04%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PERSONNEL SERVICES | **$11,368,863** | 42.01% |
| OPERATIONS | **$11,349,332** | 41.93% |
| DEBT SERVICE TRANSFERS | **$1,802,008** | 6.66% |
| TRANSFERS | **$1,657,927** | 6.13% |
| MATERIALS & SUPPLIES | **$371,815** | 1.37% |
| MAINTENANCE & REPAIR | **$339,370** | 1.25% |
| INSURANCE | **$173,366** | 0.64% |
| OTHER EXPENSES (MISCELLANEOUS) | **$2,485** | 0.01% |

## Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $9,880,903 | $11,255,885 | $11,253,885 | $11,368,863 | 1.00% |
| MATERIALS & SUPPLIES | $424,797 | $357,815 | $314,937 | $371,815 | 3.91% |
| MAINTENANCE & REPAIR | $350,388 | $329,000 | $306,357 | $339,370 | 3.15% |
| INSURANCE | $131,140 | $172,428 | $172,428 | $173,366 | 0.54% |
| OTHER EXPENSES (MISCELLANEOUS) | $1,048 | $2,450 | $2,450 | $2,485 | 1.43% |
| OPERATIONS | $9,556,003 | $10,103,356 | $8,095,828 | $11,349,332 | 12.33% |
| DEBT SERVICE TRANSFERS | $1,031,207 | $1,299,552 | $1,299,552 | $1,802,008 | 38.66% |
| TRANSFERS | $1,449,966 | $1,530,897 | $1,530,897 | $1,657,927 | 8.30% |
| **Total Expenditures** | **$22,825,451** | **$25,051,383** | **$22,976,334** | **$27,065,166** | **8.04%** |

## Personnel By Division

| PERSONNEL BY DIVISION<br>FULL-TIME EQUIVALENTS (FTE) | FY2025<br>Actual | FY 2026<br>Adopted | FY 2026<br>Estimate | FY 2027<br>Adopted |
|---|---|---|---|---|
| Administration | 11.00 | 11.00 | 11.00 | 12.00 |
| Business Services | 5.00 | 5.00 | 5.00 | 3.00 |
| Infrastructure | 13.00 | 13.00 | 13.00 | 14.00 |
| IT Communications | 9.00 | 9.00 | 9.00 | 9.00 |
| Geographic Information Systems (GIS) | 4.00 | 4.00 | 4.00 | 4.00 |
| Application Support | 12.00 | 12.00 | 12.00 | 11.00 |
| Support Services | 11.00 | 11.00 | 11.00 | 12.00 |
| Public Safety IT | 4.00 | 4.00 | 4.00 | 4.00 |
| Information Security | 2.00 | 2.00 | 2.00 | 2.00 |
| **TOTAL PERSONNEL** | **71.00** | **71.00** | **71.00** | **71.00** |

[1] **Excludes seasonal/temporary positions.**

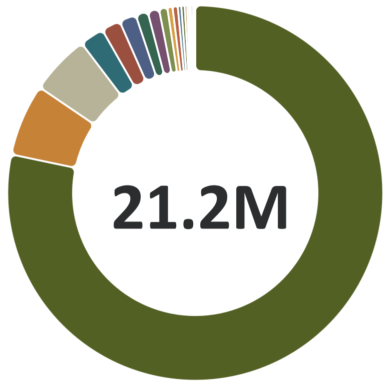
## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget includes a decrease in materials and supplies, an increase in operations, and an increase in debt service payments. | The budget prioritizes investments in technology infrastructure, cybersecurity, and operational efficiency to support reliable citywide services. Funding supports fiber network maintenance and expansion, software licensing, hardware replacement, artificial intelligence evaluation, printer modernization, and employee training to improve service delivery and system performance. The budget also includes investments in office technology, telecommunications and equipment upgrades to enhance reliability, security, and connectivity across City departments. |

# Materials Management Fund Financial Summary

## Revenues by Object

**FY27 Revenues by Object**




| | | |
|---|---|---|
| Warehouse Sales | **$16,600,000** | 78.30% |
| Admin Trsf - Electric | **$1,316,556** | 6.21% |
| Admin Trsf - General Fund | **$1,096,466** | 5.17% |
| Admin Trsf - Water | **$441,957** | 2.08% |
| Admin Trsf - Tech Svcs | **$345,224** | 1.63% |
| Admin Trsf - Engineering | **$312,388** | 1.47% |
| Admin Trsf - Facilities | **$221,867** | 1.05% |
| Admin Trsf - Fleet Svcs | **$210,331** | 0.99% |
| Admin Trsf - Wastewater | **$149,094** | 0.70% |
| Admin Trsf - Risk | **$95,845** | 0.45% |
| Admin Trsf - Solid Waste | **$93,182** | 0.44% |
| P Card Rebate -Purch | **$65,000** | 0.31% |
| Admin Trsf - Street Improvemen | **$59,903** | 0.28% |
| Postage Fees | **$45,000** | 0.21% |
| Admin Trsf - Envmntl Srvcs | **$36,829** | 0.17% |
| Co-Op Rebates - Purch | **$35,005** | 0.17% |
| Admin Trsf - Customer Service | **$34,611** | 0.16% |
| Admin Trsf - Airport | **$19,974** | 0.09% |
| Auction Proceeds | **$10,000** | 0.05% |
| Vending Rebate - Dc | **$10,000** | 0.05% |

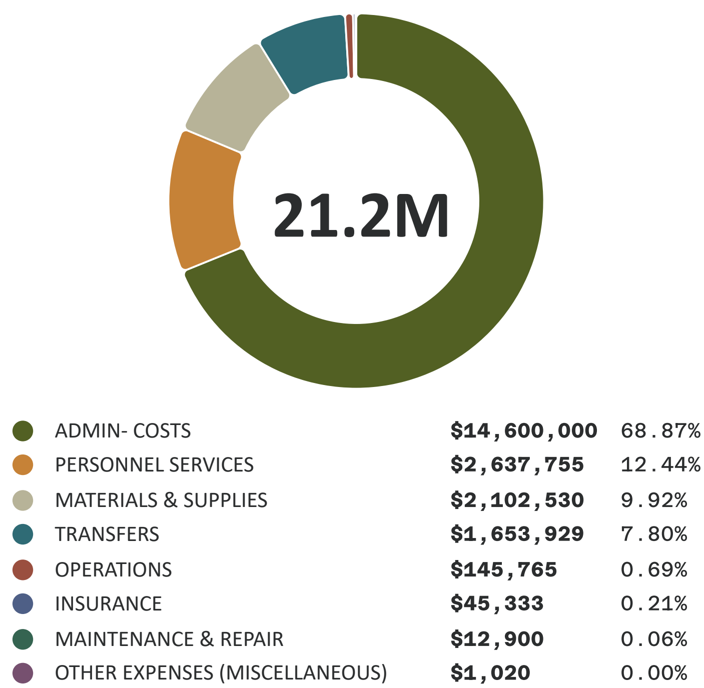
### Revenues by Object

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Admin Trsf - General Fund | $977,993 | $1,061,475 | $681,876 | $1,096,466 | 3.30% |
| Admin Trsf - Water | $350,245 | $380,375 | $244,347 | $441,957 | 16.19% |
| Admin Trsf - Solid Waste | $126,788 | $137,763 | $88,497 | $93,182 | -32.36% |
| Admin Trsf - Wastewater | $170,320 | $184,904 | $118,780 | $149,094 | -19.37% |
| Admin Trsf - Fleet Svcs | $185,919 | $201,970 | $129,743 | $210,331 | 4.14% |
| Admin Trsf - Airport | $13,483 | $14,630 | $9,398 | $19,974 | 36.53% |
| Recovery Of Py Expenditure | $671 | - | - | - | - |
| P Card Rebate -Purch | $67,237 | $65,000 | $82,401 | $65,000 | - |
| Co-Op Rebates - Purch | $51,766 | $25,000 | $45,164 | $35,005 | 40.02% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Vending Rebate - Dc | $15,504 | $10,000 | $13,710 | $10,000 | - |
| Auction Proceeds | $16,585 | $10,000 | $4,720 | $10,000 | - |
| Postage Fees | $42,139 | $45,000 | $45,217 | $45,000 | - |
| Warehouse Sales | $11,838,088 | $16,715,135 | $14,125,747 | $16,600,000 | -0.69% |
| Admin Trsf - Street Improvemen | $55,454 | $60,144 | $38,636 | $59,903 | -0.40% |
| Admin Trsf - Electric | $885,945 | $961,904 | $617,913 | $1,316,556 | 36.87% |
| Admin Trsf - Tech Svcs | $292,912 | $318,195 | $204,404 | $345,224 | 8.49% |
| Admin Trsf - Engineering | $319,358 | $346,643 | $222,678 | $312,388 | -9.88% |
| Admin Trsf - Risk | $96,923 | $105,251 | $67,612 | $95,845 | -8.94% |
| Admin Trsf - Customer Service | $39,177 | $42,671 | $27,411 | $34,611 | -18.89% |
| Admin Trsf - Facilities | $217,316 | $236,108 | $151,672 | $221,867 | -6.03% |
| Admin Trsf - Envmntl Srvcs | $11,290 | $12,195 | $7,834 | $36,829 | 202.00% |
| **Total Revenues** | **$15,775,111** | **$20,934,363** | **$16,927,760** | **$21,199,232** | **1.27%** |

# Expenditures by Expense Category

**FY27 Expenditures by Expense Category**




## Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $2,534,348 | $2,597,168 | $2,640,776 | $2,637,755 | 1.56% |
| MATERIALS & SUPPLIES | -$137,282 | $2,098,770 | -$521,704 | $2,102,530 | 0.18% |
| MAINTENANCE & REPAIR | $986 | $9,750 | - | $12,900 | 32.31% |
| INSURANCE | $34,299 | $45,093 | $45,093 | $45,333 | 0.53% |
| ADMIN- COSTS | $11,811,891 | $14,600,000 | $13,234,924 | $14,600,000 | - |
| OTHER EXPENSES (MISCELLANEOUS) | $374 | - | - | $1,020 | - |
| OPERATIONS | $117,902 | $154,615 | $99,704 | $145,765 | -5.72% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| TRANSFERS | $1,370,220 | $1,428,967 | $1,428,967 | $1,653,929 | 15.74% |
| **Total Expenditures** | **$15,732,738** | **$20,934,363** | **$16,927,760** | **$21,199,232** | **1.27%** |

# Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Purchasing | 16.00 | 16.00 | 16.00 | 16.00 |
| Warehouse | 7.00 | 7.00 | 7.00 | 7.00 |
| **TOTAL PERSONNEL** | 23.00 | 23.00 | 23.00 | 23.00 |

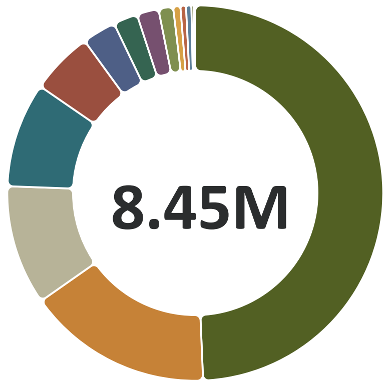
# Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget included reductions to materials and supplies, maintenance and repair, and operations. | The budget includes no significant changes. |

# Facilities Management Fund Financial Summary

## Revenues by Object

**FY27 Revenues by Object**




| | | |
|---|---|---|
| Admin Trsf - General Fund | $4,170,590 | 49.34% |
| Admin Trsf - Wastewater | $1,345,896 | 15.92% |
| Admin Trsf - Solid Waste | $871,564 | 10.31% |
| Admin Trsf - Electric | $762,250 | 9.02% |
| Admin Trsf - Fleet Svcs | $456,766 | 5.40% |
| Admin Trsf - Materials Mgmt | $244,975 | 2.90% |
| Admin Trsf - Airport | $176,655 | 2.09% |
| Admin Trsf - Tech Svcs | $158,111 | 1.87% |
| Admin Trsf - Water | $106,384 | 1.26% |
| Admin Trsf - Engineering | $51,726 | 0.61% |
| Investment Income | $41,022 | 0.49% |
| Admin Trsf - Street Improvemen | $39,041 | 0.46% |
| Admin Trsf - Risk | $16,588 | 0.20% |
| Admin Trsf - Customer Service | $10,737 | 0.13% |

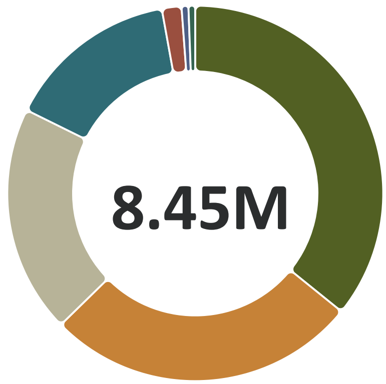
### Revenues by Object

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Admin Trsf - General Fund | $4,496,702 | $5,232,968 | $5,232,968 | $4,170,590 | -20.30% |
| G/L On Sale Of Fixed Assets | $17,500 | - | - | - | - |
| Admin Trsf - Water | $535,902 | $623,488 | $623,488 | $106,384 | -82.94% |
| Admin Trsf - Solid Waste | $385,392 | $448,372 | $448,372 | $871,564 | 94.38% |
| Admin Trsf - Wastewater | $354,285 | $411,993 | $411,993 | $1,345,896 | 226.68% |
| Admin Trsf - Fleet Svcs | $182,242 | $212,342 | $212,342 | $456,766 | 115.11% |
| Admin Trsf - Airport | $125,034 | $145,511 | $145,511 | $176,655 | 21.40% |
| Investment Income | $41,229 | - | $36,681 | $41,022 | - |
| Sale Of Scrap Material | $325 | - | $586 | - | - |
| Admin Trsf - Street Improvemen | $31,689 | $37,223 | $37,223 | $39,041 | 4.88% |
| Admin Trsf - Electric | $846,671 | $985,571 | $985,571 | $762,250 | -22.66% |
| Admin Trsf - Materials Mgmt | $94,868 | $110,824 | $110,824 | $244,975 | 121.05% |
| Admin Trsf - Tech Svcs | $83,133 | $96,442 | $96,442 | $158,111 | 63.94% |
| Admin Trsf - Engineering | $90,581 | $105,748 | $105,748 | $51,726 | -51.09% |
| Admin Trsf - Risk | $11,149 | $12,689 | $12,689 | $16,588 | 30.73% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Admin Trsf - Customer Service | $31,541 | $36,377 | $36,377 | $10,737 | -70.48% |
| **Total Revenues** | **$7,328,241** | **$8,459,548** | **$8,496,815** | **$8,452,305** | **-0.09%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PERSONNEL SERVICES | **$3,027,637** | 35.82% |
| OPERATIONS | **$2,269,700** | 26.85% |
| MAINTENANCE & REPAIR | **$1,660,000** | 19.64% |
| TRANSFERS | **$1,253,105** | 14.83% |
| MATERIALS & SUPPLIES | **$143,090** | 1.69% |
| FIXED ASSETS | **$50,000** | 0.59% |
| INSURANCE | **$47,968** | 0.57% |
| OTHER EXPENSES (MISCELLANEOUS) | **$805** | 0.01% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $2,626,173 | $2,840,489 | $2,840,489 | $3,027,637 | 6.59% |
| MATERIALS & SUPPLIES | $36,417 | $56,500 | $55,804 | $143,090 | 153.26% |
| MAINTENANCE & REPAIR | $1,215,833 | $1,901,758 | $1,901,758 | $1,660,000 | -12.71% |
| INSURANCE | $36,283 | $47,705 | $47,705 | $47,968 | 0.55% |
| OTHER EXPENSES (MISCELLANEOUS) | - | $770 | $770 | $805 | 4.55% |
| OPERATIONS | $2,259,464 | $2,427,478 | $2,427,478 | $2,269,700 | -6.50% |
| TRANSFERS | $1,104,751 | $1,184,848 | $1,184,848 | $1,253,105 | 5.76% |
| FIXED ASSETS | - | - | - | $50,000 | - |
| **Total Expenditures** | **$7,278,920** | **$8,459,548** | **$8,458,852** | **$8,452,305** | **-0.09%** |

# Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Administration | 4.00 | 4.00 | 4.00 | 4.00 |
| Maintenance | 18.00 | 18.00 | 19.00 | 20.00 |

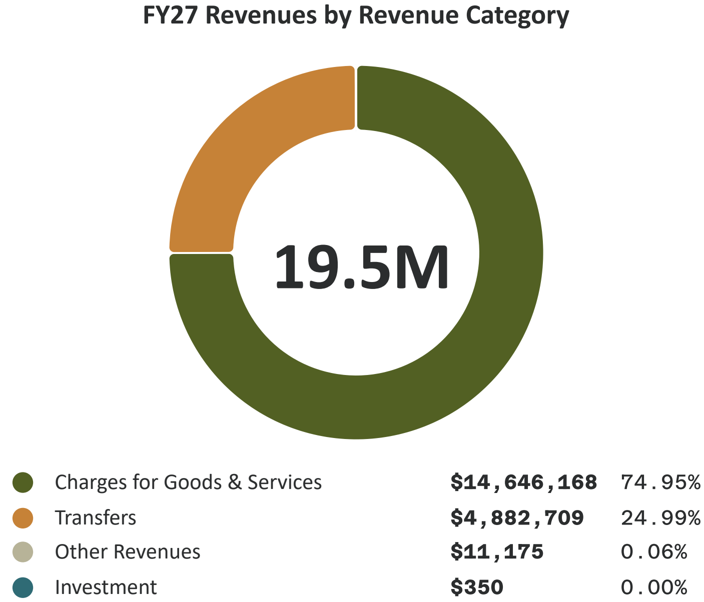
| PERSONNEL BY DIVISION<br>FULL-TIME EQUIVALENTS (FTE) | FY2025<br>Actual | FY 2026<br>Adopted | FY 2026<br>Estimate | FY 2027<br>Proposed |
|---|---|---|---|---|
| **TOTAL PERSONNEL** | **22.00** | **22.00** | **23.00** | **24.00** |

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget includes a reduction to janitorial services of $225,000 from the previous fiscal year. During the fiscal year, a position was moved from the Fleet Services Fund. | The budget includes an HVAC Technician. This addition is cost neutral due to a reduction in contractual services. |

# Fleet Service Fund Financial Summary

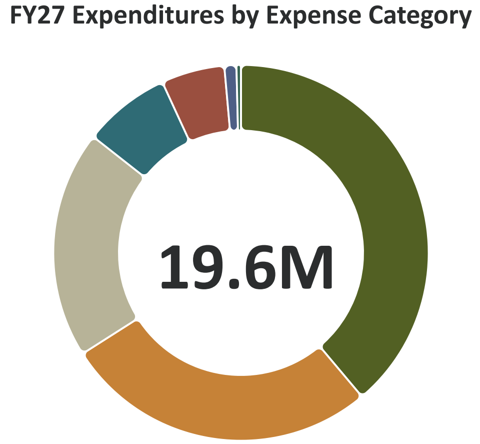
## Revenues by Revenue Category




### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | $172 | - | $761 | $350 | - |
| Charges for Goods & Services | $14,933,150 | $14,912,067 | $14,369,760 | $14,646,168 | -1.78% |
| Other Revenues | $24,631 | $10,778 | $11,000 | $11,175 | 3.68% |
| Transfers | $1,654,441 | $3,740,600 | $3,740,600 | $4,882,709 | 30.53% |
| **Total Revenues** | **$16,612,395** | **$18,663,445** | **$18,122,121** | **$19,540,402** | **4.70%** |

## Expenditures by Expense Category




| | | | |
|---|---|---|---|
| ● | OPERATIONS | $7,599,174 | 38.87% |
| ● | MATERIALS & SUPPLIES | $5,301,775 | 27.12% |
| ● | PERSONNEL SERVICES | $3,835,399 | 19.62% |
| ● | TRANSFERS | $1,469,754 | 7.52% |
| ● | DEBT SERVICE TRANSFERS | $1,069,389 | 5.47% |
| ● | MAINTENANCE & REPAIR | $200,000 | 1.02% |
| ● | INSURANCE | $75,826 | 0.39% |
| ● | OTHER EXPENSES (MISCELLANEOUS) | $1,085 | 0.01% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $3,575,096 | $3,593,507 | $4,064,847 | $3,835,399 | 6.73% |
| MATERIALS & SUPPLIES | $3,421,842 | $5,309,000 | $4,925,024 | $5,301,775 | -0.14% |
| MAINTENANCE & REPAIR | $122,498 | $50,000 | $155,800 | $200,000 | 300.00% |
| INSURANCE | $57,364 | $75,426 | $75,426 | $75,826 | 0.53% |
| OTHER EXPENSES (MISCELLANEOUS) | $740 | $1,820 | $1,085 | $1,085 | -40.38% |
| OPERATIONS | $7,349,642 | $7,400,771 | $7,419,470 | $7,599,174 | 2.68% |
| DEBT SERVICE TRANSFERS | $913,713 | $1,031,795 | $1,033,768 | $1,069,389 | 3.64% |
| TRANSFERS | $1,099,000 | $1,201,126 | $1,201,126 | $1,469,754 | 22.36% |
| **Total Expenditures** | **$16,539,894** | **$18,663,445** | **$18,876,545** | **$19,552,402** | **4.76%** |

## Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Fleet Services | 32.00 | 32.00 | 31.00 | 31.00 |
| **TOTAL PERSONNEL** | **32.00** | **32.00** | **31.00** | **31.00** |

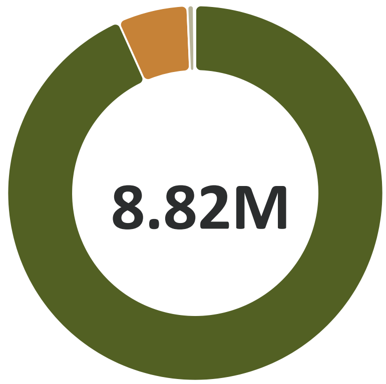
## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget includes an increase in operations and fuel charges. During the fiscal year, one position was moved to the Faciliities Management Fund. | |

# Risk Retention Fund Financial Summary

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**



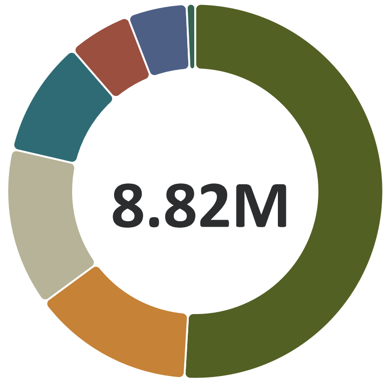

| | | |
|---|---|---|
| Charges for Goods & Services | **$8,222,894** | 93.27% |
| Other Revenues | **$533,084** | 6.05% |
| Investment | **$50,048** | 0.57% |
| Transfers | **$10,000** | 0.11% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Investment | $116,674 | $56,823 | $97,485 | $50,048 | -11.92% |
| Charges for Goods & Services | $6,236,385 | $7,756,157 | $7,685,217 | $8,222,894 | 6.02% |
| Other Revenues | $974,850 | $514,497 | $744,646 | $533,084 | 3.61% |
| Transfers | - | - | - | $10,000 | - |
| **Total Revenues** | **$7,327,909** | **$8,327,477** | **$8,527,348** | **$8,816,026** | **5.87%** |

# Expenditures by Expense Category

**FY27 Expenditures by Expense Category**




| | | |
|---|---|---|
| INSURANCE | $4,489,862 | 50.93% |
| OPERATIONS | $1,229,696 | 13.95% |
| PERSONNEL SERVICES | $1,211,886 | 13.75% |
| MAINTENANCE & REPAIR | $883,590 | 10.02% |
| TRANSFERS | $484,427 | 5.49% |
| OTHER EXPENSES (MISCELLANEOUS) | $451,815 | 5.12% |
| MATERIALS & SUPPLIES | $64,750 | 0.73% |

**Expenditures by Expense Category**

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $1,653,149 | $1,183,322 | $1,187,985 | $1,211,886 | 2.41% |
| MATERIALS & SUPPLIES | $66,818 | $62,500 | $62,500 | $64,750 | 3.60% |
| MAINTENANCE & REPAIR | $574,692 | $886,162 | $529,006 | $883,590 | -0.29% |
| INSURANCE | $3,273,764 | $4,099,531 | $4,130,964 | $4,489,862 | 9.52% |
| OTHER EXPENSES (MISCELLANEOUS) | $109,011 | $450,280 | $275,420 | $451,815 | 0.34% |
| OPERATIONS | $1,067,033 | $1,173,676 | $838,817 | $1,229,696 | 4.77% |
| TRANSFERS | $572,107 | $472,006 | $472,006 | $484,427 | 2.63% |
| **Total Expenditures** | **$7,316,574** | **$8,327,477** | **$7,496,698** | **$8,816,026** | **5.87%** |

# Personnel by Division

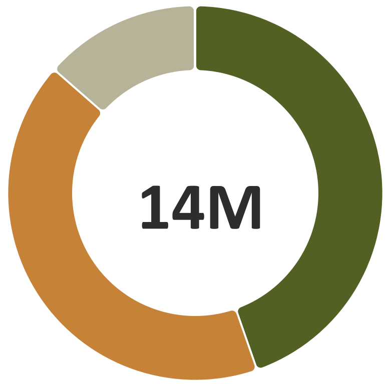
| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed |
|---|---|---|---|---|
| Risk Department | 9.00 | 4.00 | 4.00 | 4.00 |
| Safety Department | 4.00 | 4.00 | 4.00 | 5.00 |
| **TOTAL PERSONNEL** | **13.00** | **8.00** | **8.00** | **9.00** |

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget proposes to move five positions from Risk to Human Resources to align with their current work functions. The budget also includes reductions to materials and supplies and an increase in transfers to the General Fund. | The budget proposes to move one position from Human Resources to Risk Fund under the Safety Department for a DOT Coordinator/CDL Trainer. |

# Engineering Services Fund Financial Summary

## Revenues by Revenue Category



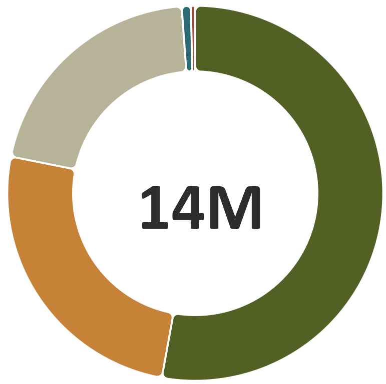

| | | |
|---|---|---|
| Operating Revenue | $6,263,510 | 44.65% |
| Transfers | $5,863,451 | 41.80% |
| Fees for Service | $1,894,952 | 13.51% |
| Investment | $3,808 | 0.03% |
| Other Revenues | $2,476 | 0.02% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Fees for Service | $2,071,442 | $1,895,555 | $2,174,957 | $1,894,952 | -0.03% |
| Investment | $4,702 | - | - | $3,808 | - |
| Operating Revenue | $3,915,356 | $9,729,982 | $4,768,249 | $6,263,510 | -35.63% |
| Other Revenues | $8,463 | $3,000 | $8,430 | $2,476 | -17.47% |
| Transfers | $1,822,437 | $1,685,863 | $3,607,313 | $5,863,451 | 247.80% |
| **Total Revenues** | **$7,822,400** | **$13,314,400** | **$10,558,949** | **$14,028,197** | **5.36%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $5,263,426 | $7,508,759 | $4,953,494 | $7,415,176 | -1.25% |
| MATERIALS & SUPPLIES | $13,698 | $45,565 | $34,525 | $49,674 | 9.02% |
| INSURANCE | $84,061 | $110,532 | $110,532 | $111,121 | 0.53% |
| OTHER EXPENSES (MISCELLANEOUS) | $1,688 | $4,490 | $4,490 | $1,855 | -58.69% |
| OPERATIONS | $2,845,683 | $2,752,692 | $2,563,546 | $3,546,664 | 28.84% |
| TRANSFERS | $2,831,385 | $2,892,362 | $2,892,362 | $2,903,707 | 0.39% |
| **Total Expenditures** | **$11,039,941** | **$13,314,400** | **$10,558,949** | **$14,028,197** | **5.36%** |

# Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Adopted |
|---|---|---|---|---|
| Engineering Administration | 5.00 | 5.00 | 5.00 | 5.00 |
| Capital Projects | 15.00 | 15.00 | 15.00 | 15.00 |
| Public Works Inspections | 19.00 | 19.00 | 19.00 | 19.00 |
| Engineering | 11.00 | 11.00 | 10.00 | 9.00 |
| Real Estate | 5.00 | 5.00 | 5.00 | 5.00 |
| **TOTAL PERSONNEL** | **55.00** | **55.00** | **54.00** | **53.00** |

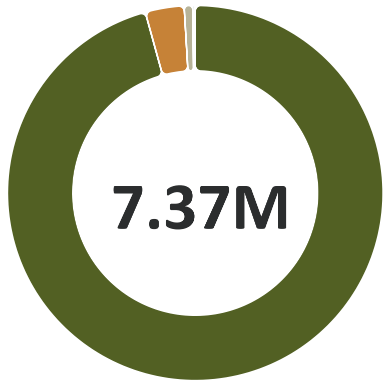
## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget included reductions in miscellaneous and Real Estate. During the fiscal year, one position was moved to the General Fund. | The budget includes increased contract pricing for ProCore Services, Innovative Transportation Solutions (ITS), and a higher volume of development reviews using HR Green. One position was moved to the Drainage Fund. |

# Environmental Services Fund Financial Summary

## Revenues by Revenue Category

**FY27 Revenues by Revenue Category**



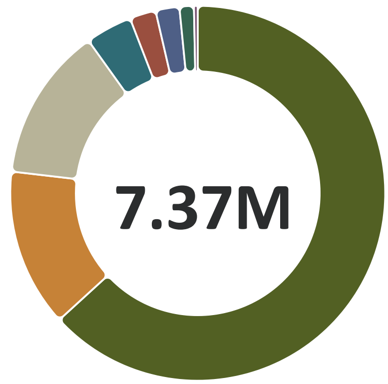

| | | |
|---|---|---|
| Transfers | **$7,058,595** | 95.72% |
| Fees for Service | **$246,306** | 3.34% |
| Investment | **$53,714** | 0.73% |
| Operating Revenue | **$15,566** | 0.21% |

### Revenues by Revenue Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Fees for Service | $351,643 | $255,105 | $239,411 | $246,306 | -3.45% |
| Investment | $43,764 | $31,405 | $48,254 | $53,714 | 71.04% |
| Operating Revenue | $304,356 | - | - | $15,566 | - |
| Transfers | $4,775,822 | $5,529,228 | $4,834,315 | $7,058,595 | 27.66% |
| **Total Revenues** | **$5,475,584** | **$5,815,738** | **$5,121,980** | **$7,374,181** | **26.80%** |

# Expenditures by Expense Category

### FY27 Expenditures by Expense Category




| | | |
|---|---|---|
| PERSONNEL SERVICES | $4,661,052 | 63.21% |
| TRANSFERS | $1,006,368 | 13.65% |
| OPERATIONS | $977,448 | 13.26% |
| MATERIALS & SUPPLIES | $296,371 | 4.02% |
| FIXED ASSETS | $166,000 | 2.25% |
| INSURANCE | $151,609 | 2.06% |
| MAINTENANCE & REPAIR | $91,183 | 1.24% |
| OTHER EXPENSES (MISCELLANEOUS) | $24,150 | 0.33% |

### Expenditures by Expense Category

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| PERSONNEL SERVICES | $3,233,674 | $3,794,111 | $3,278,795 | $4,661,052 | 22.85% |
| MATERIALS & SUPPLIES | $211,750 | $244,357 | $242,964 | $296,371 | 21.29% |
| MAINTENANCE & REPAIR | $76,714 | $67,065 | $51,767 | $91,183 | 35.96% |
| INSURANCE | $95,380 | $125,398 | $125,398 | $151,609 | 20.90% |
| OTHER EXPENSES (MISCELLANEOUS) | $31,330 | $23,690 | $23,690 | $24,150 | 1.94% |
| OPERATIONS | $705,048 | $739,301 | $577,550 | $977,448 | 32.21% |
| TRANSFERS | $781,401 | $821,816 | $821,816 | $1,006,368 | 22.46% |
| FIXED ASSETS | - | - | - | $166,000 | - |
| **Total Expenditures** | **$5,135,298** | **$5,815,738** | **$5,121,980** | **$7,374,181** | **26.80%** |

# Personnel by Division

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) (1) | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Adopted |
|---|---|---|---|---|
| Environmental Services Administration | 5.00 | 5.00 | 5.00 | 5.00 |
| Sustainability | 7.00 | 7.00 | 7.00 | 7.00 |
| Municipal Laboratories | 9.00 | 9.00 | 9.00 | 9.00 |
| Industrial Pretreatment | 8.00 | 8.00 | 8.00 | 8.00 |

| PERSONNEL BY DIVISION FULL-TIME EQUIVALENTS (FTE) [1] | FY2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Adopted |
|---|---|---|---|---|
| Gas Well Inspections | 1.00 | 1.00 | 1.00 | - |
| Landfill Compliance | 2.00 | 2.00 | 2.00 | 2.00 |
| Watershed Protection | - | - | - | 9.00 |
| **TOTAL PERSONNEL** | **32.00** | **32.00** | **32.00** | **40.00** |

[1] **Excludes seasonal/temporary positions.**

## Major Budget Items

| FY 2026 | FY 2027 |
|---|---|
| The budget included a reduction in personnel services due to the Internship Program as well as reductions in operations for 3rd party gas well inspections and travel. | The budget includes an increase in revenue, expenditures, and personnel due to moving Watershed Protection from the Drainage Fund to Environmental Services. One FTE was moved from Gas Well Inspections into Watershed Protection. |

# Special Revenue Funds Financial Summary

## Comprehensive Fund Summary

### Comprehensive Fund Summary

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Budgeted (% Change) |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$145,026,125** | **$180,421,210** | **$180,421,210** | **$208,561,350** | **15.60%** |
| **Revenues** | | | | | |
| Taxes | $6,527,983 | $7,824,809 | $8,497,742 | $8,743,754 | 11.74% |
| License & Permits | $127,590 | $900,000 | $879,274 | $411,919 | -54.23% |
| Franchise Fees & ROI | $16,300,000 | $16,300,000 | $16,300,000 | $16,300,000 | - |
| Fees for Service | $4,920,019 | $4,846,100 | $2,911,360 | $3,583,500 | -26.05% |
| Investment | $6,881,450 | $3,937,770 | $6,954,826 | $3,879,069 | -1.49% |
| Other Revenues | $36,243,456 | $30,796,500 | $33,753,039 | $31,880,000 | 3.52% |
| Transfers | $2,126,082 | $6,689,864 | $5,689,864 | $2,255,561 | -66.28% |
| **Total Revenues** | **$73,126,581** | **$71,295,043** | **$74,986,105** | **$67,053,803** | **-5.95%** |
| **Expenditures** | | | | | |
| PERSONNEL SERVICES | $4,713,179 | $5,262,591 | $4,638,380 | $5,282,443 | 0.38% |
| MATERIALS & SUPPLIES | $600,340 | $405,229 | $620,744 | $558,429 | 37.81% |
| MAINTENANCE & REPAIR | $3,282,874 | $7,616,086 | $4,872,428 | $9,221,786 | 21.08% |
| INSURANCE | $75,429 | $99,156 | $99,171 | $99,712 | 0.56% |
| OTHER EXPENSES (MISCELLANEOUS) | $1,996,315 | $1,851,950 | $2,510,683 | $3,692,798 | 99.40% |
| OPERATIONS | $6,478,343 | $6,909,176 | $5,647,611 | $6,785,976 | -1.78% |
| DEBT SERVICE TRANSFERS | $4,625,685 | $10,591,620 | $10,591,620 | $14,917,878 | 40.85% |
| TRANSFERS | $14,410,885 | $22,018,849 | $12,707,616 | $21,636,165 | -1.74% |
| FIXED ASSETS | $1,667,051 | $581,500 | $2,688,987 | $1,473,750 | 153.44% |
| **Total Expenditures** | **$37,850,102** | **$55,336,157** | **$44,377,239** | **$63,668,937** | **15.06%** |
| **Total Revenues Less Expenditures** | **$35,276,479** | **$15,958,886** | **$30,608,866** | **$3,384,866** | **-78.79%** |
| **Ending Fund Balance** | **$180,302,604** | **$196,380,096** | **$211,030,076** | **$211,946,216** | **7.93%** |

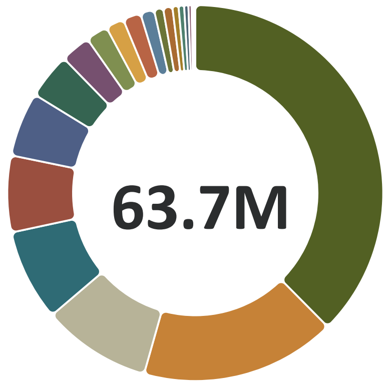
## Revenues by Fund

### Revenues by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Tourist & Convention Fund | $3,389,420 | $4,072,966 | $4,361,911 | $4,470,959 | 9.77% |
| Police Donation Fund | $1,000 | $10,000 | - | $10,000 | - |
| Fire Donation Fund | - | $5,000 | - | $5,000 | - |
| Peg - Public Educ. Govt. Fund | $137,775 | $150,000 | $70,001 | $150,000 | - |
| Library Donation Fund | $39,661 | $38,000 | $50,000 | $45,000 | 18.42% |
| Tree Preservation Fund | $216,843 | $1,000,000 | $959,962 | $501,919 | -49.81% |
| Downtown Tirz | $1,014,592 | $1,194,519 | $1,482,899 | $1,537,958 | 28.75% |
| Westpark Tirz | $1,393,261 | $1,492,682 | $1,717,274 | $1,379,837 | -7.56% |
| Tourism Pub Improv Dist | $999,374 | $1,203,334 | $1,022,552 | $1,205,000 | 0.14% |
| Public Housing Fin.Corporation | - | - | - | $300,000 | - |
| Park Gas Well | $32,151 | $70,000 | $100,886 | $70,000 | - |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Police Confiscation Fund | $300,493 | - | $152,452 | - | - |
| Meadows Mud | - | - | $141 | - | - |
| Legends Mud | $131,815 | $204,500 | $112,977 | $8,500 | -95.84% |
| Park Land Dedication Trust | $1,705,397 | $2,175,000 | $565,000 | $1,000,000 | -54.02% |
| Park Development Trust Fund | $3,700,045 | $2,700,000 | $2,770,000 | $2,500,000 | -7.41% |
| Mckenna Trust Fund | $9,586 | $11,500 | $52,685 | $20,000 | 73.91% |
| Parks & Recreation Fund | $36,134 | $125,500 | $113,173 | $167,500 | 33.47% |
| Sustainability Fund | $91,340 | $1,050,150 | $1,052,095 | $50,150 | -95.22% |
| Catalyst Fund | $419,622 | $1,150,000 | $381,268 | $320,000 | -72.17% |
| Street Improvement Fund | $18,666,679 | $21,202,892 | $21,228,892 | $18,774,980 | -11.45% |
| Roadway Impact Fees Fund | $6,705,845 | $5,000,000 | $6,833,110 | $5,000,000 | - |
| Animal Control Adoption Fund | $53,605 | $39,000 | $39,000 | $285,000 | 630.77% |
| Water Impact Fees Fund | $19,689,419 | $15,400,000 | $17,886,626 | $15,862,000 | 3.00% |
| Wastewater Impact Fees | $14,392,525 | $13,000,000 | $14,033,200 | $13,390,000 | 3.00% |
| **Total Revenues** | **$73,126,581** | **$71,295,043** | **$74,986,105** | **$67,053,803** | **-5.95%** |

## FY27 Expenditures by Fund




| | | |
|---|---|---|
| Street Improvement Fund | $23,920,244 | 37.57% |
| Wastewater Impact Fees | $10,714,596 | 16.83% |
| Tourist & Convention Fund | $5,968,212 | 9.37% |
| Roadway Impact Fees Fund | $5,000,000 | 7.85% |
| Water Impact Fees Fund | $4,203,282 | 6.60% |
| Catalyst Fund | $3,525,000 | 5.54% |
| Park Development Trust Fund | $2,500,000 | 3.93% |
| Downtown Tirz | $1,642,251 | 2.58% |
| Tourism Pub Improv Dist | $1,205,000 | 1.89% |
| Park Land Dedication Trust | $1,000,000 | 1.57% |
| Sustainability Fund | $988,970 | 1.55% |
| Police Confiscation Fund | $756,180 | 1.19% |
| Tree Preservation Fund | $501,919 | 0.79% |
| Peg - Public Educ. Govt. Fund | $500,000 | 0.79% |
| Animal Control Adoption Fund | $340,000 | 0.53% |
| Public Housing Fin.Corporation | $300,000 | 0.47% |
| Westpark Tirz | $237,283 | 0.37% |
| Parks & Recreation Fund | $167,500 | 0.26% |
| Library Donation Fund | $85,000 | 0.13% |
| Park Gas Well | $70,000 | 0.11% |
| Mckenna Trust Fund | $20,000 | 0.03% |
| Police Donation Fund | $10,000 | 0.02% |
| Legends Mud | $8,500 | 0.01% |
| Fire Donation Fund | $5,000 | 0.01% |

## Expenditures by Fund

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Tourist & Convention Fund | $3,283,852 | $5,061,486 | $5,045,686 | $5,968,212 | 17.91% |
| Police Donation Fund | $333 | $10,000 | $500 | $10,000 | - |
| Fire Donation Fund | - | $5,000 | - | $5,000 | - |
| Peg - Public Educ. Govt. Fund | $126,195 | $500,000 | $361,287 | $500,000 | - |
| Library Donation Fund | $50,453 | $60,000 | $39,000 | $85,000 | 41.67% |
| Tree Preservation Fund | $303,193 | $1,000,000 | $113,544 | $501,919 | -49.81% |
| Sustainability Fund | $246,904 | $1,050,150 | $682,264 | $988,970 | -5.83% |
| Catalyst Fund | $50,000 | $2,150,000 | $55,000 | $3,525,000 | 63.95% |
| Street Improvement Fund | $16,845,719 | $23,432,130 | $20,288,566 | $23,920,244 | 2.08% |
| Downtown Tirz | $207,148 | $1,542,251 | $1,642,251 | $1,642,251 | 6.48% |

| Category | FY 2025 Actual | FY 2026 Adopted | FY 2026 Estimate | FY 2027 Proposed | FY 2026 Adopted vs. FY 2027 Proposed (% Change) |
|---|---|---|---|---|---|
| Westpark Tirz | $3,499,900 | $474,006 | $237,283 | $237,283 | -49.94% |
| Tourism Pub Improv Dist | $783,666 | $1,203,334 | $432,557 | $1,205,000 | 0.14% |
| Park Gas Well | - | $70,000 | $70,000 | $70,000 | - |
| Roadway Impact Fees Fund | $5,500,000 | $5,000,000 | $2,159,766 | $5,000,000 | - |
| Police Confiscation Fund | $645,574 | $756,180 | $399,981 | $756,180 | - |
| Animal Control Adoption Fund | $48,005 | $80,000 | $30,000 | $340,000 | 325.00% |
| Meadows Mud | $307,887 | - | - | - | - |
| Legends Mud | - | $204,500 | - | $8,500 | -95.84% |
| Parks & Recreation Fund | $29,530 | $125,500 | $187,932 | $167,500 | 33.47% |
| Public Housing Fin.Corporation | - | - | - | $300,000 | - |
| Water Impact Fees Fund | $1,635,340 | $1,732,674 | $1,732,674 | $4,203,282 | 142.59% |
| Wastewater Impact Fees | $2,990,345 | $8,858,946 | $8,858,946 | $10,714,596 | 20.95% |
| Park Land Dedication Trust | $979,027 | $1,000,000 | $1,000,000 | $1,000,000 | - |
| Park Development Trust Fund | $317,030 | $1,000,000 | $1,000,000 | $2,500,000 | 150.00% |
| Mckenna Trust Fund | - | $20,000 | $40,000 | $20,000 | - |
| **Total Expenditures** | **$37,850,102** | **$55,336,157** | **$44,377,239** | **$63,668,937** | **15.06%** |

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# Capital Improvement Program

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# Capital Improvement Program (CIP)

## Overview

The Capital Improvement Program (CIP) represents the City of Denton's five-year plan for infrastructure and equipment funding. The CIP is reviewed each year to reflect changing priorities, as well as to monitor the impact of capital projects on operating budgets and for project scheduling and coordination.

All projects included in the first year of the Capital Program are funded in the Adopted Budget. Projects included in the "out-years" will be approved by Council in concept only. The Program will be updated annually to address specific needs as they arise or as Council goals and policies change.

## Development Process

Each year, the Capital Improvement Plan is developed through a collaborative process between Finance staff, project managers, departments, and the City Manager's Office. The list of potential projects is primarily derived from community input, staff evaluation, and outside expertise. While we continue to refine this process, the basic components include: call for projects, project submission, project review & rating, revenue estimation, project coordination, document preparation, & City Council consideration.

- ### *Capital Budget Calendar*

  Each year, Finance staff compile the budget calendar to include the tasks for both the operating budget and the CIP. The current capital budget cycle kicked off in February 2026 with a short presentation and a call for projects from departments. Staff then coordinated meetings with the departments following the kickoff to answer questions and to ensure the department staff were comfortable with the submission process. Through the following months, Finance staff held both individual and interdepartmental meetings to ensure the CIP was thoroughly evaluated from the perspective of all stakeholders. It is important to remember that although the operating budget and CIP are two separate processes, the CIP can have a substantial impact on the operating budget. As a result, Budget staff developed the calendar with consideration of the operating budget in mind, along with any state or local code requirements for the budget process, such as specific deadlines.

- ### *Developing CIP Forms*

  Each year, Finance staff develops submission forms for the CIP process. The forms are important to the process because they lay the foundation for each CIP request and provide a uniform method for submitting a CIP request. Each identified capital need is documented with a description, justification, and cost estimate along with other pertinent details.

- ### *Call for Projects & Capital Project Submission*

  The call for projects typically occurs between February and March of each fiscal year. A notification is sent to all the city departments and divisions advising them that the project submission period is open and that materials have been published for use in submitting their projects. After the initial call for projects, a meeting is held with all the departments to review the process and expectations. The departments are given approximately four weeks to develop the initial project submissions.

Departments should be prepared to justify the need for any improvements that has been identified in the CIP submissions. Relevant staff in the department should complete the CIP submission form developed by the budget staff. Typically, requests for capital improvements require the following information:

- Project description, project purpose, project justification, funding requirement and operating impact.

- *Capital Project Review, Prioritization, and Scheduling*

Upon receiving capital project submissions, the Finance staff reviews each capital project. Through this process, each project is evaluated as to its ability to impact health, safety & welfare of the community, its ability to meet mandated requirements, its ability to offer significant operational efficiencies, and/or its ability to meet a defined long-term need. Projects are also prioritized according to the availability of revenues, individual project feasibility, debt capacity, impact on operations, and stated Council priorities. The proposed CIP is reviewed and revised by the City Manager's Office, then formalized in a Capital Improvement Plan document. The capital budget and CIP are then presented to City Council for consideration. The first year of the CIP plan is known as the Capital Budget and is appropriated as of October 1 of the fiscal year.

## Policies and Financial Strategies

The General Government CIP includes non-utility projects such as streets, parks, and other general government facilities that are typically funded through General Obligation bonds or Certificates of Obligation. Internal service funds such as fleet services, communications, technology services, facilities, and materials management will also utilize the same financing methods.

The Utility CIP has historically been funded through revenue bonds and includes projects that benefit the city's enterprise funds such as electric, water, wastewater, and solid waste. Beginning in June 2010, management elected to discontinue issuing Utility System Revenue Bonds in favor of issuing Certificates of Obligation. The purpose of this change is to take advantage of interest savings associated with the higher AA+ bond rating for Certificates of Obligation. The Public Utilities Board (PUB) serves as an advisory board to the Utilities and ultimately recommends a CIP to the City Council.

Approximately every five years, the city may appoint a committee of community members to make recommendations to Denton residents for capital improvement needs. The criteria listed below serve as the basis for staff recommendations regarding CIP projects related to general obligation bond sales:

1. Public safety, health and life
2. Service demands
3. Legal requirements, liability or mandate
4. Quality and reliability of current service level
5. Economic growth and development
6. Recreational, cultural, and aesthetic value
7. Funding ability
8. Operating budgets

The city has established the following policies and financing strategies to guide staff in developing the CIP:

- A capital project is a fixed asset with an initial cost greater than $15,000 and a projected useful life greater than one year. Capital projects may include infrastructure, buildings, vehicles, or information technology equipment and

software. Planning and design costs associated with the project should be included in the projected costs when applicable.
- The term of any city debt issue shall not exceed the useful life of the asset for which the debt is issued.
- The capital program will recognize the borrowing limitation of the city to maintain fiscal stability.
- The city will search for all possible outside funding sources for CIP projects to help offset city debt, including grants, private partnerships, and intergovernmental agreements.

## General Government CIP Projects

The General Government CIP includes the issuance of $5.8 million in General Obligation Bonds representing the 2023 bond projects, approved by voters in November 2023. In addition, the General Government CIP proposes the issuance of $351.4 million in Certificates of Obligation.

## CIP Impact on Operating Budgets

When certain types of capital projects are developed and completed, they have ongoing financial impacts upon the city's operating budgets. These impacts may be in the form of personnel costs, or operating costs such as maintenance, supplies, electricity, fuel, janitorial services etc. and new program costs. Typically, replacement capital projects do not have an immediate operating impact on the city's current or future budgets if they are replacing an existing asset.

# Capital Improvement Program Budget

The Capital Improvement Program (CIP) represents the City's plan for infrastructure and equipment funding. The CIP is reviewed each year to reflect changing priorities, as well as to assess the impact of capital projects on operating budgets and for project scheduling and coordination.

The CIP adopted budget appropriates all available programmed funds and planned issuances of new General Obligation Bonds (GOs) and Certificates of Obligation (COs). Total existing appropriated funds in the amount of $520.25 million include unspent bond proceeds, internal revenue transfers and outside contributions which may be encumbered but not yet expended. Proposed planned new funding for FY 2027 is $384.8 million, which includes cost participation. Provided below is a summary of the total preliminary FY 2027 CIP capital budget. Further CIP detail for planned issuances is provided in the following pages for each division.

| | | New Funding | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| DIVISION | TOTAL CURRENT APPROPRIATED | EXTERNAL FUNDING [1] | REVENUE FUNDING | IMPACT FEE FUNDING | GO ISSUANCES | CO ISSUANCES | REVENUE ISSUANCES | NEW FUNDING TOTAL | FY 26-27 GRAND TOTAL |
| **General Government** | $209,430 | $ - | $3,224 | $5,000 | $5,800 | $34,968 | $ - | $48,992 | $258,422 |
| **Electric** | 44,309 | 5,000 | 3,500 | - | - | 59,490 | - | 67,990 | 112,300 |
| **Water** | 109,800 | - | 58 | - | - | 107,872 | - | 107,930 | 217,730 |
| **Wastewater** | 132,037 | - | 3,544 | - | - | 143,805 | - | 147,349 | 279,385 |
| **Solid Waste** | 22,861 | - | 7,268 | - | - | 5,265 | - | 12,533 | 35,394 |
| **Airport** | 1,817 | - | 100 | - | - | - | - | 100 | 2,017 |
| **TOTAL** | **$520,255** | **$5,000** | **$17,694** | **$5,000** | **$5,800** | **$351,400** | **$ -** | **$384,894** | **$905,249** |

[1] Aid in Construction/Cost Participation.

[2] All figures in this document are in thousands ('000's).

## Funding Table Definitions

**Total Current Appropriated**: The amount of existing funding set aside for a specific and particular purpose in projects which may be encumbered, but not yet expended.

**External Funding**: Funding received from an outside agency. The FY 2026-27 external funding comprises $5 million in cost participation funding.

**Revenue Funding**: The amount of funding the City will transfer into projects as revenue becomes available during the fiscal year. This can include property or sales tax receipts, or other sources of revenue such as fees and fines.

**Impact Fee Funding**: Revenue collected by the City to offset the cost of providing additional public services for a new development.

**GO Issuance**: Bond proceeds whose principal and interest are paid from either property tax or revenue. The issuance of GOs must be approved by voters.

**CO Issuance**: Bond proceeds whose principal and interest are paid from either property tax or revenue. The issuance of COs does not require voter approval but are restrictive in their use to specific public purposes such as public safety, parks, vehicles, utility systems, and airports.

# Capital Improvement Program
## General Government Summary
## Cash Requirements
## (In Thousands)

| CATEGORY | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| 2023 Bond Election (Proposition A) - Street Improvements | $ - | $10,000 | $10,000 | $ - | $ - | $20,000 |
| 2023 Bond Election (Proposition B) - Drainage & Flood Control | - | 10,997 | 6,000 | - | - | 16,997 |
| 2023 Bond Election (Proposition C) - Park System Improvements | 5,000 | 3,000 | 3,000 | - | - | 11,000 |
| 2023 Bond Election (Proposition D) - Public Safety Facilities | - | - | - | - | - | - |
| 2023 Bond Election (Proposition E) - Affordable Housing | 300 | 2,000 | 4,000 | 4,000 | 4,700 | 15,000 |
| 2023 Bond Election (Proposition F) - Active Adult Center | 250 | 3,000 | - | 15,000 | 15,000 | 33,250 |
| 2023 Bond Election (Proposition G) - South Branch Library | 250 | 3,000 | - | 15,000 | 20,000 | 38,250 |
| **General Obligation Bonds** | **$ 5,800** | **$31,997** | **$23,000** | **$34,000** | **$39,700** | **$134,497** |
| General Government - Finance ERP Replacement | $ - | $ - | $4,500 | $ - | $ - | $4,500 |
| General Government - Service Center Renovation | - | 29,000 | 20,000 | 11,800 | - | 60,800 |
| General Government - Fire Station # 10 | 8,450 | 3,000 | - | - | - | 11,450 |
| General Government - Facility Improvements | 5,250 | 11,580 | 4,470 | 4,980 | 6,222 | 32,502 |
| General Government - Parks Improvements | - | 480 | 1,681 | - | 25,055 | 27,215 |
| General Government - Fleet Management Improvements | - | 500 | 500 | 500 | 500 | 2,000 |
| General Government - Fleet Vehicle/Equipment Replacements | 5,500 | 3,342 | 3,342 | 3,342 | 3,342 | 18,868 |
| General Government - Technology Services Improvements | 8,018 | 10,772 | 6,332 | 6,084 | 4,964 | 36,170 |
| General Government - Traffic Improvements | 4,500 | 7,398 | 7,898 | 7,658 | 7,658 | 35,112 |
| General Government - Drainage Improvements | - | 18,071 | 18,209 | 15,655 | 9,700 | 61,635 |
| General Government - Roadway Improvements | 3,250 | 29,500 | 28,250 | 14,250 | - | 75,250 |
| **Certificates of Obligation** | **$34,968** | **$113,643** | **$95,182** | **$64,269** | **$57,440** | **$365,502** |

| CATEGORY | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Franchise Fees - Neighborhood Street Reconstruction | $2,000 | $ - | $ - | $ - | $ - | $2,000 |
| General Fund - Bike Lanes | 200 | 200 | 200 | 200 | 200 | 1,000 |
| General Fund - Parks Capital Maintenance | 193 | 250 | 401 | 363 | 352 | 1,559 |
| General Fund - Recreation Center Capital Maintenance | 207 | 641 | 238 | 277 | 224 | 1,586 |
| General Fund - Aquatics Capital Maintenance | 625 | 1,657 | 937 | 756 | 394 | 4,369 |
| **Revenue Funded** | **$3,224** | **$2,747** | **$1,777** | **$1,596** | **$1,170** | **$10,513** |
| General Government - Street Improvements | $5,000 | $5,000 | $5,000 | $5,000 | $5,000 | **$25,000** |
| **Impact Fee Funded** | **$5,000** | **$5,000** | **$5,000** | **$5,000** | **$5,000** | **$25,000** |
| **GRAND TOTAL** | **$48,992** | **$153,387** | **$124,959** | **$104,865** | **$103,310** | **$535,512** |
| **Revenue Funded** | $3,224 | $2,747 | $1,777 | $1,596 | $1,170 | $10,513 |
| **Impact Fees** | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 25,000 |
| **General Obligation Bonds** | 13,800 | 35,997 | 23,000 | 34,000 | 15,000 | 121,797 |
| **Certificates of Obligation** | 34,968 | 113,643 | 95,182 | 64,269 | 57,440 | 365,502 |
| **GRAND TOTAL** | **$48,992** | **$153,387** | **$124,959** | **$104,865** | **$103,310** | **$535,512** |
| **Total Current Appropriated** | **$209,430** | | | | | |
| **GENERAL GOVERNMENT TOTAL** | **$258,422** | | | | | |

[1]All new vehicles are submitted as supplemental requests.

# 2023 Bond Election

| | Prior Issued | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-2033 | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| **GENERAL OBLIGATION BOND PROGRAM** | | | | | | | | | |
| **Ruddell / Mingo Roadway & Quiet Zones** | $25,125 | $ - | $10,000 | $10,000 | $ - | $ - | $ - | $ - | $45,125 |
| **2023 Bond Election (Proposition A)<br>Street Improvements** | **$25,125** | $ - | **$10,000** | **$10,000** | $ - | $ - | | | **$45,125** |
| **Oakland Drainage & Upstream Detention** | $23,595 | $ - | $4,000 | $6,000 | $ - | $ - | | | 33,595 |
| **PEC 4 Phases 3 & 4** | 18,268 | - | 6,997 | - | - | - | | | 25,265 |
| **2023 Bond Election (Proposition B)<br>Drainage & Flood Control** | **$41,863** | **$ -** | **$10,997** | **$6,000** | **$ -** | **$ -** | **$ -** | **$ -** | **$58,860** |
| **Inclusive Playground** | $3,450 | $ - | $ - | $ - | $ - | $ - | | | $3,450 |
| **Trail Development** | 4,000 | 5,000 | 3,000 | 3,000 | - | - | | | 15,000 |
| **Aquatic Improvements** | 3,000 | - | - | - | - | - | | 12,000 | 15,000 |
| **2023 Bond Election (Proposition C)<br>Park System Improvements** | **$10,450** | **$5,000** | **$3,000** | **$3,000** | **$ -** | **$ -** | **$ -** | **$12,000** | **$33,450** |
| **Fire Station # 5** | $12,671 | $ - | $ - | $ - | $ - | $ - | | | $12,671 |
| **Fire Station # 6** | 12,671 | - | - | - | - | - | | | 12,671 |
| **Linda McNatt Animal Care & Adoption Center** | 15,850 | - | - | - | - | - | | | 15,850 |
| **Public Art - Public Safety** | 823 | - | - | - | - | - | | | 823 |
| **2023 Bond Election (Proposition D)<br>Public Safety Facilities** | **$42,015** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$42,015** |
| **Affordable Housing** | $ - | $300 | $2,000 | $4,000 | $4,000 | $4,700 | | | $15,000 |
| **2023 Bond Election (Proposition E)<br>Affordable Housing** | $ - | **$300** | **$2,000** | **$4,000** | **$4,000** | **$4,700** | **$ -** | **$ -** | **$15,000** |
| **Active Adult Center** | **$ -** | $250 | $3,000 | **$ -** | $15,000 | $20,000 | 9,110 | | $47,360 |
| **Public Art - Public Safety** | - | - | - | - | - | - | | | - |
| **2023 Bond Election (Proposition F)<br>Active Adult Center** | $ - | **$250** | **$3,000** | **$ -** | **$15,000** | **$20,000** | **$9,110** | **$ -** | **$47,360** |

| | Prior Issued | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-2033 | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| **South Branch Library** | $2,500 | $250 | $3,000 | **$ -** | $15,000 | $20,000 | $8,795 | | $49,725 |
| **Public Art - South Branch Library** | - | - | - | - | - | - | - | - | - |
| **2023 Bond Election (Proposition G)<br>South Branch Library** | **$2,500** | **$250** | **$3,000** | **$ -** | **$15,000** | **$20,000** | **$8,795** | **$ -** | **$49,545** |
| **TOTAL 2023 BOND PROGRAM ISSUANCE** | **$121,953** | **$5,800** | **$31,997** | **$23,000** | **$34,000** | **$44,700** | **$17,905** | **$12,000** | **$291,355** |

# Bond Program Information

## 2023 Bond Program Propositions

The City of Denton’s 2023 bond program consisted of seven voter-approved propositions. A proposition is a spending category that encompasses a group of similar infrastructure or amenity projects. The propositions within the proposed 2023 bond program were identified through the analysis of current use of facilities, overall road conditions, community surveys and feedback, and the impact that potential growth may have on mobility and public welfare. Each proposition includes information on the spending category and a maximum dollar amount that may be used for projects that fall in that category. Voters approve each individual proposition, not individual projects.

## 2023 Bond Program Projects

As part of the development of the proposed bond program, the Special Citizens’ Bond Advisory Committee (SCBAC) considered potential bond program projects and developed funding levels for the bond program based on the cost of the potential projects. The City Council further evaluated the SCBAC list of potential projects and included the above projects in the 2023 Bond Program.

## 2023 Bond Program Timeline

When a bond program is approved by voters, the City of Denton issues the bonds over a period of 5–7 years. This ensures the projects are coordinated and sequenced correctly to avoid construction delays. Additionally, by issuing the bonds over a period of time, the financial impact on the tax rate is minimized. Fiscal year 2026-27 represents the fourth year of the bond program.

# Capital Improvement Program

## Enterprise Fund Summary

## Cash Requirements

## (In Thousands)

| ENTERPRISE FUNDS | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| **Electric** | $67,990 | $64,418 | $88,178 | $98,154 | $58,854 | $377,595 |
| **Water** | 107,930 | 175,762 | 197,822 | 172,032 | 88,551 | 742,097 |
| **Wastewater** | 147,349 | 253,963 | 323,550 | 279,079 | 165,547 | 1,169,487 |
| **Solid Waste** | 12,533 | 11,050 | 36,000 | 9,135 | 9,500 | 78,218 |
| **Airport** | 100 | 3,411 | - | 12,333 | 9,000 | 24,844 |
| **Total Projects** | **$335,902** | **$508,604** | **$645,550** | **$570,733** | **$331,452** | **$2,392,241** |
| **Debt Funded Capital** | $316,432 | $486,782 | $629,956 | $530,716 | $249,619 | $2,258,506 |
| **Revenue Funded Capital** | 14,470 | 14,309 | 12,844 | 14,077 | 13,382 | 69,082 |
| **Cost Participation** | 5,000 | 5,000 | 2,750 | 14,840 | 15,350 | 42,940 |
| **External Funding** | - | 2,513 | - | 11,100 | 8,100 | 21,713 |
| **Total Funding** | **$335,902** | **$508,604** | **$645,550** | **$570,733** | **$331,452** | **$2,392,241** |
| **Total Current Appropriated** | $310,825 | | | | | |
| **Utility / Enterprise Total** | **$646,727** | | | | | |

# Capital Improvement Program

## Electric Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Automated Meter Reading | $1,940 | $1,931 | $20,853 | $20,833 | $864 | $46,421 |
| Buildings | 2,000 | - | - | - | - | 2,000 |
| Distribution Substations | 7,250 | 3,850 | 5,200 | 4,600 | 350 | 21,250 |
| Distribution Transformers | 17,000 | 12,000 | 12,000 | 12,000 | 12,000 | 65,000 |
| Feeder Extensions & Improvements | 12,875 | 12,210 | 10,146 | 10,434 | 9,424 | 55,089 |
| New Residential & Commercial | 9,450 | 9,553 | 9,670 | 9,789 | 9,908 | 48,369 |
| Power Factor Improvement | 250 | 200 | 200 | 200 | 200 | 1,050 |
| Street Lighting | 695 | 695 | 495 | 495 | 295 | 2,675 |
| Plant Production | - | 7,900 | 833 | 7,433 | 4,833 | 21,000 |
| Technology - Software & Hardware | 2,400 | 1,700 | 2,750 | 4,750 | 1,250 | 12,850 |
| Electric Relocations | 5,500 | 5,500 | 1,500 | 1,500 | 1,500 | 15,500 |
| Vehicles | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 15,000 |
| **Subtotal - Distribution** | **$62,360** | **$58,538** | **$66,648** | **$75,034** | **$43,624** | **$306,205** |
| Transmission Lines | $1,020 | $2,300 | $13,750 | $15,590 | $13,900 | $46,560 |
| Transmission Substation | 4,610 | 3,580 | 7,780 | 7,530 | 1,330 | 24,830 |
| **Subtotal - Transmission** | **$5,630** | **$5,880** | **$21,530** | **$23,120** | **$15,230** | **$71,390** |
| **GRAND TOTAL** | **$67,990** | **$64,418** | **$88,178** | **$98,154** | **$58,854** | **$377,595** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $59,490 | $55,618 | $81,595 | $79,481 | $39,671 | $315,855 |
| Revenue Funded Capital | 3,500 | 3,800 | 3,833 | 3,833 | 3,833 | 18,800 |
| Cost Participation | 5,000 | 5,000 | 2,750 | 14,840 | 15,350 | 42,940 |
| **GRAND TOTAL** | **$67,990** | **$64,418** | **$88,178** | **$ 98,154** | **$58,854** | **$377,595** |
| **Total Current Appropriated** | $44,309 | | | | | |

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| **FY 2026-27 Total** | **$112,300** | | | | | |

# Capital Improvement Program

## Water Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Plant Improvements | $69,154 | $134,366 | $122,528 | $100,648 | $52,512 | $479,207 |
| Booster Stations | 43 | 128 | - | - | - | 171 |
| Facility Improvements | - | 6,000 | 6,000 | 4,000 | - | 16,000 |
| Transmission Lines | 6,225 | 14,148 | 42,450 | 39,424 | 31,431 | 133,678 |
| Taps, Fire Hydrants, & Meters | 9,276 | 1,641 | 1,659 | 1,675 | 1,065 | 15,315 |
| Replace Lines | 20,003 | 14,265 | 18,626 | 22,175 | 1,000 | 76,069 |
| Field Service Replacement | 500 | 500 | 500 | 500 | 500 | 2,500 |
| Oversize Lines | 2,672 | 4,240 | 5,583 | 3,135 | 1,568 | 17,198 |
| Vehicle Replacement | 58 | 475 | 475 | 475 | 475 | 1,958 |
| **GRAND TOTAL** | **$107,930** | **$175,762** | **$197,822** | **$172,032** | **$88,551** | **$742,097** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital[1] | $107,872 | $175,287 | $197,347 | $171,557 | $88,076 | $740,139 |
| Revenue Funded Capital | 58 | 475 | 475 | 475 | 475 | 1,958 |
| **GRAND TOTAL** | **$107,930** | **$175,762** | **$197,822** | **$172,032** | **$88,551** | **$742,097** |
| **Total Current Appropriated** | **$109,800** | | | | | |
| **FY 2026-27 Total** | **$217,730** | | | | | |

[1]Debt Funded Capital includes bonds and federal/state loans.

# Capital Improvement Program
## Wastewater Summary
## Cash Requirements
## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Collection System Upgrade | $1,733 | $ - | $ - | $3,111 | $ - | $4,844 |
| Lift Station Improvements | 15,299 | 14,245 | - | - | - | 29,544 |
| Miscellaneous | 1,345 | 6,806 | 6,205 | 2,705 | 344 | 17,406 |
| Oversize Lines | 2,840 | 1,690 | 1,000 | 1,000 | 1,000 | 7,530 |
| Plant Improvements | 95,221 | 216,776 | 302,172 | 261,726 | 147,893 | 1,023,789 |
| Replace Lines | 28,457 | 11,357 | 11,077 | 7,436 | 13,205 | 71,531 |
| Taps, Fire Hydrants, Meters | 255 | 260 | 265 | 270 | 275 | 1,325 |
| Vehicles | 2,198 | 2,830 | 2,830 | 2,830 | 2,830 | 13,518 |
| **GRAND TOTAL** | **$147,349** | **$253,963** | **$323,550** | **$279,079** | **$165,547** | **$1,169,487** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital[1] | $143,805 | $249,827 | $320,014 | $275,543 | $162,373 | $1,151,563 |
| Revenue Funded Capital | 3,544 | 4,136 | 3,535 | 3,535 | 3,174 | 17,925 |
| **GRAND TOTAL** | **$147,349** | **$253,963** | **$323,550** | **$279,079** | **$165,547** | **$1,169,487** |
| **Total Current Appropriated** | **$132,037** | | | | | |
| **FY 2026-27 Total** | **$279,385** | | | | | |

[1]Debt Funded Capital includes bonds and federal/state loans.

# Capital Improvement Program

## Solid Waste Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 | TOTAL |
|---|---|---|---|---|---|---|
| Structural | $ - | $500 | $ - | $500 | $4,500 | $5,500 |
| Building Construction | 1,400 | - | 27,100 | - | - | 28,500 |
| Vehicles | 11,133 | 10,550 | 8,900 | 8,635 | 5,000 | 44,218 |
| **GRAND TOTAL** | **$12,533** | **$11,050** | **$36,000** | **$9,135** | **$9,500** | **$78,218** |

### 5-Year Summary - Funding Source

| | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 20-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $5,265 | $6,050 | $31,000 | $4,135 | $,500 | $50,950 |
| Revenue Funded Capital | 7,268 | 5,000 | 5,000 | 5,000 | 5,000 | 27,268 |
| **GRAND TOTAL** | **$12,533** | **$11,050** | **$36,000** | **$9,135** | **$9,500** | **$78,218** |
| **Total Current Appropriated** | $22,861 | | | | | |
| **FY 2026-27 Total** | **$35,394** | | | | | |

# Capital Improvement Program

## Airport Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Airport Infrastructure | $ - | $3,376 | $ - | $12,333 | $9,000 | $24,709 |
| Vehicles & Equipment | 100 | 35 | - | - | - | 135 |
| **GRAND TOTAL** | **$100** | **$3,411** | $ - | **$12,333** | **$9,000** | **$24,844** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Existing Appropriated Funding[1] | $ - | $ - | $ - | $ - | $ - | $ - |
| Grants | - | 2,513 | - | 11,100 | 8,100 | 21,713 |
| Revenue | 100 | 898 | - | 1,233 | 900 | 3,131 |
| **GRAND TOTAL** | **$100** | **$3,411** | $ - | **$12,333** | **$9,000** | **$24,844** |
| Total Current Appropriated | $1,817 | | | | | |
| **FY 2025-26 Total** | **$1,917** | | | | | |

[1]Shown for transparency. Funding for grant matches in FY 2026 and 2027 is available in current capital appropriations.

# Capital Improvement Program

## Environmental Services

## Summary Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Miscellaneous | $166 | $ - | $ - | $ - | $ - | $166 |
| Vehicle Replacement | - | - | - | - | - | - |
| **GRAND TOTAL** | **$166** | $ - | $ - | $ - | $ - | **$166** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $ - | $ - | $ - | $ - | $ - | $ - |
| Revenue Funded Capital | 166 | - | - | - | - | 166 |
| **GRAND TOTAL** | **$166** | $ - | $ - | $ - | $ - | **$166** |
| **Total Current Appropriated** | $ - | | | | | |
| **FY 2026-27 Total** | **$166** | | | | | |

# Capital Improvement Program

## Parks and Recreation Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Arts & Culture | $334 | $417 | $400 | $405 | $365 | $1,921 |
| Aquatics | 625 | 1,737 | 887 | 808 | 2,152 | 6,210 |
| Cemetery | 25 | 25 | 35 | 35 | 35 | 155 |
| Playgrounds | - | 915 | - | 471 | 1,729 | 3,115 |
| Recreation Centers | 207 | 641 | 738 | 217 | 13,669 | 15,471 |
| Trees & Beautification | 200 | 358 | 718 | 380 | 491 | 2,147 |
| Park Development & Acquisition | 1,250 | 1,332 | 1,200 | - | 13,566 | 17,348 |
| Trail Development & Improvements | - | - | - | - | - | - |
| Park Improvements | 1,180 | 2,450 | 1,227 | 993 | 842 | 6,692 |
| Grant Projects | 885 | 750 | 2,000 | - | 75 | 3,710 |
| **GRAND TOTAL** | **$4,706** | **$8,624** | **$7,205** | **$3,309** | **$32,924** | **$56,770** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $ - | $480 | $1,681 | $ - | $25,055 | $27,215 |
| Revenue Funded Capital | - | 3,104 | 1,622 | 759 | 2,600 | 8,085 |
| Aquatics Capital Maintenance (Revenue) | 625 | 1,657 | 937 | 756 | 394 | 4,369 |
| Parks Capital Maintenance (Revenue) | 193 | 250 | 401 | 363 | 352 | 1,559 |
| Recreation Capital Maintenance (Revenue) | 207 | 641 | 238 | 277 | 224 | 1,586 |
| Tree Mitigation Fund | 200 | 358 | 718 | 380 | - | 1,656 |
| 915/916 Land Development/Acquisition | 1,925 | 345 | 100 | - | 3,500 | 5,870 |
| Grants | 885 | 750 | 750 | - | 75 | 2,460 |

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| CDBG | - | 350 | - | - | - | 350 |
| HOT Funds | 334 | 342 | 400 | 405 | 345 | 1,826 |
| Existing Project Funds** | 338 | 348 | 358 | 369 | 380 | 1,793 |
| **GRAND TOTAL** | **$4,368** | **$8,276** | **$6,847** | **$2,940** | **$32,544** | **$54,976** |
| **Total Current Appropriated *** | **$22,985** | | | | | |
| **FY 2026-27 Total** | **$27,354** | | | | | |

# Capital Improvement Program

## Technology Services Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Technology Infrastructure | $3,500 | $4,270 | $3,990 | $3,450 | $3,450 | $18,660 |
| Software & Hardware | 4,518 | 6,502 | 2,342 | 2,634 | 1,514 | 17,510 |
| **GRAND TOTAL** | **$8,018** | **$10,772** | **$6,332** | **$6,084** | **$4,964** | **$36,170** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $8,018 | $10,772 | $6,332 | $6,084 | $4,964 | $36,170 |
| **GRAND TOTAL** | **$8,018** | **$10,772** | **$6,332** | **$6,084** | **$4,964** | **$36,170** |
| Total Current Appropriated | $23,435 | | | | | |
| **FY 2026-27 Total** | **$31,453** | | | | | |

# Capital Improvement Program

## Fleet and Motorpool Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Facility Equipment | $ - | $500 | $500 | $500 | $500 | $ 2,000 |
| Technology - Software/Hardware | - | - | - | - | - | - |
| Vehicle Replacements (Fleet & Motorpool) | 5,500 | 3,342 | 3,342 | 3,342 | 3,342 | 18,868 |
| Vehicle Additions (Fleet & Motorpool) | - | - | - | - | - | - |
| **GRAND TOTAL** | **$5,500** | **$3,842** | **$3,842** | **$3,842** | **$3,842** | **$20,868** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $5,500 | $3,342 | $3,342 | $3,342 | $3,342 | $18,868 |
| **GRAND TOTAL** | **$5,500** | **$ 3,342** | **$ 3,342** | **$3,342** | **$3,342** | **$18,868** |
| Total Current Appropriated | $3,574 | (Includes Motorpool) | | | | |
| **FY 2026-27 Total** | **$9,074** | | | | | |

# Capital Improvement Program

## Facilities Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Building Construction | $ - | $4,650 | $600 | $800 | $500 | $6,550 |
| Municipal Court Renovation | 2,200 | - | - | - | - | 2,200 |
| Facility Equipment & Improvements | 3,050 | 6,980 | 3,920 | 4,230 | 5,772 | 23,952 |
| **GRAND TOTAL** | **$5,250** | **$11,630** | **$4,520** | **$5,030** | **$6,272** | **$32,702** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $5,250 | $11,580 | $4,470 | $4,980 | $6,222 | $32,502 |
| **GRAND TOTAL** | **$5,250** | **$11,630** | **$4,520** | **$5,030** | **$6,272** | **$32,702** |
| Total Current Appropriated | $14,507 | | | | | |
| **FY 2026-27 Total** | **$19,757** | | | | | |

# Capital Improvement Program

## Capital Projects and Public Works Summary

## Cash Requirements

## (In Thousands)

### 5-Year Summary - Project Category

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Street Improvements | $3,250 | $29,500 | $28,250 | $14,250 | $- | $75,250 |
| Traffic Improvements | 6,500 | 12,398 | 10,398 | 10,158 | 10,158 | 49,612 |
| Drainage Improvements | 4,000 | 18,071 | 18,209 | 15,655 | 9,700 | 65,635 |
| **GRAND TOTAL** | **$13,750** | **$59,969** | **$56,857** | **$40,063** | **$19,858** | **$190,497** |

### 5-Year Summary - Funding Source

| | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | TOTAL |
|---|---|---|---|---|---|---|
| Debt Funded Capital | $7,750 | $52,319 | $53,857 | $37,038 | $16,658 | $167,622 |
| Revenue | 4,000 | 2,650 | 500 | 525 | 700 | 8,375 |
| External Funding | 2,000 | 5,000 | 2,500 | 2,500 | 2,500 | 14,500 |
| **GRAND TOTAL** | **$13,750** | **$59,969** | **$56,857** | **$40,063** | **$19,858** | **$190,497** |
| **Total Current Appropriated** | **$68,363** | | | | | |
| **FY 2026-27 Total** | **$82,113** | | | | | |