



FY 2024 BUDGET WORKSESSION

CITY COUNCIL WORKSESSION

June 29, 2023

HIGHLIGHTS IN WORKING BUDGET



Structurally
Balanced Budget



Employee
Compensation:
Public Safety Pay
Plans, Salary
Market
Adjustments



One-Time Capital
Outlay &
Equipment
Replacements



Workforce:
6 Firefighters,
Records Coord,
Buyer, PW
Director, Utility
Maint Tech, Plant
Operator, Maint
Worker (WCDC)

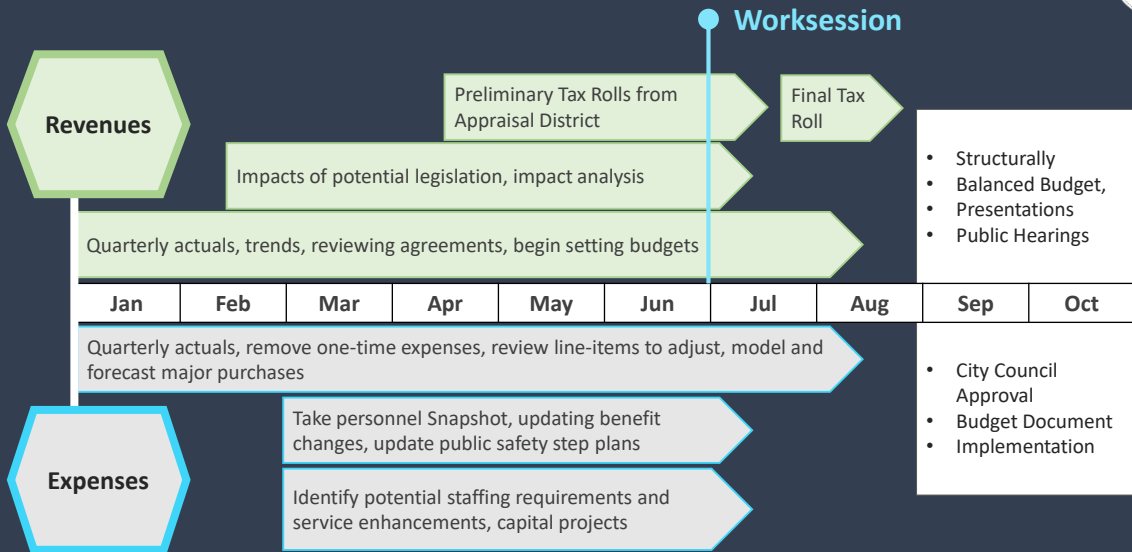


Property Tax
Rate and Debt
Management



Robust Capital
Improvement
Program

BUDGET DEVELOPMENT PROCESS

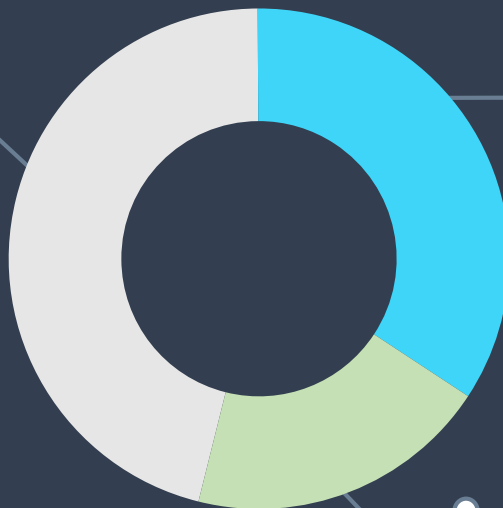


FY 2024 WORKING BUDGET – \$125 M



**GENERAL FUND,
\$57.6 M**

*Day to Day City Operations
funded by Property Tax,
Sales Tax, User Fees*



**WATER & WASTEWATER,
\$43.0 M**

*Water & Wastewater funded
by monthly water bills*

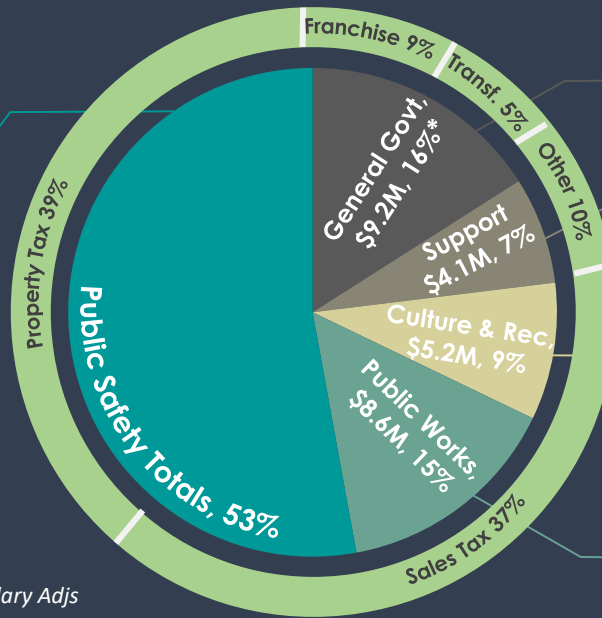
**RESTRICTED FUNDS,
\$24.7 M**

*Revenues for specific purposes
(WCDC, Debt Service,
Hotel/Motel, Refuse, Cemetery)*

FY 2023 GENERAL FUND BY FUNCTION - \$57.6 M



Police, Fire,
Municipal Court, Building
Inspections, City Marshal,
Emergency Mgmt
\$30.5M, 53%



Administration, Economic
Dev., Downtown Dev.,
City Attorney, Planning,

Human Resources,
Finance, Facilities,
Information Technology

Parks & Recreation,
Pools, Senior Center,
Library

Public Works, Streets &
Sidewalks, Central
Garage, Community
Services

* Includes \$3.3 M for Market Salary Adjs



AD VALOREM – PROPERTY TAX

NET TAXABLE VALUES

Preliminary values



	Values
FY 2023 Value	\$5.17 Billion
FY 2024 Value	\$6.16 Billion
Total Increase	\$0.99 Billion → 19.2%
<i>Existing Values</i>	<i>\$0.62 Billion → 12.1%</i>
<i>New Improvements</i>	<i>\$0.37 Billion → 7.1%</i>

TAX RATE BY COMPONENT

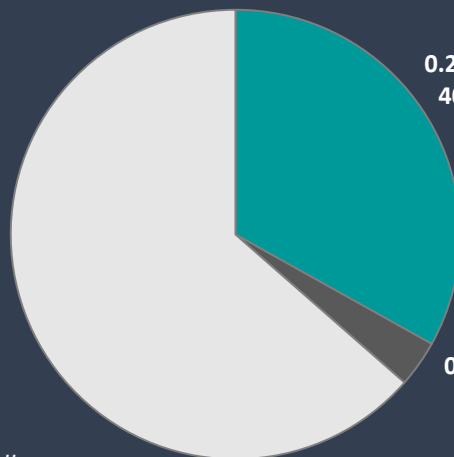


Working Rate: \$0.61
(2 cent decrease)

General Fund (M&O)

- Police
- Fire
- Public Works
- Parks
- Engineering
- Development
- Support Services

0.3470
57%



0.2435
40%

Debt Service (I&S)

Principal and interest payments on outstanding bonds

0.0195
3%

Library (M&O)

Funds operations for Sims Library

Preliminary rate pending certified rolls

COMPARISON CITIES

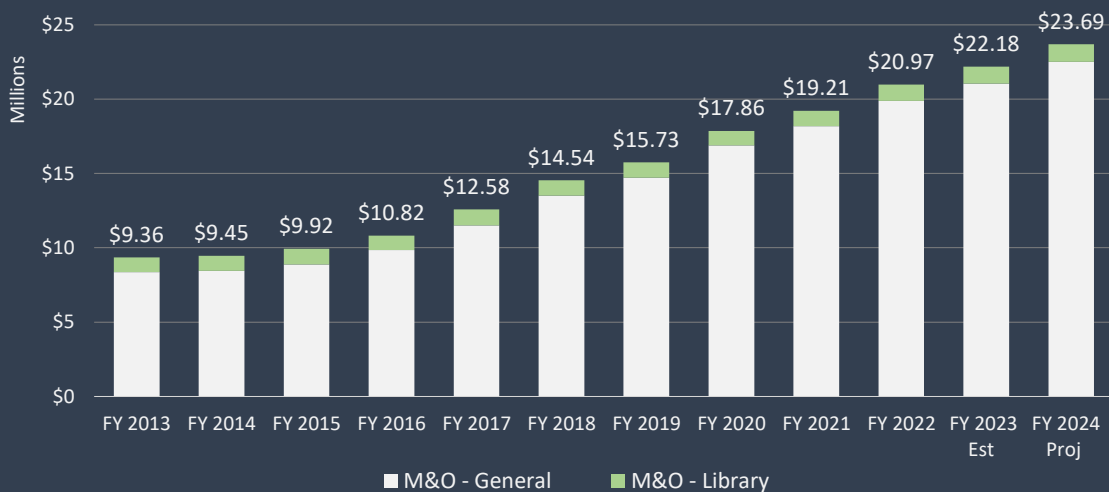


CITY	TAX RATE (CENTS)	OVER 65	DISABLED	LOCAL TAX CEILING/FREEZE	HOME-STEAD
Burleson	68.59	-	-	Yes (2005) ^{O65/DP}	-
Cedar Hill	65.70	\$30,000	\$30,000	-	-
Cleburne	69.05	\$6,000	-	Yes (2004) ^{O65/DP}	10%
Desoto	69.16	\$30,000	\$25,000	-	-
Duncanville	65.05	\$30,000	\$30,000	-	-
Lancaster	69.18	\$30,000	\$30,000	-	-
Mansfield	68.00	\$50,000	\$10,000	-	12%
Midlothian	65.00	\$70,000	-	Yes (2018) ^{O65}	-
Waxahachie	61.00*	\$30,000	\$30,000	Yes (2005) ^{O65/DP}	1%

City of Waxahachie exemptions equate to over \$900K in property tax relief PLUS \$1M foregone from Tax Ceiling

* Tax Rate included in Draft Budget

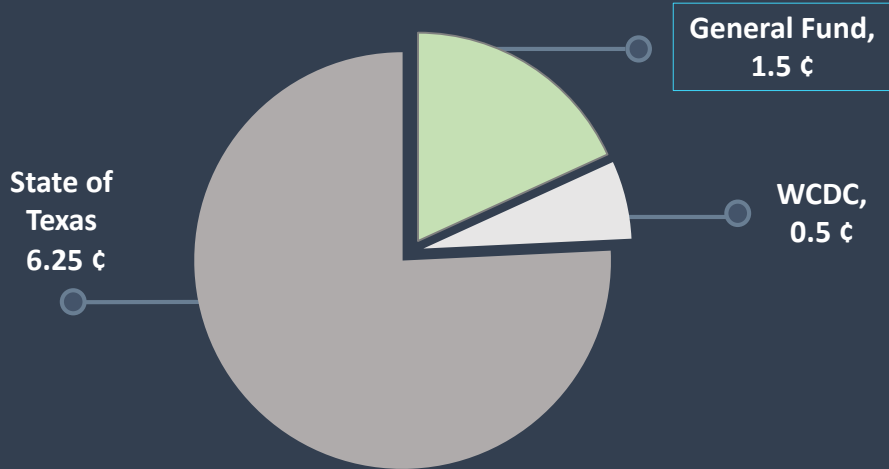
M&O PROPERTY TAX REVENUE



SALES TAX ALLOCATION – 8.25 Cents



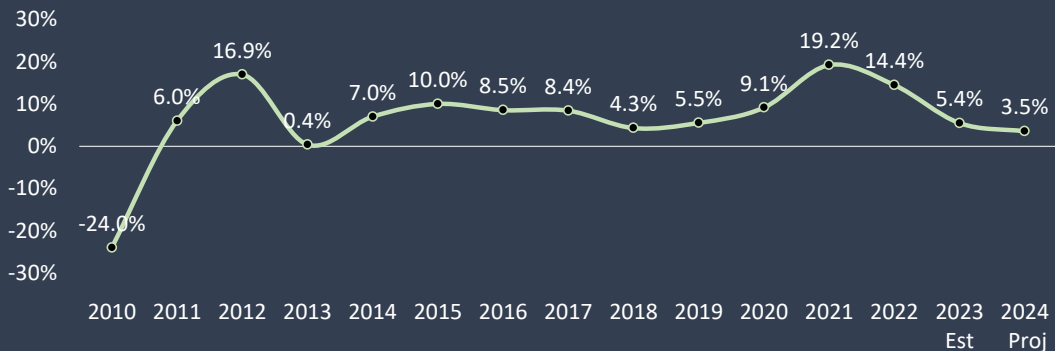
- For every \$1 spent, 8.25 cents collected as sales tax



SALES TAX PROJECTIONS

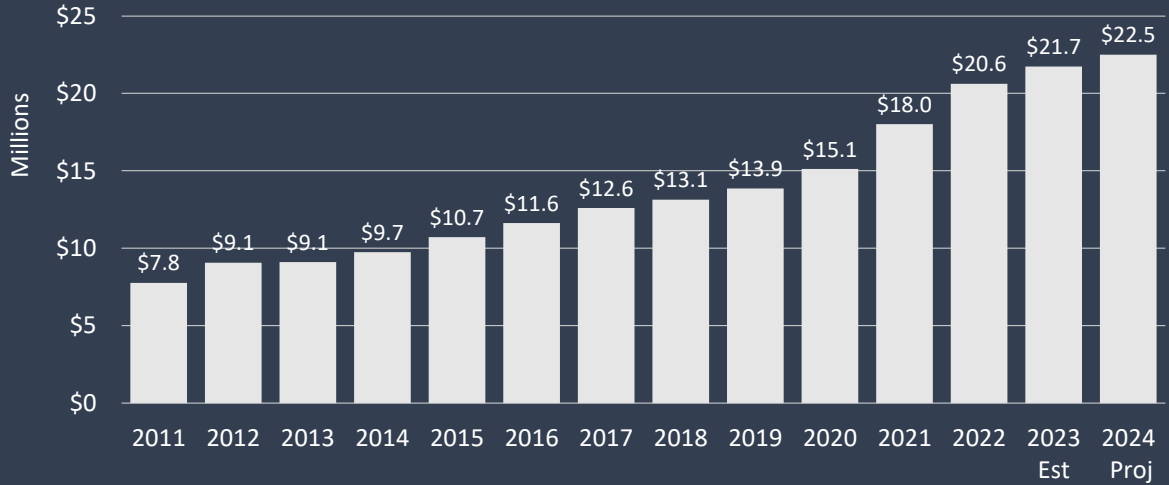


Sales Tax Change % Year Over Year

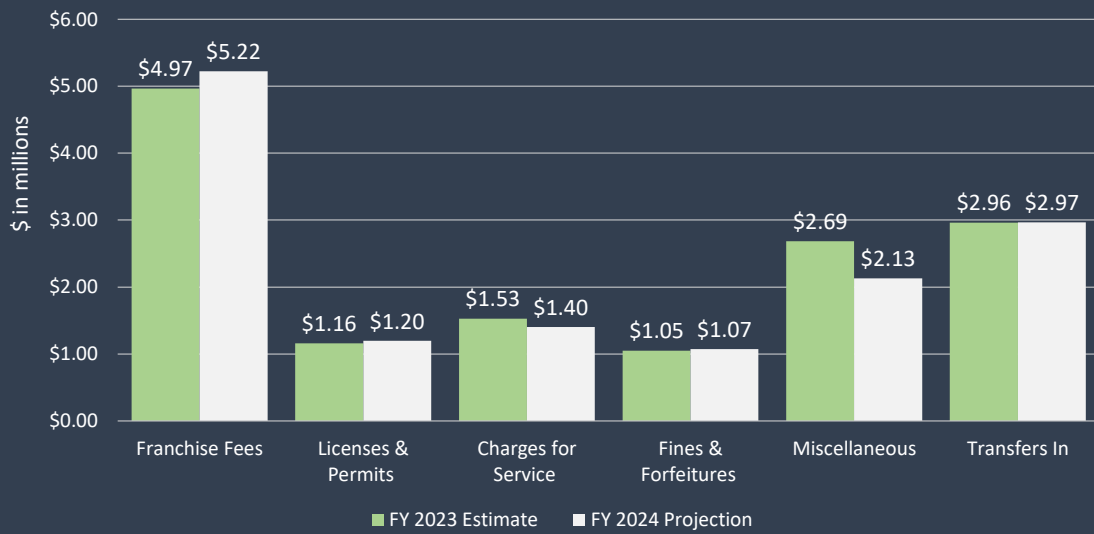


	FY 2022 Actual	FY 2023 Estimate	Change	FY 2024 Budget	Change
Sales Tax	\$18,045,104	\$19,803,000	\$1,757,896	\$20,694,000	\$891,000

SALES TAX REVENUE – GENERAL FUND



OTHER REVENUE



REVENUE SUMMARY



	2023 Estimate	2024 Working Budget	Change
Current Property Tax	22,180,000	23,689,533	1,509,533
Sales Tax	21,740,000	22,501,000	761,000
Franchise Fees	4,966,000	5,223,200	257,200
Licenses & Permits	1,158,000	1,195,750	37,750
Charges for Service	1,528,000	1,400,560	(127,440)
Fines & Forfeitures	1,047,000	1,071,100	24,100
Miscellaneous	2,685,000	2,130,463	(554,537)
Transfers In	2,961,000	2,967,688	6,688
TOTAL REVENUE	\$ 58,265,000	\$ 60,179,293	\$ 1,914,293



Break/Questions

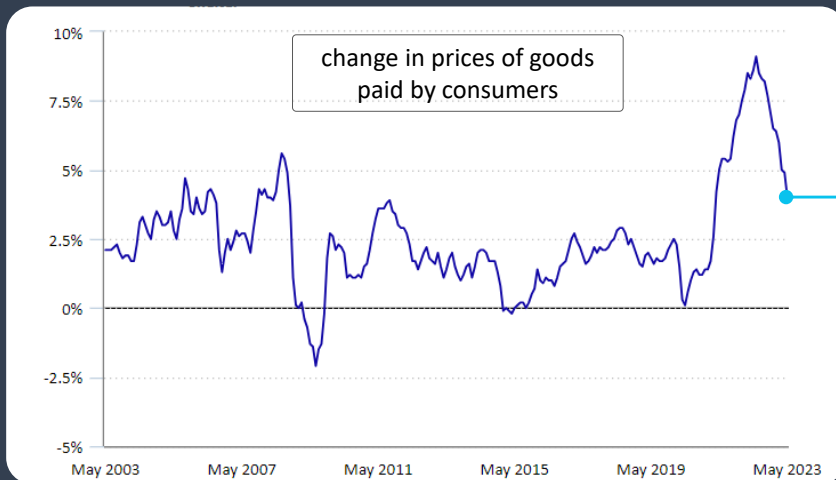


GENERAL FUND EXPENSES

INFLATION & BUDGET IMPACT



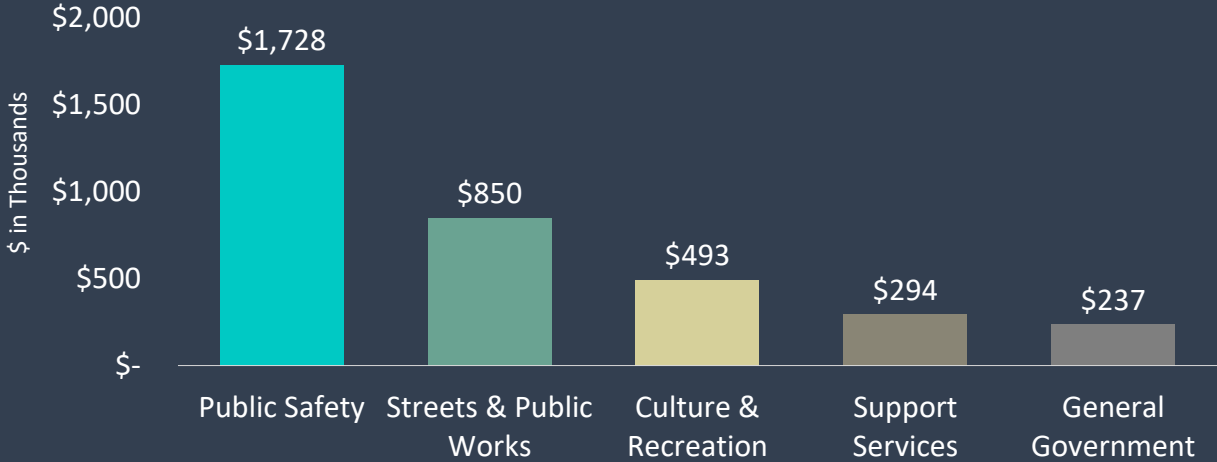
Consumer Price Index (CPI) – All Items



May 2023:
All Items –
4.0% ↑

Source: Bureau of Labor Statistics

BUDGET REQUESTS BY CATEGORY



* An additional \$3.3 M budgeted for Market Salary Adjustments in General Govt pending final analysis

GENERAL FUND REQUESTS



	FY 2024
FY 2024 Base Budget	\$50,693,652
<i>Replacement Requests (+)</i>	<i>1,051,700</i>
<i>Capital Requests (+)</i>	<i>1,248,745</i>
<i>Operating Requests (+)</i>	<i>4,622,790</i>
FY 2024 Working Budget	\$57,616,887

- 6 Police Vehicles
- Replacement Handguns
- Streets– Tractor, Mowers,
- Parks– Mowers, Utility Vehicle
- Senior Center– A/V System, Exercise and Other Equipment
- Contribution for Sims Library Roof Replacement

GENERAL FUND REQUESTS



FY 2024

FY 2024 Base Budget	\$50,693,652
<i>Replacement Requests (+)</i>	<i>1,051,700</i>
<i>Capital Requests (+)</i>	<i>1,248,745</i>
<i>Operating Requests (+)</i>	<i>4,622,790</i>
FY 2024 Working Budget	\$57,616,887

- Police Parking Lot Expansion
- Fiber Network Expansion
- Document Mgmt Software
- Radios for Emergency Comms
- Streets– Rogers St Storm line, Skid Steer, UTV, Barricades
- Parks– Getzendaner Restroom Renovation, Tractor Loader and attachments

GENERAL FUND REQUESTS



FY 2024

FY 2024 Base Budget	\$50,693,652
<i>Replacement Requests (+)</i>	<i>1,051,700</i>
<i>Capital Requests (+)</i>	<i>1,248,745</i>
<i>Operating Requests (+)</i>	<i>4,622,790</i>
FY 2024 Working Budget	\$57,616,887

- Market Salary Adjustments
- (6) Firefighters; (1) Police Records Coordinator
- (1) Senior Director of Public Works; (1) Buyer
- Police and Fire Reclassifications (Corporals, Lieutenants)
- Pavement Preservation System
- Tree Maintenance Program

GENERAL FUND SUMMARY



	FY 2024 WORKING BUDGET
Revenue	\$60,179,293
<i>Base Budget</i>	<i>\$50,693,235</i>
<i>Budget Requests (+)</i>	<i>\$6,923,235</i>
Working Budget	\$57,616,887
<i>Surplus / (Use of Fund Balance)</i>	<i>\$2,562,407</i>
 <i>Projected Ending Balance</i>	 <i>\$ 24,810,920</i>
<i>Fund Balance as % of Revenues</i>	<i>41%</i>



WATER FUND

WATER BUDGET



FY 2024

FY 2024 Base Budget	\$17,919,810
<i>Additional Debt Service (+)</i>	<i>1,018,340</i>
<i>Budget Requests (+)</i>	<i>3,244,466</i>
FY 2024 Working Budget	\$22,182,616

- 715 & 791 Water Svc Area Boundary Relocation Ph2
- 2022 Water Rehab Projects
- FM 878 at 287 Bypass 16" Water Main (Participation)
- Distribution Line: Loftland/Ovilla Rd Loop Ph2
- I.H. 35E Utility Relocations (Bent Tree Apt.) (eng)
- Lake Wax Raw Water Line No. 3 [W-42] 36 inch (eng)

WATER BUDGET



FY 2024

FY 2024 Base Budget	\$17,919,810
<i>Additional Debt Service (+)</i>	<i>1,018,340</i>
<i>Budget Requests (+)</i>	<i>3,244,466</i>
FY 2024 Working Budget	\$22,182,616

- Market Salary Adjustment
- Lead & Copper Rules Assistance
- Various Filter Repairs, Piping, Actuators, Flushing Stations
- Portable Storage Building
- 2 Backhoes (1 Replace, 1 New)
- (1) Maintenance Technician
- Water Capital Projects: Patrick St, Farley St, Almond St, Vine St, MLK Project, Howard Road Generator
- Contribution for Sokoll Projects

WATER FUND SUMMARY



	FY 2024 WORKING BUDGET
Revenue (No Rate Increase)	\$20,754,800
<i>Base Budget</i>	<i>\$17,919,810</i>
<i>Additional Debt Service (+)</i>	<i>1,018,340</i>
<i>Budget Requests (+)</i>	<i>3,244,466</i>
Working Budget	\$22,182,616
<i>Surplus / (Use of Working Capital)</i>	<i>(\$1,427,816)</i>



WASTEWATER FUND

WASTEWATER BUDGET



FY 2024

FY 2024 Base Budget	\$12,213,261
<i>Additional Debt Service (+)</i>	<i>317,897</i>
<i>Budget Requests (+)</i>	<i>1,811,246</i>
FY 2024 Working Budget	\$14,342,404

Wastewater Rehab Projects 2022
 Jefferson LS Hydrogen Sulfide (H2S) Reduction Project
 WWTP Clarifier's #4/5 Rehab
 Northeast Trunk Sewer Expansion

WASTEWATER BUDGET



FY 2024

FY 2024 Base Budget	\$12,213,261
<i>Additional Debt Service (+)</i>	<i>317,897</i>
<i>Budget Requests (+)</i>	<i>1,811,246</i>
FY 2024 Working Budget	\$14,342,404

Market Salary Adjustment
 Various Improvements – Pumps, Manhole Lids, WWTP Gate Repairs
 Crane Hoists, Backhoe
 Smoke Testing, Sewer Main Cleaning
 (1) Utility Plant Operator
 Water Capital Projects: Wyatt St RR Bore, Brown St, Barger St

WASTEWATER FUND SUMMARY



	FY 2024 WORKING BUDGET
Revenue <i>(Includes 5% Rate Increase)</i>	\$14,702,679
<i>Base Budget</i>	<i>\$12,213,261</i>
<i>Additional Debt Service (+)</i>	<i>317,897</i>
<i>Budget Requests (+)</i>	<i>1,811,246</i>
Working Budget	\$14,342,404
<i>Surplus / (Use of Working Capital)</i>	<i>\$360,275</i>



WAXAHACHIE COMMUNITY DEVELOPMENT CORPORATION (WCDC)

WCDC BUDGET



FY 2024

FY 2024 Base Budget **\$5,010,210**

Budget Requests (+) **2,234,702**

FY 2024 Working Budget **\$7,244,912**

- Market Salary Adjustment
- Replace Carpet at Civic Center
- Replace and Upgrade Facility and Dock Doors
- Continue Synthetic Turf and Wrought Iron Fence Projects
- Outfield Grass Renovation; trash cans, tables, add seating; Shade Structure; Seal Coat Parking
- (1) Maintenance Worker
- Replace Utility Vehicle, Mower
- Various Landscape improvements

WCDC FUND SUMMARY



FY 2024 WORKING BUDGET

Revenue	\$8,527,287
<i>Base Budget (+)</i>	<i>\$5,010,210</i>
<i>Budget Requests (+)</i>	<i>\$2,234,702</i>
Working Budget	\$7,244,912
<i>Surplus / (Use of Fund Balance)</i>	<i>\$1,282,375</i>



OTHER FUNDS

SOKOLL WATER FUND



	FY 2024 WORKING BUDGET
Revenue	\$6,505,430
Working Budget	\$6,505,430
Surplus / (Use of Fund Balance)	-

- Market Salary Adjustment
- Replace Brine Tank & Piping
- Replace Hypochlorite Generator #2 Hypochlorite 15-Ton Chiller
- Replace GAC BFV Actuator
- Replace Cell Valve & Actuator
- Hypochlorite Maint Program

REFUSE FUND



	FY 2024 WORKING BUDGET
Revenues	\$2,153,759
Working Budget	\$2,082,006
<i>Surplus / (Use of Fund Balance)</i>	<i>\$71,753</i>

Market Salary Adjustment
Asphalt with concrete apron on loading pad

AIRPORT FUND



	FY 2024 WORKING BUDGET
Revenue	\$631,949
Working Budget	\$743,801
<i>Surplus / (Use of Fund Balance)</i>	<i>(\$111,851)</i>

Market Salary Adjustment
Pavement Rehabilitation
ATV Vehicle
Zero Turn Mower
Pavement Sweeper
Perimeter Fence
Automated Weather Observing System (AWOS)

HOTEL TAX FUND



	FY 2024 WORKING BUDGET
Revenue	\$1,112,497
Working Budget	\$1,092,007
<i>Surplus / (Use of Fund Balance)</i>	\$20,490

Market Salary Adjustment

CEMETERY FUND



	FY 2024 WORKING BUDGET
Revenue	\$175,849
Working Budget	\$366,689
<i>Surplus / (Use of Fund Balance)</i>	(\$190,840)

Salary Market Adjustment
Extend Parking Lot and Driveway to Cemetery Shop

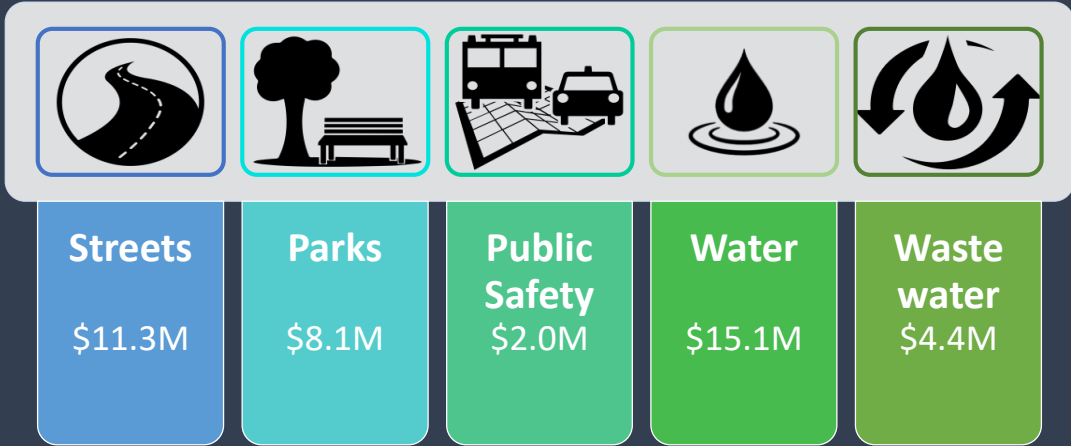


Break/Questions/Handouts



CAPITAL IMPROVEMENT PLAN (CIP) & DEBT SERVICE

FY 2024 CIP SUMMARY - \$40.9 M



STREETS PROJECTS – \$11.3 M



CATEGORY	PROJECT TITLE	FY 2024
Streets	Perry	2,800,000
Streets	Chiles	520,000
Streets	Charlotte	2,500,000
Streets	Pensacola (eng)	360,000
Streets	Grand/Solon Scarification & Striping	1,010,000
Streets	Farley St (eng)	675,000
Streets	Chieftain	1,025,000
Streets	Indian Hills Addition Alleys Phase 1 (eng)	100,000
Streets	Sagebrush	1,350,000
Streets	Broadhead - April to City Limits (eng)	412,500
Streets	Northgate Dr Left Turn Lane	300,000

Bonds:
\$10,340,000

Impact Fees:
\$712,500

Note: General Fund Base Budget includes \$2.3 Million for ongoing Street & Sidewalk Maintenance

PARKS (\$8.1 M) AND PUBLIC SAFETY (\$2.0 M)



CATEGORY	PROJECT TITLE	FY 2024
Parks	Park Improvements	2,000,000
Parks	Mustang Creek Trail Connection & Parking	880,000
Parks	Waxahachie/Midlothian Regional Trail (eng)	1,850,000
Parks	Creek Bank Stabilization	3,000,000
Public Safety	Fire Truck 3 Replacement	1,735,000
Public Safety	Police Department Parking Lot Expansion	300,000
Parks	Parks Shop/Service Center (des/eng)	250,000
Parks	North Grove Park & Restroom (des/eng)	150,000

Bonds:
\$9,465,000

General Fund:
\$550,000

Park Dedication:
\$150,000

Total General Services Bonds: \$19.81 M, Annual Debt Service: \$1.5 M

WATER PROJECTS – \$15.1 M



PROJECT TITLE	FY 2024
715 & 791 Water Svc Area Boundary Relocation Ph2	3,375,000
2022 Water Rehab Projects	2,858,300
FM 878 at 287 Bypass 16" Water Main (Participation)	1,152,700
Distribution Line: Loftland/Ovilla Rd Loop Ph2	5,500,000
I.H. 35E Utility Relocations (Bent Tree Apt.) (eng)	260,000
Lake Wax Raw Water Line No. 3 [W-42] 36 inch (eng)	100,000
Patrick St	320,000
Farley St Water line relocation (eng)	35,000
Almond Street (eng)	38,500
Vine St (eng)	14,000
MLK Water Main Rehab	550,000
Howard Road Generator	880,000

Bonds:
\$13,246,500

Water Fund:
\$1,837,500

WASTEWATER PROJECTS – \$4.4 M



PROJECT TITLE	FY 2024
Wastewater Rehab Projects 2022	1,081,700
Jefferson LS Hydrogen Sulfide (H2S) Reduction Project	1,080,000
WWTP Clarifier's #4/5 Rehab	1,000,000
Northeast Trunk Sewer Expansion (eng)	800,000
Wyatt Street Sewer Line Railroad Bore	250,000
Brown St (eng)	97,500
Barger Dr (eng)	55,000

Bonds:
\$3,961,700

Wastewater Fund:
\$402,500



I&S-FUNDED PROJECTS

TAX RATE BY COMPONENT

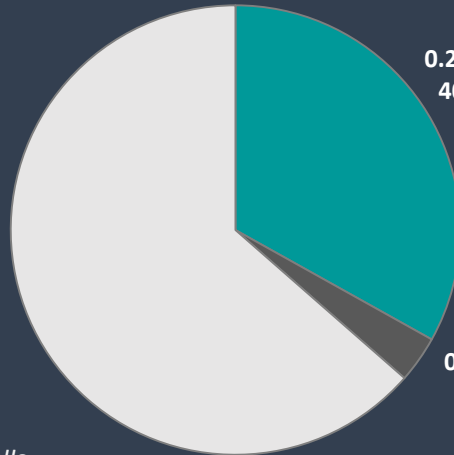


Working Rate: \$0.61
(2 cent decrease)

General Fund (M&O)

- Police
- Fire
- Public Works
- Parks
- Engineering
- Development
- Support Services

0.3470
57%



Debt Service (I&S)

Principal and interest payments on outstanding bonds

0.2435
40%

Library (M&O)

Funds operations for Sims Library

0.0195
3%

Preliminary rate pending certified rolls

GENERAL DEBT-SERVICE FUNDED PROJECTS



Project Category	No. of Projects	Amount
Streets	9	\$10,340,000
Parks	4	7,730,000
Fire	1	1,735,000
Total	14	\$19,805,000

June 5: Council approved Publication of Notice

June 14: 1st Notice of Intent to Issue Bonds

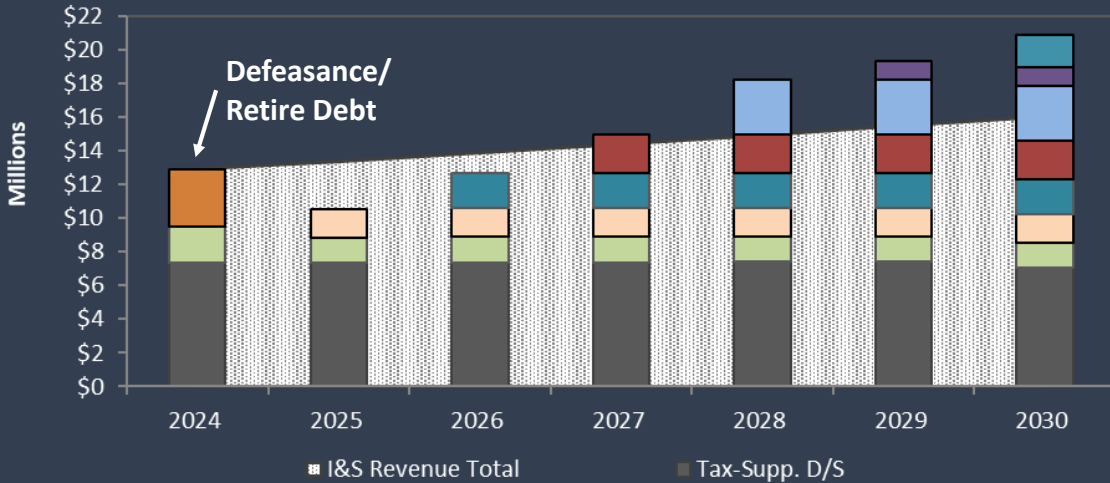
June 21: 2nd Notice of Intent to Issue Bonds

Week of July 10: Rating Agencies

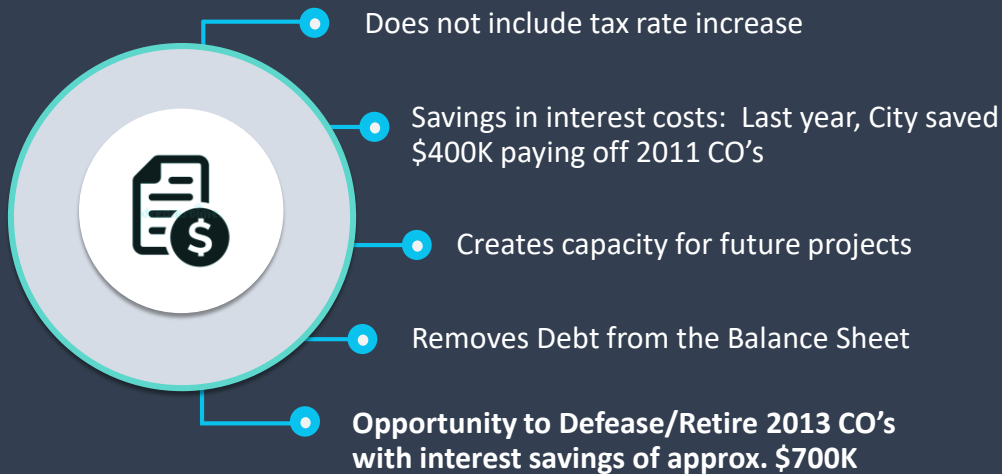
August 7: Ordinance authorizing Bond Issuance

Sept 6: Funds delivered to City

DEBT SERVICE WITH DEBT DEFEASANCE



BENEFITS OF RETIRING/DEFEASING DEBT



TIMELINE & NEXT STEPS

