

## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Claire Powell, City Manager

**DATE:** September 9, 2024

**SUBJECT:** Public Hearing: Consideration of an Ordinance Adopting the FY 2024-25 Budget.

### BACKGROUND:

In accordance with state law and City Charter, a public hearing is being held on the proposed FY 2024-25 budget to provide opportunity for resident input. The proposed budget includes changes made by City Council at the budget workshop held on August 10, 2024. Texas Local Government Code Section 102.007 requires City Council to take action on the proposed budget at the conclusion of the public hearing. Approval of this ordinance adopts an operating budget for these funds beginning October 1, 2024 and ending September 30, 2025.

### ANALYSIS:

The proposed budget is located on the City website at <https://www.cityoflewisville.com/city-hall/city-departments/financial-services/annual-budget>. During the budget workshop held on August 10, 2024, City Council provided staff direction to increase the property tax rate to 0.422435 cents per \$100 valuation. This would result in the Maintenance & Operations portion of the tax rate increasing to 0.300115, while the Interest & Sinking portion of the tax rate would remain at 0.122320. In addition, Council approved a 9.7% increase to Legacy Lewisville water and sewer rates, as well as an increase to the stormwater rates of \$1.00 per month for all single-family residential properties and \$0.36 per 2,800 sq. ft. of impervious surface for non-single-family properties. Changes to the preliminary expenditure budget reflecting direction provided at the budget workshop have been incorporated as follows:

#### General Fund (\$3,072,426)

\$522,113	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
\$88,668	Addition of School Resource Officer Position – Lewisville High School (50% funded by City/50% funded by LISD)
\$2,022,224	Street Maintenance Infrastructure Funding
\$174,950	Beautification Initiatives

\$44,623	Increased Training Opportunities
\$97,166	Addition of GIS Analyst Position
\$122,682	Addition of Paralegal Position

Hotel Motel Fund (\$1,627)

\$1,627	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Recreation Activities Fund (\$2,100)

\$2,100	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Truancy Prevention & Diversion Fund (\$104)

\$104	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Community Activities Fund (\$2,062)

\$2,062	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Community Development Block Grant Fund (\$1,011)

\$1,011	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Crime Control Fund (\$24,470)

\$24,470	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Fire Control Fund (\$30,911)

\$30,911	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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Water & Sewer Fund (\$4,534,662)

\$31,831	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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\$4,502,831	Cash Funding for Utility Capital Projects
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Stormwater Utility Fund (\$1,130,000)

\$2,855	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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\$1,127,145	Cash Funding for Drainage Capital Projects
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Maintenance & Replacement Fund (\$1,030)

\$1,030	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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TIRZ 2 Fund (\$150,000)

\$150,000	Additional Developer Payment Resulting From Increased Property Tax Rate
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4B Fund (\$18,422)

\$18,422	Compensation Plan – 0.5% Market Adjustments and 0.5% Merit Increase
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TIRZ 3 Fund (\$883,873)

\$883,873	Additional Developer Payment Resulting From Increased Property Tax Rate
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**CITY STAFF'S RECOMMENDATION**

That the City Council approve the ordinance as set forth in the caption above.