CITY OF SAN MARCOS | TEXAS



FISCAL YEAR **2026**

PROPOSED BUDGET **2025 - 2026**

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Budget Cover Page

As required by section 102.005 (b) of the Texas Local Government Code, the City of San Marcos is providing the following statement on this cover page of its proposed budget:

This budget will raise more total property taxes than last year's budget by $2,540,177 or 4.9%, and of that amount $1,357,565 is tax revenue to be raised from new property added to the tax roll this year.

Property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, include:

TAX RATE	PROPOSED FY 2026	ADOPTED FY 2025	ADOPTED FY 2024
Property Tax Rate	0.6278	0.6030	0.6030
No New Revenue Tax Rate	0.6278	0.6080	0.5305
No New Revenue M&O Tax Rate	0.4696	0.4499	0.3753
Voter Approval Tax Rate	0.7047	0.7136	0.6887
Debt Rate	0.1753	0.1530	0.1583

In accordance with Section 140.0045 of the Local Government Code, which requires the itemization of certain expenditures by a political subdivision, expense line items for public notices are provided below:

DESCRIPTION	PROPOSED FY 2026	ADOPTED FY 2025
Notices Required by Law	$30,806	$45,106
Lobbying Services	$185,842	$184,002
Total	**$216,648**	**$229,108**

City Leadership

ELECTED OFFICIALS

Jane Hughson, Mayor

Matthew Mendoza, Place 1

Saul Gonzales, Place 2

Alyssa Garza, Place 3

Shane Scott, Place 4

Lorenzo Gonzalez, Place 5

Amanda Rodriguez, Place 6

CITY EXECUTIVE STAFF

Stephanie Reyes, City Manager

Joe Pantalion, Assistant City Manager

Rodney Gonzales, Assistant City Manager

Lonzo Anderson, Assistant City Manager

Sam Aguirre, City Attorney

Elizabeth Trevino, City Clerk

PREPARED BY:

Jon Locke, Director of Finance

Ismael Garcia, Assistant Director of Finance

Jesse Garcia, Accounting Manager

Trisha Patek, Budget Manager

Alexandria Stokes, Financial / Budget Analyst

Gabriel Moreno, Financial / Budget Analyst

Lynda Herndon, Financial / Accountant I

Mission Statement

The goals of the City Government are to safeguard the health, safety and welfare of the City's residents, provide for a high quality of life, foster intergovernmental liaison and communication, encourage responsible citizenship, promote sound community and economic development, conserve and protect the City's natural resources and environment.

- The San Marcos City Charter

Core Values

The City of San Marcos established five Core Values that reflect what makes the organization unique and great. These values proudly announce to the community the ideas which our workforce strive to embody each day.


INTEGRITY
Doing what is right regardless of circumstances is the foundation of our organization.
TEAMWORK
Professional collaboration based on respect, trust and accountability to achieve success for the organization, customers, and community.
PROFESSIONALISM
Choosing daily to be held to the highest standards of excellence and demonstrating passion and commitment to continuous improvement.
CUSTOMER EXPERIENCE
Consistently treating everyone the way we want to be treated and providing effective solutions in a courteous, respectful manner.
INNOVATION
Fostering an environment receptive to new ideas by encouraging creativity, inclusiveness, adaptability, and resourcefulness.
Integrity
Teamwork
Professionalism
Customer Experience
Innovation
SAN MARCOS

GFOA - Distinguished Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the **City of San Marcos, Texas,** for its annual budget for the fiscal year beginning **October 1, 2024**.

To receive this award, a 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.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of San Marcos
Texas

For the Fiscal Year Beginning

October 01, 2024

Christopher P. Morrill

Executive Director

Destination SMTX



Image Source: CoSM - GIS Department

San Marcos is located on Interstate 35, 30 miles south of Austin, 47 miles north of San Antonio, 165 miles west of Houston, and 202 miles northeast of Laredo, Texas.

Popular destination cities within a 1-hour drive of San Marcos are:

- Distance to **Austin, TX – 30 Miles**
- Distance to **Boerne, TX – 59 Miles**
- Distance to **Kyle, TX – 9.5 Miles**
- Distance to **New Braunfels, TX – 18 Miles**
- Distance to **San Antonio, TX – 47 Miles**
- Distance to **Seguin, TX – 23 Miles**
- Distance to **Wimberley, TX – 16 Miles**

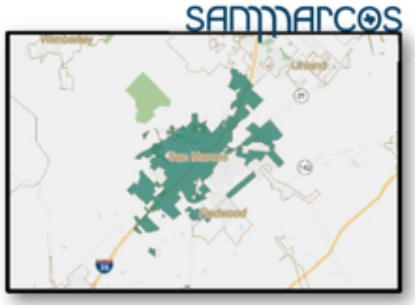
Located at the gateway to the Texas Hill Country, San Marcos was recognized as the fastest-growing city in the U.S. from 2013 to 2015.

It is midway between the two major metros of San Antonio and Austin. The spring-fed San Marcos River maintains a year-round temperature of 72 degrees and provides a refreshing playground for swimming, canoeing, tubing, and glass-bottom boat rides at the Aquarena Center.

San Marcos marks the home-base for Hays County and is home to Texas State University, the seventh-largest university in Texas and an Emerging Research University with more than 38,000 students.

San Marcos also claims the most parkland per capita of any city in the Austin-Round Rock MSA. San Marcos attracts millions of domestic and international visitors to its outlet malls and is home to brand-name companies like Amazon, Best Buy, H-E-B and a host of innovative start-ups.

LOCAL & COMMUNITY INFORMATION



The City of San Marcos is a Home-Rule municipality operating under the Council-Manager form of government and is approximately 32 square miles in size with a residential population of 90,988*. The city was incorporated on July 11, 1877. San Marcos is the county seat and principal commercial, educational and recreational center of Hays County.

San Marcos attracts millions of visitors annually who shop at the Premium Outlet Mall, Tanger Outlet Mall, and visit the Aquarena Springs Park and Wonder World Park. Beef, sorghums and cotton are the principal sources of agricultural income. Retail sales are the principal source of economic income.

*Per Planning & Development's population estimates as of January 1, 2025.



museums &history





San Marcos' hip personality is deeply seated in a rich historic culture. Visit a 1943 vintage wooden hangar and get up close to rare working WWII planes. Get a glimpse into the life of U.S. President Lyndon Baines Johnson's formative years as a student at what is now Texas State University. ***Find a full list at visitsanmarcos.com.***



CHARLES S. COCK HOUSE

Charles S. Cock House, built in 1867, is a modest, vernacular Greek Revival structure and the oldest remaining residential building in San Marcos.
heritagesanmarcos.org

CENTRO CULTURAL HISPANO DE SAN MARCOS

Centro's programs and educational curriculum include the areas of visual art, theater, dance, literature, music, multi-media, and the culinary arts. Exhibits are free and open to the public.
(512) 878-0640
sanmarcoscentro.org

CALABOOSE AFRICAN AMERICAN MUSEUM

Letters, books, photographs, and antique artifacts cover all aspects of African American life in early Texas, as visitors chart a rarely-told history of heroism in the Calaboose African American Museum.
(512) 393-8421
calaboosemuseum.org



COMMEMORATIVE AIR FORCE MUSEUM

Located in a 1943 vintage wooden hangar, the CenTex Wing preserves a collection of combat aircraft flown by Allies during World War II. Get up close to the actual lead aircraft on the D-Day invasion, the C-47 *That's All, Brother* along with many others.
(512) 396-1943
centraltexaswing.org



HAYS COUNTY COURTHOUSE MUSEUM

The restored 1909 Hays County Courthouse is nestled in the center of the Downtown square. Historic exhibits are housed on the first floor.
(512) 393-2277
hayshistoricalcommission.com

HAYS COUNTY VETERANS MEMORIAL

The Hays County Veterans Memorial offers a chance to remember and honor our local heroes.
Hopkins St. and Riverside Dr.
(512) 393-8400

LBJ MUSEUM OF SAN MARCOS

The museum preserves the legacy of U.S. President Lyndon Baines Johnson by focusing on his formative years as a college student and schoolteacher. LBJ attended, what is now, Texas State University where he honed his political skills and developed a strong commitment to education and civil rights.
(512) 353-3300
lbjmuseum.com

MERRIMAN CABIN

The historic Merriman Cabin was built in 1846 by Dr. Eli T. Merriman (1815-1867), a Yale graduate and 1838 Texas settler. Merriman was one of three San Marcos town site owners and first physician.
heritagesanmarcos.org

VERAMENDI PLAZA

One of the most scenic, historic, and popular parks in San Marcos, Juan Veramendi Plaza, is known for its iconic gazebo, the Charles S. Cock House, the Merriman Cabin, the Dr. Gwen K. Smith Fountain, and the tree-lined pathway to the river.
400 E. Hopkins St.
heritagesanmarcos.org



THE WITTLIFF COLLECTIONS

A dynamic archival, exhibition, programming, and research environment designed to further the cultural legacy of the region's music, literary, and photographic arts. Literary papers and artifacts including the major archives of Cormac McCarthy, Sam Shepard, John Graves, Fox's *King of the Hill*, and the CBS' *Lonesome Dove*.
(512) 245-2313
thewittliffcollections.txst.edu

Parks, Natural Areas, and Trails

RIVER/REGIONAL PARKS



BICENTENNIAL PARK - 3.9 acres, connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway, benches and river access

CHILDREN'S PARK - 6.3 acres, connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway, 1 accessible and inclusive playground, picnic facilities, picnic pavilion, restroom facilities, Wi-Fi, parking

CITY PARK - 18.2 acres, rental facility (Pauline Espinosa Community Hall), basketball court, connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway, adult and youth outdoor fitness and agility equipment, toddler playground, picnic facilities, restroom facilities, paid parking for non-residents

FIVE MILE DAM (DUDLEY CONNALY JOHNSON & RANDALL WADE VETTER PARKS) – 34.5 acres, walking/biking trails, picnic facilities, river access

JUAN VERAMENDI HISTORICAL PLAZA PARK – 3.8 acres, benches, rental facility (gazebo), connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway parking

MEEKS PROPERTY - 6.9 undeveloped acres connects into Bicentennial Park.

QUAIL CREEK PARK – 176.5 undeveloped acres

RAMON LUCIO PARK - 18.5 acres, baseball/softball fields, restrooms and concession stand, rental facility (pavilion), connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway, picnic facilities, river access point

RIO VISTA PARK - 16.8 acres, rental facilities (pavilions and picnic areas), 2 basketball courts, 6 lighted tennis courts, 8 lighted pickleball courts shared with tennis courts, swimming pool and splash pad, pool concession stand, connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway, picnic tables, restroom facilities, parking

SAN MARCOS PLAZA PARK - 5.4 acres, rental facilities (Fish Hatchery and Stage), concrete plaza, connected to other riverfront parks by the ADA accessible San Marcos River Shared Use Pathway and Wi-Fi.

WILLIAM AND ELEANOR CROOK PARK - 16.2 acres, .9 miles of walking/biking trails, benches, restroom facilities, Discovery Center nearby

TOTAL ACREAGE OF RIVER/REGIONAL PARKS – 307

NEIGHBORHOOD PARKS

ANITA REYES PARK - .4 acres, basketball court, playground, skate feature, picnic pavilion

CPT. PAUL PENA PARK - 2.9 acres, walking/biking trail, basketball court, playground, picnic facilities, skate feature

CONWAY PARK - .4 acres, basketball court, skate feature, walking/biking trail, playground, picnic facilities

CRADDOCK AVENUE PARK - 4.5 undeveloped acres

DUNBAR PARK - 5.8 acres, baseball/kickball diamond, rental facility (Dunbar Recreation Center), basketball court, walking/biking trails, skate feature, playground, picnic facilities, restroom facilities

EDDIE DURHAM PARK - .3 acres, benches, picnic pavilion, picnic facilities, musical play features

KENNETH M. COPELAND MEMORIAL PARK - 37.6 acres, basketball court, walking/biking trail, playground, picnic facilities, picnic pavilions, skate feature

FRANKLIN SQUARE PARK - 4.5 acres, playground, picnic facilities, benches

HEB PARK - .9 acres undeveloped

HAYNES STREET PARK - .3 acres, basketball court, picnic facilities

JAYCEES PARK - 2.7 acres, basketball court, playground, picnic facilities, benches

MILL STREET PARK - .8 acres, basketball court, walking/biking trails, playground, picnic facilities, picnic pavilion

SWIFT MEMORIAL PARK -
.3 acres, basketball court, playground, picnic facilities

VICTORY GARDENS PARK- .6 acres, basketball court, playground, picnic facilities, walking/biking trails

VIETNAM VETERANS PARK - 6.3 acres, skate feature, pump track, walking/biking trails, playground, picnic facilities

WILLOW SPRINGS PARK - 4.8 acres, .2 miles of walking/biking trails, playground, benches

TOTAL ACREAGE OF NEIGHBORHOOD PARKS - 73

GREENSPACE AND NATURAL AREAS

BLANCO RIVER VILLAGE - 13 undeveloped acres

BLANCO RIVER WALK - 55.9 undeveloped acres with walking/hiking trails

BLANCO SHOALS NATURAL AREA - 91.5 undeveloped acres, walking/biking trails

COTTONWOOD CREEK PARK - 52.9 undeveloped acres, walking/biking trails

KISSING TREE NATURAL AREA – 7 undeveloped acres

LANCASTER GREENBELT -.9 undeveloped acres

LOWER PURGATORY CREEK NATURAL AREA -171 acres, 5.9 miles of walking/biking trails, restroom facilities

PROSPECT PARK - 9.8 acres, 2 miles of walking/biking trails

RETREAT ON WILLOW CREEK - 33acres undeveloped, Walking/hiking trails

RINGTAIL RIDGE NATURAL AREA – 41.2 acres, 2 miles of walking/biking trails, picnic facilities

RIVER RECHARGE NATURAL AREA – 102 undeveloped acres, Walking/hiking trails

SCHULLE CANYON NATURAL AREA- 23 acres, 1 mile of walking/biking trails, birding station

SESSOM CREEK NATURAL AREA - 10.4 acres, .5 miles of walking/biking trails

SPRING LAKE PRESERVE NATURAL AREA - 252 acres, 6 miles of walking/biking trails, picnic facilities, restroom facilities

UPPER PURGATORY CREEK NATURAL AREA - 964 acres, 13 miles of walking/biking trails, restroom facilities

TOTAL ACREAGE OF GREENSPACE AND NATURAL AREAS - 1,828

SPECIAL USE PARKS

ALEMEDA PARK - 3.6 acres

FIVE MILE DAM SOCCER COMPLEX - 42.7 acres, soccer/cricket fields, concessions stand, 1 mile of walking/biking trails, playground, picnic facilities, restroom facilities

GARY SPORTS COMPLEX - 42.6 acres, baseball/softball fields, concessions stand, playground, picnic facilities, restroom facilities

HAYS COUNTY VETERANS MEMORIAL - 3 acres

MEMORIAL PARK - 25.2 acres, rental facility (Activity Center), basketball court, skate park, indoor swimming pool, library, restroom facilities

RIVER RIDGE PARK - 3.7 acres

TOTAL ACREAGE OF SPECIAL USE PARKS - 121

CITY-OWNED PARKS | TOTAL ACREAGE – 2,329

Rivers



RIVERS IN SAN MARCOS | TEXAS

San Marcos is a natural beauty, and the most intriguing feature is her river. The San Marcos River bubbles to life from hundreds of springs right in the center of town. Always a refreshing 72 degrees, the river is enjoyed year-round.

San Marcos' beauty is more than just surface deep. We take stewardship of the river and natural areas to heart, protecting the Edwards Aquifer and the eight endangered species native to this area. This way when you come back to visit, it will be just as good as your first time.

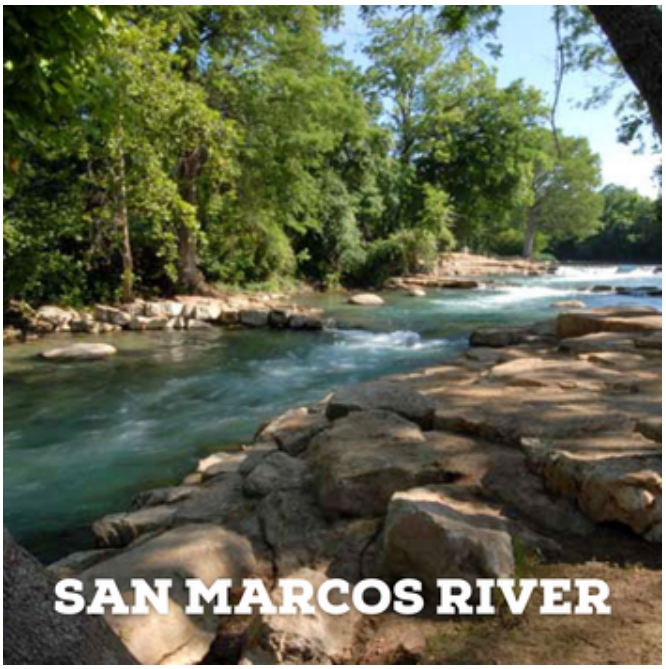
SAN MARCOS RIVER

The San Marcos River bursts forth from the Edwards Aquifer through 200 spring openings at the bottom of Spring Lake in the heart of San Marcos, Texas. The river provides a refreshing playground for swimming, canoeing, and tubing. The San Marcos River winds through over 130 acres of parkland. The upper 3.8 miles of the headwaters provides habitat for eight endangered and threatened aquatic species, including the San Marcos Fountain Darter, Texas Blind Salamander, the San Marcos Salamander, the San Marcos Gambusia, and Texas Wild Rice. Archaeologists have discovered artifacts that indicate the area around the Springs is one of the oldest continuously inhabited places in North America by human beings, dating back more than 12,000 years.

BLANCO RIVER in SAN MARCOS

The primary source for the Blanco is a series of springs in northern Kendall County. The river flows generally eastward for 87 miles (140 kilometers) through Kendall County, Blanco County, and Hays County. Near San Marcos, it takes a southerly turn and joins with the San Marcos River. The upper reaches of the Blanco River are hilly, and the river's slopes are frequently steep. As the river reaches the Balcones Escarpment near San Marcos, it widens and slopes moderately; this is typical of rivers in the central part of the state. The river is usually quite shallow, and it briefly dips below ground in some areas in the Hill Country. As with many of the rivers in the Texas Hill Country, there is great variability in the

Blanco River's flow. The mean flow is 93 feet³/s (3 m³/s), but heavy rains in the river's watershed can cause flash flooding with little warning. The Blanco River winds through over 200 acres of parkland.





Demographics

Population Overview

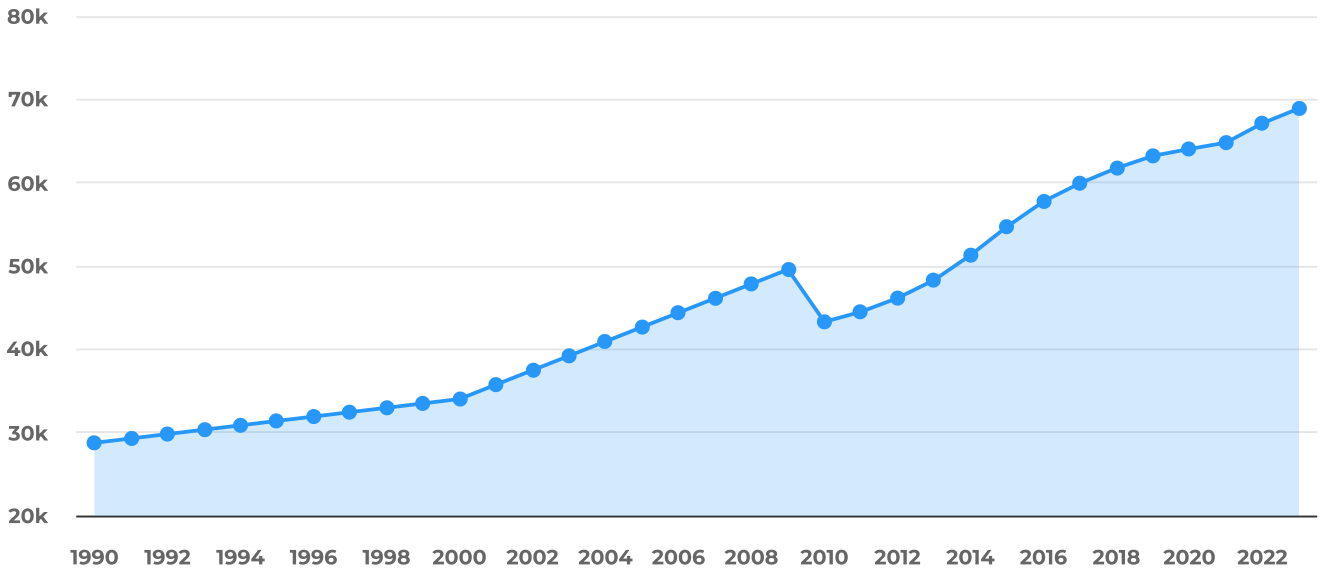
TOTAL POPULATION

68,920

2.65%
vs. 2022

GROWTH RANK

381 out of **1223** Municipalities in Texas



** Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses*

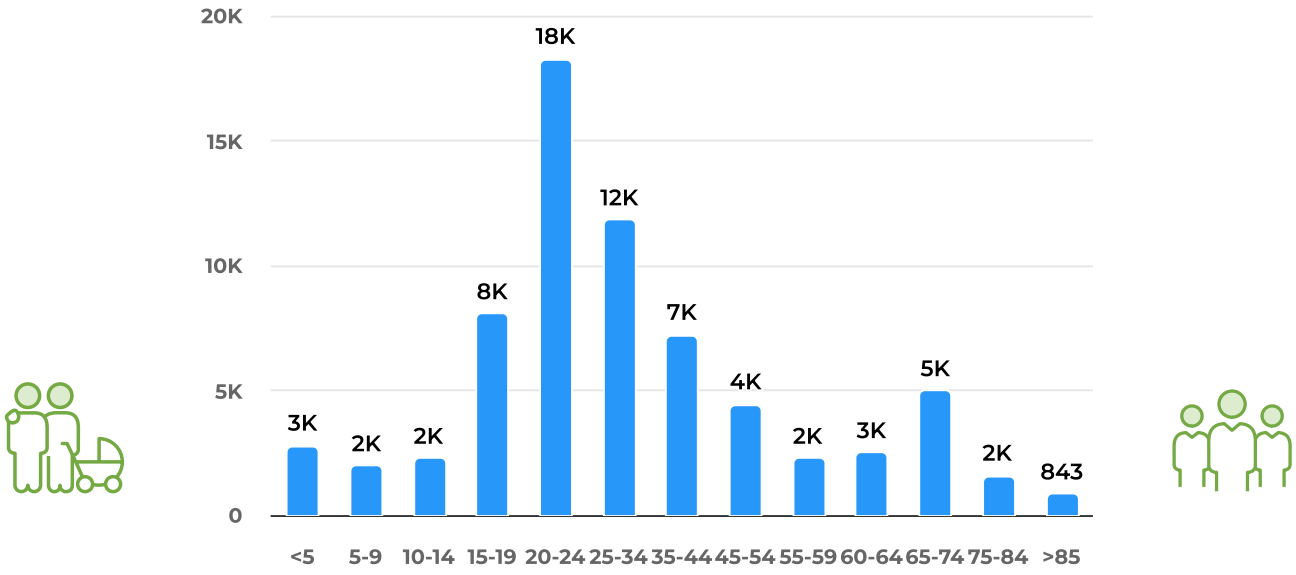
DAYTIME POPULATION

72,114

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

** Data Source: American Community Survey 5-year estimates*

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

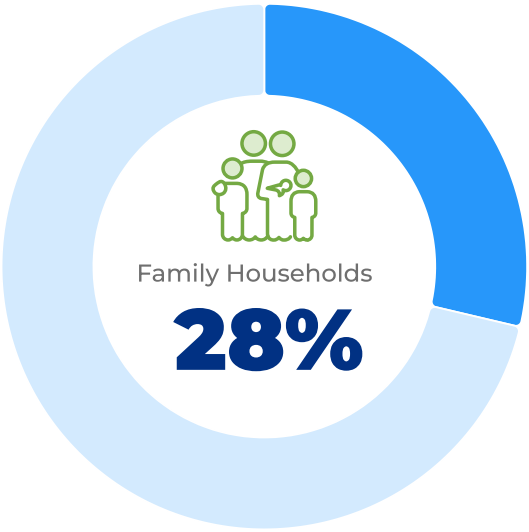
** Data Source: American Community Survey 5-year estimates*

Household Analysis

TOTAL HOUSEHOLDS

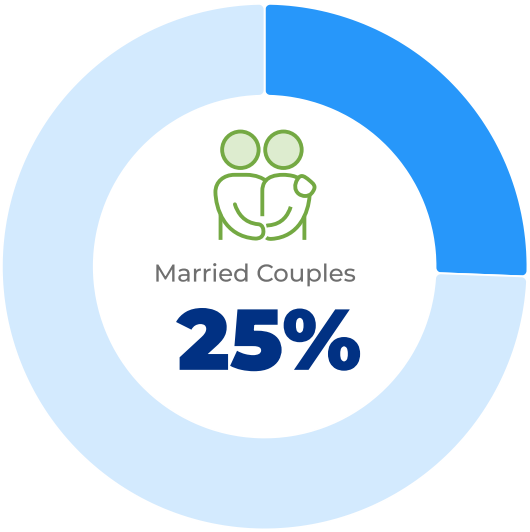
27,606

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



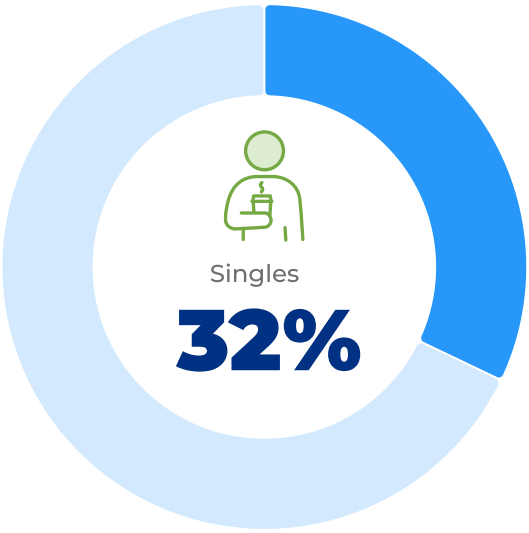
-41%

lower than state average



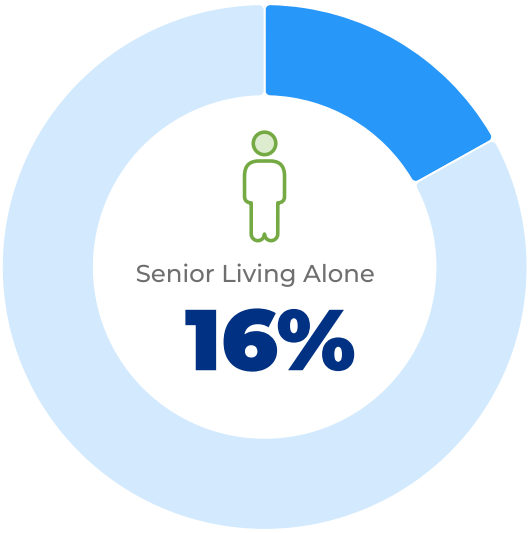
-49%

lower than state average



27%

higher than state average



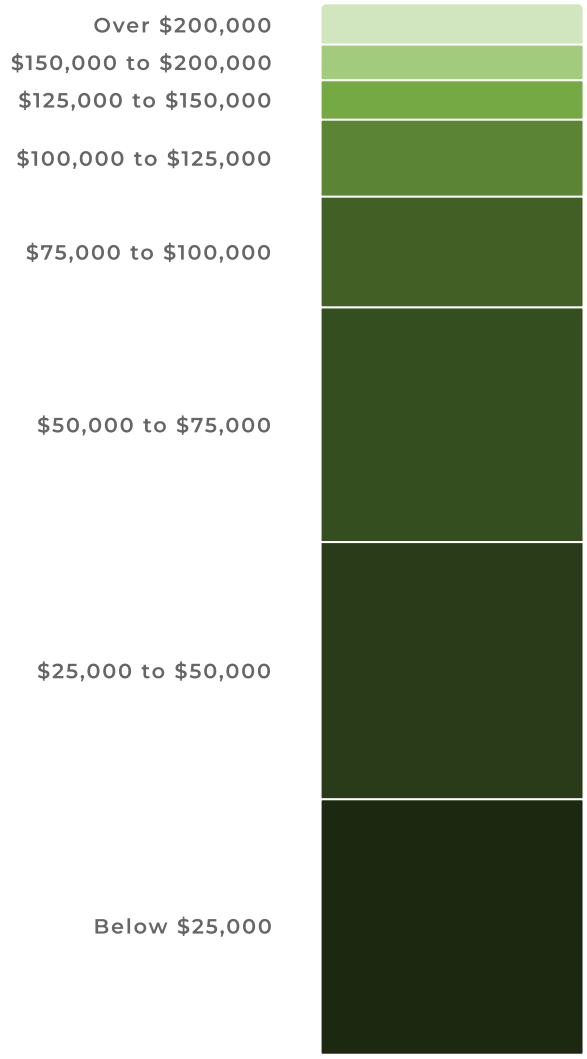
23%

higher than state average

** Data Source: American Community Survey 5-year estimates*

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



HOUSEHOLD INCOME

Above $200,000

4%

-65.48%
lower than state average

Median income

$51,030

-33.11%
lower than state average

Below $25,000

24%

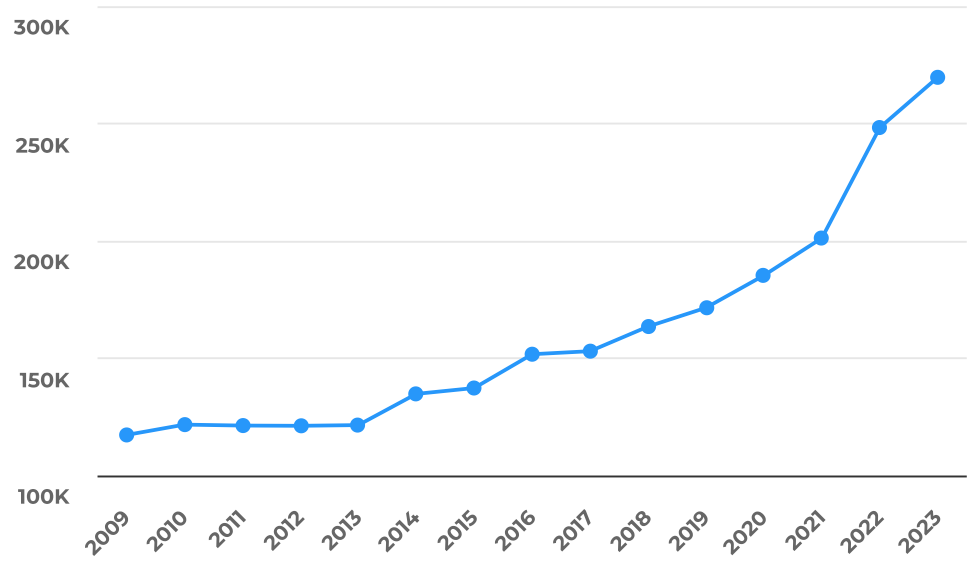
62.23%
higher than state average

** Data Source: American Community Survey 5-year estimates*

Housing

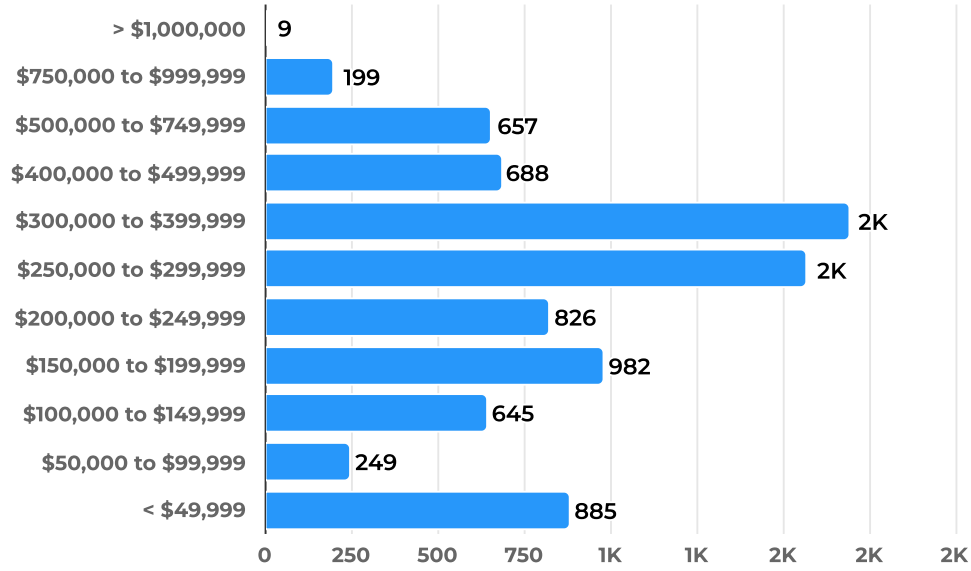
2023 MEDIAN HOME VALUE

$269,700



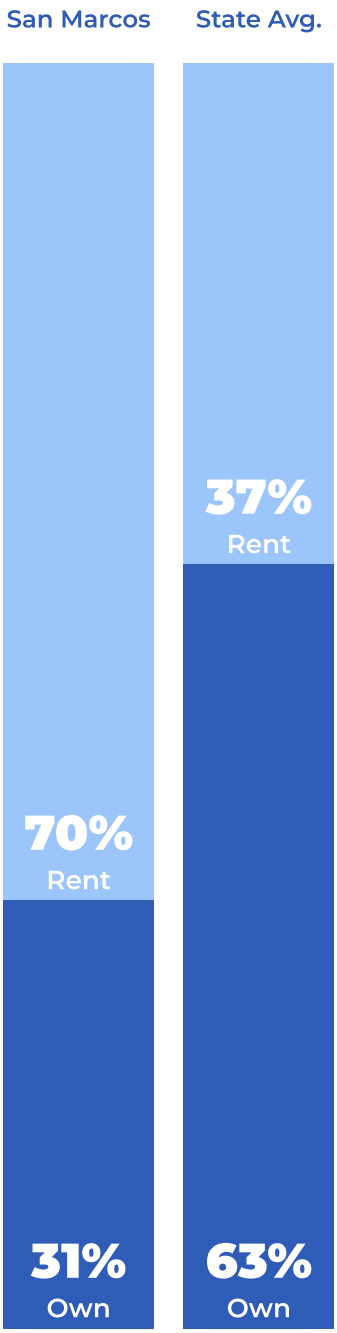
** Data Source: 2023 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME VALUE DISTRIBUTION



** Data Source: 2023 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME OWNERS VS RENTERS



** Data Source: 2023 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.*

Budget Overview



San Marcos River

Budget Timeline

Budget Calendar

CITY OF SAN MARCOS | TEXAS

BUDGET CALENDAR
FISCAL YEAR 2025-2026

Calendar Event Timeline for Annual Preparation of Fiscal Budget Planning

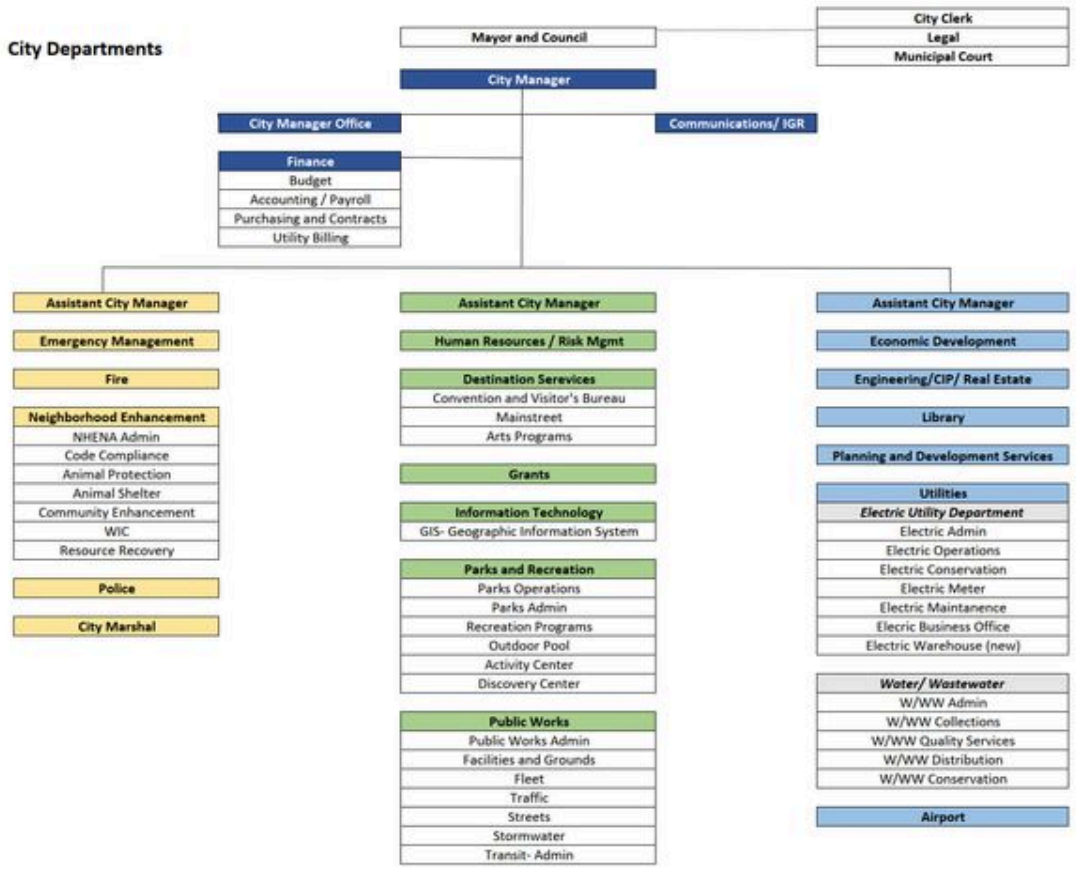
BUDGET PHASE	DATE SCHEDULED
COUNCIL VISIONING & STRATEGIC PLANNING WORK SESSION	JANUARY 30-31, 2025
BUDGET POLICY WORKSHOP	FEBRUARY 27
BUDGET POLICY ADOPTION	MARCH 18
DEPARTMENT BUDGET KICK-OFF	MARCH 20
CENTRAL BUDGET ENTRY OPENS – BUDGET LEVEL 1: DEPARTMENT ENTRY (ERP-MUNIS)	MARCH 24 – APRIL 18
BUDGET PRESENTATION AT NEIGHBORHOOD COMMISSION	APRIL 16
DEPARTMENT BUDGET ENTRIES DUE TO FINANCE	APRIL 18
FINANCE CONSOLIDATES & PREPARES BUDGET ENTRIES FOR REPORTING	APRIL 21
DEPARTMENT OPERATING BUDGET REVIEW SESSIONS WITH FINANCE (1:1)	APRIL 22 – APRIL 28
FINANCE REVIEWS BUDGETS WITH CMO	APRIL 29
PRELIMINARY TAX VALUES	APRIL 30
CMO TEAM REVIEWS DEPARTMENT OPERATING BUDGETS	APRIL 30 – MAY 16
BUDGET WORKSHOP	MAY 20
PRIORITIZE SUPPLEMENTAL REQUESTS – PERSONNEL AND OTHER	MAY 29 & 30
BUDGET WORKSHOP	JUNE 26
DEPARTMENTS VERIFY PROPOSED BUDGET AMOUNTS	JULY 7 - 11
CERTIFIED TAX ROLLS – VALUES RECEIVED BY HCTAD	JULY 25
TNT CALCULATIONS MADE BY HAYS COUNTY TAX ASSESSOR/COLLECTOR	AUGUST 7
FILE PROPOSED BUDGET W/ CITY CLERK & POST ON WEBSITE	AUGUST 14
BUDGET WORKSHOP – PROPOSED BUDGET SUBMITTED TO CITY COUNCIL	AUGUST 19
RECORD VOTE ON SETTING MAXIMUM PROPOSED TAX RATE	AUGUST 19
BUDGET PRESENTATION AT NEIGHBORHOOD COMMISSION	AUGUST 20
PUBLISH REQUIRED NOTICES IN NEWSPAPER *(MUST GET TO PAPER BY AUG 22)*	AUGUST 25
BUDGET / TAX RATE – 1ST READING	SEPTEMBER 2
BUDGET / TAX RATE – 2ND READING	SEPTEMBER 16
BUDGET / TAX RATE ADOPTION	SEPTEMBER 16
PRIORITIZE CAPITAL OUTLAY REQUESTS	OCTOBER TBD

*Blue font indicates special Council meeting

*Block Directors and CMO Team calendars

FY 2025-26 BUDGET CALENDAR | FINANCE DEPARTMENT

Organizational Chart



Charts of Accounts - Fund Structure

Chart of Accounts \ Fund Structure

General Fund (100)
Activity Center
Animal Protection
Animal Shelter
City Clerk
City Council
City Manager
City Marshal
Code Compliance
Communications
Discovery Center
Emergency Management
Engineering/Real Estate*
Facilities & Grounds
Finance/Budget/Procurement
Fire/ Fire Marshal*
Fleet
GIS
Human Resources
Information Technology
Legal
Library
Municipal Court
Neighborhood Enhancement Admin
Outdoor Pool
PARD Admin
PARD Recreation Programs
Parking Enforcement
Parks Operations
Planning & Development Services
Police Operations
Public Works Admin
Social Services
Special Services
Streets
Traffic Operations

Debt Fund (110)
Debt

Special Revenue (120)
Animal Shelter Donations
Cemetery Admin
Community Enhancement
Convention & Visitor Bureau
Library Memorial Fund
Main Street
Muni Court Jud Efficiency
Muni Court Juvenile Fee
Muni Court Security Fee
Muni Court Technology
PARD Adult Programs
PARD Corporate Challenge
PARD Senior Programs
PARD Special Events
PARD Youth Programs
Public Education PEG
Seized Assets
Tourism Programs
WIC Admin
WIC Lactation
WIC Nutrition Ed
WIC Peer Counseling

TIF Funds (140)
Tax Increment Financing

Stormwater Fund (200)
Stormwater Operations
Stormwater Special Services

Electric Utility Fund (210)
Electric - Admin
Electric - Warehouse (New)
Electric - Operations
Electric - Conservation
Electric - Meter
Electric - Maintenance
Electric - Business Office
Utility Billing
Electric - Special Services

W/WW Utility Fund (220)
W/WW - Admin
W/WW - Utilities Maintenance
W/WW - Collection
W/WW - Quality Services
W/WW - Distribution
W/WW - Conservation
W/WW - Special Services

Transit Admin (230)
Transit Admin / Ops

Resource Recovery Fund (240)
Resource Recovery Admin / Ops

Municipal Airport Fund (250)
Airport Admin / Ops

Internal Services Fund
Health Insurance (300)
IT ISF (301)

Health Insurance Trust Fund (305)
Health Insurance Trust

Budget Process Cycle

BUDGET PROCESS

The City's budget is a complex document representing the culmination of months of preparations and discussion among the City Council and City staff regarding the best ways to provide services to the community at the greatest value.

The process for developing the City's annual budget is a year-round effort spanning the City's fiscal year of October 1 through September 30.

ANNUAL BUDGET PLANNING PROCESS

STRATEGIC PLANNING & VISIONING

PHASE 1

Early in the budget process, the City Council & administrative staff retreat to discuss community needs & challenges. City Council develops short & long-term priorities as well as a policy statement to use for the current budget & future years.

BUDGET ANALYSIS

PHASE 4

Once department budgets are submitted, a preliminary budget estimate is constructed. Administrative and Finance staff review the preliminary budget and hold department reviews. Funding requests and target levels Are discussed to reconcile department requests with financial limitations and policy statement goals.

REVENUE PROJECTION

PHASE 2

The Finance Department staff develops revenue projections based upon trend analysis, anticipated changes in the local, state and national economies, and discussions with other departments. The revenue projection is used to determine the financial limitations for the development of the budget.



PROPOSED BUDGET

PHASE 5

The City Manager submits a Budget that seeks to meet City Council's goals as outlined in the policy statement. Council then reviews the budget for conformity to their overall direction and guidance. Workshops are held to review and discuss the budget. City Council may take action to make changes to the budget.

BUDGET DEVELOPMENT

PHASE 3

Departments develop a budget that incorporates the goals outlined within the policy statement and the financial limitations as determined through revenue projections.

PUBLIC HEARINGS / BUDGET ADOPTION

PHASE 6

Public hearings on the budget and tax rate are held to give citizens an opportunity to speak for or against the budget. Citizens also have an opportunity to attend budget workshops that occur prior to the budget adoption. The budget and tax rate take effect on October 1st.

Figure 1: BUDGET PLANNING PROCESS | PHASES 1 - 6

Budget Policies

City of San Marcos

FY 2026 Adopted

Budget Policy Statement

Adopted March 18, 2025

I. FUND BALANCE

- General Fund: Maintain 25% of recurring operating expenses.
  - Fund balance in excess of 25% to be split between non-recurring expenses and future City Hall/Hopkins City Center Project.
- Electric Utility Fund: Maintain 150 days of recurring operating expenses, work towards 180 days.
- Water/Wastewater Utility Fund: Maintain 150 days of recurring operating expenses.
- Stormwater Utility Fund: Maintain 90 days of recurring operating expenses.
- Resource Recovery Fund: Maintain 90 days of recurring operating expenses with leeway of implementation due to construction of new Resource Recovery facility.
- Transit Fund: Maintain 60 days of recurring operating expenses.
- Hotel Occupancy Tax Fund: Maintain 25% of recurring operating expenses.
- Community Enhancement Fund: Maintain 25% of recurring operating expenses.
- Fund balance in excess of established thresholds will be used to fund capital improvement projects (CIP) and/or other non-recurring expenditures.

II. DEBT MANAGEMENT

- General Fund: Debt component of property tax rate must be 30% or less of total tax rate.
- Debt Service Coverage Ratios:
  - Electric Utility Fund: Maintain the legal minimum debt service coverage ratio of 1.2, work towards 1.4.
  - Water/Wastewater Utility Fund: Maintain the legal minimum debt service coverage ratio of 1.2, work towards 1.4.

- Stormwater Utility Fund: Use hybrid approach for funding CIP by covering up to $5 million with Stormwater and remainder with General Fund.

III. REVENUES

- Continue budgeting revenues using historical trends. Each revenue source will be independently evaluated to take into consideration recent changes impacting trends.
- For all utilities, continue incremental rate increase approach when rate increases are required, and do not include late penalties in rate models.
- Maintain a schedule to regularly review fees. Impact fees will be revised based on master plan updates.

GENERAL FUND

- Property tax rate to be kept between the current rate and the voter approval rate.
- Amend budget during fiscal year if revenue deviates from budget.
- Consider impact of American Rescue Plan (ARP) funding ending.
- Potential revenue from alternative funding sources including fees will be evaluated and proposed to Council during the budget process.

ELECTRIC FUND

- Continue annual rate study to determine possible rate adjustments and/or structure changes. Citizens Utility Advisory Board will make recommendations to Council related to future rate adjustments and rate structure.
- Explore identifying community-based charges separate from the electric utility rate component (i.e., customer assistance programs, service area street lighting, and energy efficiency programs).

WATER/WASTEWATER FUND

- Continue annual rate study to determine possible rate adjustments and/or structure changes. Citizens Utility Advisory Board will make recommendations to Council related to rate structure and future rate adjustments.

STORMWATER MANAGEMENT FUND

- Continue using the rate model to determine possible rate adjustments and minimize rate adjustments through use of the General Fund's capacity to fund capital improvement projects for stormwater management.

HOTEL OCCUPANCY TAX FUND

- Continue to budget revenues based on conservative historical trends and the impact that COVID-19 has had on the hospitality and tourism industry.

AIRPORT FUND

- Identify the appropriate time for utilizing property tax revenues generated at the airport for airport operations in FY 2027.

IV. EXPENDITURES

- Departments will follow a zero-based budget format, incorporating necessary inflation adjustments as applicable by industry and based on available capacity.
- All budgets must be justified and ranked by priority.
- If capacity allows, include an increase of 3-5% of total personnel costs to continue investing in staff by implementing employee pay for performance and benefits that support the Employee Compensation Philosophy, evaluating recruitment and retention strategies, and increasing personnel to adequately support City Council's strategic goals.

- Health insurance will be evaluated and presented to Council during the budget process based on plan needs. Staff anticipates any additional funding needed is included as part of the 3-5% increase in personnel costs stated above.
- Enhance City's grant program to maximize funding from other sources.

GENERAL FUND

- Focus Human Services Advisory Board and Community Development Block Grant allocations toward meeting City Council's strategic goals. Explore increasing the annual funding level for the Human Services Advisory Board from $550,000 to $750,000. In Fiscal Year 2026, the funding level will be increased by a minimum of $50,000 and a maximum of $200,000, depending on available capacity.
    - Beginning in Fiscal Year 2027, the funding level for the Human Services Advisory Board will increase by the inflation adjustment permitted for operating budgets of departments within the General Fund, not to exceed 2.5%.
- If capacity allows, continue budgeting for Fiscal Year 2026 fiscal planning considerations:
    - Add 6.5 full-time equivalents for the following:
        - 2.0 FTEs for Police
        - 1.0 FTE for 911-Telecommunicator
        - 1.5 FTEs for bailiffs at the new municipal court
        - 1.0 FTE for position funded with ARP
        - 1.0 FTE for Community Enhancement position moving to General Fund
    - Allocate one-third of the cost of staffing Engine #7, with the goal of hiring all 15 firefighters in Fiscal Year 2028, or sooner if the City receives the SAFER grant
    - Transition one-fourth of the cost for legacy software allocation
    - Transition 7 vehicles into leasing program
    - Debt obligations are permissible for equipment replacement plan
    - Note: The implementation of the public safety staffing plan will be paused until the staffing studies are completed.
- Annual allocation for Transit Fund will be to be presented later in the budget process.
- Continue using the final year of ARP funding to meet community needs.
- Animal Shelter will continue with current goal of higher live outcome rate with continued funding from all partner agencies.
- Continue to allocate funding for City Council's strategic goals.
- Use General Fund capacity for stormwater capital improvement projects over $5 million.
- Explore policies that will provide funding for non-recurring expenses while protecting the City from revenue volatility.

WATER/WASTEWATER FUND

- Utility fund transfers to the General Fund budgeted at amount determined by Cost Allocation Plan.

ELECTRIC UTILITY FUND

- Utility fund transfers to the General Fund budgeted at amount determined by Cost Allocation Plan.

HOTEL OCCUPANCY TAX FUND

- Continue to allocate funding for historical restoration and preservation projects based on capacity and explore how we can meet the 51% of tourism function requirement.
- Use hotel tax funding for the City's branding plans and incorporate a community input component.

COMMUNITY ENHANCEMENT

- Continue to budget funds to address community enhancement items that come up during the fiscal year.
- Transfer the final code enforcement officer to the General Fund, if capacity permits, after considering the other General Fund priorities.

Use the Community Enhancement Fund to support new intersection plantings and gateway monuments.

Financial Policy

I. Purpose

The broad purpose of this policy is to enable the City to achieve and maintain a long-term stable and positive financial condition through the use of sound financial management practices. The watchwords used to epitomize the City's financial management include integrity, prudent stewardship, planning, accountability, full disclosure and communication.

The more specific purpose of this policy is to provide guidelines to the Director of Finance in planning and managing the City's daily financial affairs and in developing recommendations to the City Manager and City Council.

The City Council will annually review and approve this policy as part of the budget process.

The scope of this policy covers the operating budget, revenues, expenditures, capital improvements program, financial planning, accounting, auditing, financial reporting, treasury management, debt management, and financial condition and reserves, in order to:

A. Present fairly and with full disclosure the financial position and results of the financial operations of the City in conformity to generally accepted accounting principles (GAAP).

B. Determine and demonstrate compliance with finance-related legal and contractual issues in accordance with provisions of the City's Charter, the City's Code of Ordinances, the Texas Local Government Code and other pertinent legal documents and mandates.

II. Operating Budget

A. Preparation – Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The budget is the City's annual financial operating plan. The budget includes all the operating departments of the governmental funds, special revenue funds, enterprise funds, and permanent funds of the City. The budget includes expenditures for personnel, contracted services, materials and supplies, other charges, operating transfers, social services, indirect costs, capital outlay and debt service. The budget is prepared by the City Manager and Director of Finance with the participation of all the City's Department Directors within the provisions of the City Charter, on a basis that is consistent with GAAP.

B. Multi-Year Planning – The Director of Finance will prepare a multi-year financial forecast of the General Fund. This forecast is an integral part of developing the adopted budget.

1. Adopted Budget – The City Manager presents a budget to the City Council. The budget provides a complete financial plan for the ensuing fiscal year, and shall contain a budget message explaining the budget, containing an outline of the adopted financial policies of the City for the ensuing fiscal year, setting forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and explaining any major changes in financial policy.

a. The budget should include four basic segments for review and evaluation. These segments are: (1) actual revenue and expenditure amounts for the last completed fiscal year, (2) original revenue and expenditure amounts budgeted for the current fiscal year, (3) revenue and expenditure amounts estimated for the current fiscal year, and (4) revenue and expenditure amounts for the ensuing fiscal year.

a. The City Manager, not less than 30 days prior to the time the City Council makes its tax levy for the current fiscal year, shall file with the City Clerk the adopted budget.

2. Adoption – The City Council shall call and publicize a public hearing to allow for citizen participation. The City Council will subsequently adopt by Ordinance such budget, as it may have been amended, as the City's annual budget effective for the fiscal year beginning October 1st. The budget should be adopted by the City Council no later than the expiration of the fiscal year.

C. Balanced Budget – The operating budget will be balanced with current revenues, which may include beginning fund balances less required reserves as established by City Council, greater than or equal to current expenditures.

D. Planning – The budget process will be coordinated so as to identify major policy and financial issues for City Council consideration several months prior to the budget adoption date. This will allow adequate time for appropriate decisions and analysis of financial impacts.

E. Reporting – Financial reports will be made available to Department Directors to manage their budgets and to enable the Director of Finance to monitor the overall budget. The Director of Finance will present summary financial and budgetary reports to the City Council to disclose the overall budget and financial condition of the City. The financial and budgetary reports will include comparisons of actual to budget, actual to prior year, appropriate ratios, and graphs to ensure full disclosure and present meaningful information.

F. Control and Accountability – Department Directors will be responsible to ensure that their department budgets will not exceed budgeted amounts. Department Directors will be responsible to ensure revenues generated by activities of their departments meet budgeted amounts.

G. Contingent Appropriation – A provision shall be made in the budget for a contingent appropriation of no more than three percent of total expenditures to be used in case of emergencies or unforeseen circumstances. The contingent appropriation shall be under the control of and distributed by the City Manager after approval of the City Council. A detailed account of contingent appropriation expenditures shall be recorded and reported.

All expenditures of the contingent appropriation will be evaluated using the following criteria:

- Is the request of such an emergency nature that it must be made immediately?
- Why was the item not budgeted in the normal budget process?
- Why the transfer cannot be made within the division or department?

III. Revenue Policies

A. Characteristics – The City Finance Department will strive for the following optimum characteristics in its revenue system:

1. Simplicity – Where possible and without sacrificing accuracy, the revenue system will be kept in simple order to reduce compliance costs for the taxpayer or service recipient.

2. Certainty – There will be a thorough knowledge and understanding of revenue sources to increase the reliability of the revenue system. Consistent collection policies will be enacted to provide assurances that the revenue base will materialize according to budgets and plans.

3. Equity – Equity will be maintained in the revenue system structure; i.e., subsidization between entities, funds, services, utilities, and customer classes will be minimized or eliminated.

4. Revenue Adequacy – There will be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.

5. Administration – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. The cost of collection should be reviewed annually for cost effectiveness as a part of the indirect cost of service analysis. Where appropriate, the administrative processes of state, federal or local governmental collection agencies will be used in order to reduce administrative cost.

6. Diversification and Stability – A diversified revenue system with a stable source of income should be maintained. This will help avoid instabilities in similar revenue sources due to factors such as fluctuations in the economy and variations in the weather.

B. Issues – The following considerations and issues will guide the City Finance Department in its revenue policies concerning specific sources of funds:

1. Cost/Benefit and Financial Impact Analysis for Tax and Fee Abatements – A cost/benefit and financial impact analysis should be performed to assess tax or fee abatement economic development incentives.

2. Accounts Receivable – Accounts receivable procedures will target collection for a maximum of 30 days from service. Accounts past due more than 120 days may be sent to a collection agency. The Director of Finance is authorized to write-off non-collectible accounts that are delinquent for more than 180 days.

3. Non-Recurring Revenues – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not be used for budget balancing purposes.

4. Deferrals or Short-Term Loans – Deferrals or short-term loans will not be used for budget balancing purposes.

5. Property Tax Revenues – All real and business personal property located within the City is valued at 100% of the fair market value for any given year based on the current appraisal supplied to the City by the Hays Central Tax Appraisal District (HCTAD). A visual reappraisal and reassessment of all real and business personal property will be done every third year. The HCTAD reappraises real and business personal property every year as a standard practice.

Conservatism will be used to estimate property tax revenues. The Hays Central Tax Assessor Collector will furnish an estimated property tax collection rate to the Director of Finance. The Finance Department will endeavor with the Tax Assessor Collector to collect one hundred percent (100%) of property taxes levied in each fiscal year.

6. Interest Income – Interest earned from investment of available monies, whether pooled or not, will be distributed to the funds in accordance with the equity balance of the fund from which monies were provided to be invested.

7. User Fees and Service Charges – For services associated with a user fee or service charge, the direct and indirect costs of that service will be offset by a user fee where possible. Department Directors will annually review user fees and service charges to ensure that the costs of services are

recouped through user fees and service charges. The City Council will determine how much of the cost of a service should be recovered by fees and service charges.

8. Indirect Cost Allocation – All City funds will include transfers to and receive credits from other funds for general and administrative costs incurred. The most predominant fund that receives credits from other funds is the General Fund. The General Fund receives credits for bearing such costs as administration, legal counsel, finance, personnel, data processing, engineering and other costs. An independent third party will conduct an indirect cost allocation study annually to determine the credits received.

9. Enterprise Fund Rates – The Director of Finance and the Department Directors of each Enterprise Fund will review rates annually to ensure sufficient coverage of operating expenses, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital.

10. Franchise Fees – The Electric Fund and Water and Wastewater Utility Fund will include franchise fees as a component of utility rates. A 8% Water and Wastewater Utility and a 8% Electric Utility Fund franchise fee is levied on gross sales. The City will aim to keep these franchise fees similar to those charged to investor-owned utility franchises operating within the City.

11. Intergovernmental Revenues (Federal/State/Local) – All potential grants will be examined for matching requirements and the source of the matching requirements. These revenue sources will be expended only for intended purpose of grant aid. It must be clearly understood that operational requirements set up as a result of a grant or aid could be discontinued once the term and conditions of the project have terminated.

12. Revenue Monitoring – Revenues received will be compared to budgeted revenues by the Director of Finance and variances will be investigated. This process will be summarized in the appropriate financial report and reported to the City Manager and City Council on a quarterly basis.

IV. Budgetary Sales Tax Estimation

A. The estimated percentage increase in sales tax revenue for the ensuing fiscal year budget will not exceed the actual percentage increase of the most recently completed fiscal year in which a sales tax increase was realized.

B. The following example illustrates the limitation set by this policy.

Fiscal Year 1 Actual	Fiscal Year 2 Actual	Percentage Increase		Fiscal Year 3 Estimated	Fiscal Year 4 Budget	Percentage Increase
$10,000,000	$10,500,000	5.0 %		$11,550,000	$12,127,500	5.0 %

In the example above, the Fiscal Year 4 Adopted Budget is limited to a 5.0% increase, which is the actual percentage increase of the most recently completed fiscal year (Fiscal Year 2).

C. This policy ensures that the ensuing fiscal year budget contains a sales tax revenue estimate based on actual completed fiscal years only.

V. Budgetary Sales Tax Revenue Shortfall Contingency Plan

A. To proactively manage sales tax volatility and ensure consistent service delivery, the City will limit sales tax revenues budgeted for operations to 98.5% of the total estimated sales tax revenues for the fiscal year. This will be applied following the limitation in Section IV. Budgetary Sales Tax Estimation.

B. The City will establish a plan to address economic situations that cause sales tax revenue to be significantly less than the adopted budget sales tax revenue. The plan is comprised of the following components:

Indicators – Serve as warnings that potential budgetary sales tax revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending. Staff will develop a monthly report that compares the current month's sales tax revenue to the same month of the previous year. The report will show sales tax revenue by month for the last ten fiscal years.

Phases – Serve to classify and communicate the severity of the estimated budgetary sales tax revenue shortfall. Identify the actions to be taken at the given phase.

Actions – Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary sales tax revenue shortfall.

C. The actions listed in phases 1 through 3 below are short-term in nature. In the event the underlying economic situation is expected to last for consecutive years, more permanent actions, such as phases 4 and 5, will be taken.

D. Staff will apprise City Council at the regular City Council meeting immediately following any action taken through this plan. Information such as underlying economic condition, economic indicators, estimated budgetary sales tax revenue shortfall, actions taken and expected duration will be presented to City Council.

E. The City Council may appropriate fund balance as needed to cover any estimated budgetary sales tax revenue shortfall. Appropriation of fund balance must be carefully weighted and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.

F. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.

G. These are only guidelines of possible actions that may be taken in the event of sales tax revenue decreases. In the event of a catastrophic event, necessary measures will be taken by the City Manager that are in the best interest of the City.

H. The following is a summary of phase classifications and the corresponding actions to be taken. Revenue will be monitored on a quarterly basis, with action being taken in the month following the completed quarter that experiences the shortfall. Actions are cumulative, so each level will include all actions set forth in prior levels.

1. **ALERT:** The estimated annual sales tax revenue is 1.5% less than the adopted sales tax revenue budget.
2. Freeze newly created positions.
3. Implement a time delay for hiring vacant positions.
4. Suspend funding of Capital Maintenance accounts.
5. Suspend capital outlay purchases.
6. Reduce the number of temporary workers.
7. Implement a managed hiring program for vacant positions.
8. Reduce travel and training budgets.
9. Reduce office supply budgets.
10. Scrutinize professional services expenses.
11. Implement a salary freeze and suspend mid-year merit increases if possible.
12. Scrutinize repairs and maintenance expense. Perform only critical maintenance and make only critical repairs.
13. Freeze all external printing and publication expenses, except for legally required notices.
14. Reduce overtime budgets.
15. Prepare a Reduction in Force Plan.
16. Defer payments to City-owned utilities for electricity, street lighting, water and wastewater services.
17. Service level reductions, elimination of specific programs, reduction-in-force and other cost reduction strategies will be considered.
18. Reduce departmental budgets by a fixed percentage or dollar amount.
19. Departments will prioritize service levels and programs according to City Council goals and objectives.
20. Consider four-day work weeks to reduce personnel costs.
21. Reduce external program funding – social service agencies.

2. **MINOR:** The estimated annual sales tax revenue is 2.5% less than the sales tax revenue adopted budget.

3. **MODERATE:** The estimated annual sales tax revenue is 3.5% less than the sales tax revenue adopted budget.

4. **MAJOR:** The estimated annual sales tax revenue is 4.5% less than the adopted sales tax revenue budget.

5. **CRISIS:** The estimated annual sales tax revenue is 5% less than the adopted sales tax revenue budget.

VI. Expenditure Policies

A. Appropriations – The point of budgetary control is at the department level budget for all funds. Following formal adoption, the budget is amended or adjusted as necessary.
   a. Amendment-. An amendment involves increasing the total expenditures of the funds over the original adopted budget or changes to the total approved FTE count. The budget is amended through a submission made by a Department Director to the City Manager. The Department Director prepares a budget amendment detailing the reason, line items and amounts to be affected, which is approved by the City Finance Department after verification of available dollars. The amendment is given to the City Manager or their designee for review for overall appropriate objectives and purposes. The amendment request is submitted to the City Council for formal adoption by ordinance.
   b. Adjustment-An adjustment involves moving expenses between line items, departments or funds, but does not increase total expenditures over the adopted budget. The budget is adjusted through a submission made by the Department Director. If the budget adjustment requires a transfer between funds, or involves the use of contingent appropriations, the adjustment is submitted to City Council for approval by a motion. If the budget adjustment requires a transfer between departments, it must be approved by the City Manager or their designee. All other adjustments may be approved by the City Finance Director.

A. Encumbrance Accounting System – An encumbrance accounting system will be used to alert Department Directors when their maximum budget limits have been reached. Encumbrances are expenditure estimates and will reduce budgeted appropriations in the same manner as an actual expenditure. Once the actual expenditure amount is paid or the encumbrance lapses, the encumbrance will be deleted. Department Directors should use the encumbrance accounting system for all purchases.

A. Personnel Savings – No recognized or significant personnel savings in any Department will be spent by the Department Director without the prior authorization of the City Manager. This control is used to realize personnel savings each year that will be recognized in the adopted budget as a reduction in the current fiscal year's personnel appropriations.

A. Capital Outlay-Any previously budgeted capital outlay funds not expended at year end may be moved to a cash funded Capital Improvements Projects account for expenditure in a subsequent fiscal year. These funds may be used for a capital outlay item or for other designated purpose.

A. Impact Fees Reserves-Funds may be used to support projects identified in the impact fee study, as adopted by City Council, for new growth projects. Authorization for use of impact fee funds will be provided by the City Manager or their designee.

A. Purchasing – All Department Directors will ensure their respective departments comply with the City's Purchasing Manual when purchasing goods or services.

A. Prompt Payment – All invoices approved for payment will be paid by the City Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of State law.

The Director of Finance will establish and maintain payment procedures that will make use of advance payment discounts. Advanced payment discounts will be used in all instances except when the City will earn more interest income than the advance payment discount through investing the idle cash.

VII. Capital Improvements Program – Major Projects

A. Purpose – The Capital Improvements Program (CIP) is a multi-year financial planning tool used to identify and plan for major capital projects which address growth, transportation, public safety, and utility infrastructure issues in conjunction with goals and priorities as determined by City Council. A major capital project generally involves a significant expenditure of funds, beyond operation and maintenance costs, for the acquisition or construction of a needed facility or infrastructure. A major capital project should exceed $100,000 in cost. The CIP coincides with the adoption of the budget and uses a ten-year projection.

B. Preparation – The CIP will be prepared annually and on a project basis categorized by specific program; i.e., streets, drainage, public safety, public buildings, parks and recreation, water, wastewater and electric. The CIP should contain a comprehensive description of the project, funding sources, the timing of capital projects, and the impact on operations. The CIP will be prepared by the Engineering and Capital Improvements and reviewed by the City Manager with the involvement of responsible departments. The CIP will be submitted to the Planning and Zoning (P&Z) Commission for their review. After considerable deliberation including public workshops and hearings to gather citizen participation, the P&Z will approve a recommended CIP for City Council's approval. The City Council reviews the CIP for adherence to goals and priorities and approves the CIP for inclusion in the ensuing fiscal year budget. Capital projects within the first year of the CIP are approved for funding. Maintenance and operational costs related to capital projects are included in the ensuing fiscal year budget.

C. Funding Sources – Where applicable, assessments, impact fees, pro rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific, identifiable property owners.

Recognizing that long-term debt is usually a more expensive financing method, alternative-financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of issuing the debt, capitalized labor for design and construction of capital projects, and small component parts which are attached to major equipment purchases such as fire trucks. The types of debt issued are listed in Section VIII of this policy.

D. Timing and Expenditure Control – The Director of Finance will work with Department Directors during the fiscal year to schedule the timing of capital projects to ensure funds availability. All capital

projects must be funded and appropriated. The Finance Department must certify the availability of resources before any capital project contract is presented to the City Council for approval.

E. Reporting – Financial reports will be made available to Department Directors to manage their capital projects budgets and to enable the Director of Finance to monitor the overall capital projects budget.

VIII. Financial Planning, Accounting, Auditing and Reporting

A. Financial Planning – The Director of Finance provides recommendations for short-term and long-term strategic financial planning to efficiently and effectively use the City's financial resources. This financial planning is achieved in accordance with the goals and priorities of the City Council, the City Manager, and in compliance with applicable laws and Generally Accepted Accounting Principles (GAAP).

B. Accounting System – The Director of Finance is responsible for the development, maintenance and administration of the City's accounting system. Compliance with GAAP and applicable federal, state and local laws and regulations will be maintained. This responsibility also includes the implementation and maintenance of internal accounting controls for the City's financial resources. Functions of the accounting system include payroll, accounts payable, general ledger, grants, capital projects, fixed assets, accounts receivable, self-insurance, utility billing and collections.

C. Financial Auditing –

1. Qualifications of the Auditor – In conformance with the City's Charter and according to the provisions of Texas Local Government Code, the City will be financially audited annually by an outside independent auditing firm. The auditing firm must demonstrate that it has the breadth and depth of staff to conduct the City's financial audit in accordance with generally accepted auditing standards and contractual requirements. The auditing firm must hold a license under the Civil Statutes of Texas and be capable of demonstrating that it has sufficient staff which will enable it to conduct the City's financial audit. The auditing firm will complete its financial audit within 150 days of the City's fiscal year end. The auditing firm will submit its Management Letter to the City Council within 30 days of the completion of its financial audit. The Management Letter will state the auditing firm's findings of non-compliance and recommendations for compliance.

The Director of Finance shall respond within 60 days in writing to the City Manager and City Council regarding the auditing firm's Management Letter, addressing the findings of non-compliance contained therein.

2. Responsibility of Auditing Firm to City Council – The auditing firm is retained by and is accountable directly to the City Council and will have access to direct communication with the City Council if the City staff is unresponsive to the auditing firm's recommendations or if the auditing firm considers such communication necessary to fulfill its legal and professional responsibilities.

D. Financial Reporting –

1. External Reporting – The City Finance Department will prepare the necessary transmittal letter, financial summaries and tables, notes and miscellaneous financial information contained within the annual comprehensive financial report (ACFR). The auditing firm will audit this financial information for compliance with GAAP. The audited ACFR will be submitted to the City Council for their review and will be made available to the public for inspection.

2. Internal Reporting – The City Finance Department will prepare internal financial reports, sufficient to plan, monitor, and control the City's financial affairs. The City Finance Department will strive for excellence in its financial reporting. The following qualitative characteristics of accounting information will be incorporated in all reports that are prepared:

Definitions of Qualitative Characteristics of Accounting Information:

- **Bias –** Bias in measurement is the tendency of a measure to fall more often on one side than the other of what it represents instead of being equally likely to fall on either side. Bias in accounting measures means a tendency to be consistently too high or too low. Financial reporting will strive to eliminate bias in accounting measures.
- **Comparability –** The quality of information that enables users to identify similarities in and differences between two sets of economic phenomena.
- **Completeness –** The inclusion in reported information of everything material that is necessary for faithful representation.
- **Conservatism –** A prudent reaction to uncertainty to try to ensure that uncertainty and risks inherent in financial situations are adequately considered.
- **Consistency –** Conformity from period to period with unchanging policies and procedures.
- **Feedback Value –** The quality of information that enables users to confirm or correct prior expectations.
- **Materiality –** The magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.
- **Neutrality –** Absence in reported information of bias intended to attain a predetermined result or to induce a particular mode of behavior.
- **Predictive Value –** The quality of information that helps users to increase the likelihood of correctly forecasting the outcome of past or present events.
- **Relevance –** The capacity of information to make a difference in a decision by helping users to form predictions about the outcomes of past, present, and future events or to confirm or correct prior expectations.
- **Reliability –** The quality of information that assures that information is reasonably free from error and bias and faithfully represents what it purports to present.
- **Representational Faithfulness –** Correspondence or agreement between a measure or description and the phenomenon that it purports to represent (sometimes called validity).
- **Timeliness –** Having information available to a decision-maker before it loses its capacity to influence decisions.
- **Understandability –** The quality of information that enables users to perceive its significance.
- **Verifiability –** The ability through consensus among measurers to ensure that information represents what it purports to represent or that the chosen method of measurement has been used without error or bias.

IX. Treasury Management

A. Investments – The Director of Finance, or designee shall promptly deposit all City funds with the City's depository bank in accordance with the provisions of the current depository bank agreement. The

Director of Finance, or designee will then promptly invest all funds in any negotiable instrument that the City Council has authorized under the provisions of the State of Texas Public Funds Investment Act and in accordance with the City Council approved Investment Policy.

B. Cash – The City's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collection centers such as utility bills, building and related permits and licenses, parks and recreation, and other collection offices where appropriate and feasible.

Idle cash position will be determined daily to maximize interest income. The underlying theme will be that idle cash will be invested with the intent to 1) safeguard assets, 2) maintain liquidity, and 3) maximize return.

The City Finance Department will use appropriate check-signing technology to sign all checks with the signatures of the City Manager and Director of Finance. Internal controls will be established to secure the technology and to prevent its misuse.

The City Manager, Assistant City Manager, and Director of Finance are authorized signatories on all City depository bank accounts. Any withdrawal, transfer or payment of City funds requires a minimum of two signatures.

X. Debt Management

A. Policy Statement – The City Council recognizes the primary purpose of major capital projects is to support provision of services to its residents. Using debt financing to meet the major capital project needs of the community must be evaluated according to two tests - efficiency and equity. The test of efficiency equates to the highest rate of return for a given investment of resources. The test of equity requires a determination of who should pay for the cost of major capital projects. In meeting the demand for major capital projects, the City will strive to balance the load between debt financing and "pay as you go" financing methods. The City Council realizes failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that the amount of debt incurred may have a negative financial impact. The City will achieve an appropriate balance between service demands and the amount of debt incurred. The aforementioned tests and methods of financing will assist the City Council, City Manager and Director of Finance in achieving this appropriate balance.

B. Types of Debt –

1. General Obligation Bonds (GO's) – General obligation bonds will be issued to fund major capital projects of the general government, are not to be used to fund operating needs of the City and are backed by the full faith and credit of the City as well as the ad valorem taxing authority of the City as prescribed by law. The term of a bond issue will not exceed the useful life of the major capital projects funded by the bond issue and will generally be limited to no more than twenty years. GO's must be authorized by a vote of the citizens of the City.

2. Revenue Bonds (RB's) – Revenue bonds may be issued to fund major capital projects necessary for the continuation or expansion of a service which produces a revenue sufficient enough to obtain investment grade ratings and credit enhancement and for which the major capital project may reasonably be expected to provide for a revenue stream to fund the annual debt service requirements. The term of a bond issue will not exceed the useful life of the major capital projects funded by the bond issue and will generally be limited to no more than twenty years. RB's do not need a vote of the citizens of the City.

3. Certificates of Obligation (CO's) and Limited Tax Notes (Notes) – Certificates of obligations may be issued to fund major capital projects, which are not otherwise covered under either General Obligation Bonds or Revenue Bonds. Notes will be used in order to fund capital requirements which the useful life does not exceed seven (7) years as authorized by State law. Debt service for CO's or Notes may be either from general revenues or backed by a specific revenue stream or streams or by a combination of both. The term of the CO's will not exceed the useful life of the major capital projects funded by the certificate issuances and will generally be limited to no more than twenty years. Neither CO's nor Notes require a vote of the citizens of the City.

4. Method of Sale – The Director of Finance will use a competitive bidding process in the sale of bonds unless the nature of the issue or market conditions warrant a negotiated sale. In situations where a competitive bidding process is not elected, the Director of Finance will publicly present the reasons why and will participate with the City's Financial Advisor in the selection of the underwriter or direct purchaser.

C. Analysis of Financing Alternatives – The Director of Finance will explore alternatives to the issuance of debt for major capital projects. These alternatives will include, but are limited to: 1) grants-in-aid, 2) use of fund balance or working capital, 3) use of current revenues, 4) contributions from developers and others, 5) leases, and 6) impact fees.

D. Conditions for Using Debt – Debt financing of major capital projects will be done only when the following conditions exist:

- When non-continuous projects (those not requiring continuous annual appropriations) are desired;
- When it can be determined that future users will receive a benefit from the major capital project;
- When it is necessary to provide basic services to residents and taxpayers (for example, purchase of water rights);
- When total debt, including that issued by overlapping governmental entities, does not constitute an unreasonable burden to the residents and taxpayers.

E. Costs and Fees – All costs and fees related to debt issuance will be paid out of debt proceeds.

F. Debt Limitations – The City maintains the following limitations in relation to debt issuance:

- An Ad Valorem tax rate of $1.20 per $100 of assessed value is the maximum municipal tax rate that may be levied for all General Fund tax supported expenditures and debt service.

- Debt payments made solely from ad valorem tax revenue should not exceed 20% of combined General Fund and Debt Service Fund expenditures.
- The debt component of the tax rate should be 30% or less of the total tax rate.
- Total outstanding debt should not exceed 5% of the current year's taxable assessed valuation.
- Debt service coverage ratios:
    - Electric Utility Fund: Maintain the higher of the legal minimum debt service ratio or 1.2, with a goal of 1.4.
    - Water/Wastewater Utility Fund: Maintain the higher of the legal minimum debt service ratio or 1.2, with a goal of 1.4.

G. Arbitrage Rebate Compliance – The City Finance Department will maintain a system of record keeping and reporting to comply with arbitrage rebate compliance requirements of the Federal tax code.

H. Sound Financing of Debt – When the City utilizes debt financing, it will ensure that the debt is soundly financed by:

- Conservatively projecting the revenue sources that will be used to pay the debt;
- Financing the major capital project over a period not greater than the useful life of the major capital project;
- Maintaining a debt service coverage ratio which ensures that combined debt service requirements will not exceed revenues pledged for the payment of debt; and
- To the extent possible, the City will aim to repay at least 25% of the principal amount of its general obligation debt within five years and at least 50% within 10 years. The City may choose to structure debt repayment so as to wrap-around existing debt obligations or to achieve other financial planning goals.

I. Credit Enhancement – The City should seek credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost effective. Credit enhancement may be used to improve or establish a credit rating on a debt obligation even if such credit enhancement is not cost effective if the use of such credit enhancement meets the financial planning goals.

J. Financing Methods – The City maintains the following guidelines in relation to methods of financing used to issue debt:

- Where it is efficient and cost effective, the City will use revenue or other self-supporting bonds in lieu of tax supported/pledged debt instruments.
- When appropriate, the City will issue non-obligation debt, for example, Industrial Development Revenue bonds, to promote community stability and economic growth.

K. Refunding – Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered if and when there is a net economic benefit of the refunding or the refunding is essential in order to modernize covenants, which impinge on prudent and sound financial management.

L. Full and Complete Disclosure – The City of San Marcos is committed to full and complete financial disclosure, and to cooperating with credit rating agencies, institutional and individual investors, City departments, other levels of government, and the general public to share clear, comprehensible and accurate financial information. Official statements accompanying debt issues, annual comprehensive financial reports,

and continuous disclosure statements will meet, at a minimum, the standards articulated by the Municipal Standards Rulemaking Board, the National Federation of Municipal Analysts, the Government Accounting Standards Board (GASB), and the Securities Exchange Commission (SEC). The City will abide by the provisions of the SEC concerning primary and secondary market disclosure and will work with Bond Counsel and its Financial Advisor to assist with meeting the requirements. The City Finance Department will be responsible for ongoing disclosure to nationally recognized municipal securities information repositories (NRMSIRs). Updates of budget, debt and financial information will be provided to credit rating agencies and investors when new debt is issued.

M. Post Bond Issuance Federal Tax Compliance – The City has issued or will issue from time to time bonds, notes or other tax-exempt obligations (collectively, the "Bonds"). The City is required by the terms of Section 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended ("Code"), and the U.S. Treasury Regulations promulgated thereunder ("Regulations"), to preserve the tax-exempt status of its Bonds subsequent to their issuance. Further, the Code and the Regulations impose record retention requirements on the City with respect to its Bonds.

N. Credit Rating – The City of San Marcos seeks to maintain the highest possible credit ratings for all categories of debt that can be achieved without compromising the delivery of basic City services.

O. Elections – State law regulates which securities may be issued only after a vote of the electors of the City and approved by a majority of those voting on the issue.

1. Election Required –

- Securities payable in whole or in part from ad valorem taxes of the City except issues such as tax increment securities, certificates of obligation, and limited tax notes.

2. Election Not Required –

- Short-term notes (12 months or less) issued in anticipation of the collection of taxes and other revenues.
- Securities issued for the acquisition of water rights or capital improvements for water and wastewater treatment.
- Securities payable solely from revenue other than ad valorem taxes of the City.
- Refunding securities issued to refund and pay outstanding securities.
- Tax increment securities payable from ad valorem tax revenue derived from increased valuation for assessment of taxable property within a plan of development or other similar area as defined by applicable State Statutes.
- Certificates of obligation.
- Limited Tax Notes.
- Securities for the construction or improvement of public streets and/or rights-of-way in order to relieve congestion or for public safety matters.

XI. Financial Conditions, Reserves, and Stability Ratios

A. Operational Coverage – The City's Enterprise Funds will comply with all bond covenants and maintain an operational coverage of at least 120%, such that current operating revenues will exceed current operating expenses.

A. Fund Balances/ Working Capital –

1. The General Fund's fund balance should be at least 25% of the General Fund's annual operating expenditures. This percentage is the equivalent of three months operational expenditures. As a goal, the City will strive to achieve 30% fund balance.

1. The Water and Wastewater Utility Fund working capital should be maintained at 150 days of recurring operating expenses. Ending fund balances above 150 days of recurring operating expenses will be used to cash fund future Capital Improvement projects and/or other non-recurring expenditures.

1. The Electric Utility Fund working capital should be maintained at the equivalent of 150 days of recurring operating expenses with a goal of 180 days. Ending fund balances above the 150 days of recurring operating expenses will be used to cash fund future Capital Improvement projectsand/or other non-recurring expenditures.

1. Reserves will be used for emergencies or unforeseen expenditures, except when balances can be reduced because their levels exceed guideline minimums as stated below.

C. Capital and Debt Service Funds –

1. Monies in the Capital Improvement Program Funds should be used within twenty-four months of receipt or within a reasonable time according to construction schedules. Interest income and unspent monies from bond issuances can be used to fund similar projects as outlined by bond covenants. Any remaining monies will be used to pay the bond issuance.

2. Revenues in the Debt Service Fund are based on property tax revenues and interest income. Reserves in the Debt Service Fund are designed to provide funding between the date of issuance of new debt and the time that property tax levies are adjusted to reflect the additional debt. Article 10, Section 10.02 of the City Charter requires that the City maintain a reserve balance of two percent of all outstanding general obligation debt.

D. Ratios/Trend Analysis – Ratios and significant balances will be incorporated into financial reports. This information will provide users with meaningful data to identify major trends of the City's finances through analytical procedures. We have selected the following ratios/balances as key indicators:

Fund Balance	**Assets Less Liabilities**
FB	AL (Acceptable Level) > 25% of Expenditures

Working Capital	**Current Assets Less Current Liabilities**
CA - CL	AL > 25% of Expenses

Current Ratio	**Current Assets Divided By Current Liabilities**
CA / CL	AL > 1.00

	Quick Ratio	**"Liquid" Current Assets Divided By Current Liquid Liabilities**
CA / CL	AL > 1.00	

Debt Ratio	**Current Liabilities Plus Long-Term Liabilities Divided By Total Assets**
CL + LTL / TA	AL < 1.00

Enterprise Operational Coverage	**Operating Revenue Divided By Operating Expense**
OR / OE	AL > 1.20

Our goal is to develop minimum/maximum levels for the ratios/balances above through analyzing the City's historical trends and anticipated future trends. We will also analyze and compare the City to other municipalities to develop these acceptable levels.

XII. Internal Controls

A. Written Procedures – Wherever possible, the Director of Finance will establish and maintain written procedures for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

A. Department Directors' Responsibilities – Each Department Director is responsible to ensure that good internal controls are followed throughout their Department, that all City Finance Department directives or internal control

recommendations are implemented, and that all independent auditor recommendations are addressed.

XIII. Personnel and Training

A. Adequate Personnel – Personnel levels will be adequate for the City Finance Department to operate effectively. Overtime will be used only to address temporary or seasonal demands that require excessive hours. Workload allocation alternatives will be explored before increasing personnel.

B. Training – The City Finance Department will support the continuing education efforts of all personnel. Personnel will be held accountable for communicating, teaching, and sharing with other personnel members all information and training materials acquired from seminars, conferences, and related education efforts.

C. Awards, Credentials, Recognition – The City Finance Department will support efforts and involvement which result in meeting standards and receiving exemplary recitations on behalf of any of the City's fiscal policies, practices, processes, products, or personnel. Certifications may include Certified Government Finance Officer, Certified Public Accountant, Management Accountant, Certified - Internal Auditor, and Certified Cash Manager.

The City Finance Department will strive to maintain a high level of excellence in its policies and procedures. The ACFR and budget will be presented annually to the Governmental Finance Officers Association for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

Budget Discussion

City Council Budget Policy Decisions

Per City Charter, City Council adopted a Budget Policy in March 2025 providing direction on base budget assumptions to the City Manager and staff. The following are the major policy items included in the city's proposed Fiscal Year 2026 budget. Each of these items were discussed during public City Council sessions:

- General Fund: Maintain 25% of recurring operating expenses.
  - Fund balance in excess of 25% to be split between non-recurring expenses and future City Hall/Hopkins City Center Project.
- Electric Utility Fund: Maintain 150 days of recurring operating expenses, work towards 180 days.
- Water/Wastewater Utility Fund: Maintain 150 days of recurring operating expenses.
- Stormwater Utility Fund: Maintain 90 days of recurring operating expenses.
- Resource Recovery Fund: Maintain 90 days of recurring operating expenses with leeway of implementation due to construction of new Resource Recovery facility.
- Transit Fund: Maintain 60 days of recurring operating expenses.
- Hotel Occupancy Tax Fund: Maintain 25% of recurring operating expenses.
- Community Enhancement Fund: Maintain 25% of recurring operating expenses.
- Fund balance in excess of established thresholds will be used to fund capital improvement projects (CIP) and/or other non-recurring expenditures.

For full Budget Policy reference see the Budget Policies Page

Property Tax Rate

The property tax rate is comprised of two components. The component for maintenance and operations (M&O) related to general fund operations, and the component for interest and sinking (I&S) related to funding the debt obligations of the City. The Fiscal Year 2026 proposed budget is supported by a tax rate of 62.78 cents per $100 of assessed valuation. The City's tax rate has been 60.30 cents since FY 2022. In Fiscal Year 2026 citizen tax bills will reflect 62.78 cents per $100 of assessed property value. Based on this rate, an owner of a home valued at $100,000 will pay approximately $627.80 in city property taxes. Hays County appraisal district assesses the real property values used to calculate property tax bills.

The General Fund budget is based on an M&O property tax rate of 45.25 cents per $100 of assessed valuation. The levy supports operations which include police and fire protection, parks operation and maintenance, activity center, library, animal services, road maintenance, traffic control, and other general governmental functions.

The Debt Service Fund budget is based on an I&S tax rate of 17.53 cents per $100 of assessed valuation. This levy supports annual payments on outstanding debt obligations of the City, which include Certificates of Obligation bonds (COs) and voter-approved General Obligation bonds (GOs).

For Fiscal Year 2026, total valuation of all property increased 0.6% or $60 million from the prior year, with a 0.35% decline occurring within Tax Increment Reinvestment Zones (TIRZ). In addition, in January 2022, City Council enacted a local homestead exemption of $15 thousand and an increase to the local senior/disabled exemption of $10 thousand to $35 thousand. The city's total projected property tax collections assuming a 98% collection rate is $62.7 million, of which $8.1 million supports TIRZ. Property tax revenue net of TIRZ is $54.6 million, of which $39.4 million will be used for operations and $15.2 million for the retirement of tax-supported debt.

Employee Retention and Compensation

The City strives to be an employer of choice, which is in part achieved through providing competitive compensation and benefits. City Council adopted a compensation philosophy that confirms San Marcos is committed to attracting, engaging, and rewarding a diverse and multi-generational workforce. The City also implemented the results of a compensation and benefits study in Fiscal Year 2024.

An Employee Engagement Survey following the implementation of the compensation and benefits study showed a significant improvement in employees' perception of their compensation. The City has also seen a drastic decline in vacancy rates, from 10% in fiscal year 2023 to a rate of 6% in Fiscal Year 2025 (as of June 2025). The next Employee Engagement Survey will be given in 2026.

The Fiscal Year 2026 budget includes a 3% cost of living adjustment for non-civil service employees and a contractual 4.5% increase for Fire civil service employees and 5% increase for Police civil service employees. In addition, the employee homebuyer assistance program, re-established in 2025, will continue in 2026.

Police and Fire Meet and Confer

The Meet and Confer process is established through the Texas Local Government Code, Chapter 142, Subchapters B & C. The Code establishes how a municipality with a population of 50,000 or more and its Police and Fire Associations can discuss wages, hours of employment and other working conditions. This process provides an opportunity to pre-empt state statutes. On June 7, 2006, the City Council approved the San Marcos Police Officers' Association and the San Marcos Professional Fire Fighters' Association petitions to become the sole and exclusive bargaining agent for the City of San Marcos Police Officers and Fire Fighters.

The first negotiation between the City and Associations was in 2009 with a three-year subsequent agreement in 2012 through 2015. The 2015 agreement was extended for an optional fourth year. During 2019 a new agreement was negotiated between both associations effective October 1, 2019, through September 30, 2022. With the previous agreements temporarily extended, new agreements were negotiated in 2023 that are focused on market competitiveness and will provide career growth opportunities for sworn officers. The City's agreement with the Fire Association includes an 4.5% compensation adjustment for Fiscal Year 2026. Negotiations occurred with the Police Association and the City approved the new agreement to include a 5% compensation adjustment starting in June 2023 through Fiscal Year 2025.

Staffing Changes

City staff is measured in full-time equivalents (FTEs). The City's FTEs for Fiscal Year 2026 is 947.08.

In General Fund the following positions were added:

- A full-time Court Bailiff
- A part-time Court Bailiff
- A full-time Economic Development Specialist*
- A full-time Administrative Coordinator*

**Positions added due to departments reducing their operating expenses or increasing revenues (budget neutral)*

FUND HIGHLIGHTS

The total Fiscal Year 2026 budget of $366 million is made up of six major fund types: General Fund, Enterprise Funds, Internal Service Funds (Health Insurance and Information Technology), Special Revenue Funds, Tax Increment Financing Fund and Debt Service Fund. General Fund and Enterprise Funds make up approximately 84% of total uses of the city budget. In addition to these major funds, Internal Service Funds has uses of $20 million (5.5%), Special Revenue has uses of $11 million (3.0%), Tax Increment Financing has uses of $8 million (2.2%) and Debt Service has $19 million (5.2%).

General Fund - Sources

The General Fund supports core services. Revenue sources in the General Fund have the greatest potential for fluctuation. Forecasted General Fund sources for Fiscal Year 2026 are $119.8 million, approximately $6.8 million (6.1%) more than the Fiscal Year 2025 revised budget.

General Fund - Uses

The Proposed Fiscal Year 2026 General Fund expenditures budget is projected to be approximately $122.8 million, $2.8 million less than the Fiscal Year 2025 revised budget. The most significant increases are related to personnel and to one-time uses of fund balance in excess of the 25% fund balance requirement. One-time uses of fund balance is $3 million.

Enterprise Funds

Enterprise funds are used to account for governmental activities that are similar to those found in private businesses. Enterprise Funds account for the city's electric utility, water and wastewater utility, stormwater utility, resource recovery utility, transit system, and the municipal airport. These funds are supported by rates charged for these services. Each of these funds are discussed in greater detail under the Fund Summaries Section of this document. Rate adjustments, when necessary, are calculated and supported by rate studies and sanctioned by the Citizens Utility Advisory Board (CUAB) for Electric and Water/ Wastewater. CUAB was formed at the direction of the City Council in 2012. This board is made up of 5 citizens and the Mayor who is a non-voting member. The charge of the board is to bring rate recommendations for both the Water/Wastewater and Electric utilities to the City Council. The Board meets with staff to gain an understanding of how the utilities operate, the composition of the rates and the issues facing the utilities in the upcoming years.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of certain specific revenue sources that are legally restricted to expenditures for specified purposes. There are twenty-two Special Revenue Funds, as follows:

- Community Enhancement,
- PARD Programs (Adult Programs, Corporate Challenge, Senior Programs, Special Events, and Youth Programs),
- Municipal Court Fees (Efficiency, Juvenile, Security and Technology),
- Hotel Occupancy Tax (Convention & Visitor Bureau, Main Street, Tourism and Arts Program),
- Public Education Governmental (PEG) Fees,
- Animal Shelter Donations,

- Cemetery Administration,
- Seized Assets,
- Women, Infant, and Children (WIC) – State Program (Administration, Lactation, Nutrition Education, and Peer Counseling),
- Library Memorial Fund

Each of these funds are discussed in greater detail under the Fund Summaries Section of this document.

Hotel Occupancy Tax Fund

In Fiscal Year 2008, voters adopted a 2% venue tax to be implemented in the Hotel/Motel Fund to help offset debt payments associated with the City of San Marcos Conference Center. Revenues collected from the 2% venue tax are restricted for the debt service related to the City's Conference Center which opened November 2009. The Conference Center has performed well and has exceeded revenue projections. In Fiscal Year 2014 a portion of the bonds issued for the conference center were refunded and the City was able to apply $3.5 million of the excess hotel occupancy tax and venue tax collections against the debt principal lowering the debt service payments.

The conference center is attached to Embassy Suites hotel. The hotel recently completed major renovations from November 2024 through July 2025. During the renovations, a large number of rooms were closed. The City continues to take a conservative approach when estimating hotel taxes for the upcoming year. *City Beautification and Enhancement*

In recent years the City conducted several citizen satisfaction surveys that compared the City of San Marcos to regional and national standards across America. The results indicated that the citizens are concerned with the overall beautification of the City. In Fiscal Year 2016 the City Council approved the Community Enhancement fee that provides a source of additional funding for continuing and one-time projects, programs, education, and enhanced services. For Fiscal Year 2026, the adopted rate remains the same at $2.35 for Residential accounts and Commercial accounts at $9.00.

The monthly fee has provided funding that has enhanced mowing and trash pick-up across the city and large projects such as the Craddock Median improvement.

Social Services

The FY 2026 Proposed Budget increases the contribution in social service program funding from the general fund from $550,000 to $750,000. The Human Services Advisory Board (HSAB) is tasked with developing a recommendation for distributing the social service program allotment to the various social service agencies operating within San Marcos.

Capital Improvements Program

For each fiscal year's budget, projects are submitted by all departments and prioritized. Staff vets all projects and totals are constrained based on the Engineering Department's capacity for project management and the individual funds' capacity. The compiled projects are then presented to Planning and Zoning Committee. Planning and Zoning makes their recommendations, and the recommended projects are taken to the City Council for approval.

Financial Bond Rating

The City of San Marcos had its underlying credit rating affirmed from Standard & Poor's in July 2023. The City's bond rating for Moody's Investor Service and Standard & Poor's is as follows:

	Moody's Investor Service	Standard & Poor's
• General Obligation Bonds and Certificate of Obligation	Aa2	AA
• Revenue Bonds – Water/Wastewater	Aa2	AA

Rate Changes

Below is a table outlining the proposed utility rate changes for Fiscal Year 2026.

CITY OF SAN MARCOS | TEXAS

RATEPAYER IMPACT STATEMENT

Estimated Monthly Impact of Proposed Rate & Fee Changes on a "Typical" Residential Ratepayer

SERVICE or FEE	FY 2024-25 MONTHLY RATE AVERAGE	FY 2025-26 MONTHLY RATE AVERAGE	MONTHLY DOLLAR CHANGE	TYPICAL RATEPAYER DEFINED AS:
ELECTRIC	$115.63	$120.69	$5.06	Average Consumption of 983 kWh
WATER	$53.33	$59.06	$5.73	Average Consumption of 4,800 Gallons
WASTEWATER	$55.41	$60.79	$5.38	Average Consumption of 4,788 Gallons
STORMWATER	$14.90	$14.90	$0.00	R2 Residential Property
RESOURCE RECOVERY	$30.95	$31.26	$0.31	Single-Family Solid Waste Collection / Recycling
COMMUNITY ENHANCEMENT	$2.35	$2.35	$0.00	Residential Property
TOTAL MONTHLY IMPACT	**$272.57**	**$289.05**	**$16.48**	**COMBINED INCREASE OF: 6.0%**

CITY OF SAN MARCOS | TEXAS 2025 - 2026 | PROPOSED BUDGET

Reader's Guide

This section is meant to assist the lay reader with understanding the budget document and its components. A summary of the major sections is included to make reading this document much easier.

INTRODUCTION

The Introduction is an opportunity for management to present the budget to City Council and the citizenry. This section contains information such as the City of San Marcos' Mission Statement, Strategic Plan, and Core Values. It also includes the Government Finance Officers Association (GFOA) Distinguished Budget Award, followed by key demographics, and what makes San Marcos a destination city.

BUDGET OVERVIEW

The Budget Overview is a compilation and summary of all financial information contained in the operating detail section of the budget.

EXECUTIVE SUMMARY

This section provides a detailed explanation of revenues, expenses, and fund balances within each of the major budgeted funds.

CITY OF SAN MARCOS FINANCIAL POLICY

The Financial Policy is a document that is periodically reviewed. The financial policy provides long-term, organization-wide guidance from which budgetary and financial decisions are made. The policy is broad in scope and purpose and covers major financial areas such as revenues, expenditures, capital improvements program, financial condition and reserves, and internal controls.

READER'S GUIDE

The Reader's Guide provides a brief summary of the information contained in the various sections of the budget. Supplemental data such as form of government, geographic location, population, and demographics are contained within this section. This background information serves to familiarize the reader with the community's structure and economic profile.

FUND SUMMARIES

Not all funds reported in the audited annual financial statements are budgeted. Smaller, less significant, and rarely used funds such as multi-year grants and trust and agency funds are not budgeted. The budget document is divided into the following fund groups.

CONSOLIDATED FUND BALANCE STATEMENT

The Consolidated Fund Balance Statement is a detailed table that analyzes balances for all funds and includes revenue and expense totals for the previous fiscal year and adopted budget.

CONSOLIDATED SUMMARY OF MAJOR REVENUES AND EXPENSES

This summary is a detailed table that lists the major sources of revenue and the major categories of expenses for all funds.

CONSOLIDATED REVENUE, EXPENSE AND FUND BALANCE COMPARISON

This summary compares three years of revenue, expense and fund balance history (prior year's actual, current year's estimate, and adopted for next year).

PROPERTY TAX VALUATION, REVENUE AND RATE CALCULATIONS

This detailed worksheet illustrates the method for calculating property tax revenue by providing information about the tax roll, collection rates, and the division of the property tax rate between debt service and operations and maintenance. A detailed calculation of the City's No New Revenue Tax Rate and Voter Approval Tax Rate is included in this section.

GENERAL FUND

The General Fund is the primary operating fund for the City. It is viewed as the general government fund and accounts for a vast number of financial resources, except for resources required to be accounted for in other funds.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the debt service portion of property tax revenues received. Debt service taxes are specifically assessed for the payment of general long-term debt principal and interest. The use of a separate fund ensures that debt service tax revenues are not combined with other revenue sources and not used for any purpose other than debt repayment.

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following is a list of special revenue funds budgeted by the City, along with a brief description:

Community Enhancement Fee

This fund was established in Fiscal Year 2022 to provide budgeting and accountability for revenues collected from a community enhancement fee assessed since 2016. These fees may only be used to enhance neighborhoods throughout our community.

Hotel Occupancy Tax

The Hotel Occupancy Tax Fund is used to account for a local tax collected from guests who rent a room or space in a hotel, motel, or bed and breakfast. Tax monies collected are used for tourism development activities in accordance with state law.

PARD Programs Fund

This Park and Recreation Department fund is used to account for revenues and expenses of youth and adult sports leagues.

Municipal Court Efficiency Fee

This fund provides budgeting and accountability for revenues collected from an efficiency fee assessed through the municipal court system. The fee may only be used to improve the efficiency of the administration of justice in the municipality.

Municipal Court Juvenile Fee

This fund provides budgeting and accountability for revenues collected from a juvenile case manager fee assessed through the municipal court system. The fee may only be used to finance the salary and benefits of a juvenile case manager.

Municipal Court Security Fee

This fund provides budgeting and accountability for revenues collected from a security fee assessed through the municipal court system. The fee can only be used to finance security personnel or items used for the purpose of providing security services for the building that houses the Municipal Court.

Municipal Court Technology Fee

This fund provides budgeting and accountability for revenues collected from a technology fee assessed through the municipal court system. The Texas Legislature established the fee in its 1999 legislative session to provide a funding source to local municipal courts for future technological enhancements to their respective court systems.

Women, Infants and Children Program Fund

The Women, Infants and Children Program (WIC) provides nutritional food supplements, nutritional counseling, clinical assessments, and education to pregnant women, breast-feeding mothers, infants, and children up to five years of age. The City of San Marcos operates a five-county regional WIC program that is funded through the Texas Department of Health and Human Services and the United States Department of Agriculture.

Public Education Governmental (PEG) Fee

This fund provides budgeting and accountability for revenues collected from cable operators. The funds may only be used for capital expenditures that finance the day-to-day operation of public-access channels.

Seized Assets

This fund provides budgeting and accountability for revenues collected from the sale of forfeited and seized assets belonging to criminals engaged in illegal activities. Revenues from these seized assets are used to fund various technology improvements in our Police Department.

Cemetery Operations

The Cemetery Operations Fund provides for the maintenance and upkeep of the historic San Marcos City Cemetery.

Animal Shelter Donations

This fund provides budgeting and accountability for restricted animal shelter donations. These funds may only be used to finance animal shelter activities.

Library Memorial Fund

The Library Memorial Fund accounts for the funding raised through the Friends of the Library for specific library uses.

ENTERPRISE FUNDS

Enterprise funds are self-supporting government funds that provide goods and services to the public for a fee, similar to those found in private businesses. The major revenue source for enterprise funds is the payments generated from customers who receive the services provided. Expenses for these services are paid for through revenue generated from services provided.

Electric Utility

The City of San Marcos purchases and distributes electric power to the San Marcos community. The utility operates at a 99.9997% reliability rate and has a system capacity of 145 megawatts.

Water/Wastewater Utility

The City of San Marcos operates a superior water production and wastewater collection and treatment system for the community. This fund is used to account for the revenues and expenses of the utility system.

Stormwater Utility

The City of San Marcos began assessing a stormwater utility rate in Fiscal Year 2000 for all residential and commercial property located in the City. The charge was established to provide funding for the planning, engineering, construction, maintenance, improvement and reconstruction of stormwater projects throughout the City.

Resource Recovery Utility Fund

The City of San Marcos outsources its residential solid waste collection through the use of a competitive bidding process. The solid waste collection company charges its monthly fee to the City on a per-customer basis. This fee is passed on to each resident within the City. The waste collection revenue and expense were previously shown within the General Fund.

San Marcos Regional Airport

The Regional Airport has three runways and is situated on 1,420 acres. The facilities include almost 54 acres of aircraft ramp parking and 53 facilities totaling nearly 470,000 square feet. Revenue from ground leases, facility leases, gross receipts, and fuel sales support the daily operation costs. Additionally, according to a 2018 Texas Department of Transportation study, out of 264 general aviation airports in the state of Texas, San Marcos ranks in the top 15 for total economic output, equal to $82.1M. There are more than 240 aircraft based on the airfield with more than 85,000 annual takeoffs and landings. Per the Federal Aviation Administration's National Plan of Integrated Airport Systems (NPIAS), the airport is classified as a Reliever to both Austin Bergstrom and San Antonio Airports and is considered a national asset – one of only 14 in the State.

Tax Reinvestment Zones

The City has several Tax Increment Reinvestment Zones across the City which have been used to stimulate development in key demographic areas.

PERMANENT FUNDS

The City serves as trustee for funds collected through its cemetery perpetual care fee. This fee is assessed on all municipal cemetery plots sold. Interest earned from the Cemetery Perpetual Care Fund is used to support the maintenance costs at the municipal cemetery. The principal amount of the fund cannot be used for any purpose. The Perpetual Care Fund was dissolved during fiscal year 2019 with the fund balance used for the purchase of land at the cemetery.

DEPARTMENTS

The Department section provides a breakout of the staffing level using a Full-Time Equivalent (FTE) measurement. An FTE converts the hours worked by part-time and seasonal employees into equivalent hours worked by full-time employees. Full-time employees work 2,080 hours annually. An example of an FTE calculation would be a part-time employee that works 1,040 hours annually. The FTE calculation would be 0.5 (1,040 ÷ 2,080).

BASIS OF BUDGETING

Fund budgets are on a basis consistent with a modified and full accrual accounting basis, with exceptions, including that depreciation, amortization and bad debt expenses are not included in the budget, capital purchases are budgeted in the year of purchase, and debt principal is budgeted in the year it is to be paid. The emphasis is on cash transactions in lieu of non-cash transactions, such as depreciation and amortization. The focus is on the net change in working capital.

The General, Debt Service, Special Revenue, and Permanent funds are budgeted on a modified accrual basis, with exceptions as noted above. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). Substantially, all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, and franchise tax revenues are susceptible to accrual. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable and the liability will be liquidated with resources included in the budget, except for (1) inventories of materials and supplies which may be considered expenditures either when purchased or 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) un-matured interest on long-term debt is recognized when due, and (5) those exceptions noted above.

The Enterprise funds are budgeted on a full accrual basis with exceptions as noted above. Revenues are budgeted in the year they are expected to be earned and expenses are budgeted in the year the liability is expected to be incurred.

BASIS OF ACCOUNTING

The basis of accounting refers to the time at which revenues, expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements.

Governmental funds and agency funds are accounted for using the modified accrual basis of accounting; revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenses, if measurable, are generally recognized when the related fund liability is incurred. Exceptions to this general rule include the un-matured principal and interest on general obligation long-term debt, which is recognized when due and accrued vacation and sick leave, which are included in the General Long-Term Debt Account Group. These exceptions are in conformity with generally accepted accounting principles.

Property tax revenues are recognized when they become available. In this case, available means when due, or past due and receivable within the current period and collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Tax collections expected to be received after the 60-day availability period are reported as deferred revenue.

Sales taxes are recorded when susceptible to accrual (i.e., both measurable and available). Sales taxes are considered measurable when in the custody of the State Comptroller and are recognized as revenue at that time. Other major revenues that are considered susceptible to accrual include utility franchise taxes, grants-in-aid earned, and other intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the

numerous individual grant programs are used for guidance. There are essentially two types of intergovernmental revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenses recorded. In the other, monies are virtually unrestricted as to purpose of expense and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt, or earlier, if the susceptible to accrual criteria are met.

The accrual basis of accounting is utilized by the proprietary fund. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable (i.e., water billings and accrued interest). Expenses are recorded in the accounting period incurred, if measurable.

ORGANIZATIONAL RELATIONSHIPS

A department is a major administrative segment of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area (e.g., Police Department, Parks and Recreation Department, Public Works Department). The smallest organizational unit budgeted is the division. The division indicates responsibility for one functional area, and in many cases these functional areas are put together to demonstrate a broader responsibility. When this is done, the divisions are combined to make up one department. For example, the Public Works Department consists of Public Works Administration, Streets, Traffic, Stormwater, Fleet and Facilities.

BUDGET AMENDMENT

Following formal adoption, the budget is amended as necessary through a submission made by a Department Director to the City Manager. A budget amendment form detailing the reason, line items and amounts to be affected is prepared. The Finance Department reviews the amendment for available dollars and the City Manager reviews the amendment for overall appropriate objectives and purposes. Should appropriations be transferred between departments, funds, or involve fund balance or contingency funds, the amendment is submitted to City Council for approval; otherwise, the City Manager has authority to approve or disapprove. Budget amendments that require City Council approval are formalized as an ordinance of the City.

BUDGET PROCESS

The City’s budget is a complex document representing the culmination of months of preparation and discussion between the City Council and City staff regarding the best ways to provide services to the community at the greatest value.

The process for developing the City’s annual budget is a year-round effort spanning the City’s fiscal year from October 1 through September 30.

1. STRATEGIC PLANNING AND VISIONING – Early in the budget process, the City Council and administrative staff retreat to discuss community needs and challenges. City Council develops short and long-term priorities as well as a policy statement to use for the current budget.
2. REVENUE PROJECTION – The Finance Department staff develops revenue projections based upon trend analysis, anticipated changes in the local, state and national economies, and discussions with other departments. The revenue projection is used to determine the financial limitations for the development of the budget.
3. BUDGET DEVELOPMENT – Departments develop a budget that incorporates the goals outlined within the policy statement and the financial limitations as determined through revenue projections.
4. BUDGET ANALYSIS – Once department budgets are submitted, a preliminary budget estimate is constructed. Administrative and Finance staff review the preliminary budget and hold department reviews. Funding requests and target levels are discussed in an attempt to reconcile department requests with financial limitations and policy statement goals.
5. PROPOSED BUDGET – The City Manager submits a budget that seeks to meet City Council's goals as outlined in the policy statement. Council then reviews the budget for conformity with their overall direction and guidance. Workshops are held to review and discuss the budget. The City Council may take action to make changes to the budget at this time.
6. PUBLIC HEARINGS / BUDGET ADOPTION – Public hearings on the budget and tax rate are held to give citizens an opportunity to speak for or against the budget. Citizens also have an opportunity to attend budget workshops that occur prior to the budget adoption. The budget and tax rate take effect on October 1st.

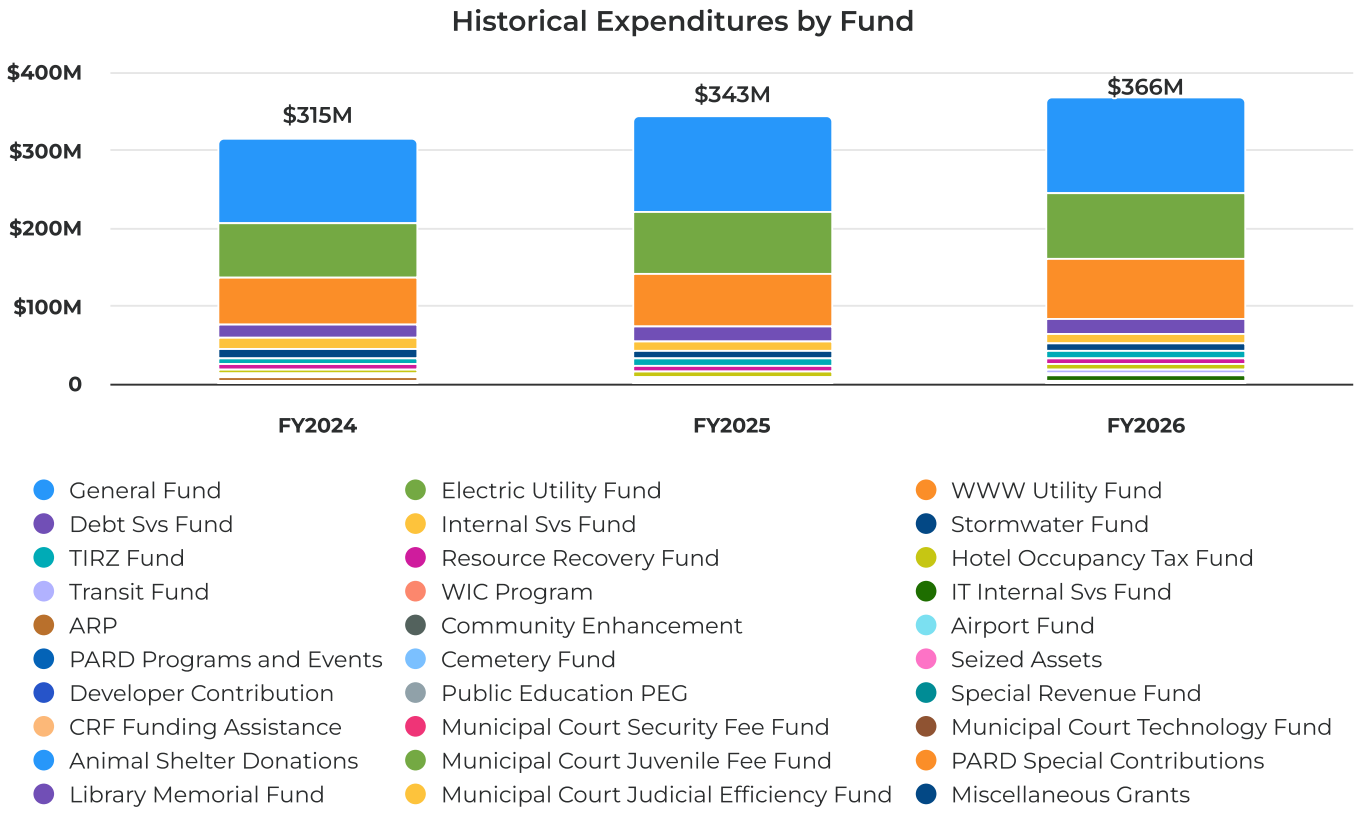
Fund Summary



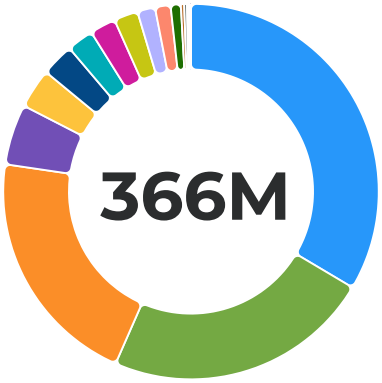
San Marcos Downtown

Consolidated Fund Summary

Expenditures by Fund



FY26 Expenditures by Fund



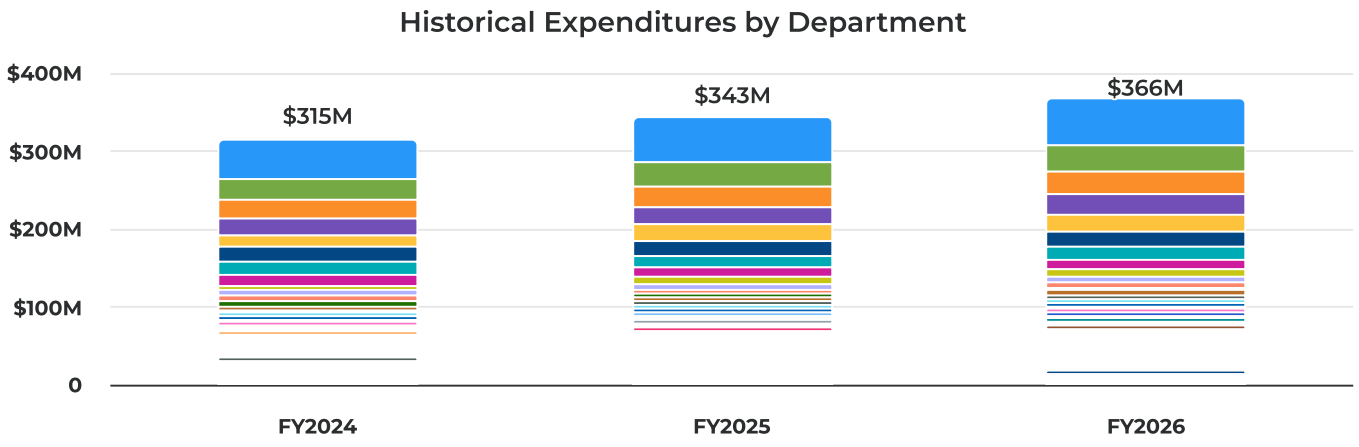
●	General Fund	$122,849,973	33.53%
●	Electric Utility Fund	$84,430,380	23.04%
●	WWW Utility Fund	$76,066,884	20.76%
●	Debt Svs Fund	$19,112,406	5.22%
●	Internal Svs Fund	$12,581,457	3.43%
●	Stormwater Fund	$10,347,840	2.82%
●	Resource Recovery Fund	$8,381,834	2.29%
●	TIRZ Fund	$8,211,550	2.24%
●	IT Internal Svs Fund	$7,546,297	2.06%
●	Hotel Occupancy Tax Fund	$5,634,207	1.54%
●	Transit Fund	$4,872,760	1.33%
●	WIC Program	$3,237,778	0.88%
●	Community Enhancement	$1,002,324	0.27%
●	Airport Fund	$882,503	0.24%
●	PARD Programs and Events	$516,350	0.14%
●	Seized Assets	$213,000	0.06%
●	Cemetery Fund	$212,309	0.06%
●	Special Revenue Fund	$135,085	0.04%
●	Public Education PEG	$60,000	0.02%
●	Animal Shelter Donations	$30,000	0.01%
●	PARD Special Contributions	$30,000	0.01%
●	Municipal Court Security Fee Fund	$20,000	0.01%
●	Municipal Court Juvenile Fee Fund	$19,756	0.01%
●	Municipal Court Technology Fund	$17,000	0.00%
●	Municipal Court Judicial Efficiency Fund	$5,000	0.00%

Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
General Fund	$109,737,931	$123,043,657	$121,984,014	$122,849,973	-0.16%
Debt Svs Fund	$17,726,250	$18,827,072	$18,815,192	$19,112,406	1.52%
Community Enhancement	$965,374	$1,069,182	$1,275,053	$1,002,324	-6.25%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
PARD Special Contributions	$22,301	-	-	$30,000	-
PARD Programs and Events	$118,514	$244,225	$270,376	$516,350	111.42%
Municipal Court Judicial Efficiency Fund	-	$5,000	$5,000	$5,000	0.00%
Municipal Court Juvenile Fee Fund	$19,985	$21,391	$17,699	$19,756	-7.64%
Municipal Court Security Fee Fund	-	$100,000	$100,000	$20,000	-80.00%
Municipal Court Technology Fund	-	$100,000	$100,000	$17,000	-83.00%
Hotel Occupancy Tax Fund	$4,839,170	$6,212,459	$5,096,486	$5,634,207	-9.31%
Public Education PEG	$46,043	$100,000	$85,000	$60,000	-40.00%
Miscellaneous Grants	$3,174	-	-	-	-
Developer Contribution	$232,846	-	$500,000	-	-
Animal Shelter Donations	$4,805	$30,000	$30,000	$30,000	0.00%
Cemetery Fund	$186,142	$212,309	$105,985	$212,309	0.00%
Special Revenue Fund	-	-	-	$135,085	-
Seized Assets	$108,291	$140,000	$36,000	$213,000	52.14%
WIC Program	$2,575,044	$3,149,188	$2,935,432	$3,237,778	2.81%
CRF Funding Assistance	$125,479	-	-	-	-
ARP	$5,772,948	-	-	-	-
Library Memorial Fund	$10,103	-	-	-	-
TIRZ Fund	$6,981,717	$8,636,462	$5,151,198	$8,211,550	-4.92%
Stormwater Fund	$12,184,330	$10,039,433	$9,838,180	$10,347,840	3.07%
Electric Utility Fund	$69,113,066	$79,768,752	$79,803,339	$84,430,380	5.84%
WWW Utility Fund	$60,547,240	$67,426,341	$67,144,864	$76,066,884	12.81%
Transit Fund	$3,114,925	$2,825,957	$2,849,723	$4,872,760	72.43%
Resource Recovery Fund	$7,156,129	$7,902,512	$7,907,848	$8,381,834	6.07%
Airport Fund	$850,726	$873,008	$873,008	$882,503	1.09%
Internal Svs Fund	$12,918,139	$11,851,588	$12,969,588	$12,581,457	6.16%
IT Internal Svs Fund	-	-	-	$7,546,297	-
Total Expenditures	**$315,360,672**	**$342,578,537**	**$337,893,984**	**$366,416,693**	**6.96%**

Expenditures by Department



- Elec Utility Special Svs
- WWW Debt Svs
- Fire
- Elec Utility Debt Svs
- TRZ Loop 110
- Engineering
- Information Technology
- Stormwater Special Svs
- Elec Utility Meter
- Stormwater Operations
- City Manager
- Tourism Programs
- Animal Shelter
- WWW Quality Svs
- WIC Admin
- Elec Utility Admin
- Fire Marshal
- Community Enhancement
- City Clerk
- Code Compliance
- WIC Nutrition Ed
- Animal Protection
- Office Of Emergency Mgmt
- City Council
- WWW Conservation
- TIRZ 3
- Outdoor Pool
- Real Estate
- PARD Youth Programs
- CRF Funding Assistance
- PARD Corporate Challenge
- PARD Misc Activities
- WWW Special Svs
- Special Svs
- City Health
- Elec Utility Maintenance
- WWW Distribution
- Planning & Development Services
- Finance
- WWW Collection
- Library
- WWW Maintenance
- Human Resources
- Elec Utility Business Office
- ARP Fund
- Public Works Admin
- Municipal Court
- Legal
- Fleet
- PARD Recreation Programs
- PARD Admin
- Airport Admin
- Main Street
- Social Svs
- Electric Warehouse
- Arts Program
- WIC Lactation
- Cemetery Admin
- Seized Assets Disb-State
- Undefined
- PARD Adult Programs
- PARD Youth Activities
- Main Street Sponsorships
- Police Operations
- Debt Svs Fund
- Resource Recovery Admin
- Stormwater Debt Svs
- Streets
- Transit Admin
- Facilities & Grounds
- Parks Operations
- Convention & Visitor Bureau
- Economic Development
- City Marshal
- TIRZ 4
- Elec Utility Operations
- Traffic Operations
- Activity Center
- WWW Admin
- Communications
- ISF Special Svs
- GIS
- TIRZ 5
- Neighborhood Enhancement
- Discovery Center
- WIC Peer Counseling
- Parking Enforcement
- Elec Utility Conservation
- Parks And Recreation Improv
- PARD Special Events
- PARD Paid Parking Program
- Seized Assets Disb-Federal
- PARD Senior Programs
- PARD General Activities

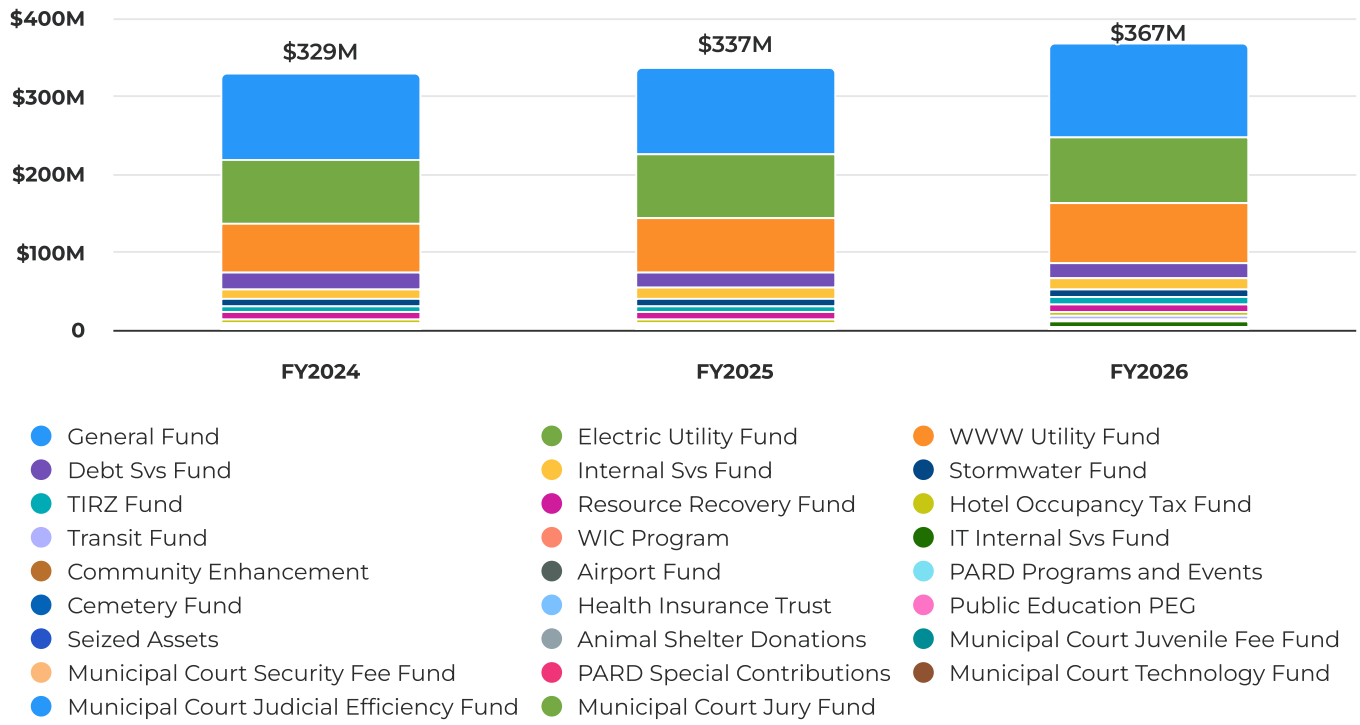
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Elec Utility Admin	$997,662	$1,300,023	$1,024,741	$1,684,416	29.57%
Elec Utility Operations	$1,410,403	$2,030,916	$2,247,311	$2,326,472	14.55%
TIRZ 3	$207,745	$198,864	$155,068	$218,327	9.79%
Elec Utility Conservation	$151,822	$280,347	$192,151	$248,244	-11.45%
TIRZ 4	$1,335,421	$2,220,388	$2,220,388	$2,455,564	10.59%
Elec Utility Meter	$2,043,729	$2,585,339	$2,641,583	$3,008,777	16.38%
TIRZ 5	$850,348	$1,250,943	-	$373,860	-70.11%
Elec Utility Maintenance	$5,531,296	$5,993,555	$6,367,273	$6,381,896	6.48%
Elec Utility Business Office	$1,656,190	$2,117,005	$2,075,712	$2,400,878	13.41%
TRZ Loop 110	$4,588,203	$4,966,267	$2,775,742	$5,163,799	3.98%
Elec Utility Special Svs	$50,375,854	$57,273,210	$57,374,611	$60,261,959	5.22%
WWW Admin	$1,062,127	$1,352,003	$1,082,256	$1,202,246	-11.08%
WWW Maintenance	$1,560,423	$2,271,804	$2,067,019	$2,936,129	29.24%
WWW Collection	$2,680,845	$2,974,536	$3,294,038	$3,128,930	5.19%
WWW Quality Svs	$1,260,004	$2,008,900	$1,949,756	$2,326,184	15.79%
WWW Distribution	$4,345,060	$4,982,125	$5,844,321	$4,979,840	-0.05%
WWW Conservation	$131,839	$403,093	$192,312	$291,098	-27.78%
WWW Special Svs	$28,720,242	$30,970,739	$30,252,021	$33,822,566	9.21%
Undefined	$65,366	$100,000	$85,000	$60,000	-40.00%
City Manager	$2,136,992	$2,110,108	$2,136,012	$2,438,525	15.56%
City Clerk	$795,470	$994,379	$881,101	$1,006,691	1.24%
City Council	$284,811	$351,556	$337,745	$351,880	0.09%
Communications	$1,002,731	$1,108,730	$1,090,270	$1,177,106	6.17%
Finance	$3,182,305	$3,206,353	$3,123,505	$3,311,790	3.29%
Legal	$1,018,151	$1,309,795	$1,116,761	$1,340,664	2.36%
Human Resources	$1,969,783	$2,277,720	$2,306,402	$2,382,943	4.62%
Municipal Court	$1,089,649	$1,568,688	$1,492,064	$1,496,552	-4.60%
Information Technology	$2,989,734	$3,587,368	$3,952,784	$3,640,420	1.48%
GIS	$801,325	$923,981	$837,221	$941,817	1.93%
Planning & Development Services	$3,767,209	$4,378,600	$3,984,480	$4,374,129	-0.10%
Real Estate	$272,613	-	-	-	-
Engineering	$3,845,474	$4,484,734	$4,349,304	$4,661,962	3.95%
Economic Development	$1,932,135	$2,669,600	$1,662,319	$2,110,096	-20.96%
Office Of Emergency Mgmt	$385,432	$440,654	$369,836	$371,735	-15.64%
Fire	$17,785,512	$16,228,575	$16,923,826	$17,197,134	5.97%
Fire Marshal	-	$1,768,488	$1,866,958	$1,844,315	4.29%
Police Operations	$24,175,939	$26,157,622	$26,256,936	$27,882,568	6.59%
Public Works Admin	$2,158,866	$1,496,974	$1,563,325	$1,616,544	7.99%
Traffic Operations	$1,658,984	$1,706,314	$1,900,243	$1,757,937	3.03%
Streets	$4,317,188	$4,748,799	$4,936,856	$4,580,140	-3.55%
Code Compliance	$658,059	$943,316	$936,432	$1,018,871	8.01%
Animal Protection	$615,983	$645,837	$561,263	$678,468	5.05%
Animal Shelter	$1,769,475	$2,094,115	$1,970,208	$2,138,824	2.13%

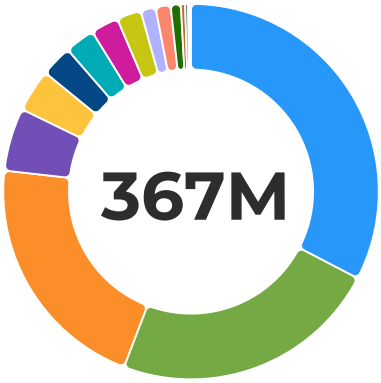
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Community Enhancement	$965,374	$1,069,182	$1,275,053	$1,002,324	-6.25%
Library	$2,258,190	$2,498,261	$2,393,427	$2,571,803	2.94%
Neighborhood Enhancement	$622,449	$686,153	$657,104	$646,427	-5.79%
Parks Operations	$2,758,375	$2,851,150	$3,583,717	$3,002,959	5.32%
PARD Admin	$789,623	$977,110	$967,110	$987,229	1.04%
PARD Recreation Programs	$899,307	$1,016,963	$972,055	$1,058,922	4.13%
Outdoor Pool	$114,309	$117,617	$111,327	$124,309	5.69%
City Marshal	$1,814,708	$2,061,943	$1,776,682	$2,751,572	33.45%
Parking Enforcement	$204,341	$352,414	$524,375	$345,739	-1.89%
Facilities & Grounds	$2,832,419	$2,827,807	$2,959,707	$3,330,501	17.78%
Activity Center	$1,369,919	$1,320,905	$1,287,469	$1,363,166	3.20%
Fleet	$1,083,986	$1,210,781	$1,215,446	$1,229,077	1.51%
Discovery Center	$582,083	$517,597	$524,747	$562,064	8.59%
Social Svs	$626,347	$550,000	$891,818	$750,000	36.36%
Special Svs	$15,225,245	$21,109,042	$19,815,878	$20,509,087	-2.84%
Debt Svs Fund	$17,726,250	$18,827,072	$18,815,192	$19,112,406	1.52%
PARD Youth Programs	$4,989	$59,525	$81,025	$82,950	39.35%
PARD Adult Programs	$30,149	$50,000	$50,000	$55,000	10.00%
PARD Corporate Challenge	$8,394	$6,000	$7,466	$10,000	66.67%
PARD Misc Activities	$14	-	-	-	-
PARD Senior Programs	$9,330	$13,000	$15,787	$18,000	38.46%
PARD Special Events	$40,681	$115,700	$77,548	$130,700	12.96%
PARD Youth Activities	$22,294	-	$38,550	$44,700	-
PARD General Activities	$301	-	-	-	-
Main Street Sponsorships	$2,363	-	-	-	-
Cemetery Admin	$186,142	$212,309	$105,985	$212,309	0.00%
Convention & Visitor Bureau	$2,157,181	$2,779,661	$2,482,007	$2,316,479	-16.66%
Main Street	$633,061	$712,282	$630,859	$726,628	2.01%
Tourism Programs	$2,048,928	$2,720,516	$1,983,620	$1,677,633	-38.33%
Seized Assets Disb-State	$108,291	$90,000	$29,000	$130,000	44.44%
Seized Assets Disb-Federal	-	$50,000	$7,000	$83,000	66.00%
WIC Admin	$1,339,358	$1,718,728	$1,599,082	$1,800,039	4.73%
WIC Lactation	$293,851	$200,284	$202,133	$229,260	14.47%
WIC Nutrition Ed	$606,518	$876,812	$792,618	$858,647	-2.07%
WIC Peer Counseling	$335,317	$353,364	$341,599	$349,832	-1.00%
CRF Funding Assistance	$125,479	-	-	-	-
ARP Fund	$5,772,948	-	-	-	-
Parks And Recreation Improv	$232,846	-	$500,000	$135,085	-
Resource Recovery Admin	$7,156,129	$7,902,512	$7,907,848	$8,381,834	6.07%
Stormwater Operations	$2,160,913	$2,486,142	$2,403,787	$2,550,006	2.57%
Stormwater Special Svs	$2,503,600	$3,217,530	$3,098,632	$3,163,544	-1.68%
Stormwater Debt Svs	$7,503,669	$4,335,761	$4,335,761	$4,634,290	6.89%
Elec Utility Debt Svs	$6,946,110	$7,456,749	$7,456,749	$7,782,938	4.37%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Electric Warehouse	-	$731,608	$423,208	$334,800	-54.24%
WWW Debt Svs	$20,786,700	$22,463,141	$22,463,141	$27,379,891	21.89%
Transit Admin	$3,114,925	$2,825,957	$2,849,723	$4,872,760	72.43%
Airport Admin	$850,726	$873,008	$873,008	$882,503	1.09%
City Health	$12,918,139	$11,851,588	$12,969,588	$12,581,457	6.16%
PARD Paid Parking Program	-	-	-	$175,000	-
Arts Program	-	-	-	$913,467	-
ISF Special Svs	-	-	-	$2,964,060	-
Total Expenditures	**$315,360,672**	**$342,578,537**	**$337,893,984**	**$366,416,693**	**6.96%**

Revenues by Fund



FY26 Revenues by Fund



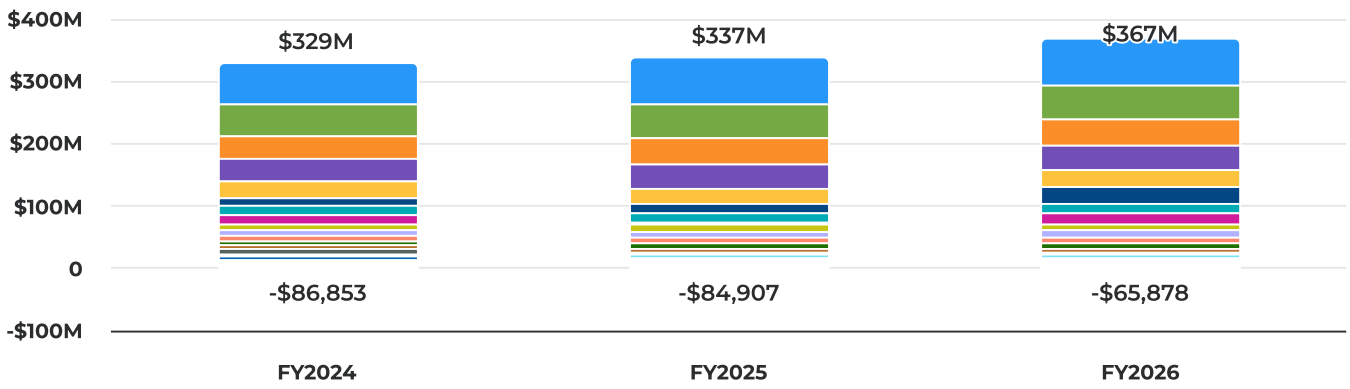
General Fund	**$119,849,964**	32.64%
Electric Utility Fund	**$85,103,463**	23.18%
WWW Utility Fund	**$77,004,022**	20.97%
Debt Svs Fund	**$19,923,293**	5.43%
Internal Svs Fund	**$13,514,824**	3.68%
Stormwater Fund	**$9,997,840**	2.72%
TIRZ Fund	**$9,485,658**	2.58%
Resource Recovery Fund	**$8,753,438**	2.38%
IT Internal Svs Fund	**$7,695,466**	2.10%
Hotel Occupancy Tax Fund	**$4,759,207**	1.30%
Transit Fund	**$4,722,760**	1.29%
WIC Program	**$3,237,779**	0.88%
Community Enhancement	**$1,304,696**	0.36%
Airport Fund	**$937,305**	0.26%
PARD Programs and Events	**$494,850**	0.13%
Cemetery Fund	**$212,309**	0.06%
Public Education PEG	**$60,000**	0.02%
Seized Assets	**$30,000**	0.01%
Animal Shelter Donations	**$30,000**	0.01%
PARD Special Contributions	**$30,000**	0.01%
Municipal Court Juvenile Fee Fund	**$21,391**	0.01%
Municipal Court Security Fee Fund	**$20,000**	0.01%
Municipal Court Technology Fund	**$17,000**	0.00%
Municipal Court Judicial Efficiency Fund	**$5,000**	0.00%

Revenues by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
General Fund	$110,252,057	$112,984,173	$112,925,249	$119,849,964	6.08%
Debt Svs Fund	$19,963,767	$19,625,575	$19,568,734	$19,923,293	1.52%
Community Enhancement	$1,125,056	$1,088,514	$1,209,535	$1,304,696	19.86%
PARD Special Contributions	$23,497	-	-	$30,000	-

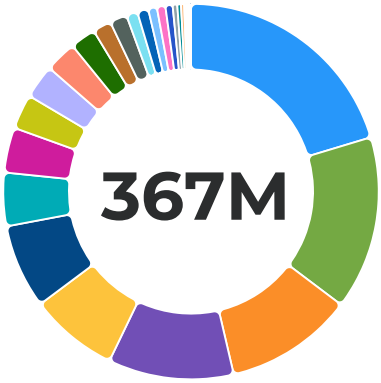
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
PARD Programs and Events	$185,921	$282,775	$290,687	$494,850	75.00%
Municipal Court Jury Fund	$440	-	-	-	-
Municipal Court Judicial Efficiency Fund	$8,723	$5,000	$5,000	$5,000	0.00%
Municipal Court Juvenile Fee Fund	$24,379	$21,391	$21,391	$21,391	0.00%
Municipal Court Security Fee Fund	$22,833	$20,000	$20,000	$20,000	0.00%
Municipal Court Technology Fund	$19,320	$17,000	$17,000	$17,000	0.00%
Hotel Occupancy Tax Fund	$5,663,592	$4,387,678	$4,493,156	$4,759,207	8.47%
Public Education PEG	$68,776	$85,000	$85,000	$60,000	-29.41%
Animal Shelter Donations	$32,535	$30,000	$13,303	$30,000	0.00%
Cemetery Fund	$354,472	$212,309	$223,232	$212,309	0.00%
Seized Assets	$29,555	$50,000	$36,400	$30,000	-40.00%
WIC Program	$2,575,044	$3,149,188	$2,935,432	$3,237,779	2.81%
TIRZ Fund	$8,820,639	$9,059,664	$9,059,664	$9,485,658	4.70%
Stormwater Fund	$9,523,329	$10,039,433	$9,900,000	$9,997,840	-0.41%
Electric Utility Fund	$83,251,789	$81,309,572	$81,309,572	$85,103,463	4.67%
WWW Utility Fund	$62,942,588	$69,422,652	$69,422,652	$77,004,022	10.92%
Transit Fund	$3,191,525	$2,868,234	$2,863,234	$4,722,760	64.66%
Resource Recovery Fund	$7,690,688	$8,225,356	$8,493,702	$8,753,438	6.42%
Airport Fund	$813,518	$873,008	$953,064	$937,305	7.36%
Internal Svs Fund	$12,298,004	$12,871,261	$12,981,261	$13,514,824	5.00%
IT Internal Svs Fund	-	-	-	$7,695,466	-
Health Insurance Trust	-	$500,000	-	-	-
Total Revenues	**$328,882,047**	**$337,127,783**	**$336,827,268**	**$367,210,265**	**8.92%**

Revenues by Revenue Source



- Charges for Services-Electric
- Sales Tax
- Franchise Fee
- Employer Contributions
- Charges for Services-Residential
- Hotel Occupancy Tax
- Employee Contributions
- Venue Tax-2%
- Pole Attachment
- City-Owned T-Hangar Rentals
- Fare Revenue
- Animal Shelter Restricted Donations
- Juvenile Court Fees
- Pharmacy Rebates
- Sales Tax Discount
- Debt Service
- Property Tax
- Charges for Services-Wastewater
- Other Revenue
- Charges for Services-Stormwater
- Interest Income
- Charges for Services
- TIRZ-County
- Penalties
- Retiree Contributions
- Fuel Flowage Fees
- Agricultural Land Lease
- City-Owned Shelter Rentals
- Restricted Donations
- Tie-Down Rent
- City-Owned Storage Area Rentals
- Jury Fee
- Charges for Services-Water
- Transfer In
- Intergovernmental
- TIRZ-City
- Licenses and Permits
- Charges for Services-Multifamily
- Fines and Penalties
- Commercial Land/Facility Rentals
- Private Hangar/Land Rentals
- Public Education Governmental Fee
- Seized Assets
- Commercial Gross Receipts
- Security Fee
- Technology Fee
- Efficiency Fee
- Commercial Land/Facility Improvement Credits

FY26 Revenues by Revenue Source



Charges for Services-Electric	$74,699,145	20.34%
Property Tax	$54,865,299	14.94%
Charges for Services-Water	$40,647,617	11.07%
Sales Tax	$39,692,955	10.81%
Transfer In	$28,062,665	7.64%
Charges for Services-Wastewater	$26,565,550	7.23%
Other Revenue	$16,882,704	4.60%
Franchise Fee	$14,295,969	3.89%
Intergovernmental	$11,008,289	3.00%
Employer Contributions	$10,690,723	2.91%
Charges for Services-Stormwater	$9,957,840	2.71%
TIRZ-City	$8,062,775	2.20%
Charges for Services-Residential	$5,843,765	1.59%
Licenses and Permits	$5,486,105	1.49%
Interest Income	$3,568,141	0.97%
Hotel Occupancy Tax	$3,456,376	0.94%
Charges for Services	$2,760,305	0.75%
Charges for Services-Multifamily	$2,704,673	0.74%
Employee Contributions	$2,299,101	0.63%
TIRZ-County	$1,422,883	0.39%
Fines and Penalties	$1,189,801	0.32%
Venue Tax-2%	$987,410	0.27%
Commercial Land/Facility Rentals	$505,939	0.14%
Pole Attachment	$500,000	0.14%
Retiree Contributions	$299,250	0.08%
Private Hangar/Land Rentals	$202,777	0.06%
City-Owned T-Hangar Rentals	$96,525	0.03%
Fuel Flowage Fees	$72,000	0.02%
Fare Revenue	$60,000	0.02%
Public Education Governmental Fee	$60,000	0.02%
Agricultural Land Lease	$45,809	0.01%
Tie-Down Rent	$39,000	0.01%
Restricted Donations	$33,782	0.01%
Animal Shelter Restricted Donations	$30,000	0.01%
Seized Assets	$30,000	0.01%
City-Owned Shelter Rentals	$27,000	0.01%

Penalties	$21,600	0.01%
Juvenile Court Fees	$21,391	0.01%
Security Fee	$20,000	0.01%
Technology Fee	$17,000	0.00%
Pharmacy Rebates	$15,750	0.00%
Sales Tax Discount	$9,096	0.00%
Commercial Gross Receipts	$8,133	0.00%
City-Owned Storage Area Rentals	$6,000	0.00%
Efficiency Fee	$5,000	0.00%
Commercial Land/Facility Improvement Credits	-$65,878	-0.02%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Property Tax	$49,525,128	$52,394,831	$52,324,831	$54,865,299	4.72%
Sales Tax	$38,645,518	$39,035,250	$39,035,250	$39,692,955	1.68%
Other Revenue	$15,784,861	$5,172,974	$5,102,339	$16,882,704	226.36%
Franchise Fee	$12,677,078	$13,397,883	$13,397,883	$14,295,969	6.70%
Public Education Governmental Fee	$68,776	$85,000	$85,000	$60,000	-29.41%
Hotel Occupancy Tax	$3,966,291	$3,085,401	$3,300,000	$3,456,376	12.02%
Venue Tax-2%	$1,168,260	$986,662	$942,000	$987,410	0.08%
Licenses and Permits	$4,439,367	$5,433,298	$5,313,581	$5,486,105	0.97%
Fines and Penalties	$1,113,080	$1,083,168	$1,133,734	$1,189,801	9.84%
Technology Fee	$19,320	$17,000	$17,000	$17,000	0.00%
Security Fee	$22,833	$20,000	$20,000	$20,000	0.00%
Juvenile Court Fees	$24,379	$21,391	$21,391	$21,391	0.00%
Efficiency Fee	$8,723	$5,000	$5,000	$5,000	0.00%
Jury Fee	$440	-	-	-	-
Seized Assets	$29,555	$50,000	$36,400	$30,000	-40.00%
Interest Income	$8,690,353	$3,809,064	$4,048,000	$3,568,141	-6.32%
Charges for Services	$2,281,576	$2,263,403	$2,440,662	$2,760,305	21.95%
Intergovernmental	$9,124,285	$9,833,196	$9,779,440	$11,008,289	11.95%
City-Owned T-Hangar Rentals	$93,890	$95,040	$95,274	$96,525	1.56%
City-Owned Shelter Rentals	$24,561	$24,150	$24,089	$27,000	11.80%
Agricultural Land Lease	$45,809	$45,809	$45,809	$45,809	0.00%
Fuel Flowage Fees	$77,429	$76,880	$72,000	$72,000	-6.35%
City-Owned Storage Area Rentals	$6,432	$7,500	$6,500	$6,000	-20.00%
Private Hangar/Land Rentals	$151,294	$166,268	$162,055	$202,777	21.96%
Tie-Down Rent	$7,555	$10,800	$18,899	$39,000	261.11%
Commercial Land/Facility Rentals	$374,380	$410,415	$474,877	$505,939	23.27%
Commercial Gross Receipts	$28,521	$30,553	$32,223	$8,133	-73.38%
Commercial Land/Facility Improvement Credits	-$86,853	-$84,907	-$69,162	-$65,878	-22.41%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Sales Tax Discount	$10,738	$8,900	$8,900	$9,096	2.20%
Charges for Services-Electric	$67,289,833	$75,113,869	$75,113,869	$74,699,145	-0.55%
Charges for Services-Water	$35,257,182	$41,854,407	$41,854,407	$40,647,617	-2.88%
Charges for Services-Wastewater	$24,675,391	$25,670,227	$25,670,227	$26,565,550	3.49%
Charges for Services-Stormwater	$9,251,772	$9,939,433	$9,750,000	$9,957,840	0.19%
Penalties	$1,566,211	$1,470,669	$1,450,669	$21,600	-98.53%
Charges for Services-Residential	$5,096,406	$5,578,821	$5,575,952	$5,843,765	4.75%
Charges for Services-Multifamily	$2,113,850	$2,341,535	$2,606,750	$2,704,673	15.51%
Fare Revenue	$59,253	$60,000	$55,000	$60,000	0.00%
Animal Shelter Restricted Donations	$32,535	$30,000	$13,303	$30,000	0.00%
Pole Attachment	$160,642	$500,000	$500,000	$500,000	0.00%
TIRZ-City	$7,453,548	$7,771,666	$7,771,666	$8,062,775	3.75%
TIRZ-County	$1,367,091	$1,287,998	$1,287,998	$1,422,883	10.47%
Restricted Donations	$31,247	-	-	$33,782	-
Employee Contributions	$2,225,948	$2,189,620	$2,299,620	$2,299,101	5.00%
Employer Contributions	$9,040,394	$10,181,641	$10,181,641	$10,690,723	5.00%
Retiree Contributions	$523,797	$285,000	$285,000	$299,250	5.00%
Pharmacy Rebates	$31,823	$15,000	$15,000	$15,750	5.00%
Transfer In	$14,377,156	$15,352,968	$14,522,191	$28,062,665	82.78%
Debt Service	$4,392	-	-	-	-
Total Revenues	**$328,882,047**	**$337,127,783**	**$336,827,268**	**$367,210,265**	**8.92%**

General Fund

Summary

REVENUES

Revenue forecasting is a complex and difficult task that involves collecting historical data, researching economic data, and formulating forecasting assumptions. At a minimum, ten years of historical data are compiled and analyzed as part of the forecasting procedure. Qualitative and quantitative forecasting techniques such as consensus forecasting, expert forecasting and trend analysis are utilized when preparing revenue estimates. In some cases, more than one technique is used to predict revenues for the next fiscal year. Expert forecasting is perhaps the most useful technique because it relies on extensive technical knowledge of the economic activity that generates revenue and is sensitive to changes in the national, regional, and local economies.

This method is quite useful for the City because a significant amount of our sales tax base is generated through retail sales from the Prime and Tanger Outlet Malls. The General Fund receives revenues from a variety of sources, including taxes, licenses and permits, fines and penalties, interest income, other agencies, service fees, and transfers for indirect costs. Revenue projections are based on a variety of factors such as the economy, historical collections, known changes that will occur, and growth factors. In all events, conservative estimates are used.

REVENUE HIGHLIGHTS

The property tax rate is made up of two components: a rate for Maintenance and Operations (M&O), and a rate for Interest and Sinking (I&S) or debt service payments. Taxes generated by the M&O rate are for general operations of the city and are recognized in the General Fund. Taxes generated by the I&S Rate are to service the tax-supported debt of the city.

Sales tax revenue is estimated to come in lower than Fiscal Year 2023 actuals. This is due to a large sales taxpayer experiencing a significant reduction in sales. We expect economic growth to continue at a slower pace as inflationary pressure and interest rates affect the economy.

All other revenues in the Fiscal Year 2026 budget are budgeted using a conservative approach, reviewing prior years' data, known economic conditions and current year trends. Fee adjustments are adopted by Council after budget adoption in accordance to the City's Fee Policy.

Ad Valorem Tax

In the budget, property taxes represent 33% of total General Fund revenue. Property taxes are based on the assessed value of land, buildings and structures in the City as appraised by the Hays, Guadalupe, and Caldwell County Central Appraisal Districts. The City has experienced rapid growth over the last few years and is now seeing the slowdown of this growth. Much of the growth in the current year has occurred as a result of the new development within the City.

Historically, the City's collection rate has been over 98% of the current year levy. The budget assumes that collection rate. Revenue forecasting techniques are not used with the ad valorem tax, as the revenue is relatively simple to calculate. The calculation for ad valorem tax revenue is based on the certified assessed value multiplied by the tax rate.

The operations and maintenance tax rate will pay for core services, including pubic safety and quality of life initiatives like the library and recreation. The debt service tax rate will repay capital projects funded by tax-supported debt in the Debt Service Fund.

Historically, property taxes represent a relatively stable source of revenue for the City.

Franchise Fees

The General Fund receives revenues from franchise fees paid by public and private utilities which use City streets, alleys and rights-of-way for their utility lines and mains. The remaining portion of franchise fees is collected from telephone, cable and gas utility companies operating within the jurisdictional limits of the City. These smaller franchise fees are estimated through conservative forecasting techniques. This conventional technique assumes that historical collections will remain constant, and that the revenue source is stable. City staff will be examining existing franchise agreements to ensure that all agreements are consistent and in the best interest of the City.

Licenses and Permits

Licenses and permits represent the various fees collected for such activities as construction, plumbing, electrical, development and food service operation. Various permits such as building, mechanical, plumbing, zoning, site development, food handler, moving and alarm permits are required for business operation. These monies are used to fund the operating costs of functions associated with enforcing codes and building regulations.

Fines and Penalties

Fines and penalties are revenues collected from individuals or entities for violations of city ordinances, traffic regulations, code compliance issues, and other infractions.

Interest Income

Anticipated interest earnings are based on market projections of interest rates, which have increased significantly since the historically low rates experienced during the COVID-19 pandemic. Interest revenue is expected to decline in the coming years as rates are expected to be lower. During periods of increasing or decreasing rates, the City's portfolio lags behind treasury rates.

Charges for Services

Revenues within this category include animal shelter charges, birth and death certificate fees, passport fees, and various fees assessed by the Police Department, such as accident report fees. Revenue projections are based on historical collection data.

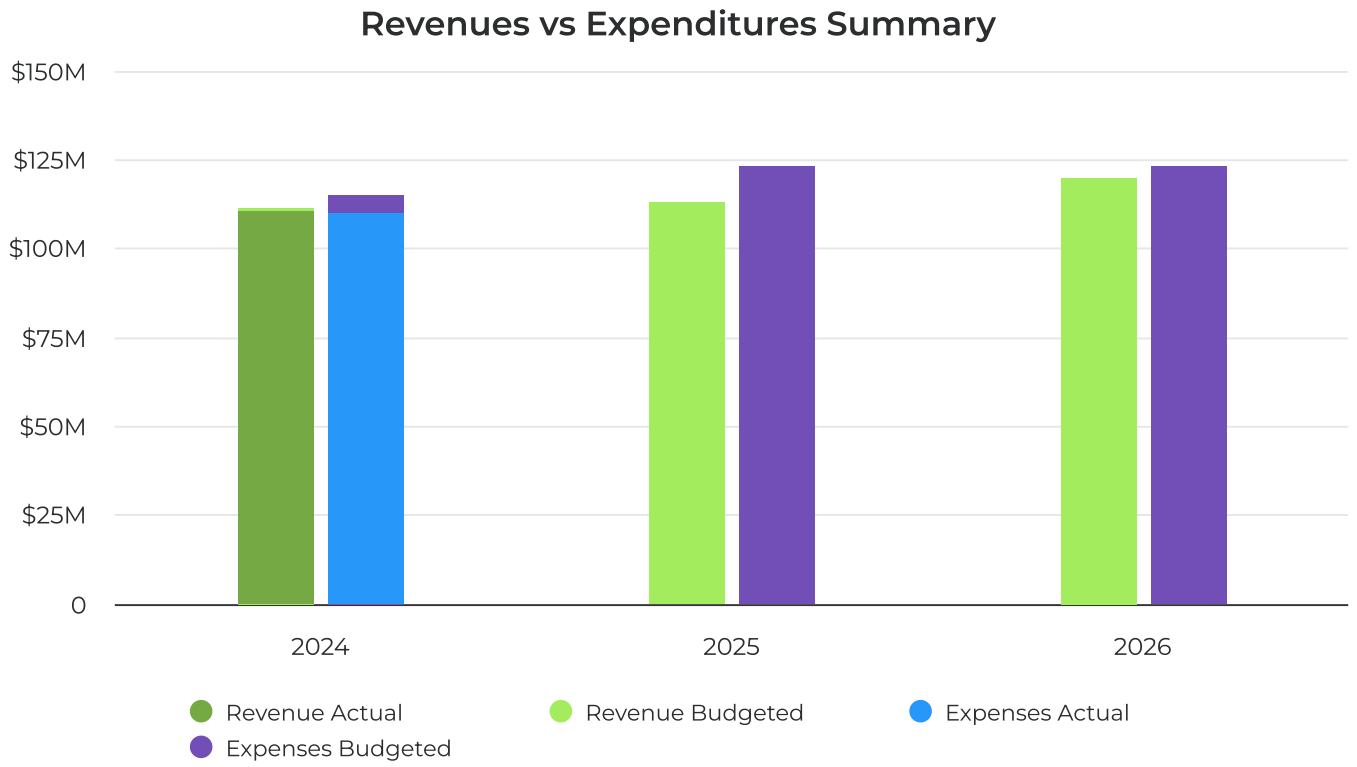
Other Revenues

Other revenues include reimbursements from other governmental agencies for various services performed by the City and from a variety of other sources that do not meet the classification requirements of other categories. The City and San Marcos Consolidated Independent School District are parties to a contract that calls for the school district to reimburse the City for 60% of the annual salaries and benefit costs for providing school resource officers within the school system. Another significant portion of this revenue source is the reimbursement received from Texas State University. The university reimburses the City 50% of the cost of salary and benefits for our Habitat Conservation position. Also, the City of Kyle, City of Buda and Hays County currently participate in the City's Regional Animal Shelter funding.

Other revenues include ordinance copies and rebates generated from the purchase card program. Revenue assumptions for this category are based on historical collection data.

Reimbursements from Other Funds and Operating Transfers

The General Fund bears the costs of administrative services such as legal, human resources, purchasing, finance, administration, and building and equipment usage. These costs are reviewed and calculated annually by an independent firm, which then recommends the reimbursements assigned to each fund.



General Fund Expenditure Discussion

EXPENDITURES

The General Fund is the primary operating fund for city government. Total General Fund recurring operating expenditures for Fiscal Year 2026 are budgeted at $122,849,963. General Fund total operating expenses increased by $866 thousand compared to the Fiscal Year 2025 estimated ending budget.

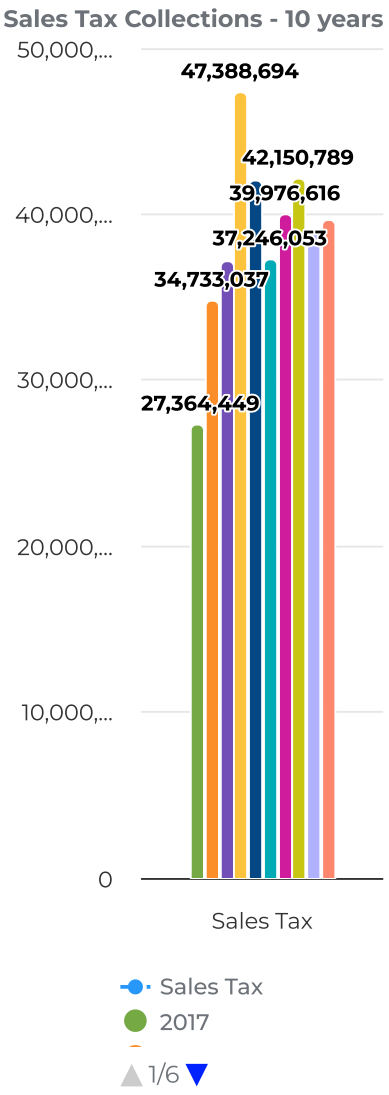
FUND BALANCE

Each fund maintains a fund balance that is available to cover operating expenses in the event of revenue shortfalls or other unforeseen events. The estimated fund balance in the General Fund at the beginning of Fiscal Year 2026 is $34.3 million.

Sales Tax

Sales Taxes

The City of San Marcos collects one and one-half cents on every dollar spent on taxable goods and services within the City limits. The State of Texas allows home rule cities like San Marcos to adopt a one-cent sales tax to support general governmental services. Local voters authorized another half-cent in 1987 dedicated solely to the reduction of property taxes. The one-and-one-half cents collected by the City represents the maximum we may adopt.



The half-cent sales tax is expected to generate just under $12.8 million in the next fiscal year; a sum that is equivalent to 14.85 cents on the property tax rate. Without the half-cent sales tax dedicated to property tax reduction, the City's ad valorem tax rate would have to be 77.63 cents per $100 of taxable value, to support the programs and services provided to San Marcos residents. Sales tax revenue, much of it generated by tourists and non-residents, represents significant savings to property taxpayers in San Marcos. Sales taxes are a primary source of funds for many vital services, ranging from police and fire protection to parks and recreation, library, environmental services, planning, and much more. The reliance on sales tax revenues requires vigilant monitoring of our revenue sources to assure they will keep pace with the demands and the rising costs of operating a complex municipal government. The table to the right represents 10 years of sales tax data as well as the budget estimate for Fiscal Year 2026. Fiscal Year 2018 represents the first year of business for a major retailer that located in San Marcos. Gross sales taxes are shown in the chart; however, 75% of the sales taxes were rebated back to the company under a Chapter 380 agreement. The last year of the agreement was Fiscal Year 2021.

Sales taxes represent 33% of total General Fund revenue estimated for Fiscal Year 2026. Sales tax receipts is the largest single revenue source supporting general governmental services in San Marcos. Consistent retail sales have kept this revenue stream steady for the past several years. When comparing historical sales tax collections by segment, the percentage represented by outlet retail collections has decreased while other segments have increased, indicating diversification in the sales taxes produced in the City. It is important to note that sales tax revenues can fluctuate and are subject to shifts in local, state and national economies. Our reliance on this revenue source is approached with caution.

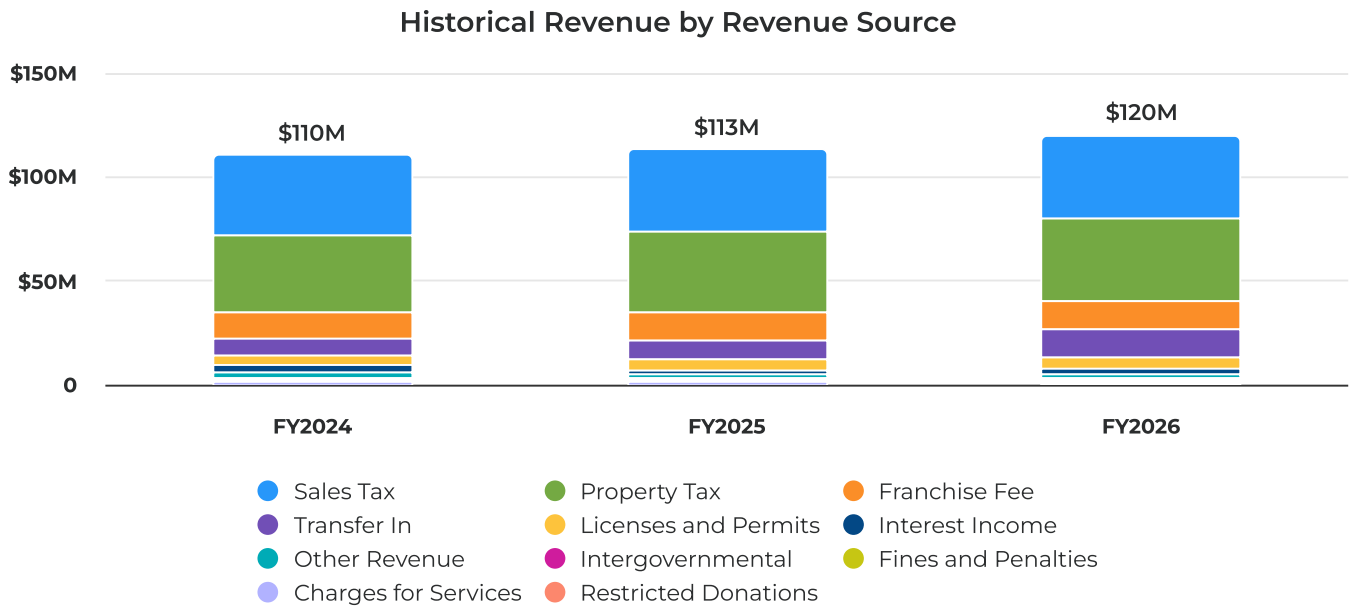
The City's proposed Financial Policy utilizes conservative forecast guidelines for projecting budgetary sales tax estimates. The current financial policy states that the estimated percentage increase in sales tax revenue may not exceed the actual percentage increase of the most recently completed fiscal year that resulted in a positive increase. The previous financial policy was revised in 2011 to account for those years when a decrease in sales tax occurs within the City. For Fiscal Year 2026, per the budget policy statement that was adopted by the City Council, sales tax is forecasted based on historical data and trends.

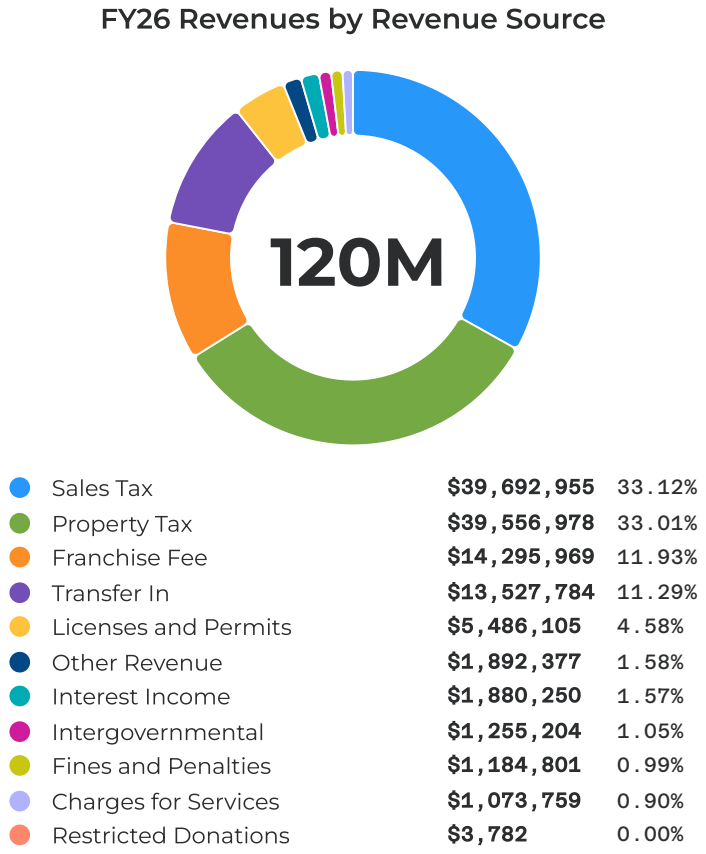
Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$42,855,821**	**$43,369,950**	**$43,369,950**	**$34,311,185**	**-20.89%**
Revenues					
Property Tax	$36,438,316	$39,071,814	$39,056,814	$39,556,978	1.24%
Sales Tax	$38,645,518	$39,035,250	$39,035,250	$39,692,955	1.68%
Other Revenue	$2,628,024	$1,772,516	$1,736,393	$1,892,377	6.76%
Franchise Fee	$12,677,078	$13,397,883	$13,397,883	$14,295,969	6.70%
Licenses and Permits	$4,439,367	$5,433,298	$5,313,581	$5,486,105	0.97%
Fines and Penalties	$977,962	$1,078,168	$1,128,734	$1,184,801	9.89%
Interest Income	$3,651,654	$2,027,500	$2,027,500	$1,880,250	-7.26%
Charges for Services	$983,031	$992,114	$1,053,464	$1,073,759	8.23%
Intergovernmental	$1,233,949	$1,245,068	$1,245,068	$1,255,204	0.81%
Restricted Donations	-	-	-	$3,782	-
Transfer In	$8,577,157	$8,930,562	$8,930,562	$13,527,784	51.48%
Total Revenues	**$110,252,057**	**$112,984,173**	**$112,925,249**	**$119,849,964**	**6.08%**
Expenditures					
Personnel	$74,362,717	$80,471,884	$79,014,543	$81,460,768	1.23%
Contracted Services	$12,534,259	$13,813,510	$14,631,504	$14,018,336	1.48%
Material & Supplies	$6,975,326	$7,097,751	$6,935,616	$7,026,550	-1.00%
Other Charges	$6,981,442	$9,678,375	$8,237,669	$10,550,420	9.01%
Grants Disbursements	$122,304	$95,000	$102,275	$95,000	0.00%
Social Services	$626,347	-	$341,818	-	-
Oper Trsf To Other Funds	$6,800,196	$6,417,749	$8,494,063	$7,266,128	13.22%
Capital Outlay	$1,335,340	$5,469,388	$4,226,526	$2,432,771	-55.52%
Total Expenditures	**$109,737,931**	**$123,043,657**	**$121,984,014**	**$122,849,973**	**-0.16%**
Total Revenues Less Expenditures	**$514,126**	**-$10,059,484**	**-$9,058,765**	**-$3,000,009**	**-70.18%**
Ending Fund Balance	**$43,369,947**	**$33,310,466**	**$34,311,185**	**$31,311,176**	**-6.00%**

Revenues by Revenue Source

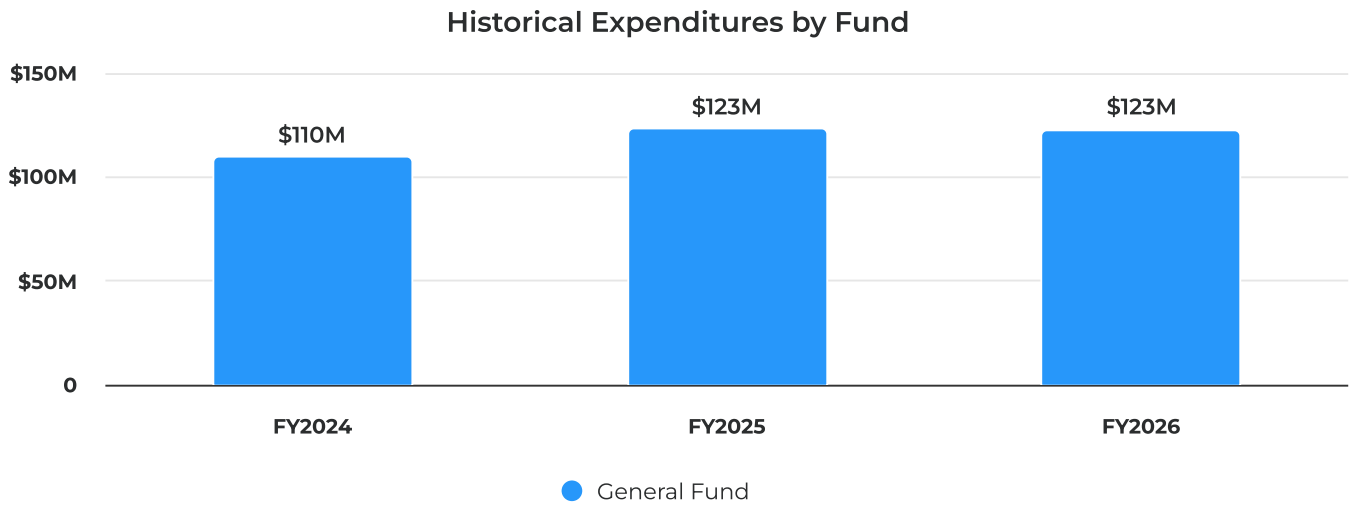




Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Property Tax	$36,438,316	$39,071,814	$39,056,814	$39,556,978	1.24%
Sales Tax	$38,645,518	$39,035,250	$39,035,250	$39,692,955	1.68%
Other Revenue	$2,628,024	$1,772,516	$1,736,393	$1,892,377	6.76%
Franchise Fee	$12,677,078	$13,397,883	$13,397,883	$14,295,969	6.70%
Licenses and Permits	$4,439,367	$5,433,298	$5,313,581	$5,486,105	0.97%
Fines and Penalties	$977,962	$1,078,168	$1,128,734	$1,184,801	9.89%
Interest Income	$3,651,654	$2,027,500	$2,027,500	$1,880,250	-7.26%
Charges for Services	$983,031	$992,114	$1,053,464	$1,073,759	8.23%
Intergovernmental	$1,233,949	$1,245,068	$1,245,068	$1,255,204	0.81%
Restricted Donations	-	-	-	$3,782	-
Transfer In	$8,577,157	$8,930,562	$8,930,562	$13,527,784	51.48%
Total Revenues	**$110,252,057**	**$112,984,173**	**$112,925,249**	**$119,849,964**	**6.08%**

Expenditures by Fund



FY26 Expenditures by Fund



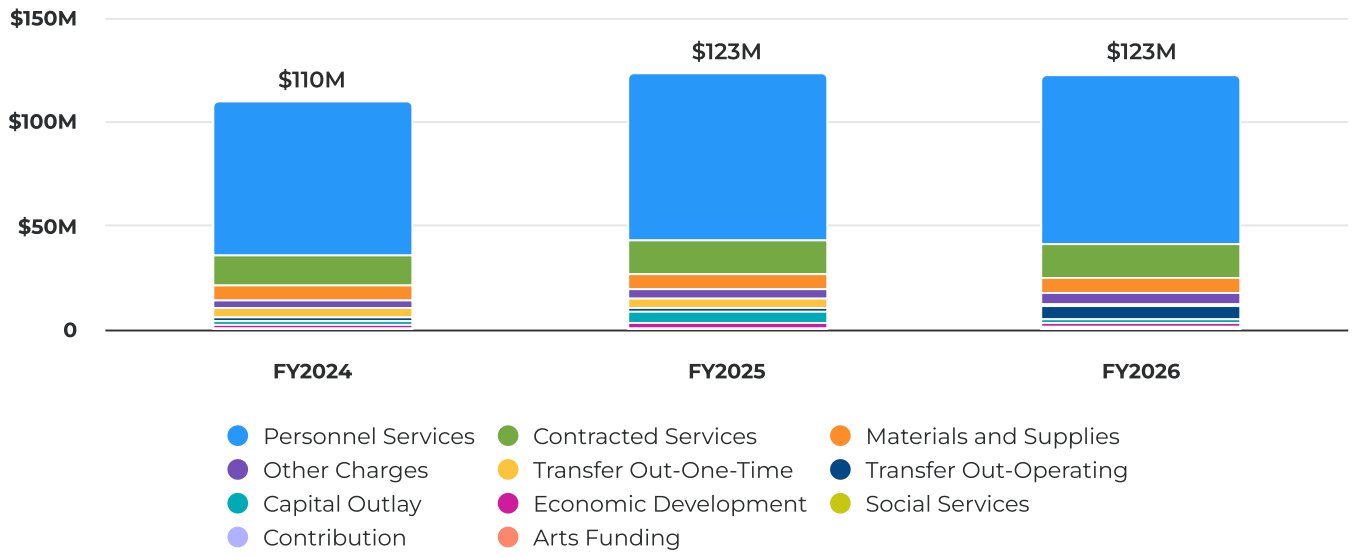
General Fund **$122,849,973** 100.00%

Expenditures by Fund

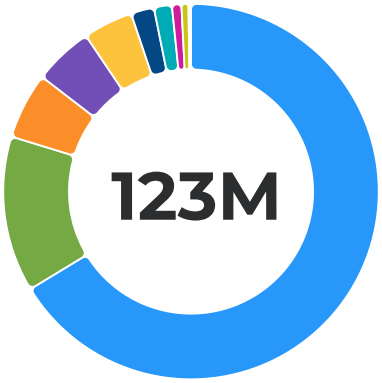
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
General Fund	$109,737,931	$123,043,657	$121,984,014	$122,849,973	-0.16%
Total Expenditures	**$109,737,931**	**$123,043,657**	**$121,984,014**	**$122,849,973**	**-0.16%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



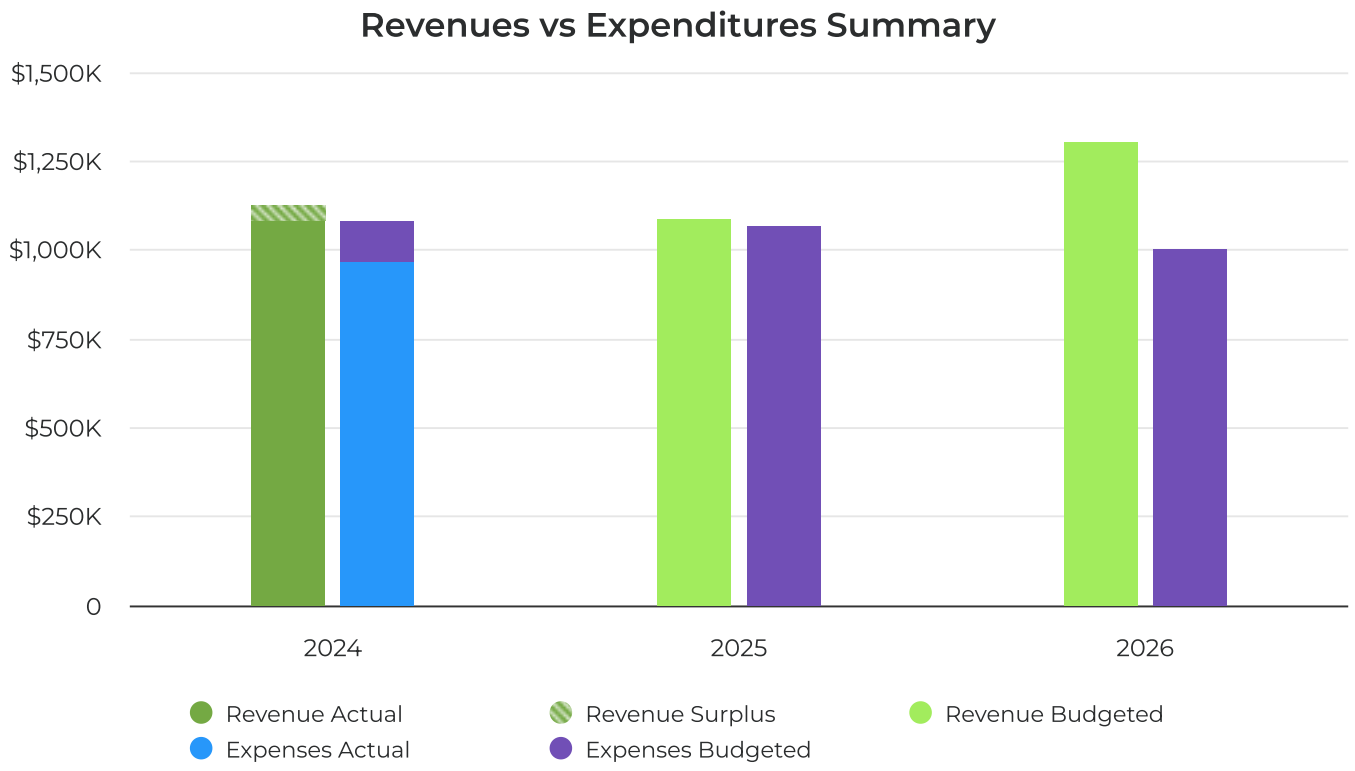
Personnel Services	$81,460,768	66.31%
Contracted Services	$16,488,365	13.42%
Materials and Supplies	$7,026,550	5.72%
Transfer Out-Operating	$6,266,128	5.10%
Other Charges	$5,268,912	4.29%
Capital Outlay	$2,432,771	1.98%
Economic Development	$1,895,479	1.54%
Transfer Out-One-Time	$1,000,000	0.81%
Social Services	$750,000	0.61%
Contribution	$166,000	0.14%
Arts Funding	$95,000	0.08%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$74,362,717	$80,471,884	$79,014,543	$81,460,768	1.23%
Contracted Services	$14,411,452	$16,188,537	$17,006,531	$16,488,365	1.85%
Materials and Supplies	$6,975,326	$7,097,751	$6,935,616	$7,026,550	-1.00%
Other Charges	$3,220,422	$4,091,122	$3,633,540	$5,268,912	28.79%
Contribution	$165,750	$166,000	$172,500	$166,000	0.00%
Social Services	$626,347	$550,000	$891,818	$750,000	36.36%
Economic Development	$1,765,011	$2,496,226	$1,506,602	$1,895,479	-24.07%
Arts Funding	$75,370	$95,000	$102,275	$95,000	0.00%
Transfer Out-Operating	$1,937,196	$1,991,749	$1,819,733	$6,266,128	214.60%
Transfer Out-One-Time	$4,863,000	$4,426,000	$6,674,330	$1,000,000	-77.41%
Capital Outlay	$1,335,340	$5,469,388	$4,226,526	$2,432,771	-55.52%
Total Expenditures	**$109,737,931**	**$123,043,657**	**$121,984,014**	**$122,849,973**	**-0.16%**

Community Enhancement Fund

Summary



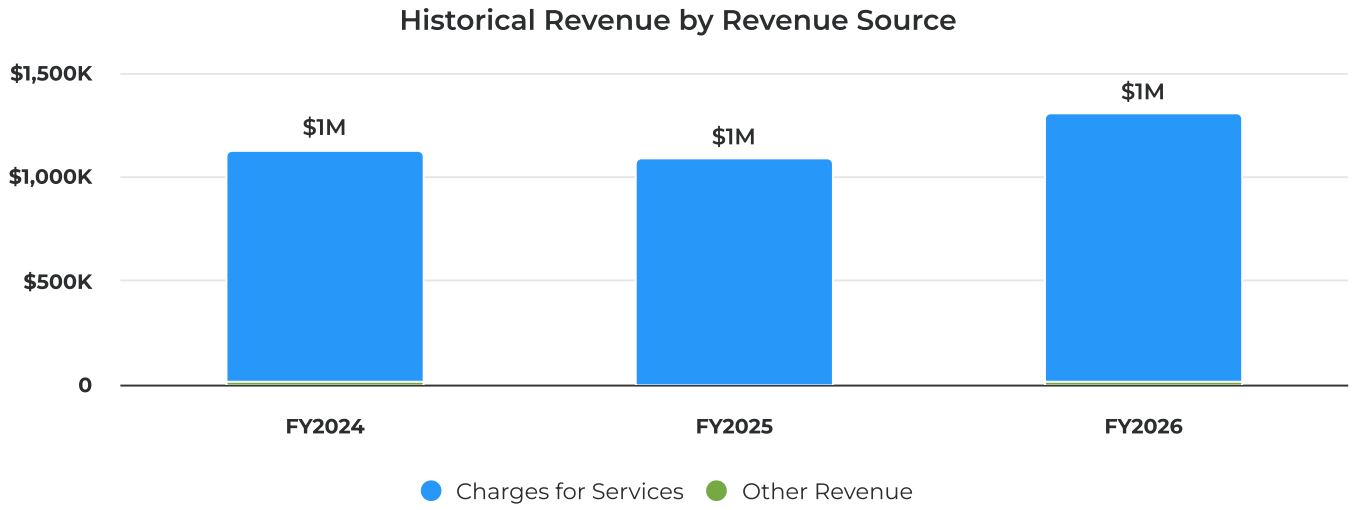
Comprehensive Fund Summary

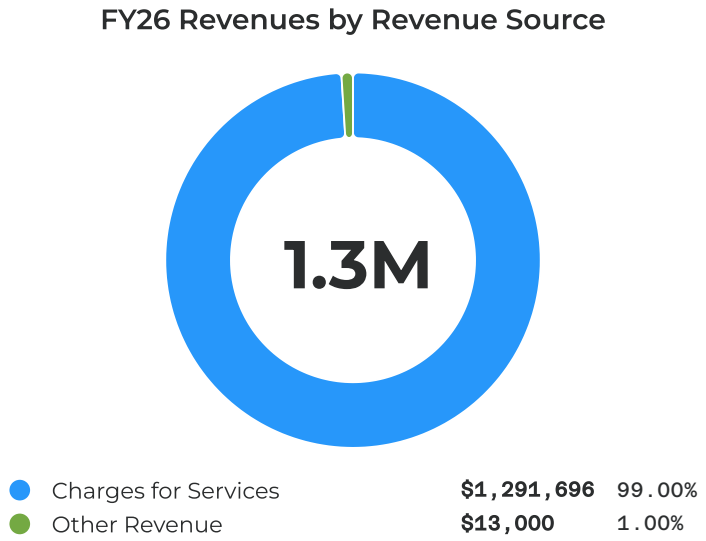
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$660,183**	**$819,864**	**$819,864**	**$754,346**	**-7.99%**
Revenues					
Other Revenue	$12,361	-	$13,024	$13,000	-
Charges for Services	$1,112,694	$1,088,514	$1,196,511	$1,291,696	18.67%
Total Revenues	**$1,125,056**	**$1,088,514**	**$1,209,535**	**$1,304,696**	**19.86%**
Expenditures					
Personnel	$464,110	$393,637	$383,289	$316,122	-19.69%
Contracted Services	$17,931	$86,500	$90,095	$91,300	5.55%
Material & Supplies	$24,003	$27,900	$27,900	$27,900	0.00%
Other Charges	$459,329	$561,145	$773,769	$567,002	1.04%
Total Expenditures	**$965,374**	**$1,069,182**	**$1,275,053**	**$1,002,324**	**-6.25%**

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Total Revenues Less Expenditures	$159,682	$19,332	-$65,518	$302,372	1,464.10%
Ending Fund Balance	$819,865	$839,196	$754,346	$1,056,718	25.92%

Revenues by Revenue Source

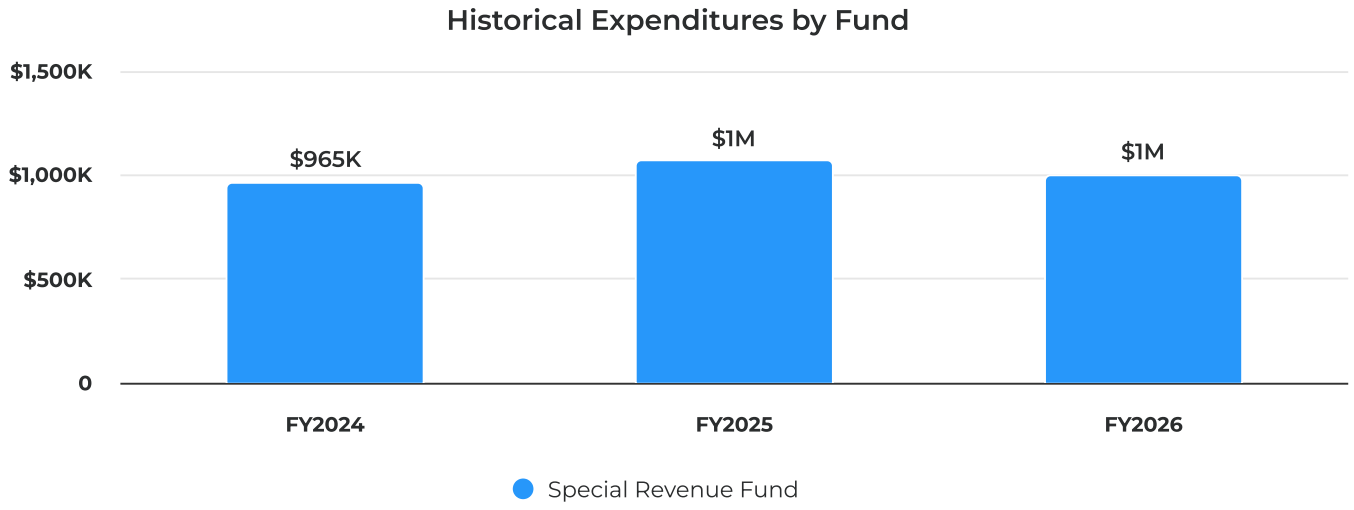


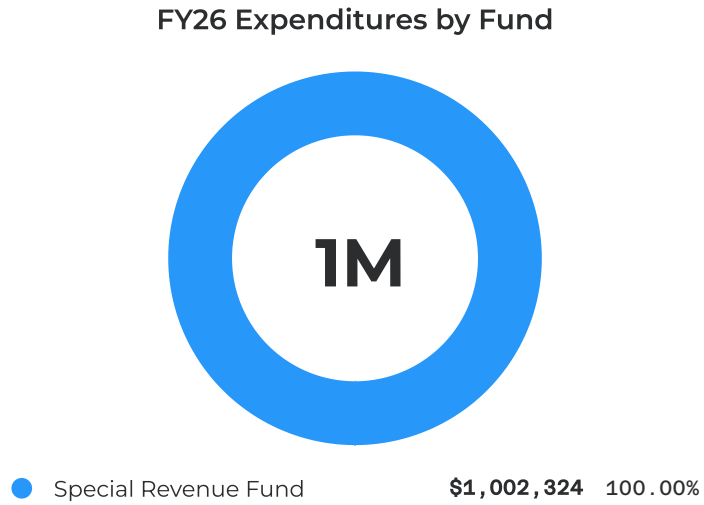


Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$12,361	-	$13,024	$13,000	-
Charges for Services	$1,112,694	$1,088,514	$1,196,511	$1,291,696	18.67%
Total Revenues	**$1,125,056**	**$1,088,514**	**$1,209,535**	**$1,304,696**	**19.86%**

Expenditures by Fund

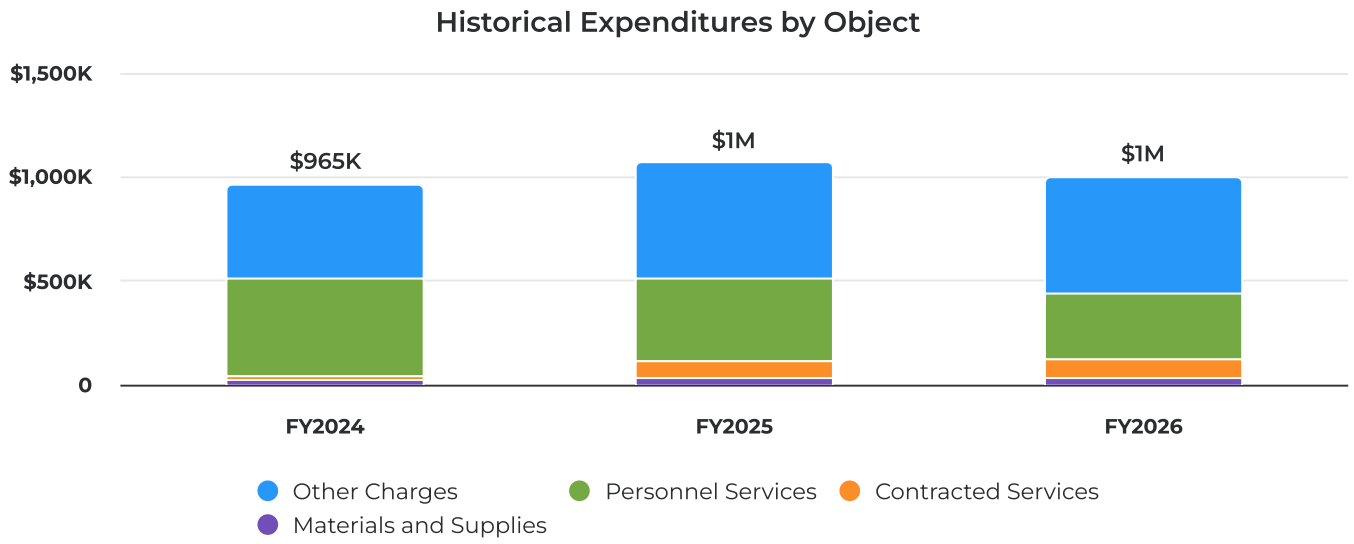


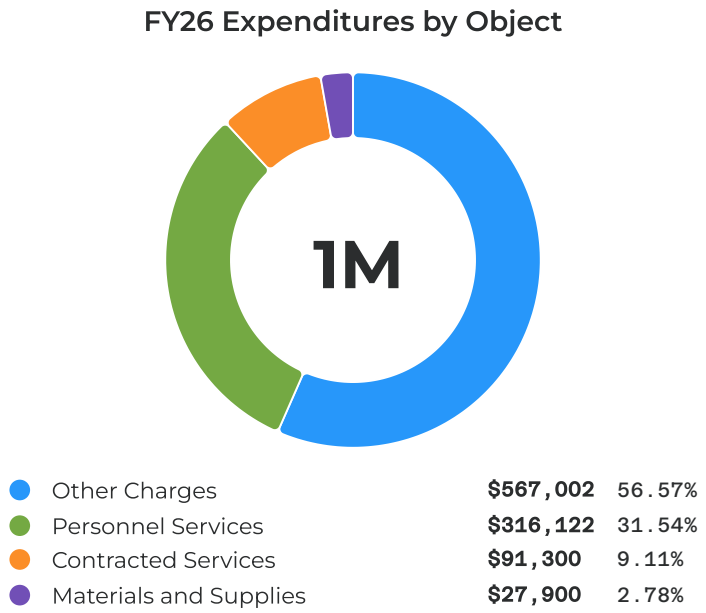


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$965,374	$1,069,182	$1,275,053	$1,002,324	-6.25%
Total Expenditures	**$965,374**	**$1,069,182**	**$1,275,053**	**$1,002,324**	**-6.25%**

Expenditures by Object





Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$464,110	$393,637	$383,289	$316,122	-19.69%
Contracted Services	$17,931	$86,500	$90,095	$91,300	5.55%
Materials and Supplies	$24,003	$27,900	$27,900	$27,900	0.00%
Other Charges	$459,329	$561,145	$773,769	$567,002	1.04%
Total Expenditures	**$965,374**	**$1,069,182**	**$1,275,053**	**$1,002,324**	**-6.25%**

Hotel Occupancy Tax

Summary

REVENUES

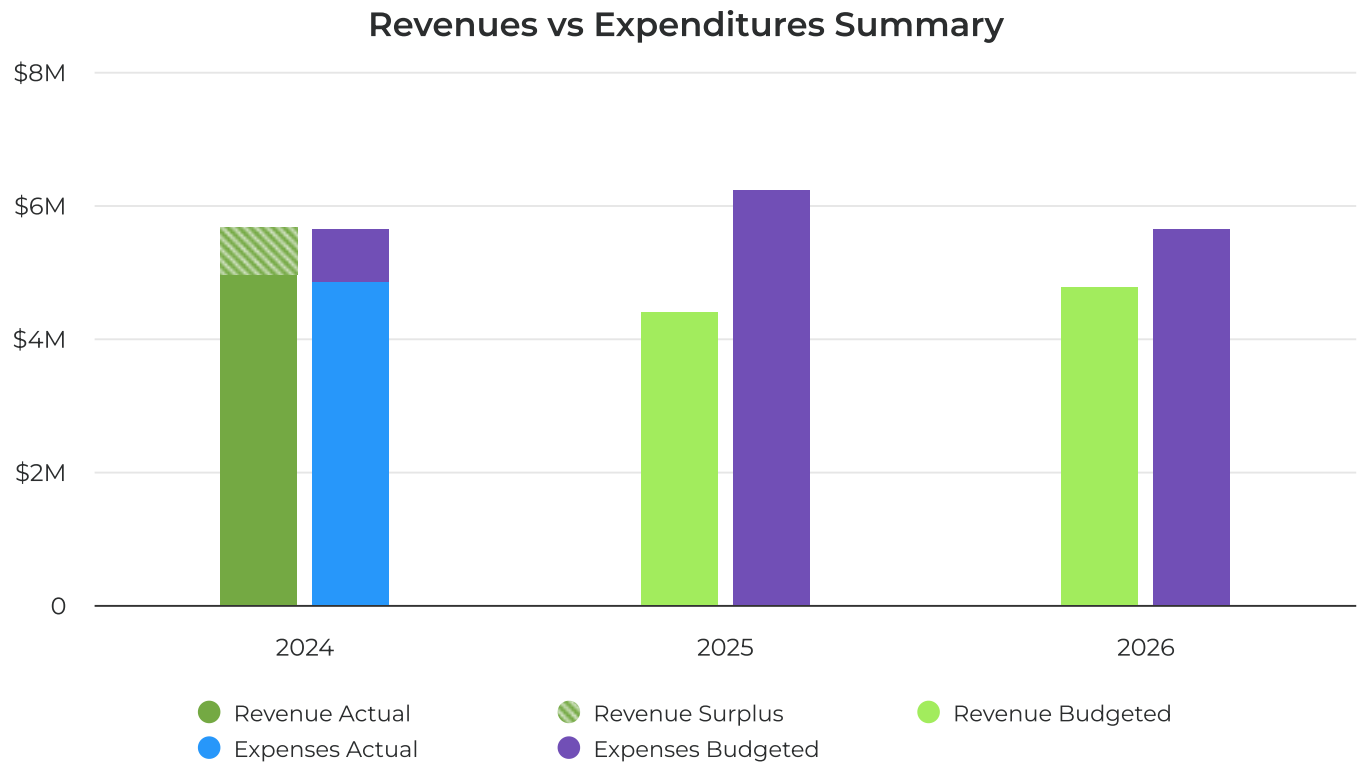
An occupancy tax is charged to occupants of rooms rented from hotels, motels and inns located in the City. The tax is collected by each facility and remitted to the City monthly.

EXPENDITURES

The Hotel Occupancy Tax (HOT) Fund supports tourist development activities, downtown revitalization, and the arts. In fiscal year 2017, the Convention and Visitors Bureau (CVB) was brought into the City as a city department. The CVB has been part of the Chamber of Commerce's organization, but the City has provided the majority of the funding for the operations through HOT funding. During City Council fiscal year 2017 Visioning, Council directed staff to bring the CVB organizations into the City as a city department. Effective October 1, 2016 the CVB became part of the City organization.

HIGHLIGHTS

Although the travel and tourism industries were severely impacted by the pandemic, the City started experiencing a level of economic recovery in FY2024. As renovations to facilities begin taking place in the post-covid environment, this should positively impact anticipated future revenues.

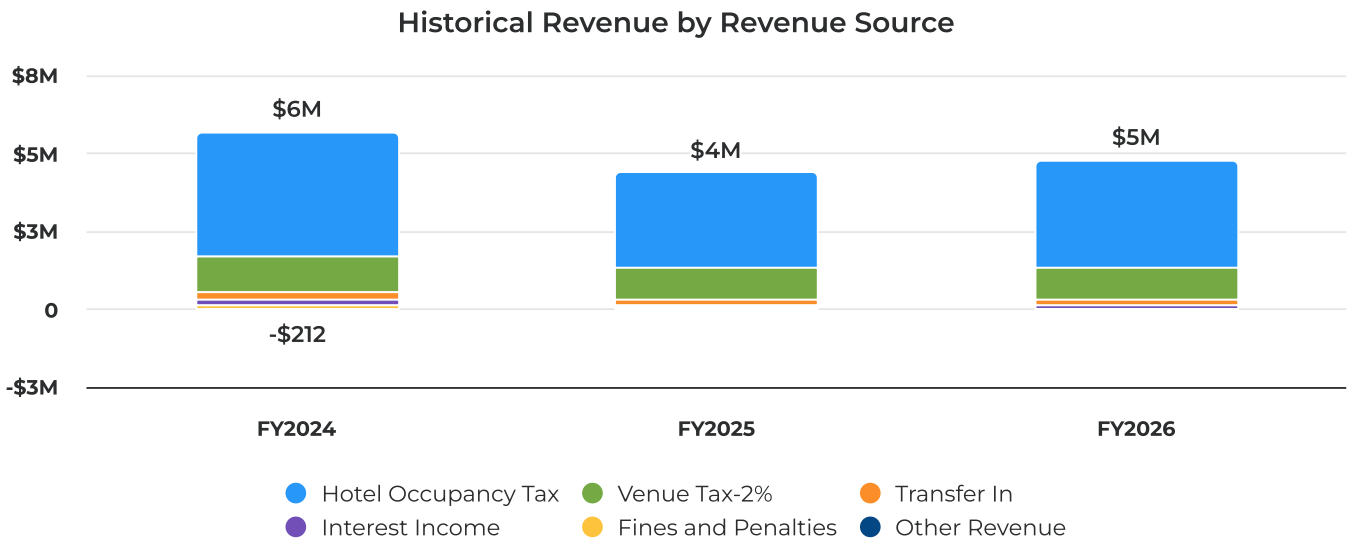


Comprehensive Fund Summary

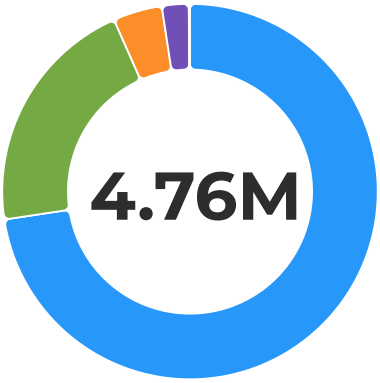
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$3,968,023**	**$4,792,445**	**$4,792,445**	**$4,189,115**	**-12.59%**
Revenues					
Other Revenue	-$212	$64,459	-	-	-100.00%
Hotel Occupancy Tax	$3,966,291	$3,085,401	$3,300,000	$3,456,376	12.02%
Venue Tax-2%	$1,168,260	$986,662	$942,000	$987,410	0.08%
Fines and Penalties	$135,118	$5,000	$5,000	$5,000	0.00%
Interest Income	$183,163	$40,000	$40,000	$110,000	175.00%
Transfer In	$210,973	$206,156	$206,156	$200,421	-2.78%
Total Revenues	**$5,663,592**	**$4,387,678**	**$4,493,156**	**$4,759,207**	**8.47%**
Expenditures					
Personnel	$1,149,102	$1,290,847	$1,235,393	$1,497,063	15.98%
Contracted Services	$888,390	$1,020,126	$678,741	$1,079,848	5.85%
Material & Supplies	$570,090	$758,329	$732,835	$570,472	-24.77%
Other Charges	$227,102	$965,653	$410,800	$891,216	-7.71%
Grants Disbursements	$254,064	$679,032	$711,022	$104,000	-84.68%
Oper Trsf To Other Funds	$1,750,421	$1,498,472	$1,327,695	$1,491,608	-0.46%
Total Expenditures	**$4,839,170**	**$6,212,459**	**$5,096,486**	**$5,634,207**	**-9.31%**
Total Revenues Less Expenditures	**$824,422**	**-$1,824,781**	**-$603,330**	**-$875,000**	**-52.05%**
Ending Fund Balance	**$4,792,445**	**$2,967,664**	**$4,189,115**	**$3,314,115**	**11.67%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



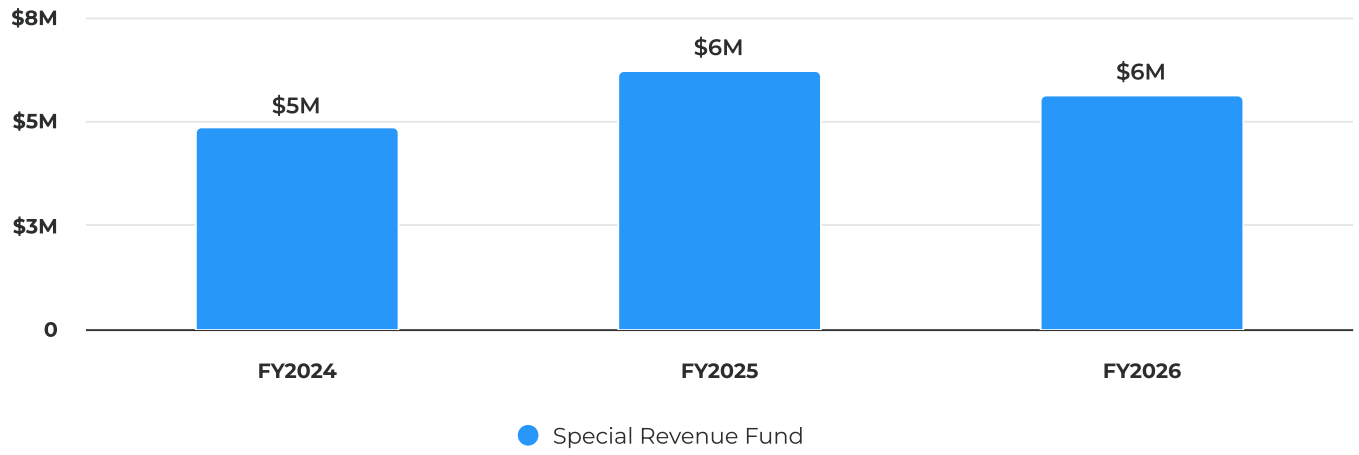
Hotel Occupancy Tax	$3,456,376	72.63%
Venue Tax-2%	$987,410	20.75%
Transfer In	$200,421	4.21%
Interest Income	$110,000	2.31%
Fines and Penalties	$5,000	0.11%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	-$212	$64,459	-	-	-100.00%
Hotel Occupancy Tax	$3,966,291	$3,085,401	$3,300,000	$3,456,376	12.02%
Venue Tax-2%	$1,168,260	$986,662	$942,000	$987,410	0.08%
Fines and Penalties	$135,118	$5,000	$5,000	$5,000	0.00%
Interest Income	$183,163	$40,000	$40,000	$110,000	175.00%
Transfer In	$210,973	$206,156	$206,156	$200,421	-2.78%
Total Revenues	**$5,663,592**	**$4,387,678**	**$4,493,156**	**$4,759,207**	**8.47%**

Expenditures by Fund

Historical Expenditures by Fund



FY26 Expenditures by Fund



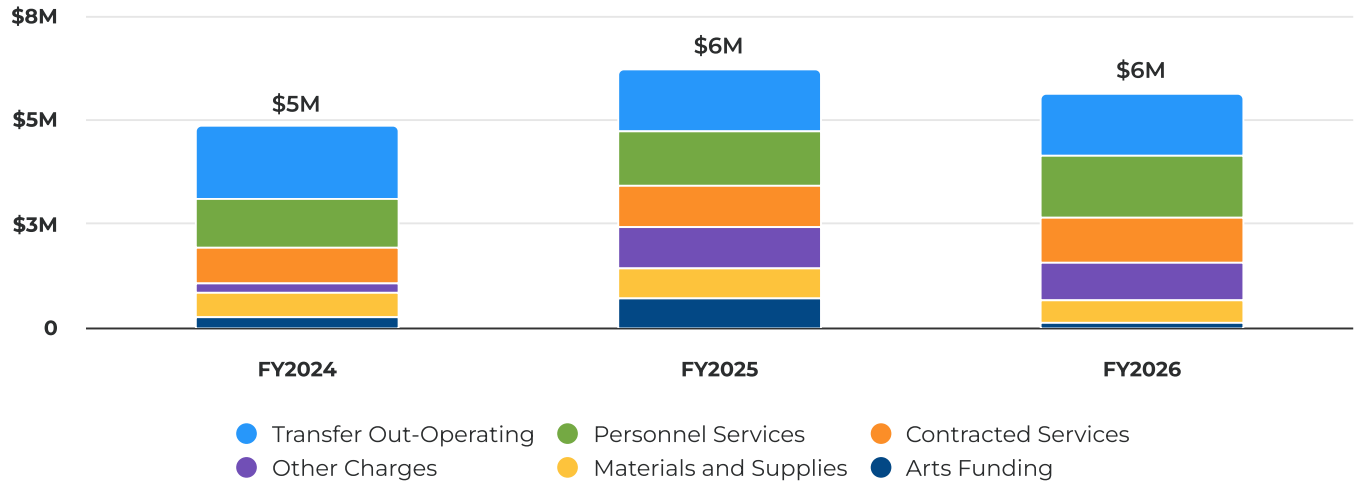
Special Revenue Fund	$5,634,207	100.00%

Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$4,839,170	$6,212,459	$5,096,486	$5,634,207	-9.31%
Total Expenditures	**$4,839,170**	**$6,212,459**	**$5,096,486**	**$5,634,207**	**-9.31%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



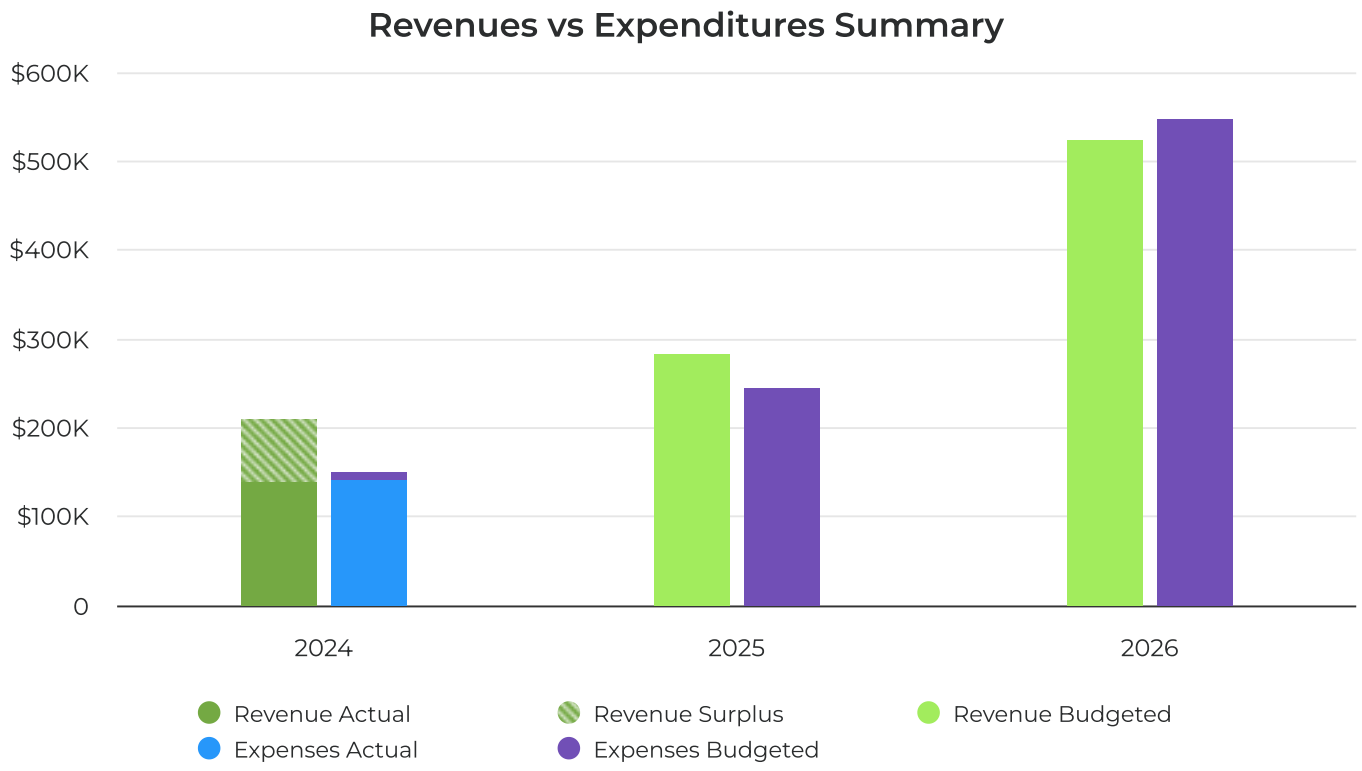
Personnel Services	**$1,497,063**	26.57%
Transfer Out-Operating	**$1,491,608**	26.47%
Contracted Services	**$1,079,848**	19.17%
Other Charges	**$891,216**	15.82%
Materials and Supplies	**$570,472**	10.13%
Arts Funding	**$104,000**	1.85%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$1,149,102	$1,290,847	$1,235,393	$1,497,063	15.98%
Contracted Services	$888,390	$1,020,126	$678,741	$1,079,848	5.85%
Materials and Supplies	$570,090	$758,329	$732,835	$570,472	-24.77%
Other Charges	$227,102	$965,653	$410,800	$891,216	-7.71%
Arts Funding	$254,064	$679,032	$711,022	$104,000	-84.68%
Transfer Out-Operating	$1,750,421	$1,498,472	$1,327,695	$1,491,608	-0.46%
Total Expenditures	**$4,839,170**	**$6,212,459**	**$5,096,486**	**$5,634,207**	**-9.31%**

Parks and Recreation Programs

Summary



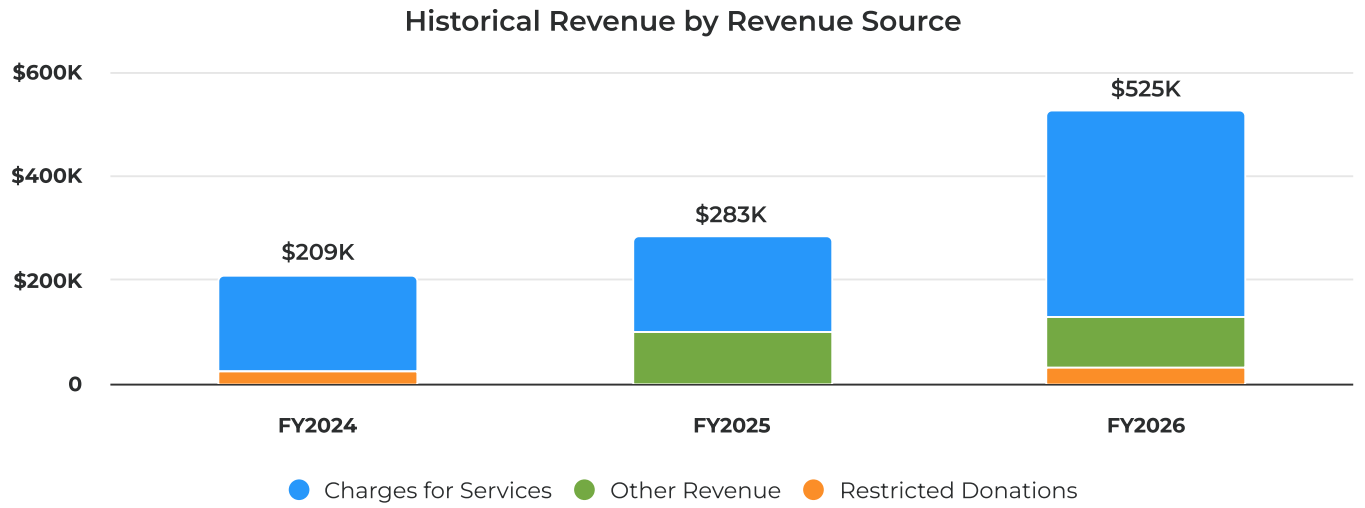
Comprehensive Fund Summary

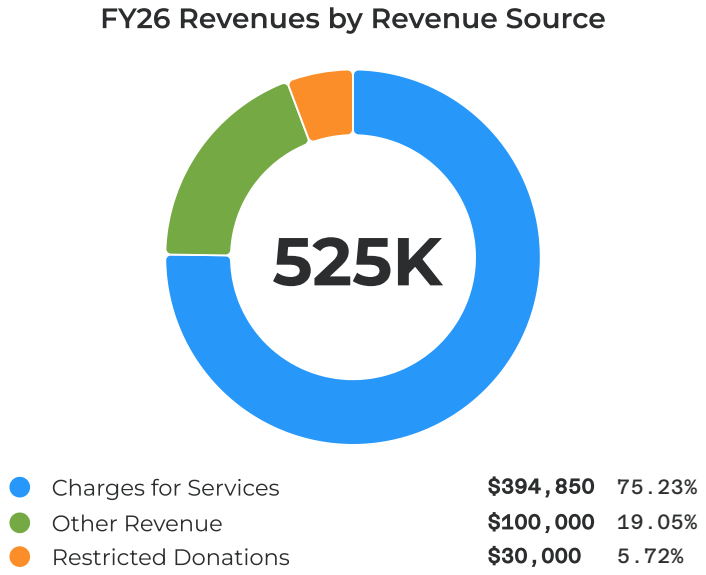
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$465,230**	**$532,637**	**$532,637**	**$552,948**	**3.81%**
Revenues					
Other Revenue	-	$100,000	$100,000	$100,000	0.00%
Charges for Services	$185,921	$182,775	$190,687	$394,850	116.03%
Restricted Donations	$23,497	-	-	$30,000	-
Total Revenues	**$209,418**	**$282,775**	**$290,687**	**$524,850**	**85.61%**
Expenditures					
Contracted Services	$37,697	$88,000	$108,866	$121,650	38.24%
Material & Supplies	$100,262	$48,125	$70,460	$295,100	513.19%
Other Charges	$2,856	$108,100	$91,050	$129,600	19.89%
Total Expenditures	**$140,815**	**$244,225**	**$270,376**	**$546,350**	**123.71%**
Total Revenues Less Expenditures	**$68,603**	**$38,550**	**$20,311**	**-$21,500**	**-155.77%**

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Ending Fund Balance	**$533,833**	**$571,187**	**$552,948**	**$531,448**	**-6.96%**

Revenues by Revenue Source

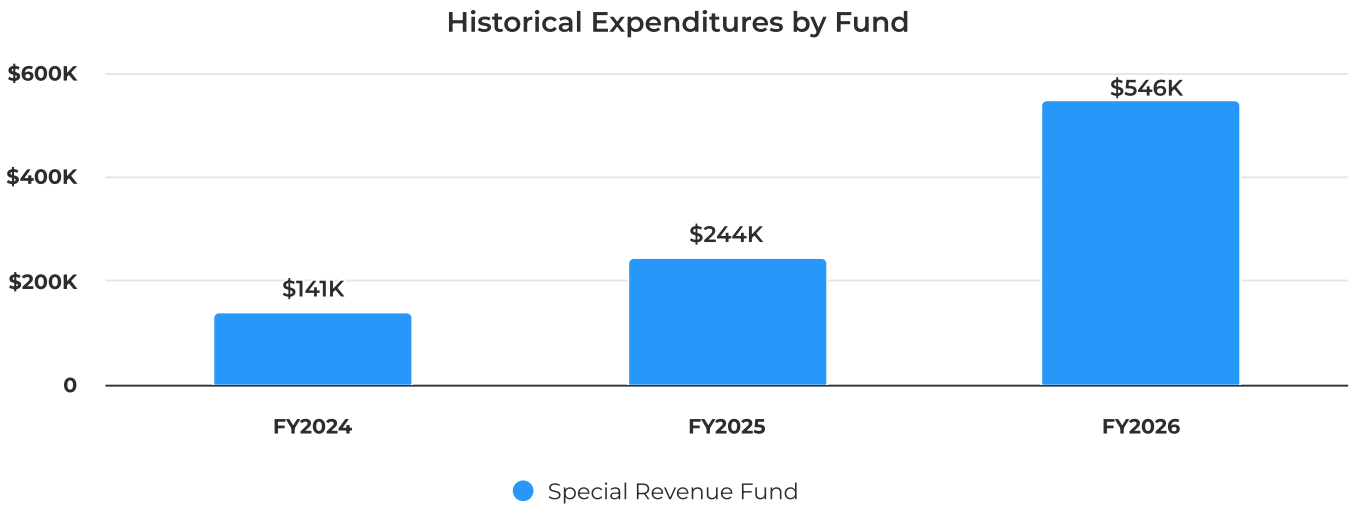


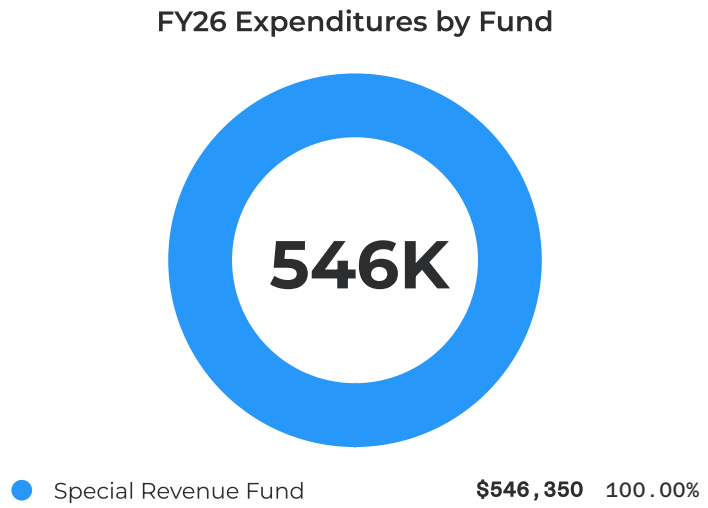


Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	-	$100,000	$100,000	$100,000	0.00%
Charges for Services	$185,921	$182,775	$190,687	$394,850	116.03%
Restricted Donations	$23,497	-	-	$30,000	-
Total Revenues	**$209,418**	**$282,775**	**$290,687**	**$524,850**	**85.61%**

Expenditures by Fund

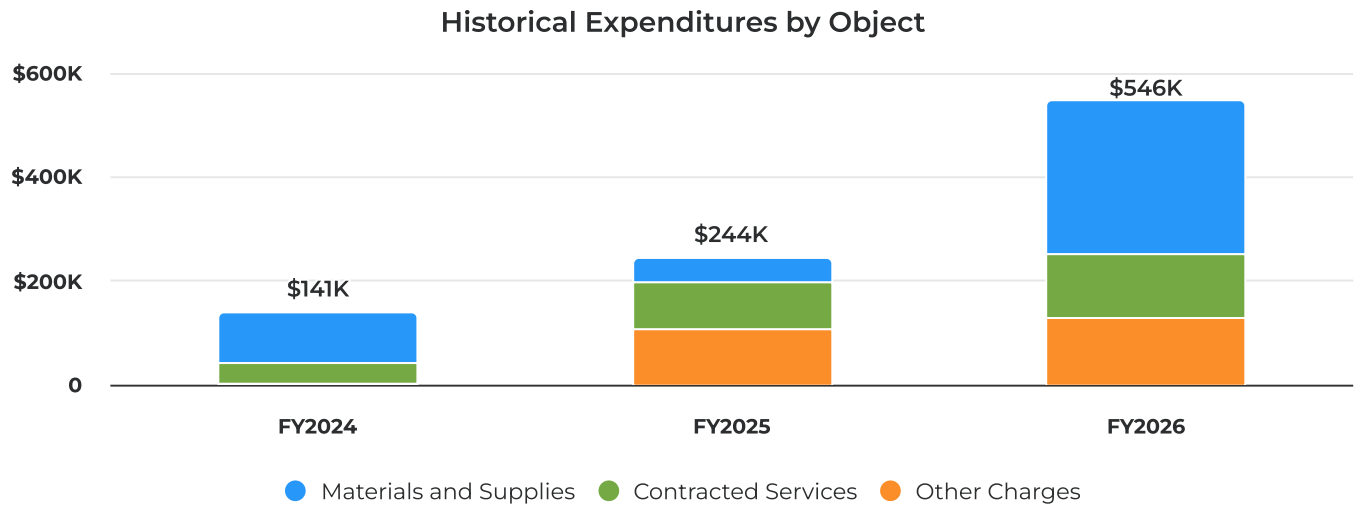


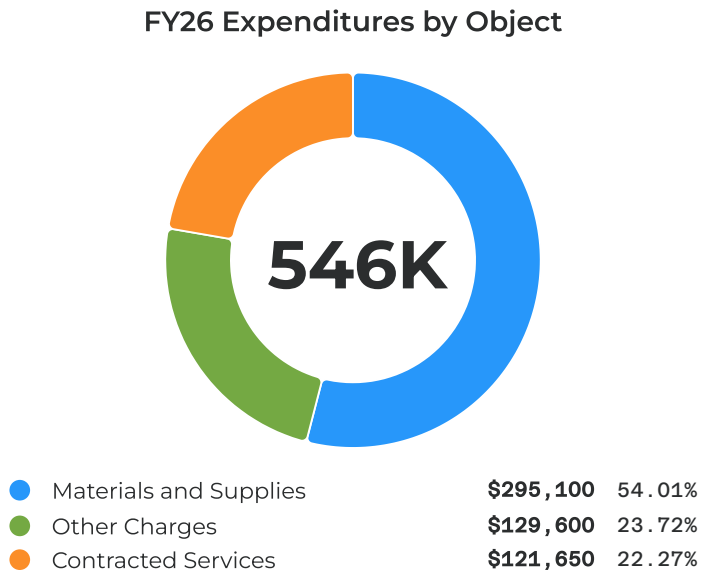


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$140,815	$244,225	$270,376	$546,350	123.71%
Total Expenditures	**$140,815**	**$244,225**	**$270,376**	**$546,350**	**123.71%**

Expenditures by Object





Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$37,697	$88,000	$108,866	$121,650	38.24%
Materials and Supplies	$100,262	$48,125	$70,460	$295,100	513.19%
Other Charges	$2,856	$108,100	$91,050	$129,600	19.89%
Total Expenditures	**$140,815**	**$244,225**	**$270,376**	**$546,350**	**123.71%**

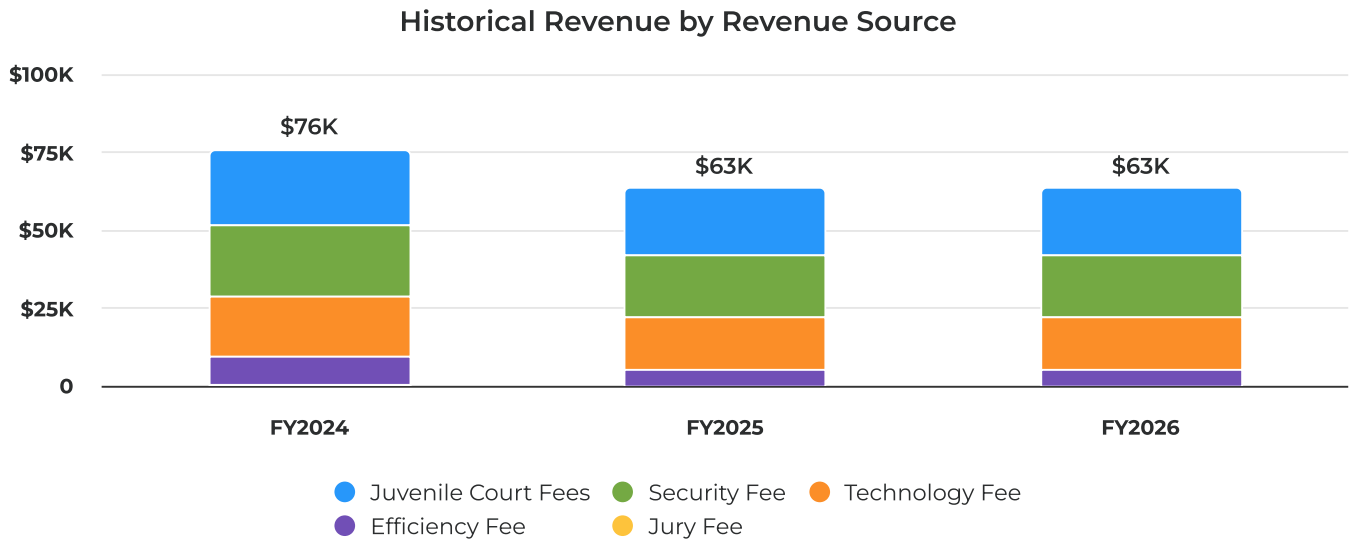
Municipal Court Funds

Comprehensive Fund Summary

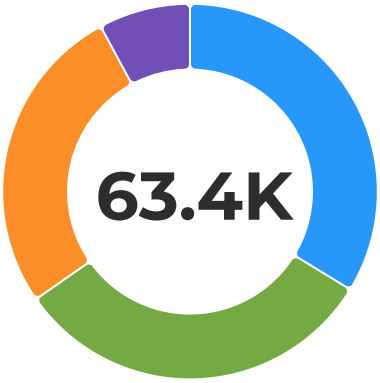
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$331,275**	**$380,916**	**$380,916**	**-**	**-**
Revenues					
Technology Fee	$19,320	$17,000	$17,000	$17,000	0.00%
Security Fee	$22,833	$20,000	$20,000	$20,000	0.00%
Juvenile Court Fees	$24,379	$21,391	$21,391	$21,391	0.00%
Efficiency Fee	$8,723	$5,000	$5,000	$5,000	0.00%
Jury Fee	$440	-	-	-	-
Total Revenues	**$75,695**	**$63,391**	**$63,391**	**$63,391**	**0.00%**
Expenditures					
Personnel	$19,985	$21,391	$17,699	$19,756	-7.64%
Contracted Services	-	$105,000	$105,000	$5,000	-95.24%
Material & Supplies	-	$100,000	$100,000	$37,000	-63.00%
Total Expenditures	**$19,985**	**$226,391**	**$222,699**	**$61,756**	**-72.72%**
Total Revenues Less Expenditures	**$55,710**	**-$163,000**	**-$159,308**	**$1,635**	**-101.00%**
Ending Fund Balance	**$386,985**	**$217,916**	**$221,608**	**$1,635**	**-99.25%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



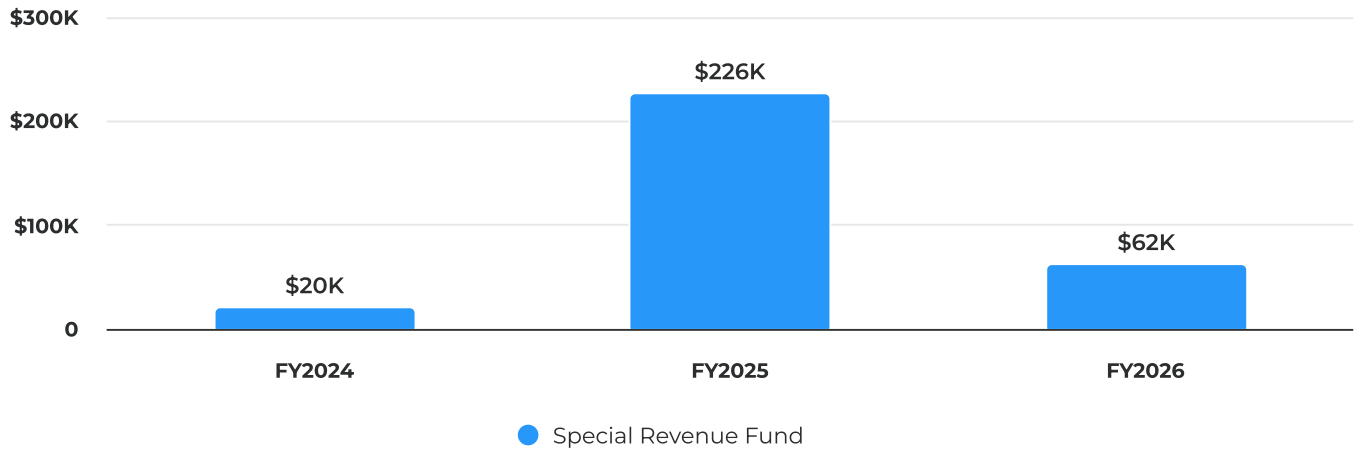
Juvenile Court Fees	$21,391	33.74%
Security Fee	$20,000	31.55%
Technology Fee	$17,000	26.82%
Efficiency Fee	$5,000	7.89%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Technology Fee	$19,320	$17,000	$17,000	$17,000	0.00%
Security Fee	$22,833	$20,000	$20,000	$20,000	0.00%
Juvenile Court Fees	$24,379	$21,391	$21,391	$21,391	0.00%
Efficiency Fee	$8,723	$5,000	$5,000	$5,000	0.00%
Jury Fee	$440	-	-	-	-
Total Revenues	**$75,695**	**$63,391**	**$63,391**	**$63,391**	**0.00%**

Expenditures by Fund

Historical Expenditures by Fund



FY26 Expenditures by Fund



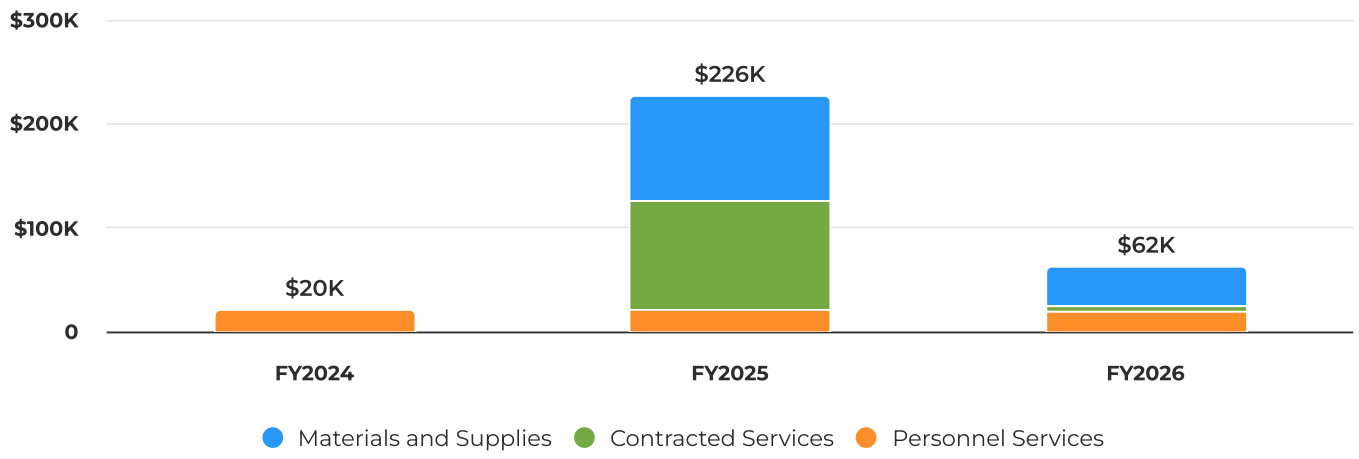
Special Revenue Fund $61,756 100.00%

Expenditures by Fund

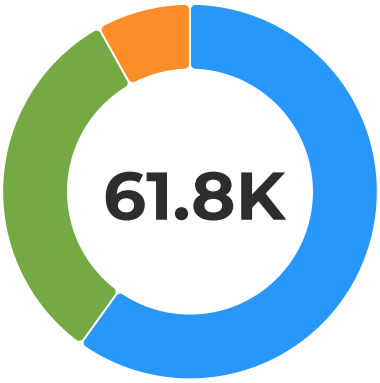
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$19,985	$226,391	$222,699	$61,756	-72.72%
Total Expenditures	**$19,985**	**$226,391**	**$222,699**	**$61,756**	**-72.72%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Materials and Supplies	**$37,000**	59.91%
Personnel Services	**$19,756**	31.99%
Contracted Services	**$5,000**	8.10%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$19,985	$21,391	$17,699	$19,756	-7.64%
Contracted Services	-	$105,000	$105,000	$5,000	-95.24%
Materials and Supplies	-	$100,000	$100,000	$37,000	-63.00%
Total Expenditures	**$19,985**	**$226,391**	**$222,699**	**$61,756**	**-72.72%**

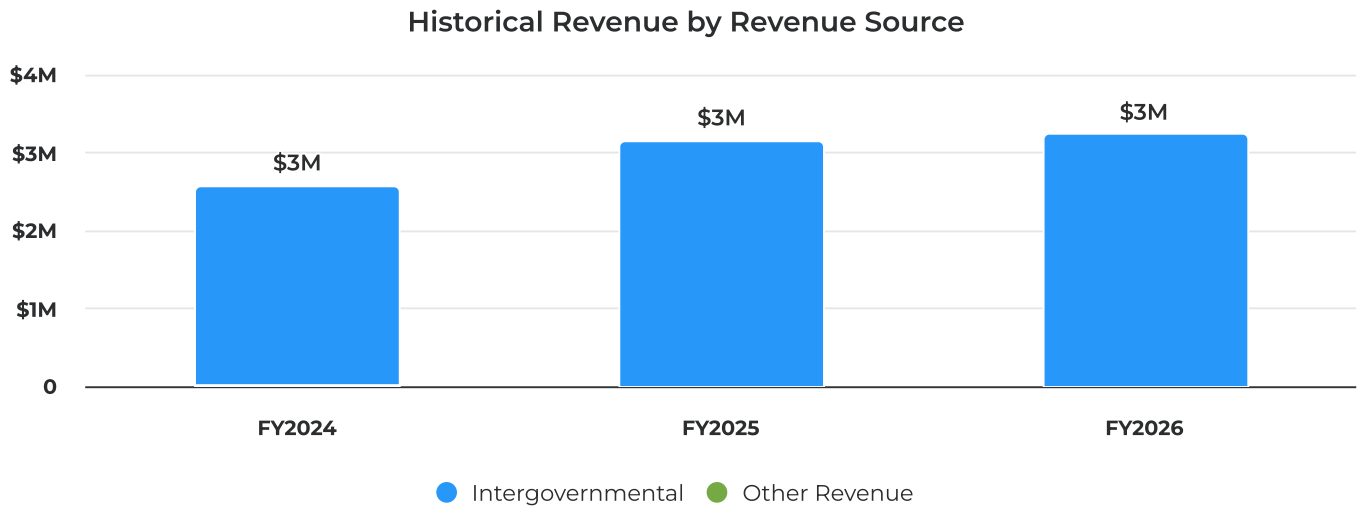
WIC Programs

Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	-	-	-	-	-
Revenues					
Other Revenue	$10	-	-	-	-
Intergovernmental	$2,575,034	$3,149,188	$2,935,432	$3,237,779	2.81%
Total Revenues	**$2,575,044**	**$3,149,188**	**$2,935,432**	**$3,237,779**	**2.81%**
Expenditures					
Personnel	$1,908,697	$2,235,332	$2,183,467	$2,179,586	-2.49%
Contracted Services	$210,463	$333,660	$255,926	$418,121	25.31%
Material & Supplies	$65,397	$189,124	$151,500	$186,063	-1.62%
Other Charges	$24,945	$103,397	$56,864	$103,497	0.10%
Oper Trsf To Other Funds	$365,542	$287,675	$287,675	$350,511	21.84%
Total Expenditures	**$2,575,044**	**$3,149,188**	**$2,935,432**	**$3,237,778**	**2.81%**
Total Revenues Less Expenditures	-	-	-	$1	-
Ending Fund Balance	-	-	-	$1	-

Revenues by Revenue Source



FY26 Revenues by Revenue Source



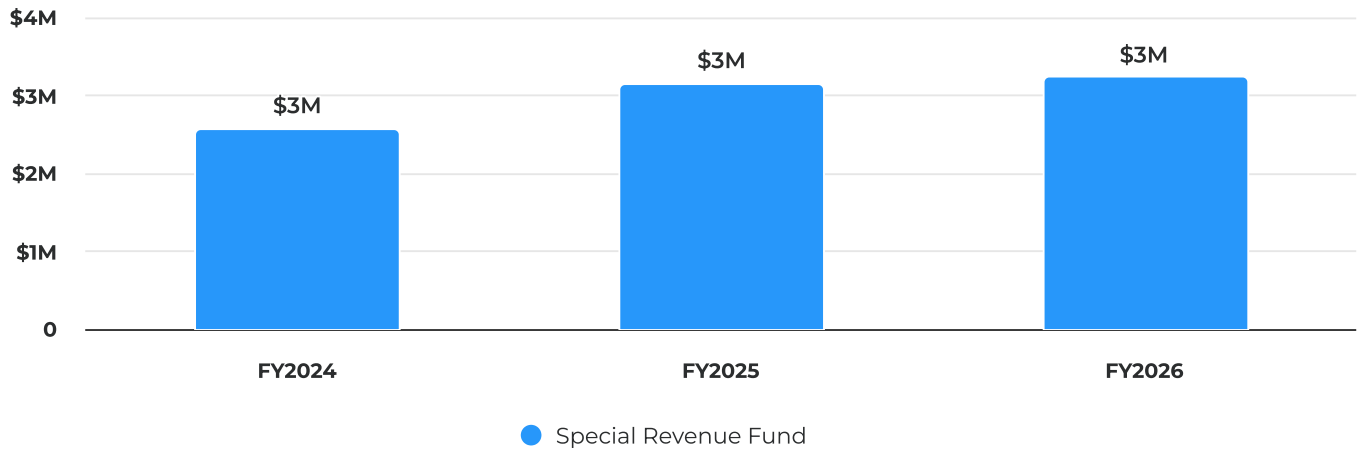
Intergovernmental $3,237,779 100.00%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$10	-	-	-	-
Intergovernmental	$2,575,034	$3,149,188	$2,935,432	$3,237,779	2.81%
Total Revenues	**$2,575,044**	**$3,149,188**	**$2,935,432**	**$3,237,779**	**2.81%**

Expenditures by Fund

Historical Expenditures by Fund



FY26 Expenditures by Fund



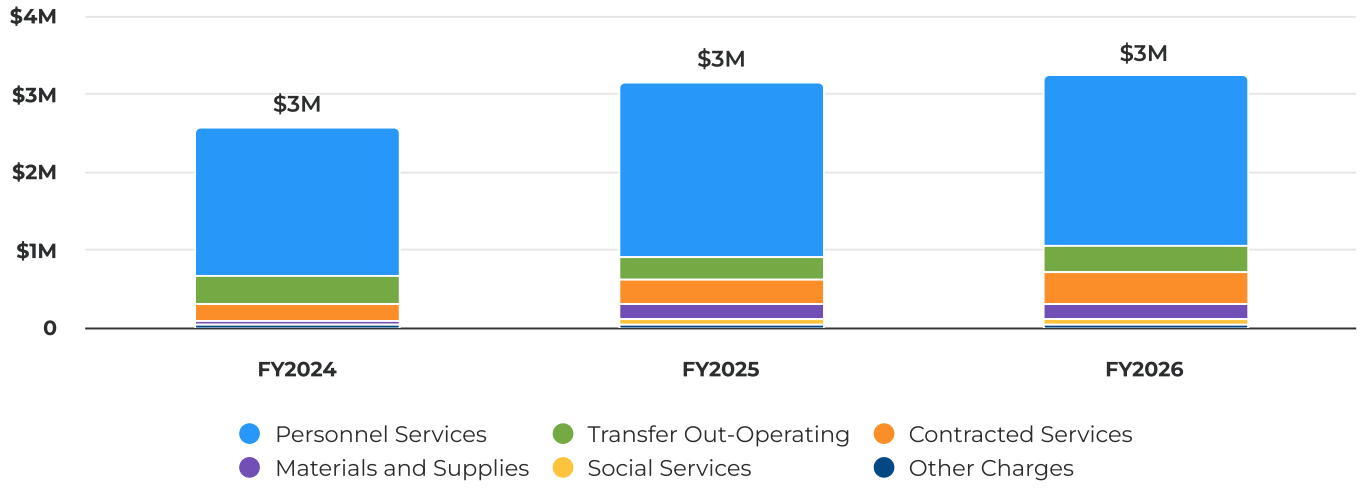
Special Revenue Fund	$3,237,778	100.00%

Expenditures by Fund

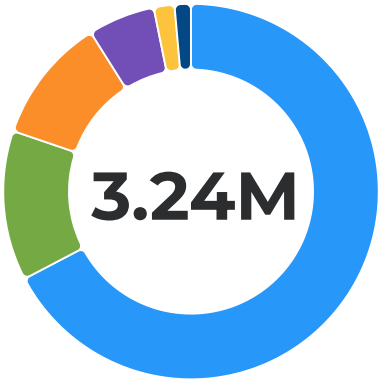
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$2,575,044	$3,149,188	$2,935,432	$3,237,778	2.81%
Total Expenditures	**$2,575,044**	**$3,149,188**	**$2,935,432**	**$3,237,778**	**2.81%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Personnel Services	**$2,179,586**	67.32%
Contracted Services	**$418,121**	12.91%
Transfer Out-Operating	**$350,511**	10.83%
Materials and Supplies	**$186,063**	5.75%
Social Services	**$57,995**	1.79%
Other Charges	**$45,502**	1.41%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$1,908,697	$2,235,332	$2,183,467	$2,179,586	-2.49%
Contracted Services	$210,463	$333,660	$255,926	$418,121	25.31%
Materials and Supplies	$65,397	$189,124	$151,500	$186,063	-1.62%
Other Charges	$24,945	$45,402	$16,869	$45,502	0.22%
Social Services	-	$57,995	$39,995	$57,995	0.00%
Transfer Out-Operating	$365,542	$287,675	$287,675	$350,511	21.84%
Total Expenditures	**$2,575,044**	**$3,149,188**	**$2,935,432**	**$3,237,778**	**2.81%**

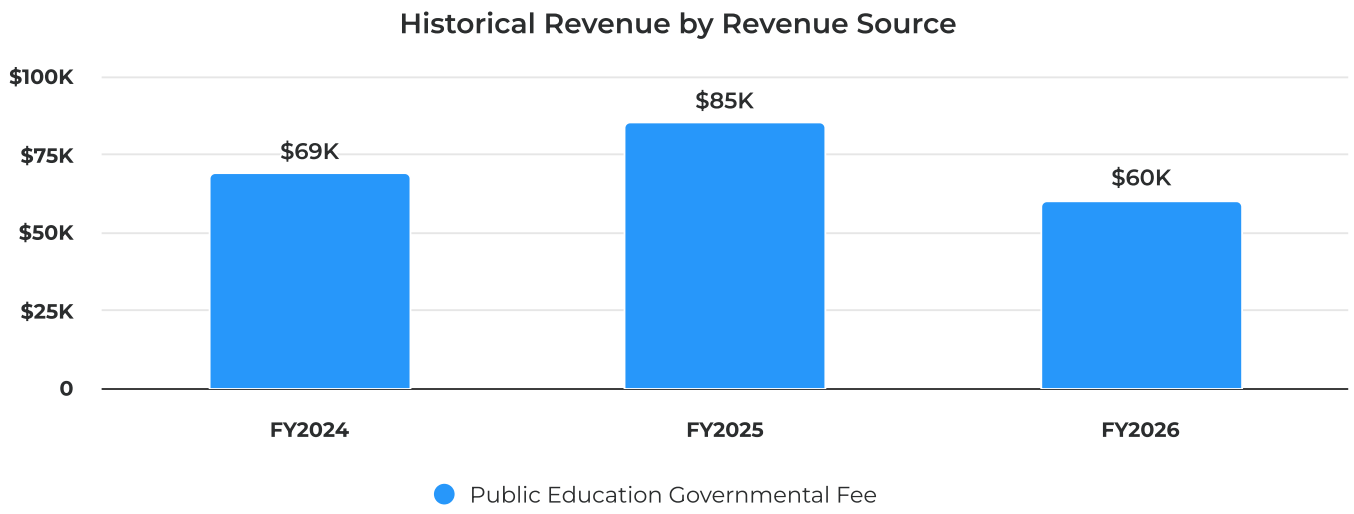
Public Education Grant

Comprehensive Fund Summary

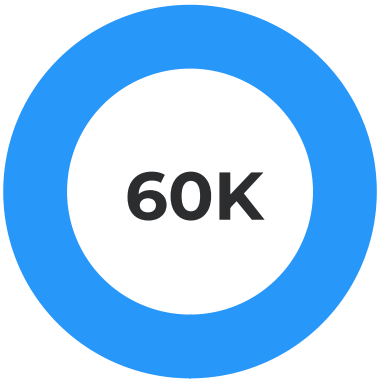
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$811,189**	**$833,922**	**$833,922**	**-**	**-**
Revenues					
Public Education Governmental Fee	$68,776	$85,000	$85,000	$60,000	-29.41%
Total Revenues	**$68,776**	**$85,000**	**$85,000**	**$60,000**	**-29.41%**
Expenditures					
Contracted Services	$4,471	-	-	-	-
Capital Outlay	$41,572	$100,000	$85,000	$60,000	-40.00%
Total Expenditures	**$46,043**	**$100,000**	**$85,000**	**$60,000**	**-40.00%**
Total Revenues Less Expenditures	**$22,733**	**-$15,000**	**-**	**-**	**-100.00%**
Ending Fund Balance	**$833,922**	**$818,922**	**$833,922**	**-**	**-100.00%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



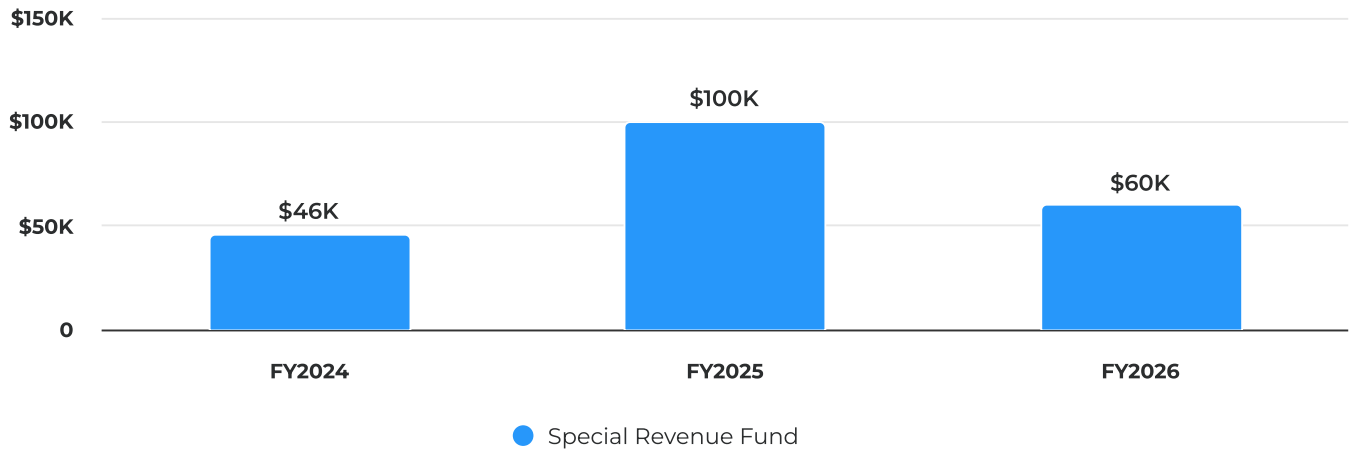
Public Education Governmental Fee **$60,000** 100.00%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Public Education Governmental Fee	$68,776	$85,000	$85,000	$60,000	-29.41%
Total Revenues	**$68,776**	**$85,000**	**$85,000**	**$60,000**	**-29.41%**

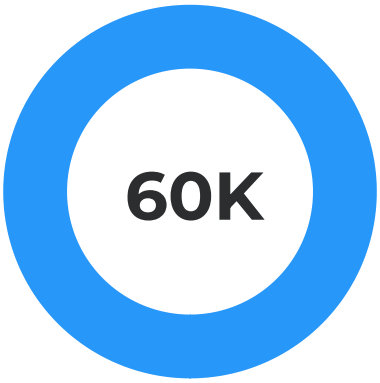
Expenditures by Fund

Historical Expenditures by Fund



Special Revenue Fund

FY26 Expenditures by Fund



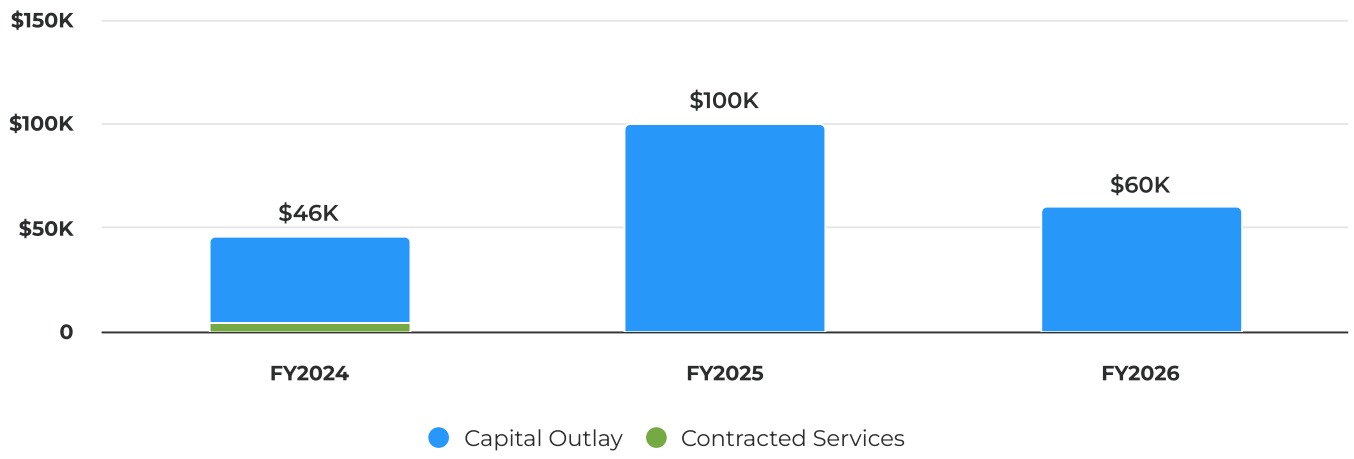
Special Revenue Fund	$60,000	100.00%

Expenditures by Fund

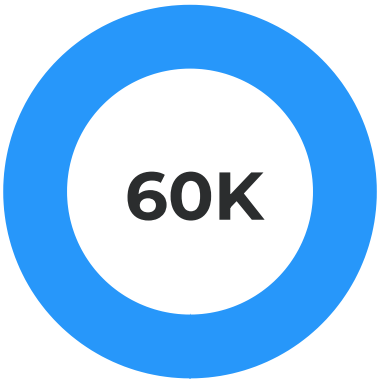
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$46,043	$100,000	$85,000	$60,000	-40.00%
Total Expenditures	**$46,043**	**$100,000**	**$85,000**	**$60,000**	**-40.00%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Capital Outlay **$60,000** 100.00%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$4,471	-	-	-	-
Capital Outlay	$41,572	$100,000	$85,000	$60,000	-40.00%
Total Expenditures	**$46,043**	**$100,000**	**$85,000**	**$60,000**	**-40.00%**

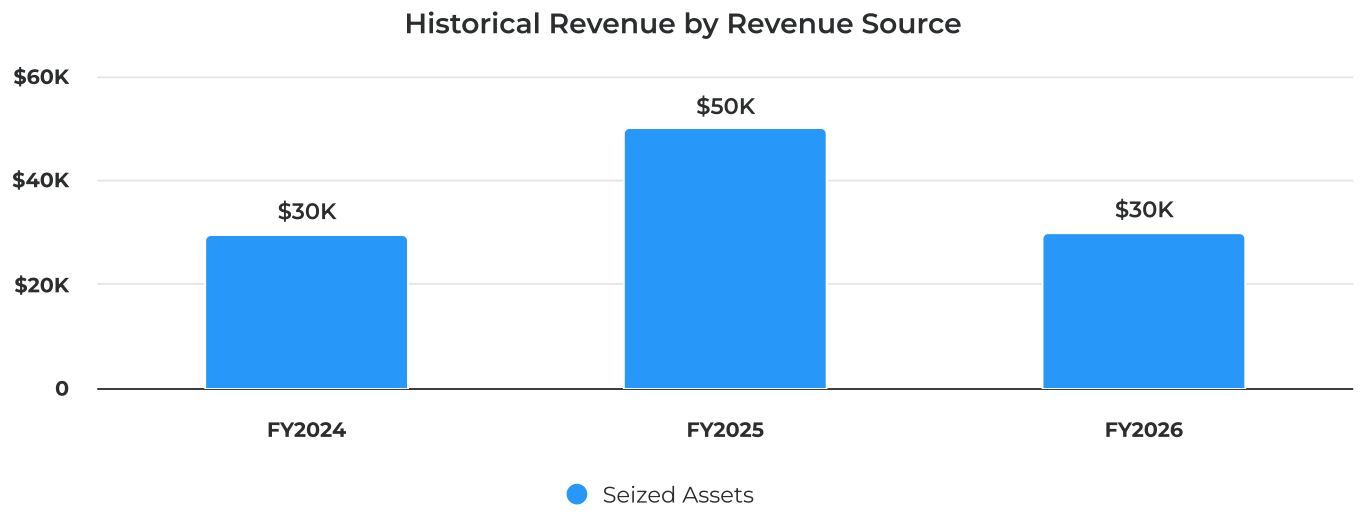
Seized Assets

Comprehensive Fund Summary

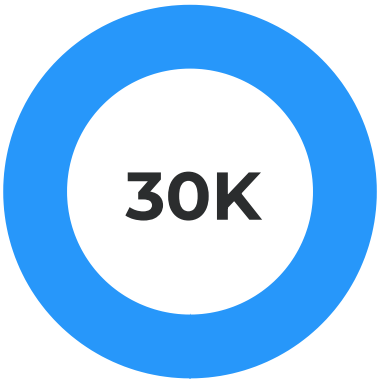
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$276,501**	**$197,765**	**$197,765**	**-**	**-**
Revenues					
Seized Assets	$29,555	$50,000	$36,400	$30,000	-40.00%
Total Revenues	**$29,555**	**$50,000**	**$36,400**	**$30,000**	**-40.00%**
Expenditures					
Contracted Services	$25,518	-	-	-	-
Capital Outlay	$82,773	$140,000	$36,000	$213,000	52.14%
Total Expenditures	**$108,291**	**$140,000**	**$36,000**	**$213,000**	**52.14%**
Total Revenues Less Expenditures	**-$78,735**	**-$90,000**	**$400**	**-$183,000**	**103.33%**
Ending Fund Balance	**$197,766**	**$107,765**	**$198,165**	**-$183,000**	**-269.81%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



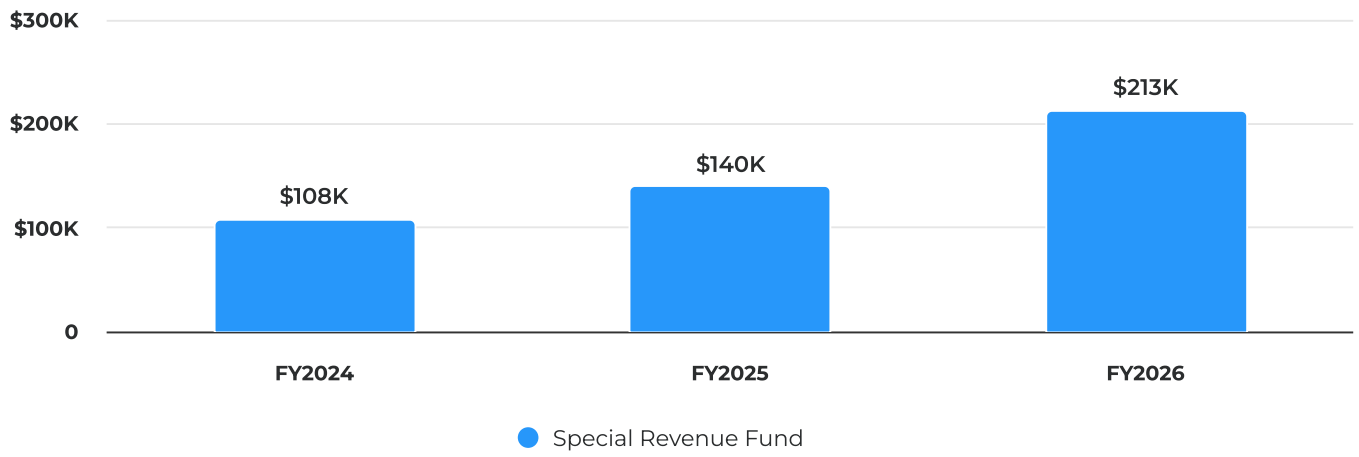
Seized Assets $30,000 100.00%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Seized Assets	$29,555	$50,000	$36,400	$30,000	-40.00%
Total Revenues	**$29,555**	**$50,000**	**$36,400**	**$30,000**	**-40.00%**

Expenditures by Fund

Historical Expenditures by Fund



Special Revenue Fund

FY26 Expenditures by Fund



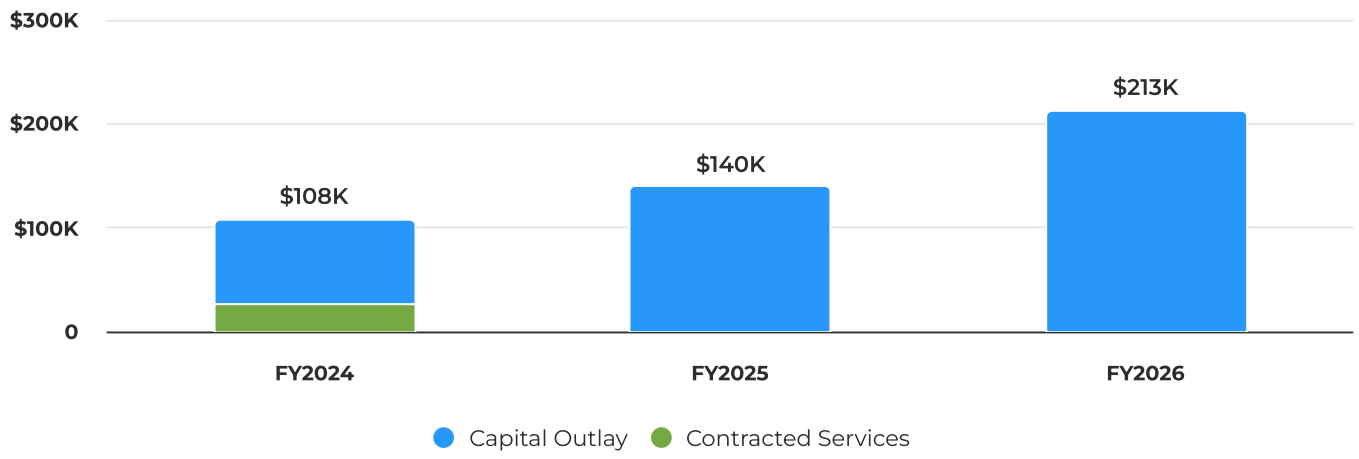
Special Revenue Fund	$213,000	100.00%

Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$108,291	$140,000	$36,000	$213,000	52.14%
Total Expenditures	**$108,291**	**$140,000**	**$36,000**	**$213,000**	**52.14%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Capital Outlay **$213,000** 100.00%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$25,518	-	-	-	-
Capital Outlay	$82,773	$140,000	$36,000	$213,000	52.14%
Total Expenditures	**$108,291**	**$140,000**	**$36,000**	**$213,000**	**52.14%**

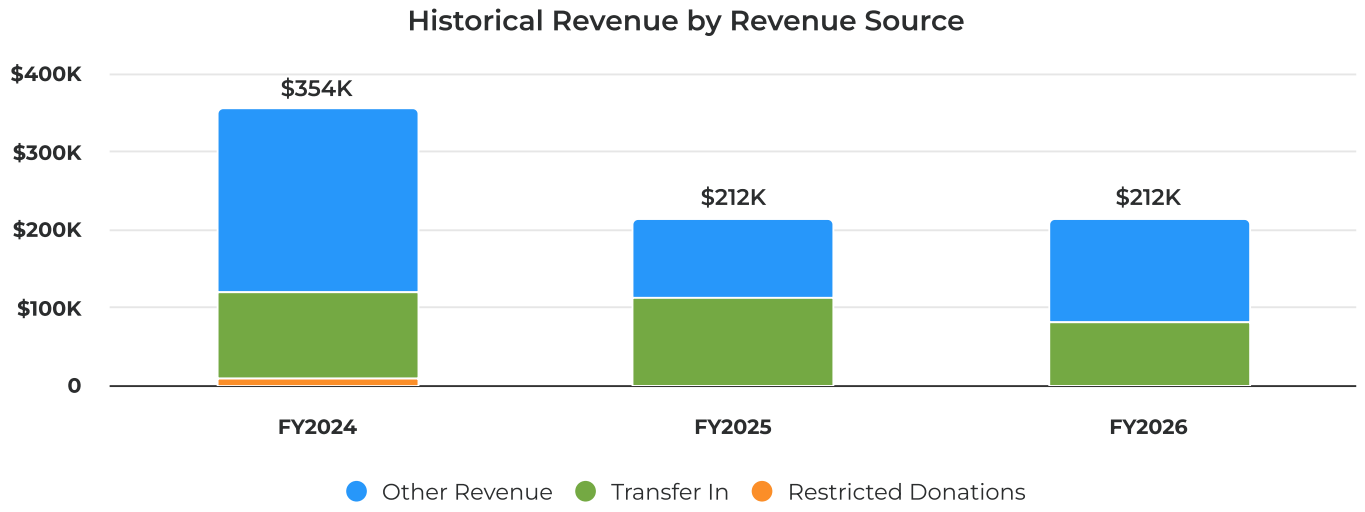
Cemetery Operations

Comprehensive Fund Summary

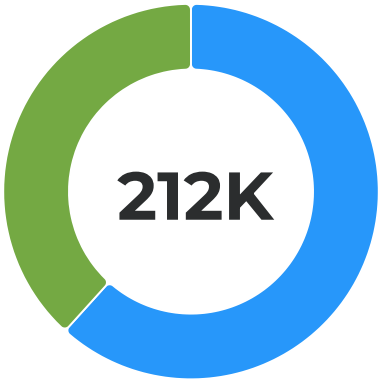
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$270,639**	**$438,968**	**$438,968**	**-**	**-**
Revenues					
Other Revenue	$234,413	$100,000	$110,923	$131,000	31.00%
Restricted Donations	$7,750	-	-	-	-
Transfer In	$112,309	$112,309	$112,309	$81,309	-27.60%
Total Revenues	**$354,472**	**$212,309**	**$223,232**	**$212,309**	**0.00%**
Expenditures					
Contracted Services	$181,589	$207,309	$100,985	$207,309	0.00%
Material & Supplies	$4,553	$5,000	$5,000	$5,000	0.00%
Total Expenditures	**$186,142**	**$212,309**	**$105,985**	**$212,309**	**0.00%**
Total Revenues Less Expenditures	**$168,330**	**-**	**$117,247**	**-**	**-**
Ending Fund Balance	**$438,969**	**$438,968**	**$556,215**	**-**	**-100.00%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



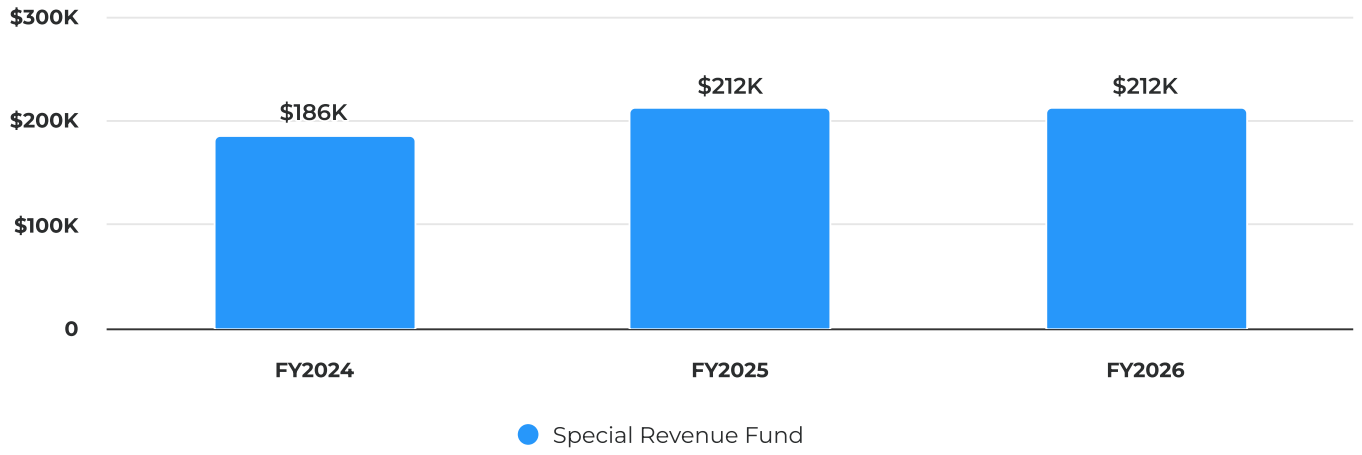
Other Revenue	$131,000	61.70%
Transfer In	$81,309	38.30%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$234,413	$100,000	$110,923	$131,000	31.00%
Restricted Donations	$7,750	-	-	-	-
Transfer In	$112,309	$112,309	$112,309	$81,309	-27.60%
Total Revenues	**$354,472**	**$212,309**	**$223,232**	**$212,309**	**0.00%**

Expenditures by Fund

Historical Expenditures by Fund



FY26 Expenditures by Fund



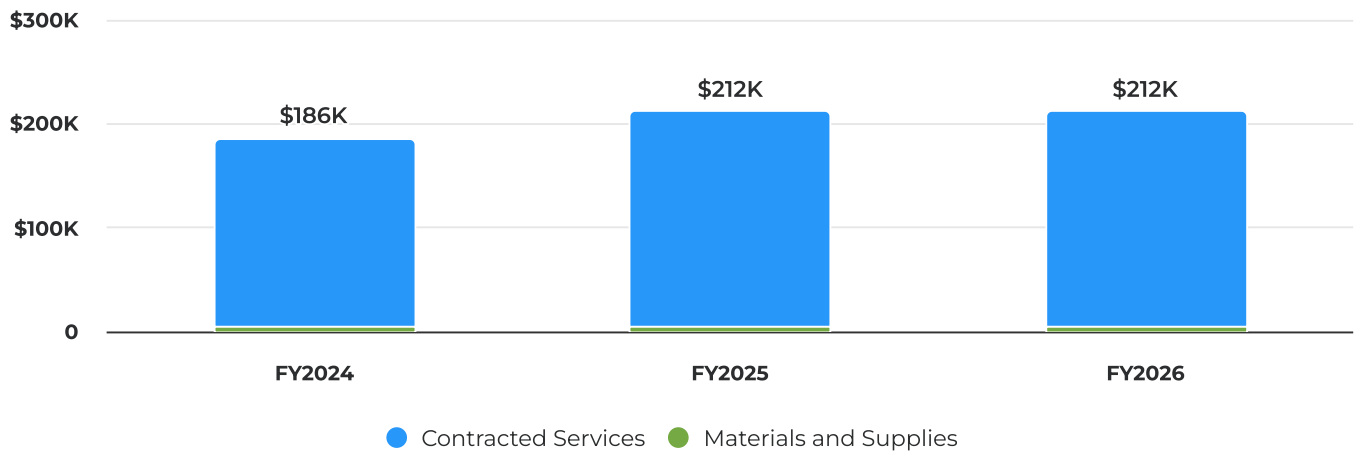
Special Revenue Fund **$212,309** 100.00%

Expenditures by Fund

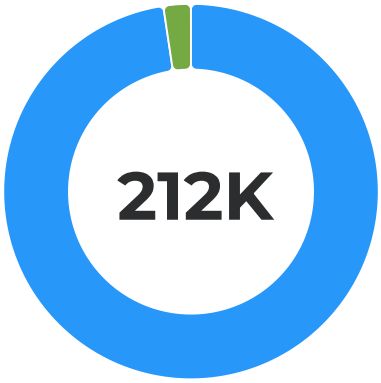
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$186,142	$212,309	$105,985	$212,309	0.00%
Total Expenditures	**$186,142**	**$212,309**	**$105,985**	**$212,309**	**0.00%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Contracted Services	**$207,309**	97.64%
Materials and Supplies	**$5,000**	2.36%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$181,589	$207,309	$100,985	$207,309	0.00%
Materials and Supplies	$4,553	$5,000	$5,000	$5,000	0.00%
Total Expenditures	**$186,142**	**$212,309**	**$105,985**	**$212,309**	**0.00%**

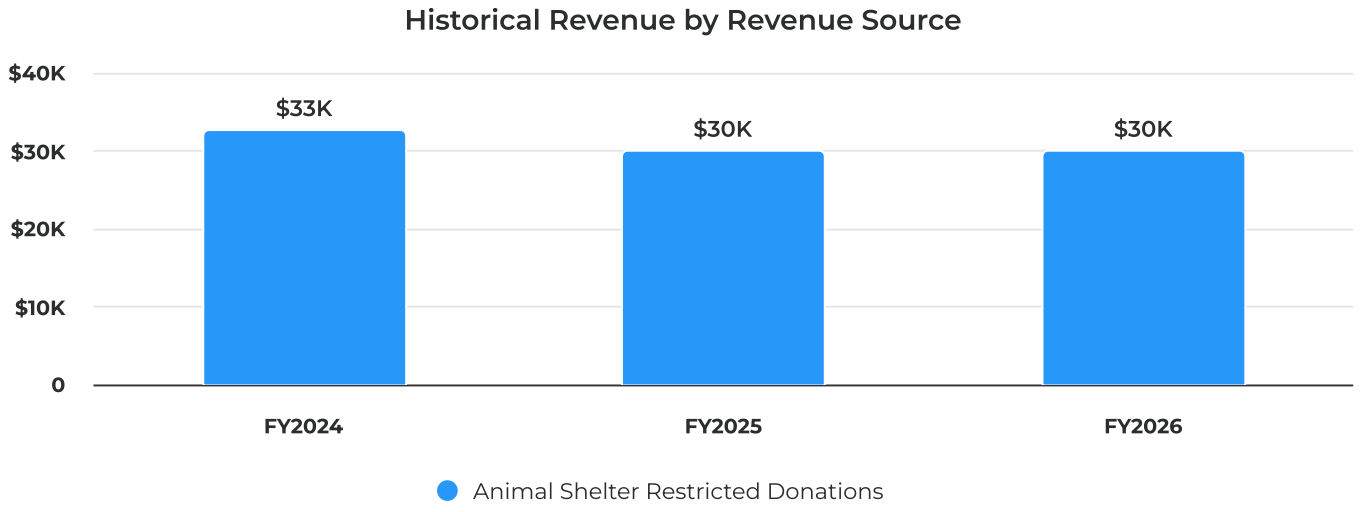
Animal Shelter

Comprehensive Fund Summary

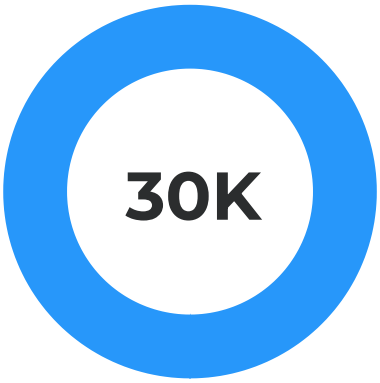
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$246,317**	**$252,246**	**$252,246**	**-**	**-**
Revenues					
Animal Shelter Restricted Donations	$32,535	$30,000	$13,303	$30,000	0.00%
Total Revenues	**$32,535**	**$30,000**	**$13,303**	**$30,000**	**0.00%**
Expenditures					
Other Charges	$4,805	$30,000	$30,000	$30,000	0.00%
Total Expenditures	**$4,805**	**$30,000**	**$30,000**	**$30,000**	**0.00%**
Total Revenues Less Expenditures	**$27,731**	**-**	**-$16,697**	**-**	**-**
Ending Fund Balance	**$274,048**	**$252,246**	**$235,549**	**-**	**-100.00%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



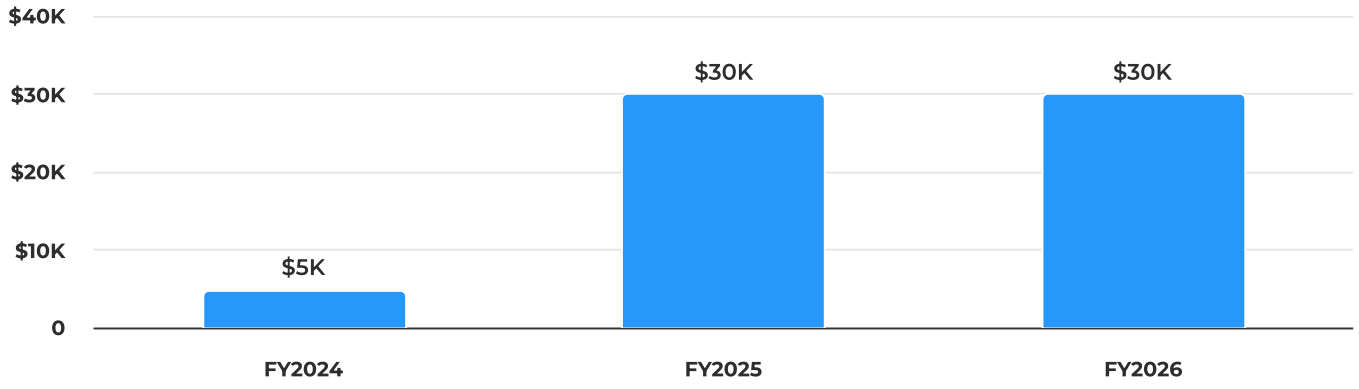
Animal Shelter Restricted Donations **$30,000** 100.00%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Animal Shelter Restricted Donations	$32,535	$30,000	$13,303	$30,000	0.00%
Total Revenues	**$32,535**	**$30,000**	**$13,303**	**$30,000**	**0.00%**

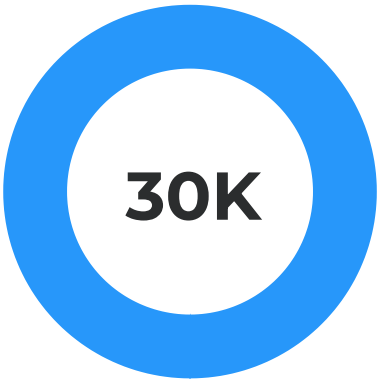
Expenditures by Fund

Historical Expenditures by Fund



Special Revenue Fund

FY26 Expenditures by Fund



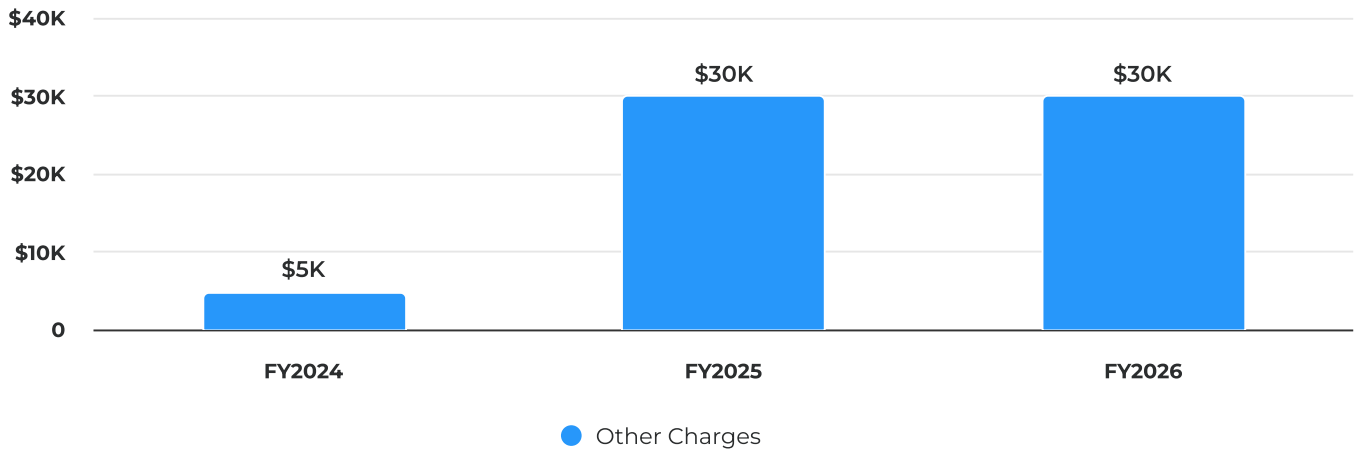
Special Revenue Fund	$30,000	100.00%

Expenditures by Fund

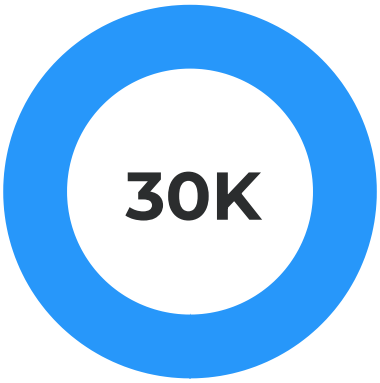
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Special Revenue Fund	$4,805	$30,000	$30,000	$30,000	0.00%
Total Expenditures	**$4,805**	**$30,000**	**$30,000**	**$30,000**	**0.00%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Other Charges **$30,000** 100.00%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Charges	$4,805	$30,000	$30,000	$30,000	0.00%
Total Expenditures	**$4,805**	**$30,000**	**$30,000**	**$30,000**	**0.00%**

Electric Utility Fund

Summary

REVENUES

The utility receives revenues through rates charged to customers for electric service, from other operating revenues and interest income. Estimated revenues for the fiscal year 2026 budget are $85.1 million.

REVENUE HIGHLIGHTS

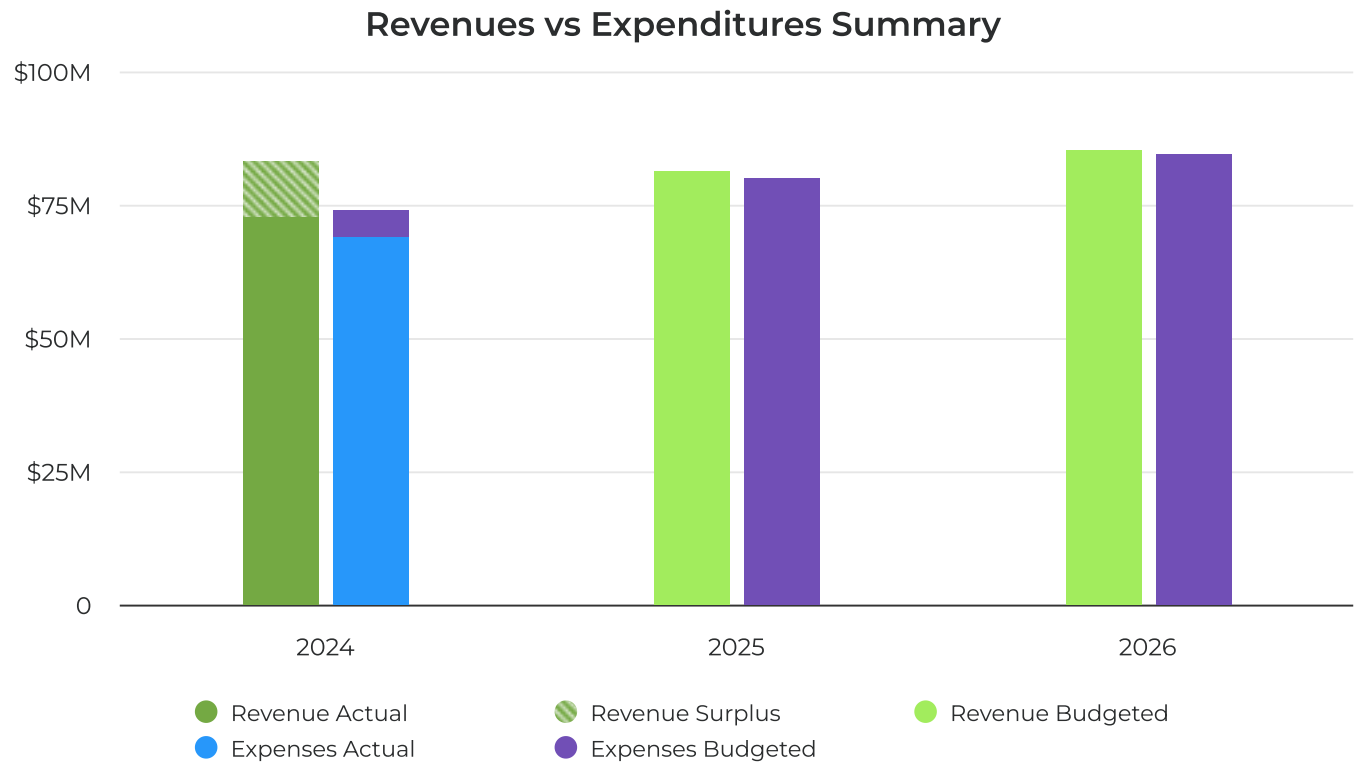
City Staff and the Citizen's Utility Advisory Board (CUAB) presented the current year rate modeling that recommended a 4.4% rate increase for fiscal year 2026. Revenues are budgeted based on system and customer anticipated growth and historical trends combined with the rate increase.

EXPENSES

Total Electric Utility Fund expenditures budget proposed for fiscal year 2026 are $84.4 million, including funding for one-time capital outlay of $634K. Transfers for capital reserves will be adjusted mid-year via budget amendment after financial results for fiscal year 2025 have been audited.

FUND BALANCE

Fund balance at the end of fiscal year 2026 in the Electric Utility Fund is estimated to be $33.6 million or 113 days of cash on hand. Fund balance transfers for capital reserves are not incorporated into the fiscal year 2026 budget. Transfers for capital reserves will be adjusted mid-year via budget amendment after financial results for fiscal year 2025 have been audited. These transfers will be used to fund capital improvement projects or other non-recurring expenses.

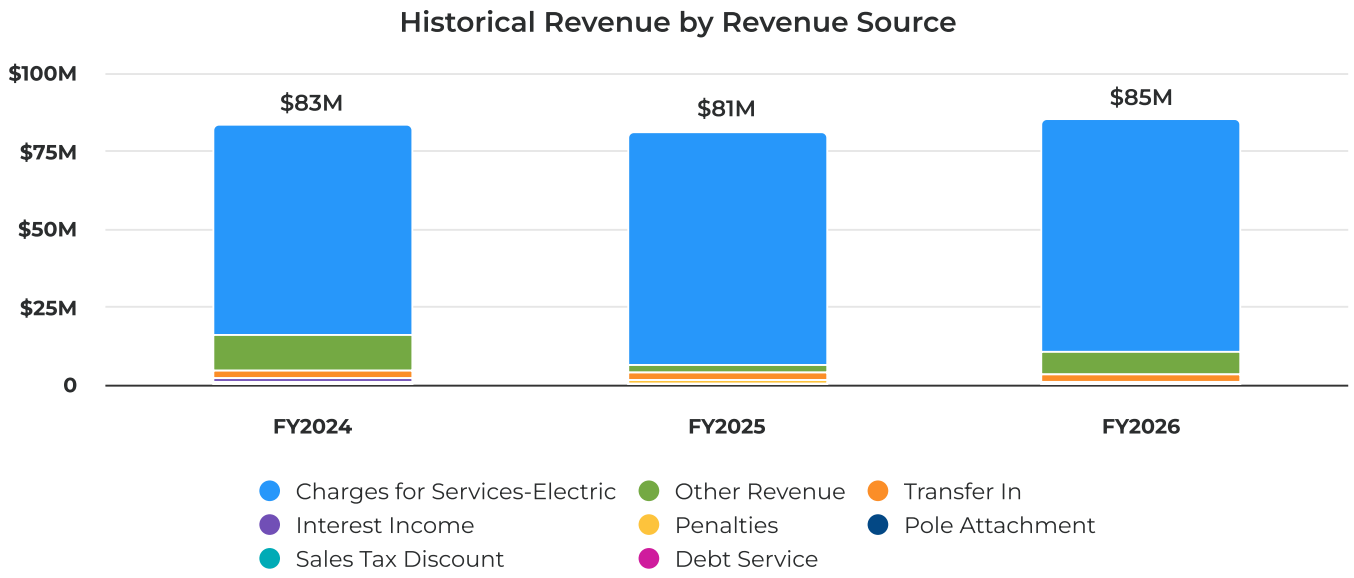


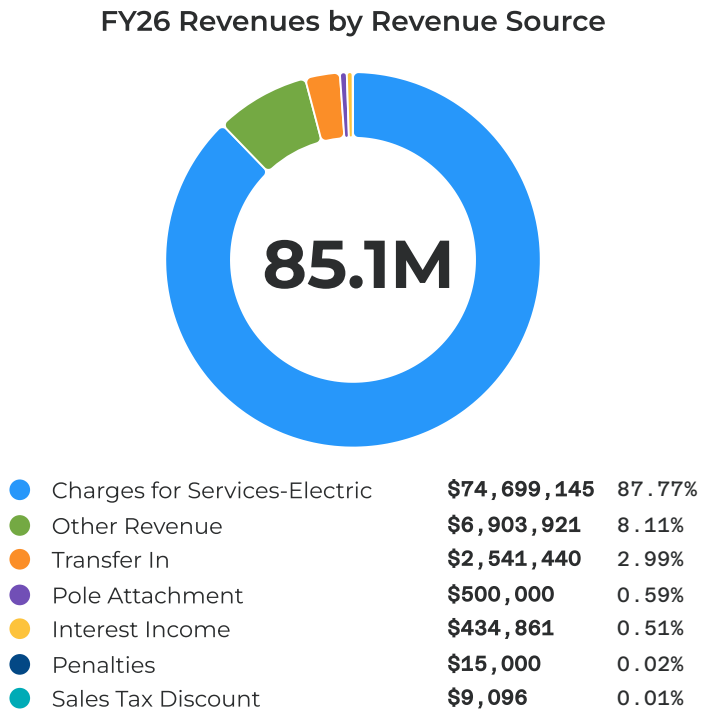
Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$17,316,539**	**$31,457,145**	**$31,457,145**	**$32,963,378**	**4.79%**
Revenues					
Other Revenue	$11,640,430	$2,028,150	$2,028,150	$6,903,921	240.40%
Interest Income	$985,848	$425,500	$425,500	$434,861	2.20%
Sales Tax Discount	$10,738	$8,900	$8,900	$9,096	2.20%
Charges for Services-Electric	$67,289,833	$75,113,869	$75,113,869	$74,699,145	-0.55%
Penalties	$701,532	$705,000	$705,000	$15,000	-97.87%
Pole Attachment	$160,642	$500,000	$500,000	$500,000	0.00%
Transfer In	$2,462,622	$2,528,153	$2,528,153	$2,541,440	0.53%
Debt Service	$145	-	-	-	-
Total Revenues	**$83,251,789**	**$81,309,572**	**$81,309,572**	**$85,103,463**	**4.67%**
Expenditures					
Personnel	$7,753,221	$9,318,838	$8,603,703	$9,890,924	6.14%
Contracted Services	$44,577,540	$51,668,657	$51,575,731	$53,402,027	3.35%
Material & Supplies	$976,991	$1,292,903	$1,252,900	$1,428,643	10.50%
Other Charges	$6,742,330	$7,068,857	$7,158,259	$7,735,329	9.43%
Bond Payments & Fees	$6,946,110	$7,456,749	$7,456,749	$7,782,938	4.37%
Oper Trsf To Other Funds	$2,101,184	$2,329,436	$2,329,436	$3,555,739	52.64%
Capital Outlay	$15,691	$633,312	$1,426,561	$634,780	0.23%
Total Expenditures	**$69,113,066**	**$79,768,752**	**$79,803,339**	**$84,430,380**	**5.84%**
Total Revenues Less Expenditures	**$14,138,723**	**$1,540,820**	**$1,506,233**	**$673,083**	**-56.32%**
Ending Fund Balance	**$31,455,262**	**$32,997,965**	**$32,963,378**	**$33,636,461**	**1.93%**

Revenues by Revenue Source



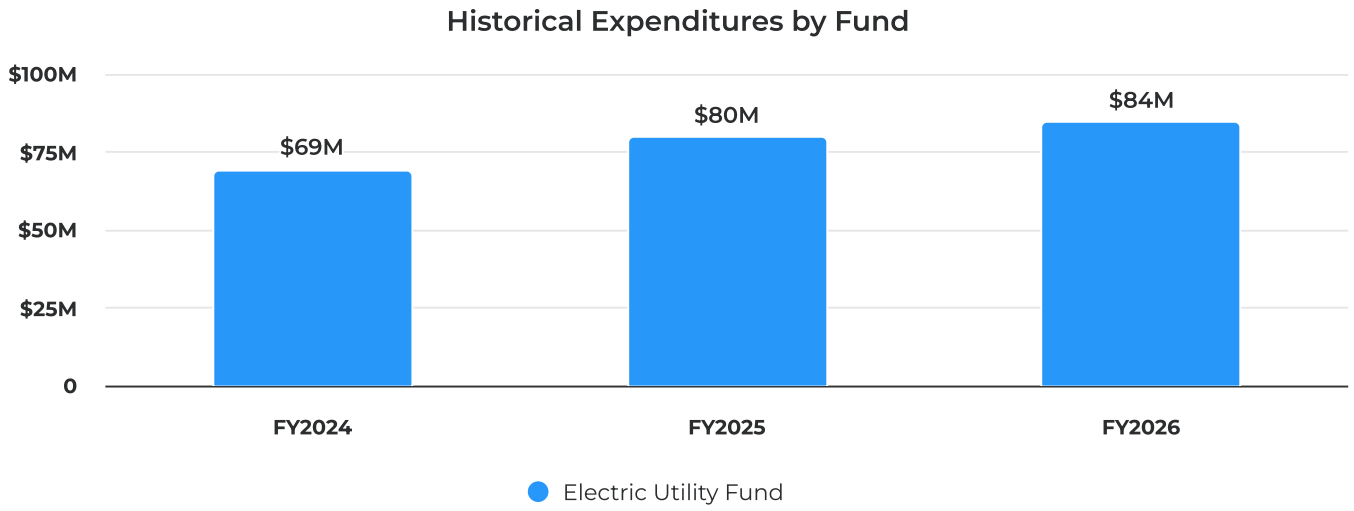


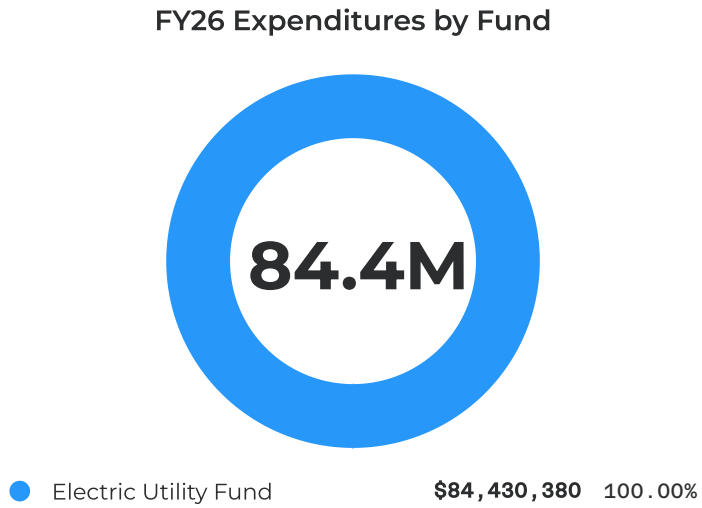
Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$11,640,430	$2,028,150	$2,028,150	$6,903,921	240.40%
Interest Income	$985,848	$425,500	$425,500	$434,861	2.20%
Sales Tax Discount	$10,738	$8,900	$8,900	$9,096	2.20%
Charges for Services-Electric	$67,289,833	$75,113,869	$75,113,869	$74,699,145	-0.55%
Penalties	$701,532	$705,000	$705,000	$15,000	-97.87%
Pole Attachment	$160,642	$500,000	$500,000	$500,000	0.00%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Transfer In	$2,462,622	$2,528,153	$2,528,153	$2,541,440	0.53%
Debt Service	$145	-	-	-	-
Total Revenues	**$83,251,789**	**$81,309,572**	**$81,309,572**	**$85,103,463**	**4.67%**

Expenditures by Fund

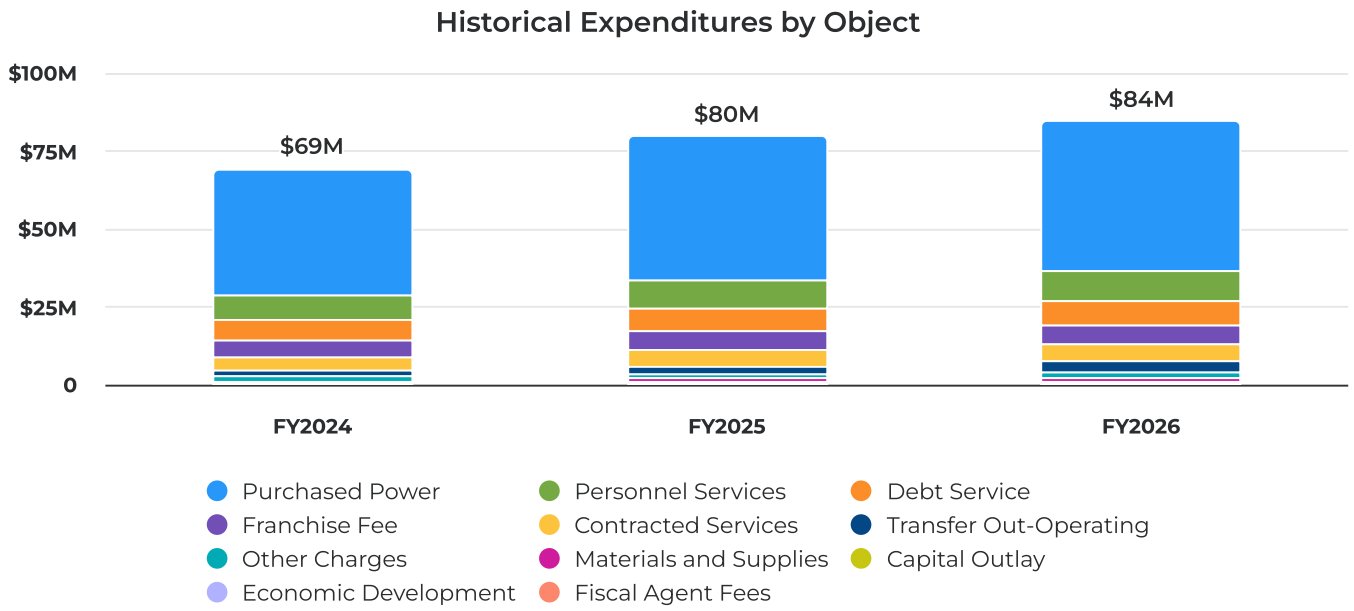


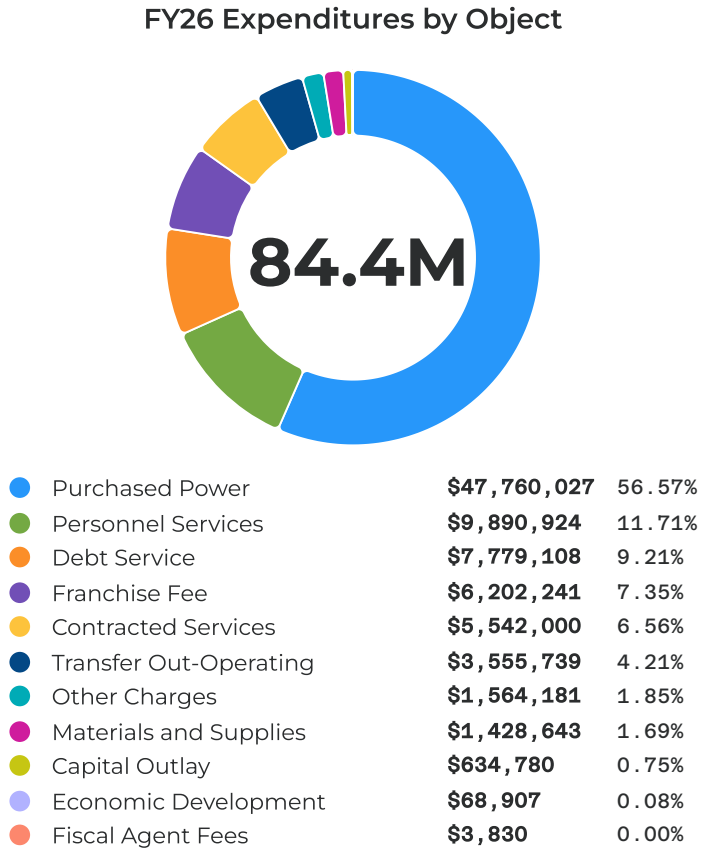


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Electric Utility Fund	$69,113,066	$79,768,752	$79,803,339	$84,430,380	5.84%
Total Expenditures	**$69,113,066**	**$79,768,752**	**$79,803,339**	**$84,430,380**	**5.84%**

Expenditures by Object





Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$7,753,221	$9,318,838	$8,603,703	$9,890,924	6.14%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$4,273,170	$5,420,168	$5,383,242	$5,542,000	2.25%
Materials and Supplies	$976,991	$1,292,903	$1,252,900	$1,428,643	10.50%
Other Charges	$1,303,384	$1,184,009	$1,217,411	$1,564,181	32.11%
Economic Development	$133,335	$106,667	$106,667	$68,907	-35.40%
Debt Service	$6,942,696	$7,452,589	$7,452,589	$7,779,108	4.38%
Transfer Out-Operating	$2,101,184	$2,329,436	$2,329,436	$3,555,739	52.64%
Capital Outlay	$15,691	$633,312	$1,426,561	$634,780	0.23%
Fiscal Agent Fees	$3,415	$4,160	$4,160	$3,830	-7.93%
Purchased Power	$40,279,725	$46,117,489	$46,117,489	$47,760,027	3.56%
Franchise Fee	$5,330,256	$5,909,181	$5,909,181	$6,202,241	4.96%
Total Expenditures	**$69,113,066**	**$79,768,752**	**$79,803,339**	**$84,430,380**	**5.84%**

WWW Utility Fund

Summary

REVENUES

The Water/Wastewater Utility Fund receives revenue from residential, multi-family and commercial customers based on their monthly water consumption. Revenue projections for water and wastewater revenues are based on factors such as historical collections, known changes that will occur, system growth factors and weather predictions. Projected revenues from all sources are budgeted at $77 million Other revenue sources include sales of effluent, pre-treatment charges, wheeling sales, service and connection charges, and interest income.

REVENUE HIGHLIGHTS

There is a 10.8% rate increase proposed for FY2026 for Water and an increase of 9.7% increase to Wastewater. The rate adjustment was recommended by CUAB and considers the increase in rates for one year will continue to support efforts to secure future water supplies through the 2060 as a member of Alliance Regional Water Authority (ARWA). Revenues are budgeted based on system and customer anticipated growth and historical trends.

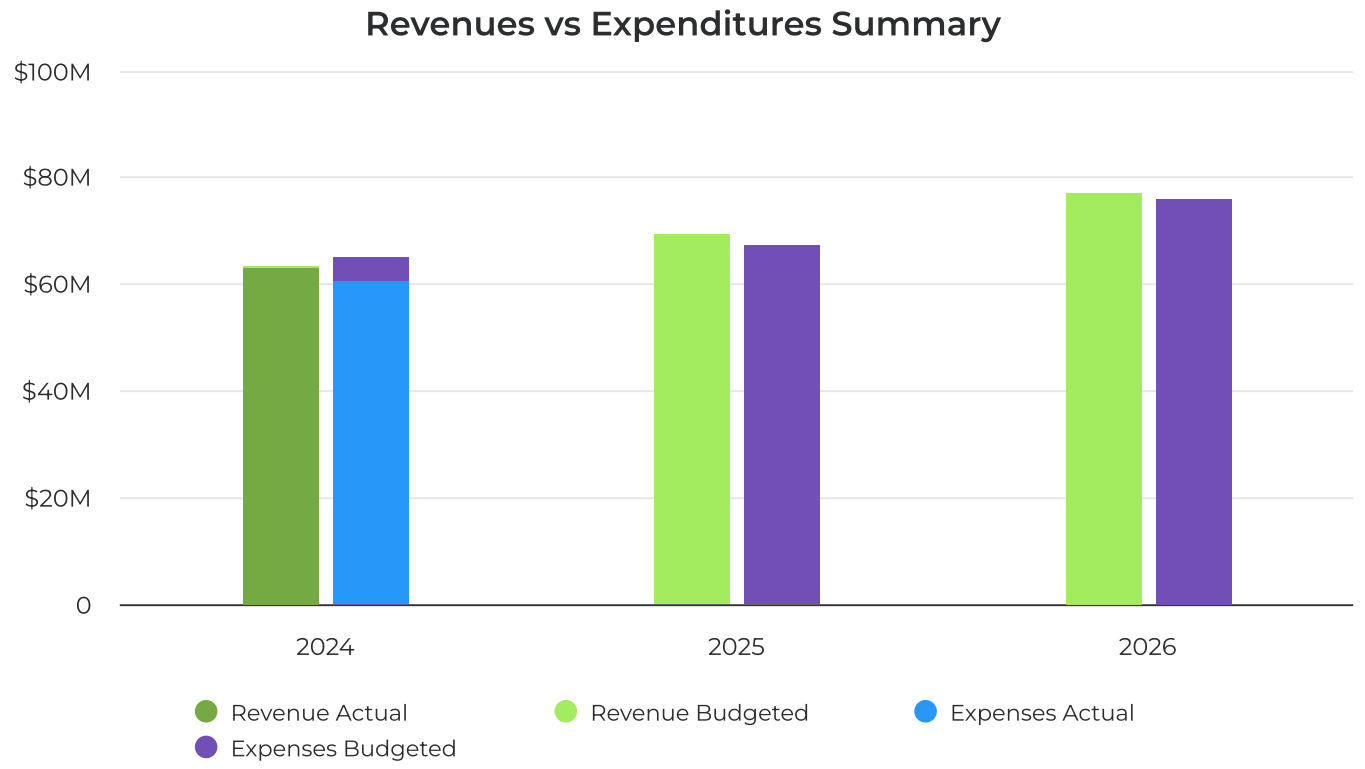
EXPENDITURE HIGHLIGHTS

Fiscal year 2026 budget for the Water/ Wastewater Utility Fund operating and capital expenditures are $76 million, including one-time capital outlay of $960K. Expenses also include an 8% franchise fee paid to the General Fund. Transfers for any needed capital reserves will be adjusted mid-year via budget amendment after financial results for fiscal year 2025 have been audited.

Operating transfers include transfers to the General Fund for its share of indirect general and administrative costs borne by the General Fund; and transfers to the Electric Utility Fund related to the proportional use of shared services within Meter Operations, Public Services Administration and Utility Business Office which are borne by the Electric Utility Fund.

FUND BALANCE

Fund balance at the end of fiscal year 2026 in the Water Wastewater Utility Fund is estimated to be $33.8 million or 162 days. Fund balance transfers for capital reserves are not incorporated into the fiscal year 2026 budget. Transfers for capital reserves will be adjusted mid-year via budget amendment after financial results for fiscal year 2025 have been audited. These transfers will be used to fund capital improvement projects or offset future debt issuances related to those projects.



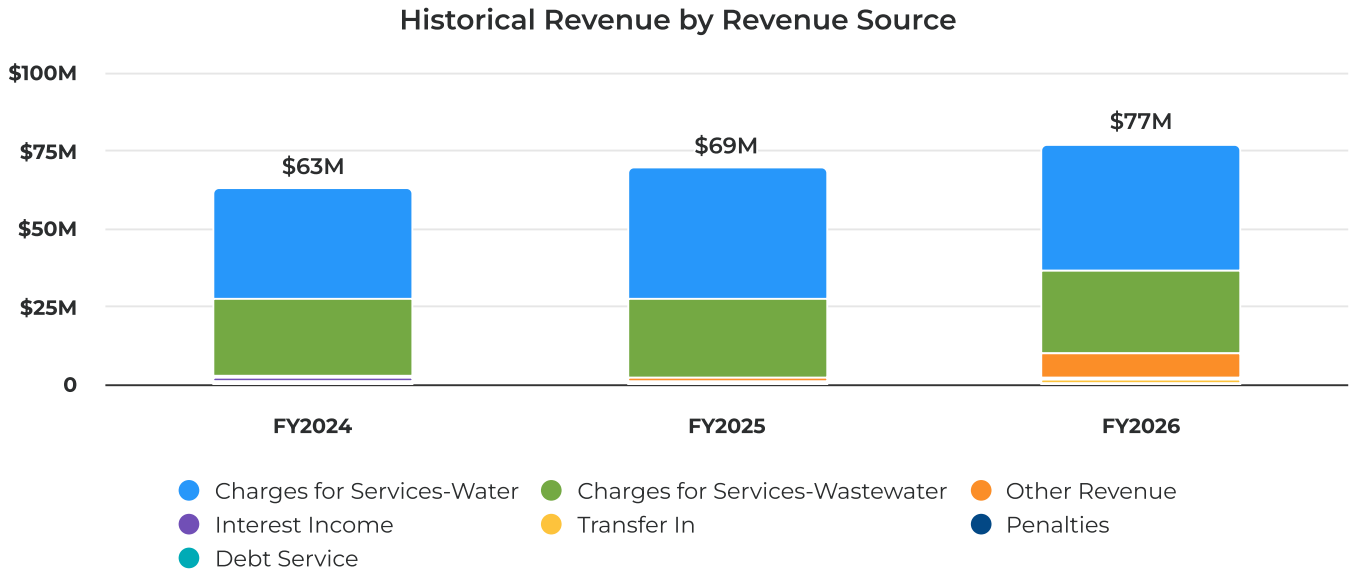
Comprehensive Fund Summary

Comprehensive Fund Summary

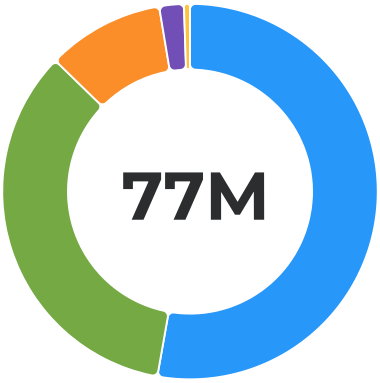
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$28,271,950**	**$30,664,686**	**$30,664,686**	**-**	**-**
Revenues					
Other Revenue	$717,921	$937,349	$937,349	$7,762,406	728.12%
Interest Income	$1,626,744	$385,000	$385,000	$393,030	2.09%
Charges for Services-Water	$35,257,182	$41,854,407	$41,854,407	$40,647,617	-2.88%
Charges for Services-Wastewater	$24,675,391	$25,670,227	$25,670,227	$26,565,550	3.49%
Penalties	$665,164	$575,669	$575,669	$6,600	-98.85%
Transfer In	-	-	-	$1,628,819	-
Debt Service	$186	-	-	-	-
Total Revenues	**$62,942,588**	**$69,422,652**	**$69,422,652**	**$77,004,022**	**10.92%**
Expenditures					
Personnel	$7,252,681	$8,579,954	$7,798,798	$8,729,972	1.75%
Contracted Services	$15,156,540	$20,073,735	$19,188,550	$20,214,400	0.70%
Material & Supplies	$2,011,262	$3,128,696	$2,846,103	$3,335,617	6.61%
Other Charges	$6,230,897	$6,260,103	$6,413,157	$7,264,197	16.04%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Bond Payments & Fees	$20,786,700	$22,463,141	$22,463,141	$27,379,891	21.89%
Oper Trsf To Other Funds	$8,100,391	$6,007,968	$6,007,968	$8,182,655	36.20%
Capital Outlay	$1,008,770	$912,744	$2,427,147	$960,152	5.19%
Total Expenditures	**$60,547,240**	**$67,426,341**	**$67,144,864**	**$76,066,884**	**12.81%**
Total Revenues Less Expenditures	**$2,395,348**	**$1,996,311**	**$2,277,788**	**$937,138**	**-53.06%**
Ending Fund Balance	**$30,667,298**	**$32,660,997**	**$32,942,474**	**$937,138**	**-97.13%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source

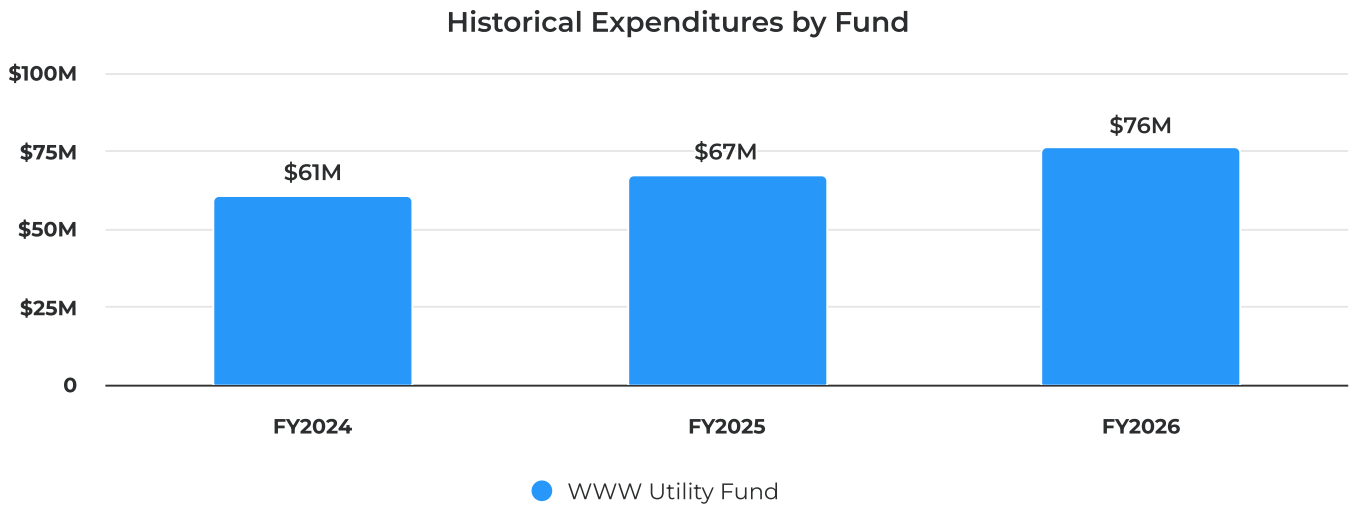


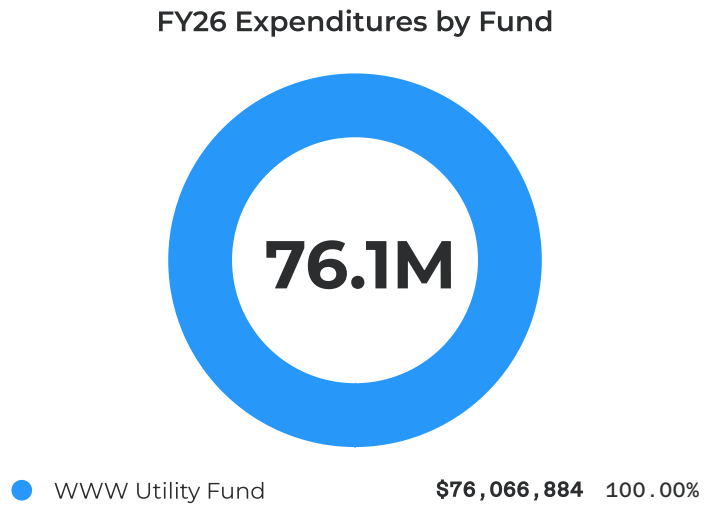
Charges for Services-Water	**$40,647,617**	52.79%
Charges for Services-Wastewater	**$26,565,550**	34.50%
Other Revenue	**$7,762,406**	10.08%
Transfer In	**$1,628,819**	2.12%
Interest Income	**$393,030**	0.51%
Penalties	**$6,600**	0.01%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$717,921	$937,349	$937,349	$7,762,406	728.12%
Interest Income	$1,626,744	$385,000	$385,000	$393,030	2.09%
Charges for Services-Water	$35,257,182	$41,854,407	$41,854,407	$40,647,617	-2.88%
Charges for Services-Wastewater	$24,675,391	$25,670,227	$25,670,227	$26,565,550	3.49%
Penalties	$665,164	$575,669	$575,669	$6,600	-98.85%
Transfer In	-	-	-	$1,628,819	-
Debt Service	$186	-	-	-	-
Total Revenues	**$62,942,588**	**$69,422,652**	**$69,422,652**	**$77,004,022**	**10.92%**

Expenditures by Fund

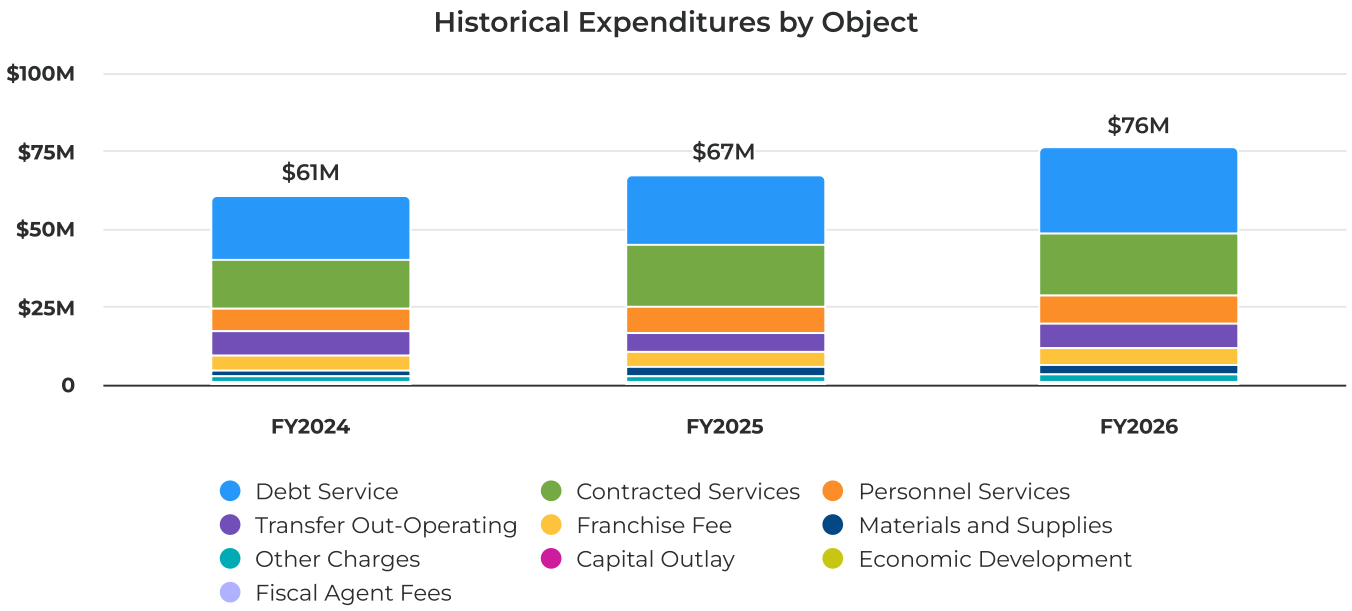


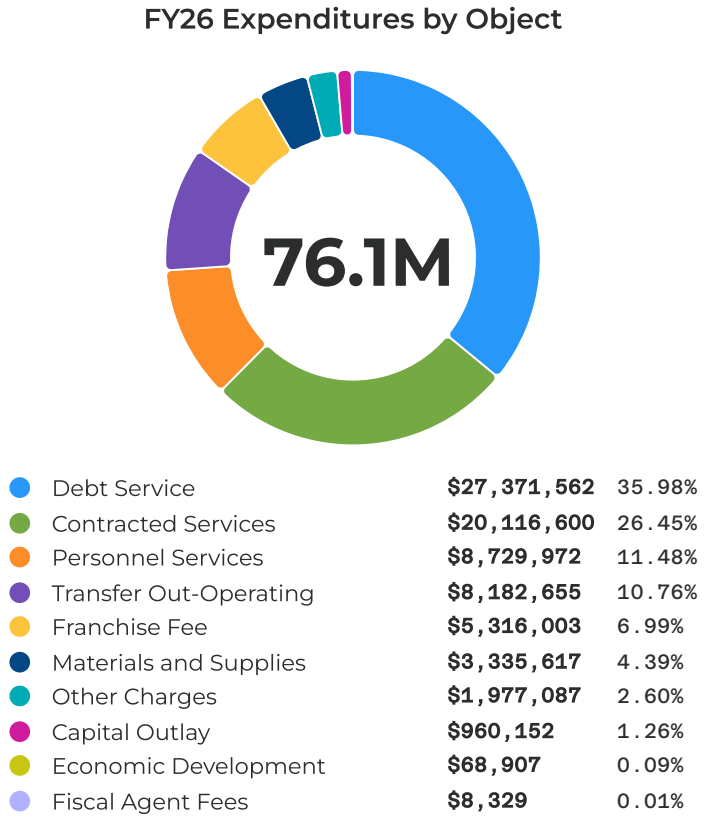


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
WWW Utility Fund	$60,547,240	$67,426,341	$67,144,864	$76,066,884	12.81%
Total Expenditures	**$60,547,240**	**$67,426,341**	**$67,144,864**	**$76,066,884**	**12.81%**

Expenditures by Object





Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$7,252,681	$8,579,954	$7,798,798	$8,729,972	1.75%
Contracted Services	$15,141,268	$19,975,964	$19,168,550	$20,116,600	0.70%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Materials and Supplies	$2,011,262	$3,128,696	$2,846,103	$3,335,617	6.61%
Other Charges	$1,491,863	$1,441,715	$1,516,998	$1,977,087	37.13%
Economic Development	$133,335	$106,667	$106,667	$68,907	-35.40%
Debt Service	$20,779,115	$22,455,621	$22,455,651	$27,371,562	21.89%
Transfer Out-Operating	$8,100,391	$6,007,968	$6,007,968	$8,182,655	36.20%
Capital Outlay	$1,008,770	$912,744	$2,427,147	$960,152	5.19%
Fiscal Agent Fees	$7,584	$7,520	$7,490	$8,329	10.76%
Franchise Fee	$4,620,971	$4,809,492	$4,809,492	$5,316,003	10.53%
Total Expenditures	**$60,547,240**	**$67,426,341**	**$67,144,864**	**$76,066,884**	**12.81%**

Stormwater Fund

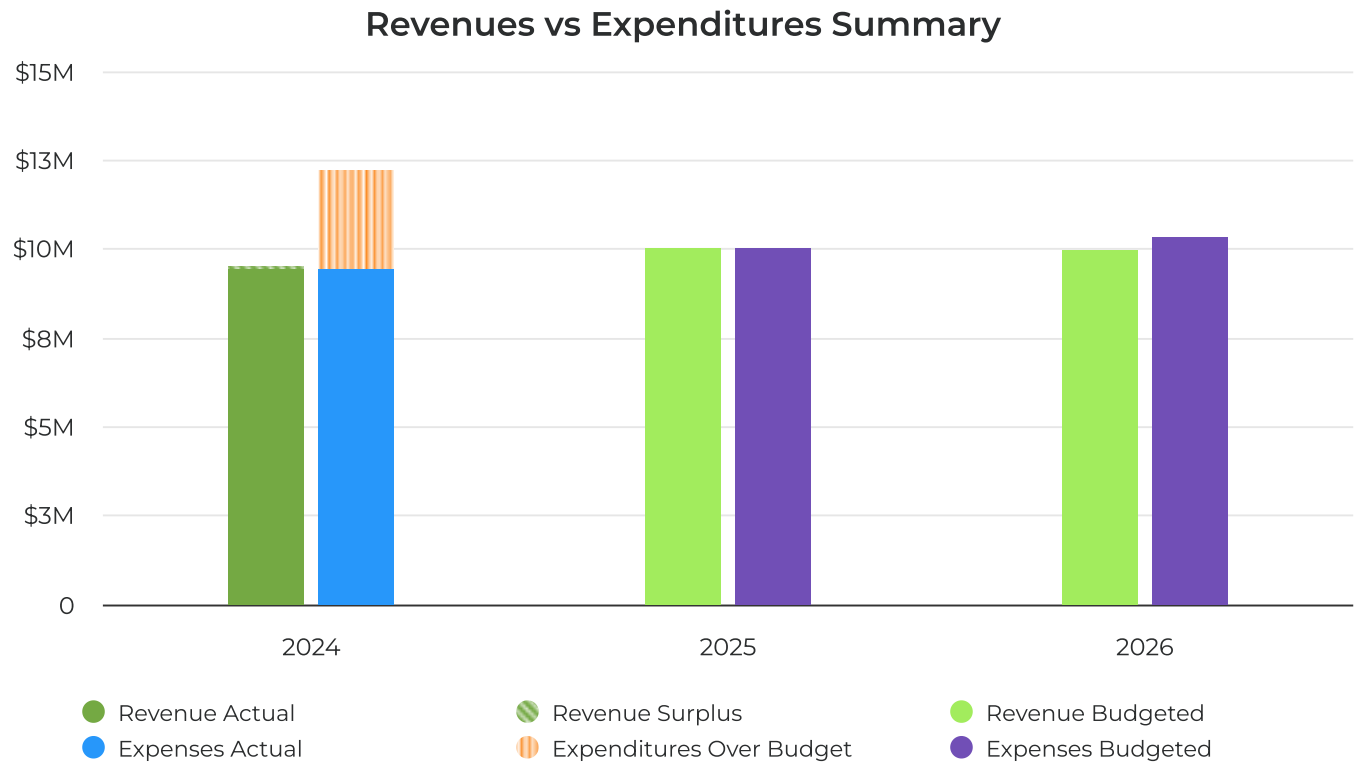
Summary

REVENUES AND EXPENSES

Revenues are budgeted based on system and customer anticipated growth and historical trends.

FUND BALANCE

The General Fund has been providing financial support to the Stormwater Capital Improvement Program. This will assist Stormwater in building fund balance and gaining debt capacity from debt maturing.



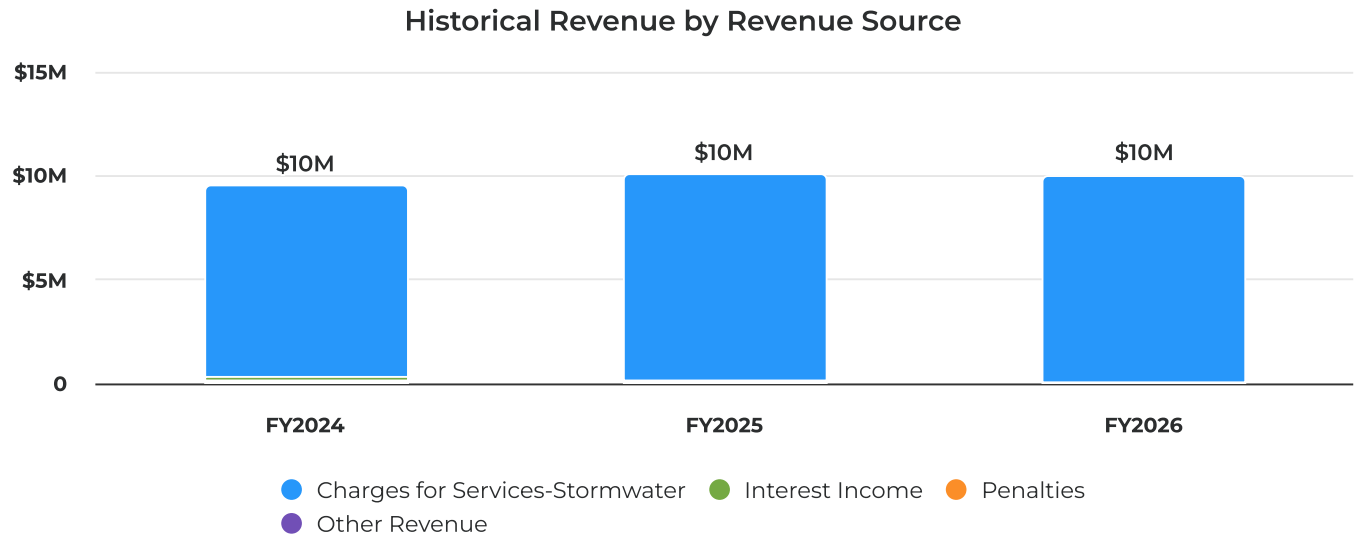
Comprehensive Fund Summary

Comprehensive Fund Summary

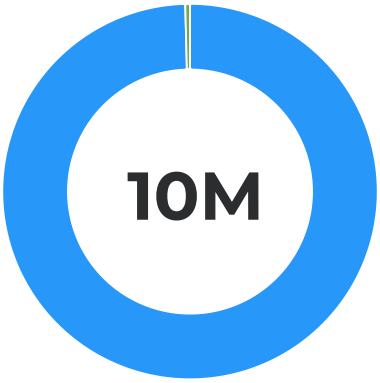
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	$2,492,224	$3,029,806	$3,029,806	$3,091,626	2.04%
Revenues					

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$950	-	-	-	-
Interest Income	$177,071	$10,000	$80,000	$40,000	300.00%
Charges for Services-Stormwater	$9,251,772	$9,939,433	$9,750,000	$9,957,840	0.19%
Penalties	$93,536	$90,000	$70,000	-	-100.00%
Total Revenues	**$9,523,329**	**$10,039,433**	**$9,900,000**	**$9,997,840**	**-0.41%**
Expenditures					
Personnel	$1,700,058	$1,883,752	$1,797,212	$1,980,680	5.15%
Contracted Services	$1,063,565	$1,213,663	$1,237,051	$1,220,788	0.59%
Material & Supplies	$300,697	$287,302	$291,487	$287,302	0.00%
Other Charges	$69,969	$36,500	$36,500	$36,500	0.00%
Bond Payments & Fees	$7,260,778	$4,335,761	$4,335,761	$4,634,290	6.89%
Oper Trsf To Other Funds	$1,789,264	$2,282,455	$2,132,669	$2,188,280	-4.13%
Capital Outlay	-	-	$7,500	-	-
Total Expenditures	**$12,184,330**	**$10,039,433**	**$9,838,180**	**$10,347,840**	**3.07%**
Total Revenues Less Expenditures	**-$2,661,001**	**-**	**$61,820**	**-$350,000**	**-**
Ending Fund Balance	**-$168,777**	**$3,029,806**	**$3,091,626**	**$2,741,626**	**-9.51%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source



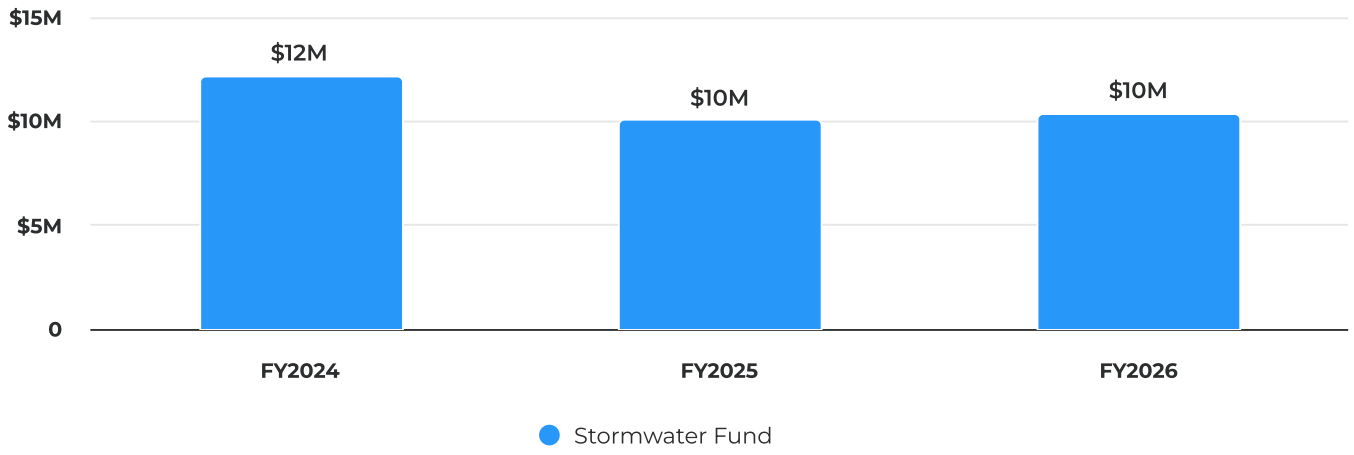
Charges for Services-Stormwater	$9,957,840	99.60%
Interest Income	$40,000	0.40%

Revenues by Revenue Source

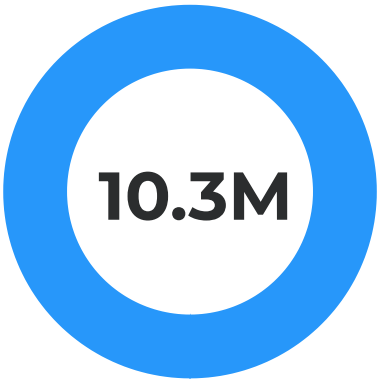
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$950	-	-	-	-
Interest Income	$177,071	$10,000	$80,000	$40,000	300.00%
Charges for Services-Stormwater	$9,251,772	$9,939,433	$9,750,000	$9,957,840	0.19%
Penalties	$93,536	$90,000	$70,000	-	-100.00%
Total Revenues	**$9,523,329**	**$10,039,433**	**$9,900,000**	**$9,997,840**	**-0.41%**

Expenditures by Fund

Historical Expenditures by Fund



FY26 Expenditures by Fund



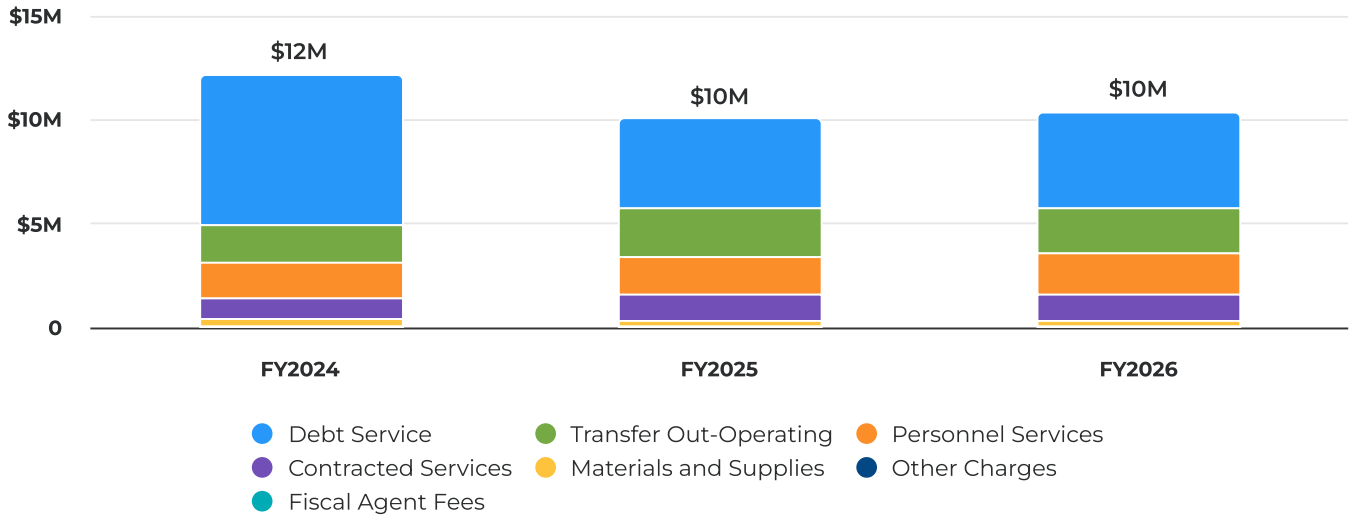
Stormwater Fund $10,347,840 100.00%

Expenditures by Fund

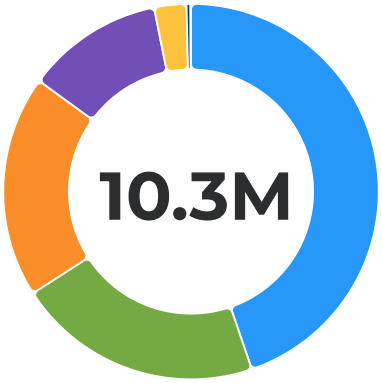
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Stormwater Fund	$12,184,330	$10,039,433	$9,838,180	$10,347,840	3.07%
Total Expenditures	**$12,184,330**	**$10,039,433**	**$9,838,180**	**$10,347,840**	**3.07%**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



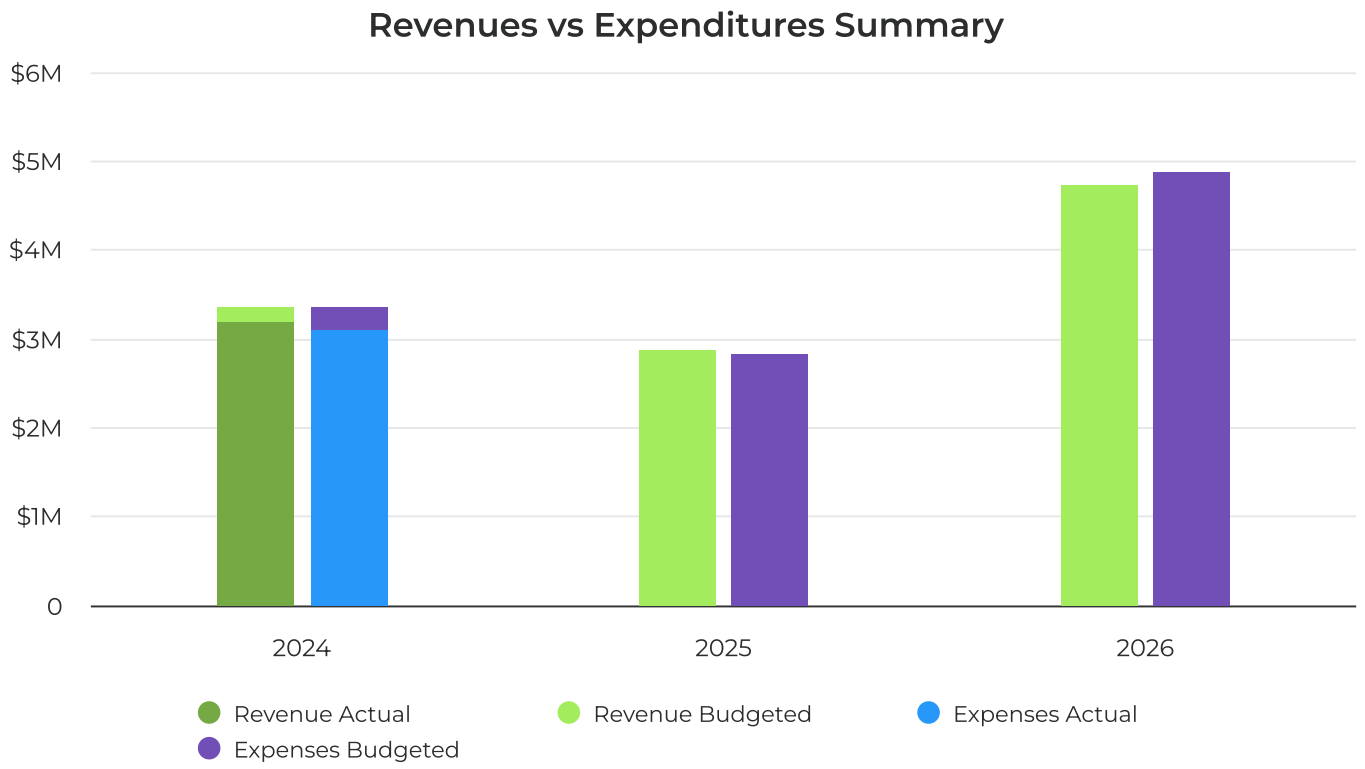
Debt Service	$4,630,606	44.75%
Transfer Out-Operating	$2,188,280	21.15%
Personnel Services	$1,980,680	19.14%
Contracted Services	$1,220,788	11.80%
Materials and Supplies	$287,302	2.78%
Other Charges	$36,500	0.35%
Fiscal Agent Fees	$3,684	0.04%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$1,700,058	$1,883,752	$1,797,212	$1,980,680	5.15%
Contracted Services	$1,063,565	$1,213,663	$1,237,051	$1,220,788	0.59%
Materials and Supplies	$300,697	$287,302	$291,487	$287,302	0.00%
Other Charges	$69,969	$36,500	$36,500	$36,500	0.00%
Debt Service	$7,257,304	$4,331,701	$4,331,701	$4,630,606	6.90%
Transfer Out-Operating	$1,789,264	$2,282,455	$2,132,669	$2,188,280	-4.13%
Capital Outlay	-	-	$7,500	-	-
Fiscal Agent Fees	$3,474	$4,060	$4,060	$3,684	-9.26%
Total Expenditures	**$12,184,330**	**$10,039,433**	**$9,838,180**	**$10,347,840**	**3.07%**

Transit Fund

Summary



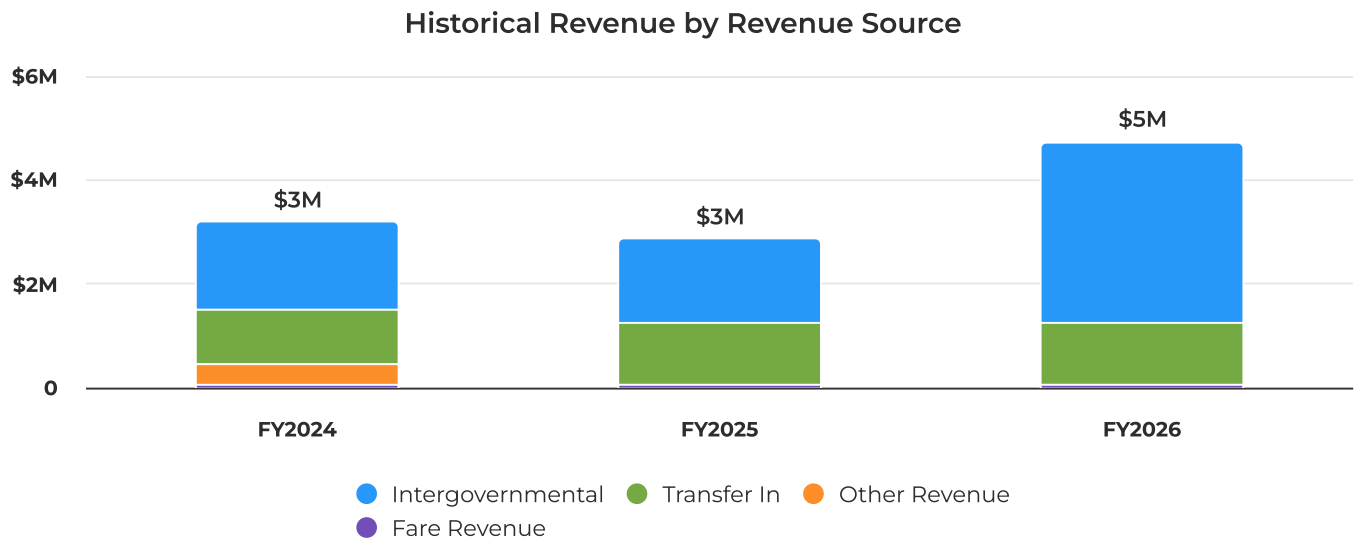
Comprehensive Fund Summary

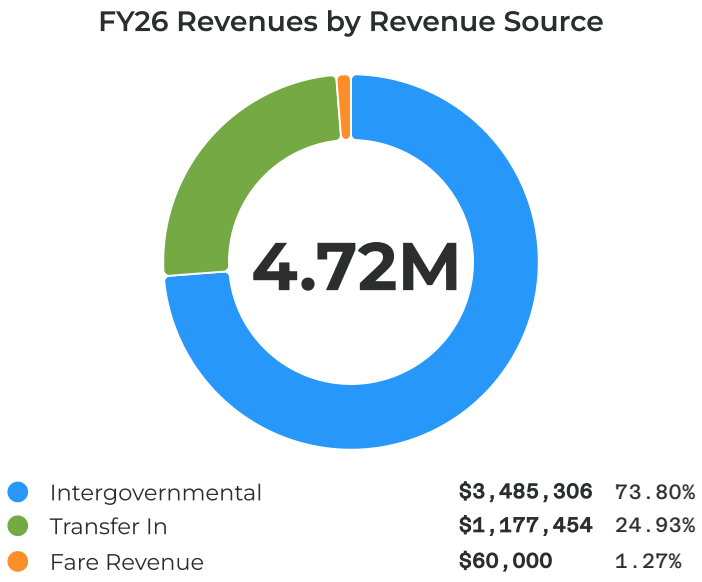
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$603,836**	**$680,436**	**$680,436**	**$693,947**	**1.99%**
Revenues					
Other Revenue	$374,844	-	-	-	-
Intergovernmental	$1,695,324	$1,608,940	$1,768,940	$3,485,306	116.62%
Fare Revenue	$59,253	$60,000	$55,000	$60,000	0.00%
Transfer In	$1,062,104	$1,199,294	$1,039,294	$1,177,454	-1.82%
Total Revenues	**$3,191,525**	**$2,868,234**	**$2,863,234**	**$4,722,760**	**64.66%**
Expenditures					
Personnel	$365,471	$392,203	$410,102	$411,468	4.91%
Contracted Services	$2,247,841	$2,335,211	$2,343,578	$2,413,827	3.37%
Material & Supplies	$12,362	$4,500	$3,500	$3,409	-24.24%
Other Charges	$23,957	$13,019	$11,519	$10,664	-18.09%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Oper Trsf To Other Funds	$92,841	$81,024	$81,024	$83,392	2.92%
Capital Outlay	$372,454	-	-	$1,950,000	-
Total Expenditures	**$3,114,925**	**$2,825,957**	**$2,849,723**	**$4,872,760**	**72.43%**
Total Revenues Less Expenditures	**$76,600**	**$42,277**	**$13,511**	**-$150,000**	**-454.80%**
Ending Fund Balance	**$680,436**	**$722,713**	**$693,947**	**$543,947**	**-24.74%**

Revenues by Revenue Source

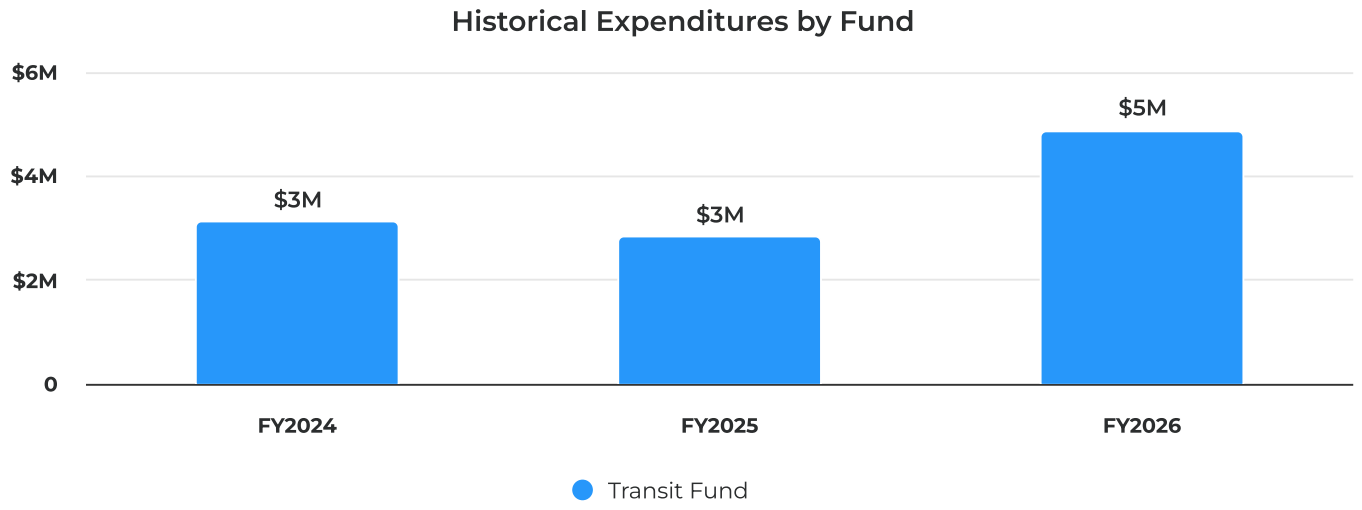


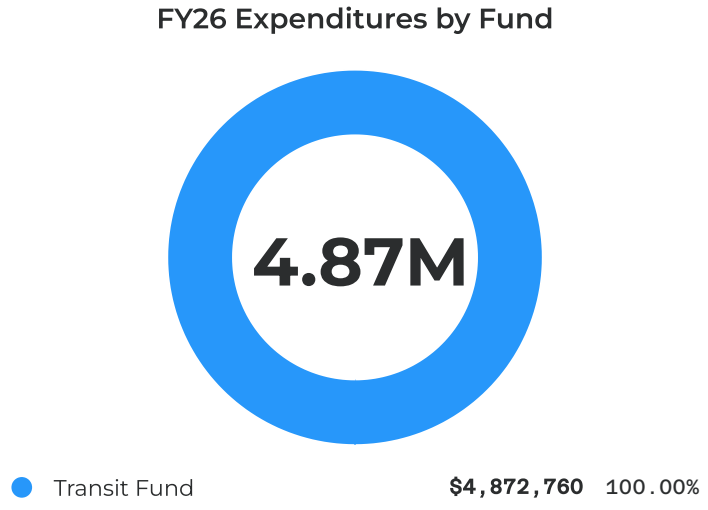


Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$374,844	-	-	-	-
Intergovernmental	$1,695,324	$1,608,940	$1,768,940	$3,485,306	116.62%
Fare Revenue	$59,253	$60,000	$55,000	$60,000	0.00%
Transfer In	$1,062,104	$1,199,294	$1,039,294	$1,177,454	-1.82%
Total Revenues	**$3,191,525**	**$2,868,234**	**$2,863,234**	**$4,722,760**	**64.66%**

Expenditures by Fund

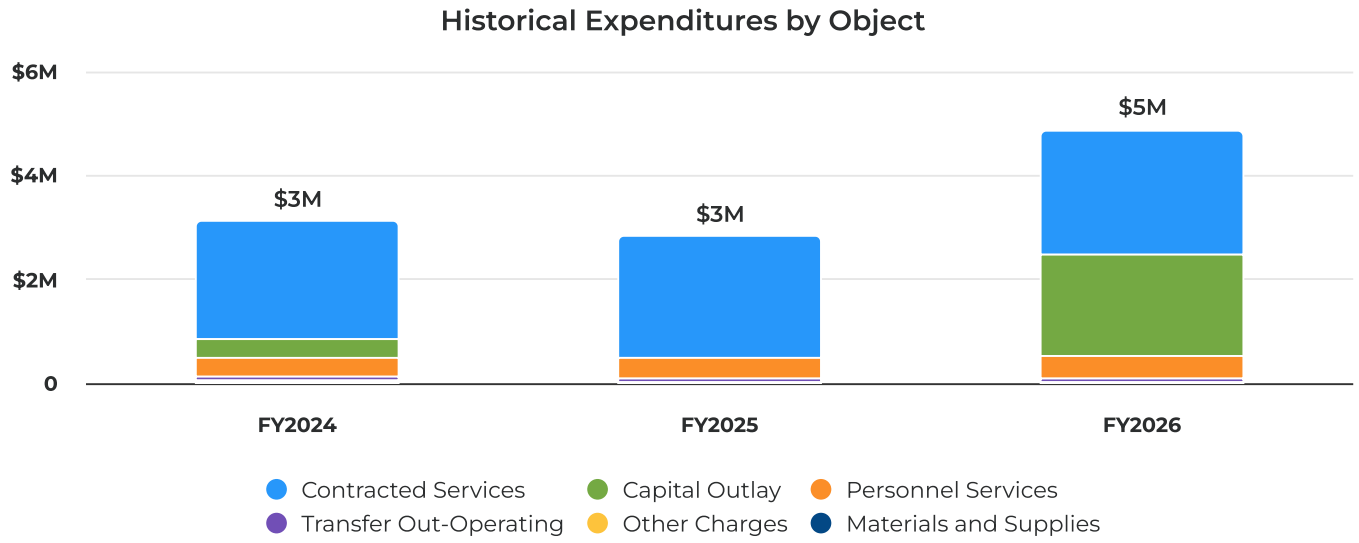


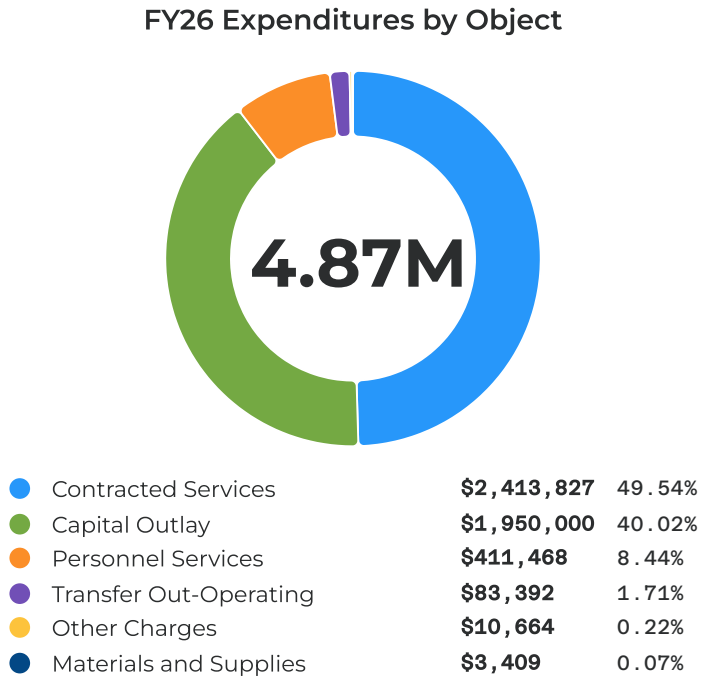


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Transit Fund	$3,114,925	$2,825,957	$2,849,723	$4,872,760	72.43%
Total Expenditures	**$3,114,925**	**$2,825,957**	**$2,849,723**	**$4,872,760**	**72.43%**

Expenditures by Object





Expenditures by Object

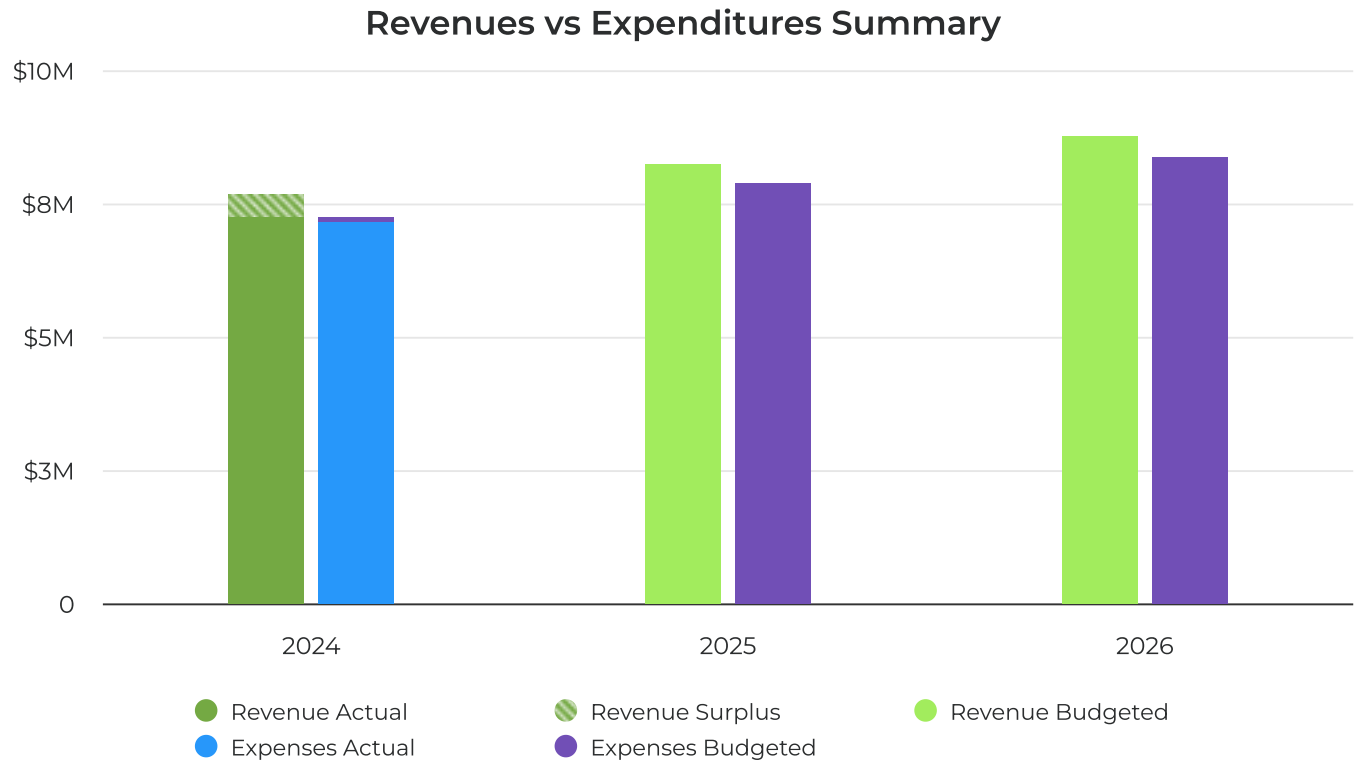
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$365,471	$392,203	$410,102	$411,468	4.91%
Contracted Services	$2,247,841	$2,335,211	$2,343,578	$2,413,827	3.37%
Materials and Supplies	$12,362	$4,500	$3,500	$3,409	-24.24%
Other Charges	$23,957	$13,019	$11,519	$10,664	-18.09%
Transfer Out-Operating	$92,841	$81,024	$81,024	$83,392	2.92%
Capital Outlay	$372,454	-	-	$1,950,000	-
Total Expenditures	**$3,114,925**	**$2,825,957**	**$2,849,723**	**$4,872,760**	**72.43%**

Resource Recovery Fund

Summary

REVENUES AND EXPENSES

The Resource Recovery Utility Fund is an enterprise fund supported by assessment of residential waste collection, recycling service, and administrative and education charges.



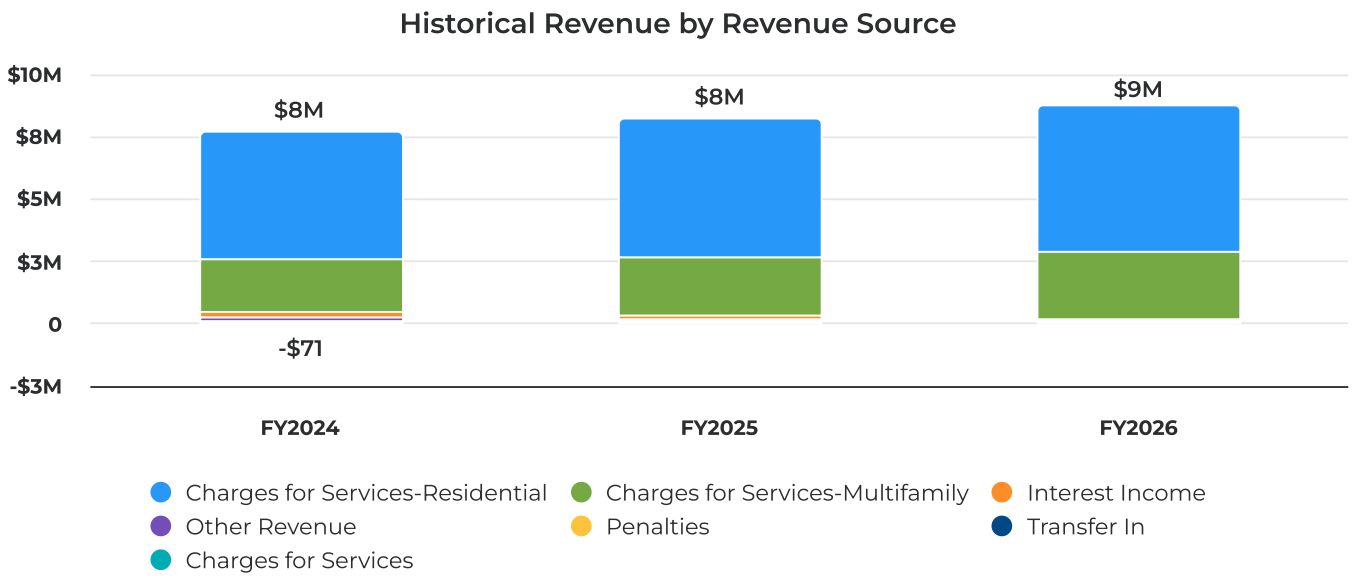
Comprehensive Fund Summary

Comprehensive Fund Summary

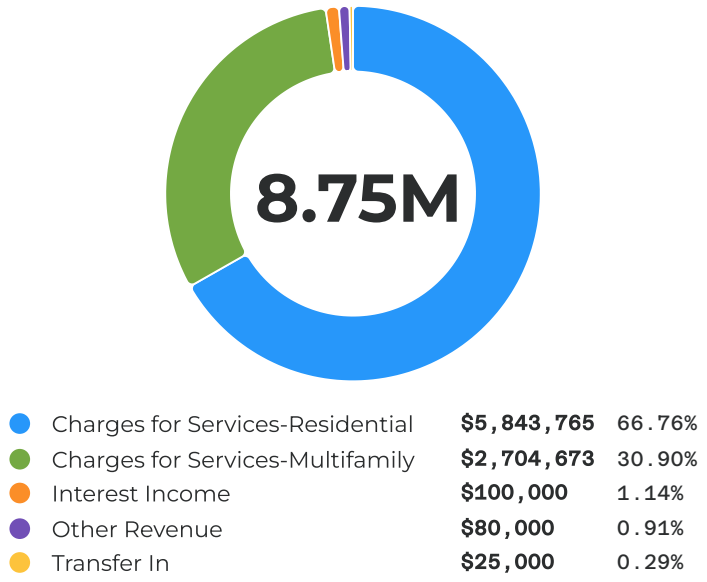
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$2,645,338**	**$3,179,897**	**$3,179,897**	**$3,765,751**	**18.42%**
Revenues					
Other Revenue	$84,918	$80,000	$86,000	$80,000	0.00%
Interest Income	$264,608	$100,000	$100,000	$100,000	0.00%
Charges for Services	-$71	-	-	-	-
Penalties	$105,978	$100,000	$100,000	-	-100.00%
Charges for Services-Residential	$5,096,406	$5,578,821	$5,575,952	$5,843,765	4.75%
Charges for Services-Multifamily	$2,113,850	$2,341,535	$2,606,750	$2,704,673	15.51%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Transfer In	$25,000	$25,000	$25,000	$25,000	0.00%
Total Revenues	**$7,690,688**	**$8,225,356**	**$8,493,702**	**$8,753,438**	**6.42%**
Expenditures					
Personnel	$702,250	$752,897	$756,432	$831,264	10.41%
Contracted Services	$5,792,456	$6,527,632	$6,529,433	$6,821,848	4.51%
Material & Supplies	$40,958	$44,500	$44,500	$61,000	37.08%
Other Charges	$94,267	$25,500	$25,500	$33,000	29.41%
Oper Trsf To Other Funds	$526,199	$551,983	$551,983	$634,722	14.99%
Total Expenditures	**$7,156,129**	**$7,902,512**	**$7,907,848**	**$8,381,834**	**6.07%**
Total Revenues Less Expenditures	**$534,558**	**$322,844**	**$585,854**	**$371,604**	**15.10%**
Ending Fund Balance	**$3,179,896**	**$3,502,741**	**$3,765,751**	**$4,137,355**	**18.12%**

Revenues by Revenue Source



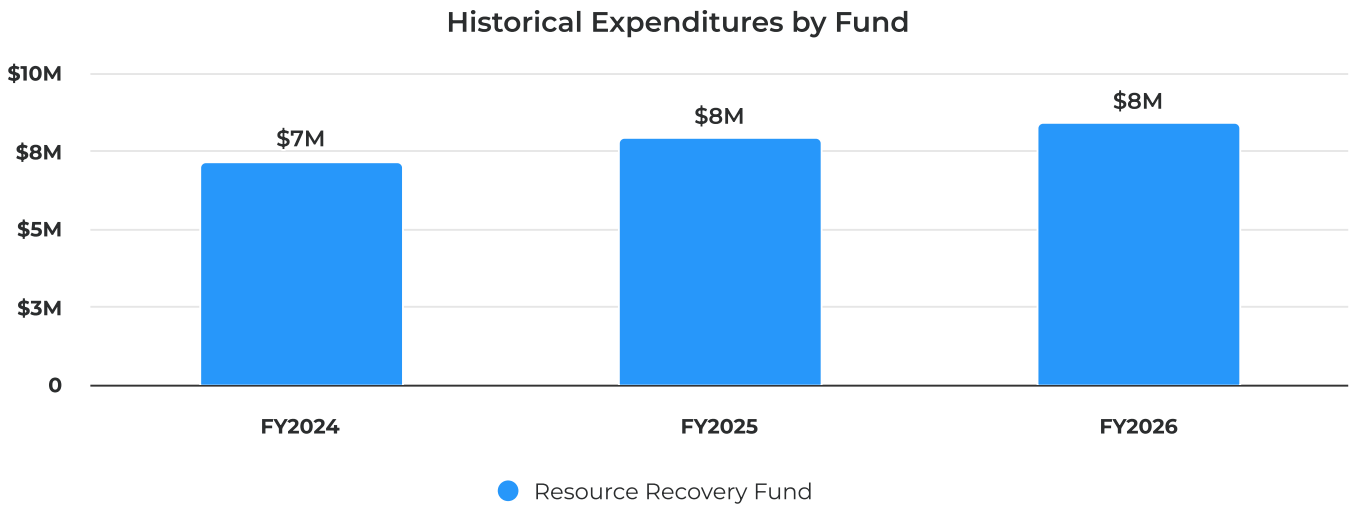
FY26 Revenues by Revenue Source

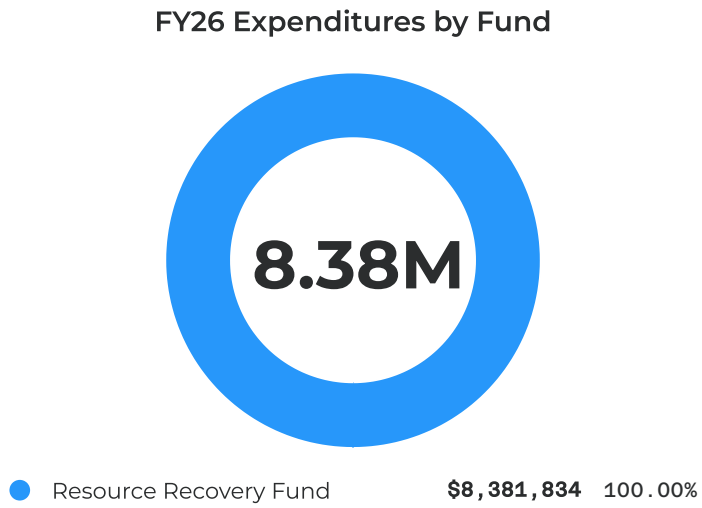


Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$84,918	$80,000	$86,000	$80,000	0.00%
Interest Income	$264,608	$100,000	$100,000	$100,000	0.00%
Charges for Services	-$71	-	-	-	-
Penalties	$105,978	$100,000	$100,000	-	-100.00%
Charges for Services-Residential	$5,096,406	$5,578,821	$5,575,952	$5,843,765	4.75%
Charges for Services-Multifamily	$2,113,850	$2,341,535	$2,606,750	$2,704,673	15.51%
Transfer In	$25,000	$25,000	$25,000	$25,000	0.00%
Total Revenues	**$7,690,688**	**$8,225,356**	**$8,493,702**	**$8,753,438**	**6.42%**

Expenditures by Fund

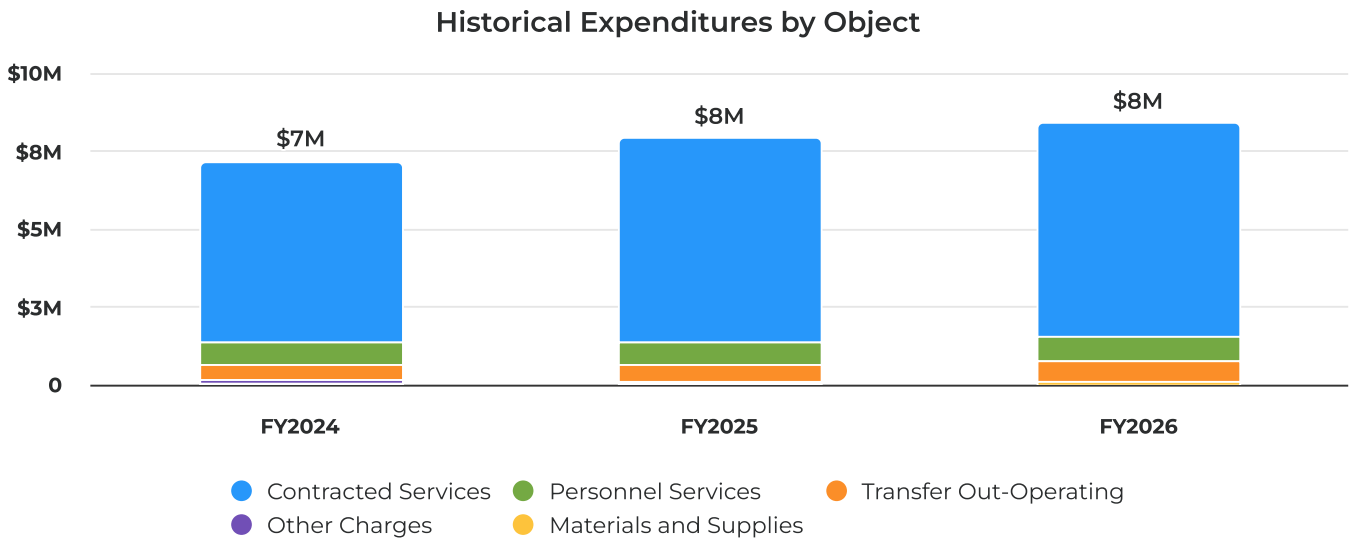


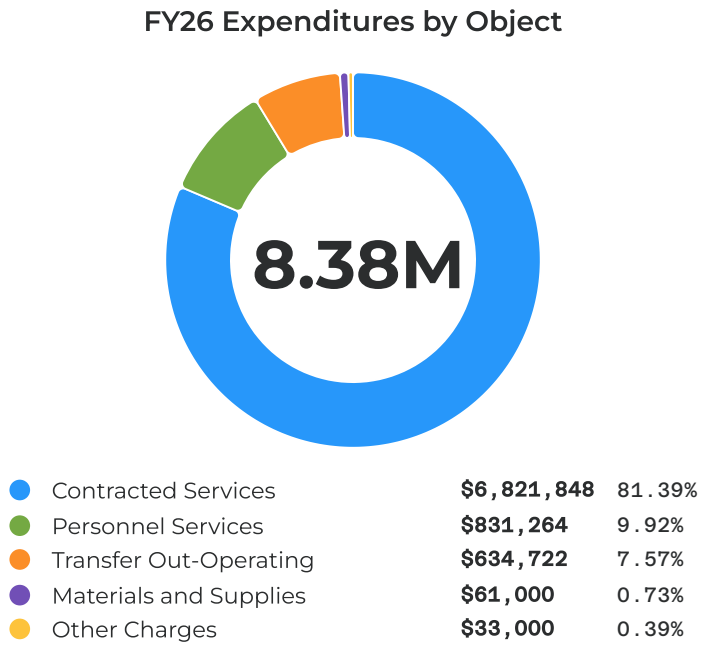


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Resource Recovery Fund	$7,156,129	$7,902,512	$7,907,848	$8,381,834	6.07%
Total Expenditures	**$7,156,129**	**$7,902,512**	**$7,907,848**	**$8,381,834**	**6.07%**

Expenditures by Object





Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	$702,250	$752,897	$756,432	$831,264	10.41%
Contracted Services	$5,792,456	$6,527,632	$6,529,433	$6,821,848	4.51%
Materials and Supplies	$40,958	$44,500	$44,500	$61,000	37.08%
Other Charges	$94,267	$25,500	$25,500	$33,000	29.41%
Transfer Out-Operating	$526,199	$551,983	$551,983	$634,722	14.99%
Total Expenditures	**$7,156,129**	**$7,902,512**	**$7,907,848**	**$8,381,834**	**6.07%**

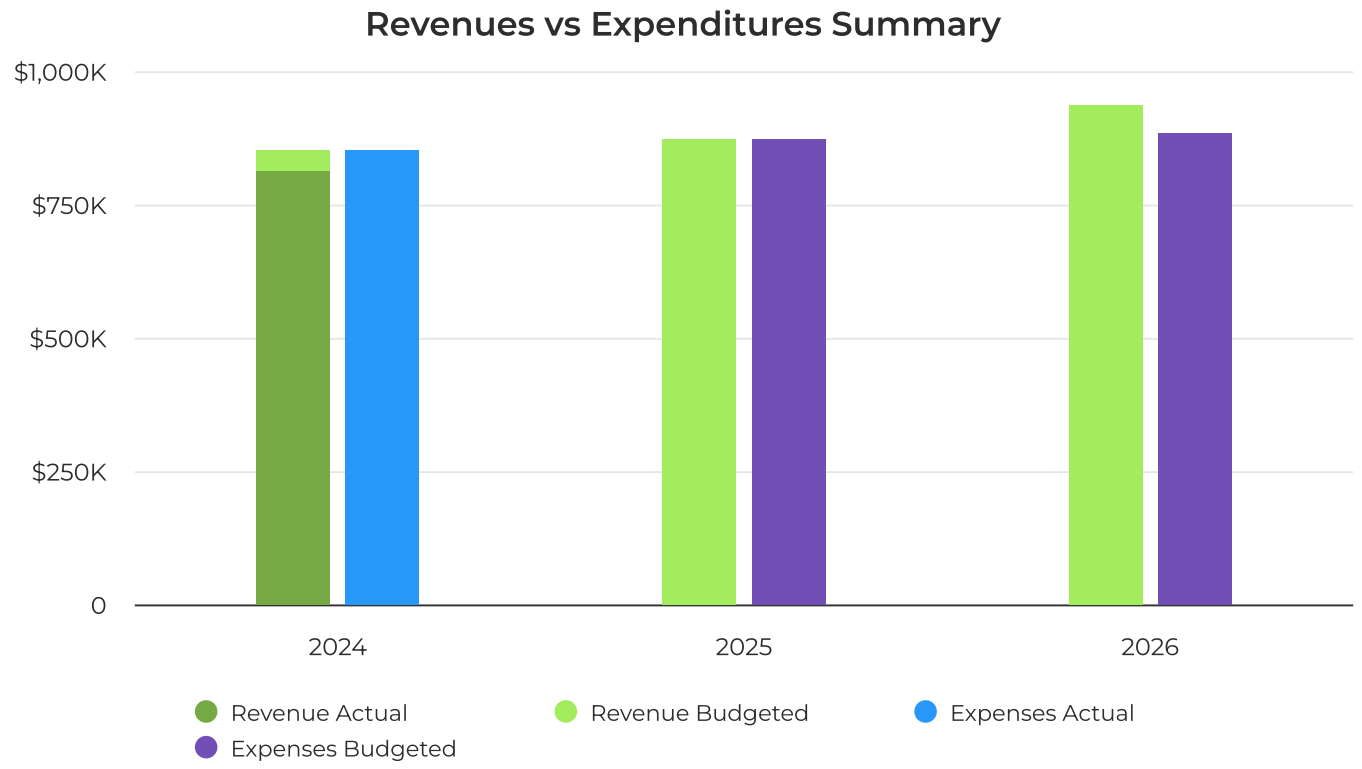
Airport Fund

Summary

REVENUES AND EXPENSES

The San Marcos Municipal Airport Fund is an enterprise fund supported by revenues from hangar and shelter rentals, commercial and agricultural leases, and if required, a transfer from the General Fund for airport management.

The Airport is managed by Texas Aviation Partners who oversees the daily operations and ongoing development. The Airport works closely with the Texas Department of Transportation and the Federal Aviation.



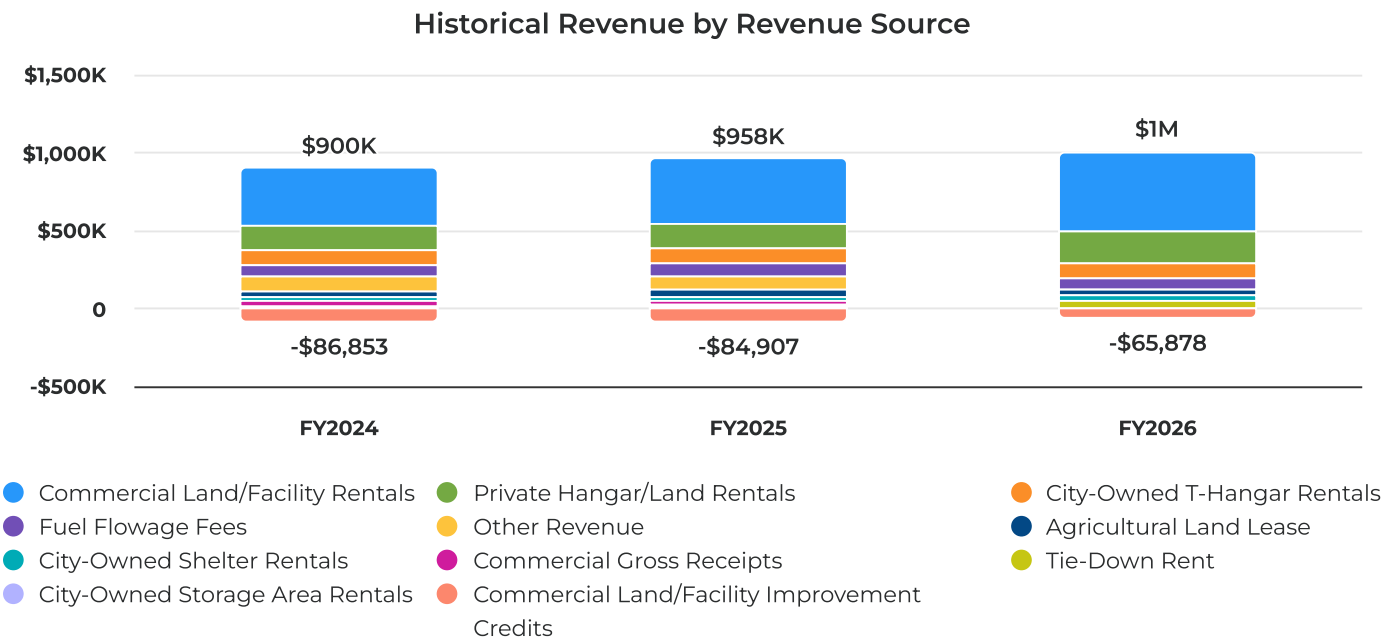
Comprehensive Fund Summary

Comprehensive Fund Summary

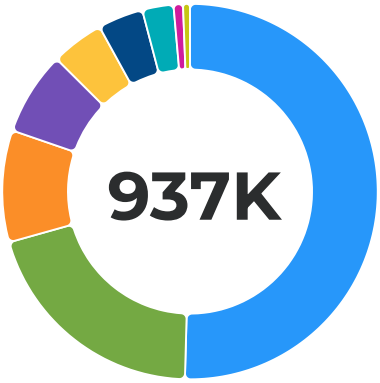
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$95,178**	**$57,970**	**$57,970**	**$138,027**	**138.10%**
Revenues					
Other Revenue	$90,500	$90,500	$90,500	-	-100.00%
City-Owned T-Hangar Rentals	$93,890	$95,040	$95,274	$96,525	1.56%
City-Owned Shelter Rentals	$24,561	$24,150	$24,089	$27,000	11.80%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Agricultural Land Lease	$45,809	$45,809	$45,809	$45,809	0.00%
Fuel Flowage Fees	$77,429	$76,880	$72,000	$72,000	-6.35%
City-Owned Storage Area Rentals	$6,432	$7,500	$6,500	$6,000	-20.00%
Private Hangar/Land Rentals	$151,294	$166,268	$162,055	$202,777	21.96%
Tie-Down Rent	$7,555	$10,800	$18,899	$39,000	261.11%
Commercial Land/Facility Rentals	$374,380	$410,415	$474,877	$505,939	23.27%
Commercial Gross Receipts	$28,521	$30,553	$32,223	$8,133	-73.38%
Commercial Land/Facility Improvement Credits	-$86,853	-$84,907	-$69,162	-$65,878	-22.41%
Total Revenues	**$813,518**	**$873,008**	**$953,064**	**$937,305**	**7.36%**
Expenditures					
Contracted Services	$689,256	$691,056	$691,056	$622,945	-9.86%
Material & Supplies	$596	-	-	-	-
Other Charges	$113,677	$143,369	$143,369	$142,911	-0.32%
Oper Trsf To Other Funds	$47,197	$38,583	$38,583	$116,647	202.33%
Total Expenditures	**$850,726**	**$873,008**	**$873,008**	**$882,503**	**1.09%**
Total Revenues Less Expenditures	**-$37,208**	**-**	**$80,056**	**$54,802**	**-**
Ending Fund Balance	**$57,970**	**$57,970**	**$138,026**	**$192,829**	**232.64%**

Revenues by Revenue Source



FY26 Revenues by Revenue Source

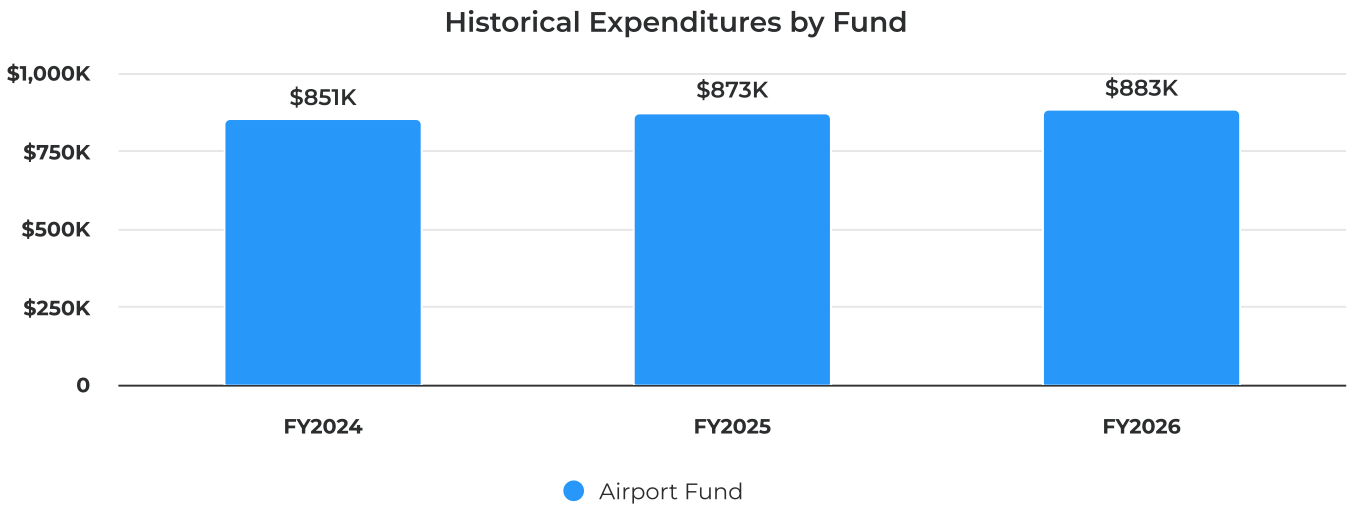


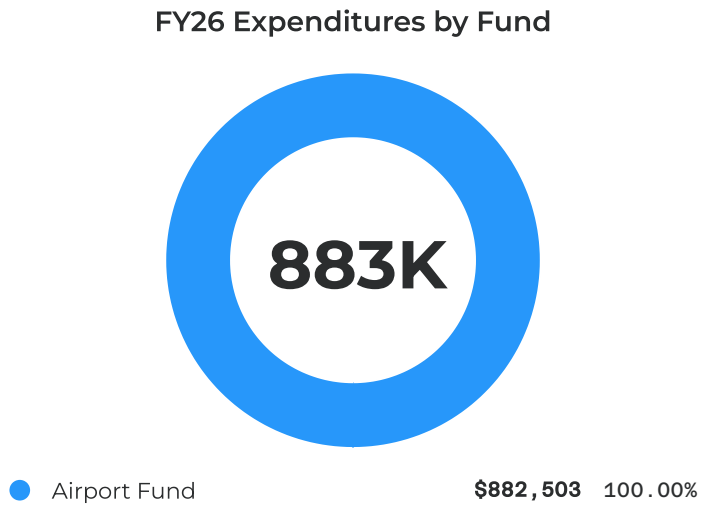
Commercial Land/Facility Rentals	**$505,939**	53.98%
Private Hangar/Land Rentals	**$202,777**	21.63%
City-Owned T-Hangar Rentals	**$96,525**	10.30%
Fuel Flowage Fees	**$72,000**	7.68%
Agricultural Land Lease	**$45,809**	4.89%
Tie-Down Rent	**$39,000**	4.16%
City-Owned Shelter Rentals	**$27,000**	2.88%
Commercial Gross Receipts	**$8,133**	0.87%
City-Owned Storage Area Rentals	**$6,000**	0.64%
Commercial Land/Facility Improvement Credits	**-$65,878**	-7.03%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Revenue	$90,500	$90,500	$90,500	-	-100.00%
City-Owned T-Hangar Rentals	$93,890	$95,040	$95,274	$96,525	1.56%
City-Owned Shelter Rentals	$24,561	$24,150	$24,089	$27,000	11.80%
Agricultural Land Lease	$45,809	$45,809	$45,809	$45,809	0.00%
Fuel Flowage Fees	$77,429	$76,880	$72,000	$72,000	-6.35%
City-Owned Storage Area Rentals	$6,432	$7,500	$6,500	$6,000	-20.00%
Private Hangar/Land Rentals	$151,294	$166,268	$162,055	$202,777	21.96%
Tie-Down Rent	$7,555	$10,800	$18,899	$39,000	261.11%
Commercial Land/Facility Rentals	$374,380	$410,415	$474,877	$505,939	23.27%
Commercial Gross Receipts	$28,521	$30,553	$32,223	$8,133	-73.38%
Commercial Land/Facility Improvement Credits	-$86,853	-$84,907	-$69,162	-$65,878	-22.41%
Total Revenues	**$813,518**	**$873,008**	**$953,064**	**$937,305**	**7.36%**

Expenditures by Fund

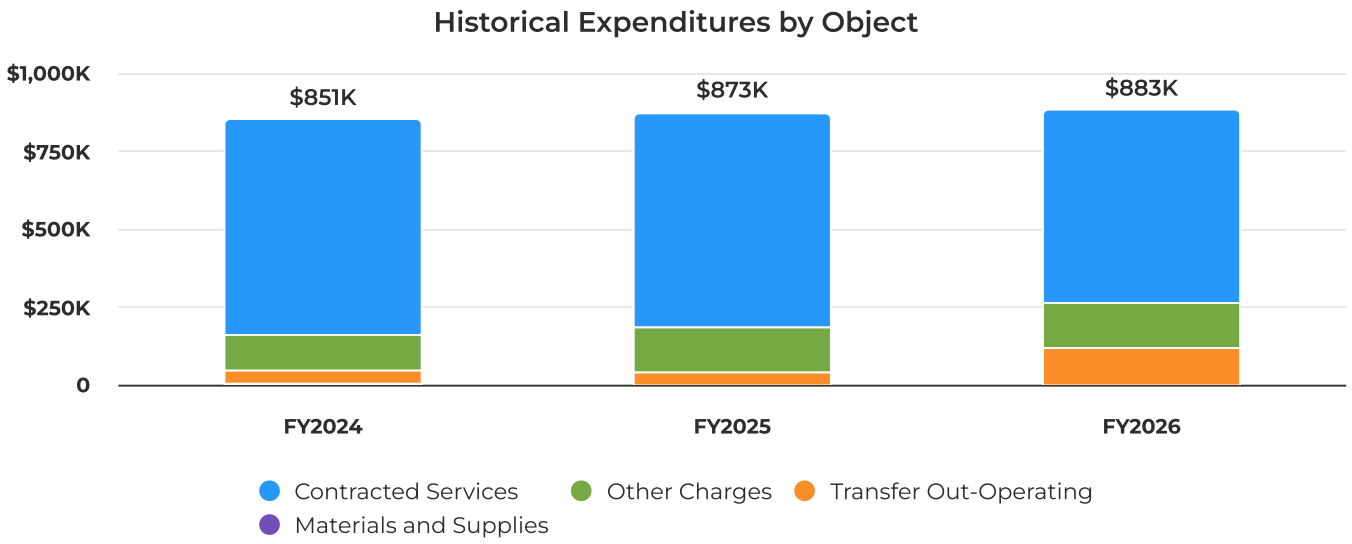


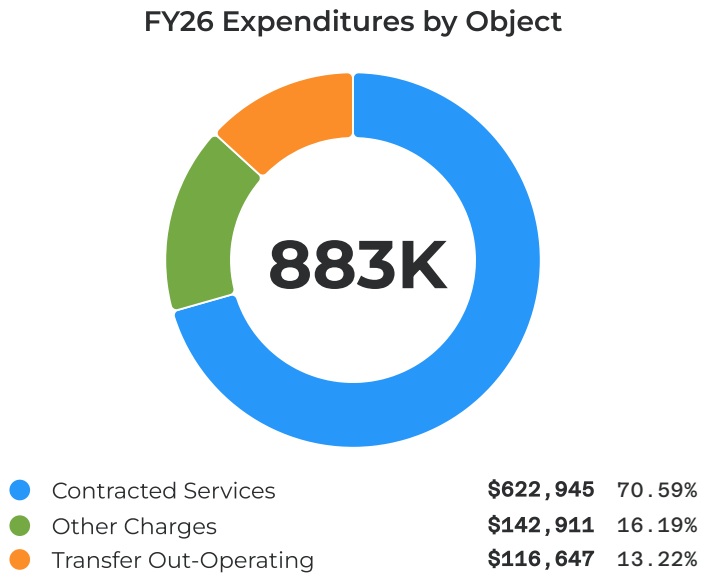


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Airport Fund	$850,726	$873,008	$873,008	$882,503	1.09%
Total Expenditures	**$850,726**	**$873,008**	**$873,008**	**$882,503**	**1.09%**

Expenditures by Object





Expenditures by Object

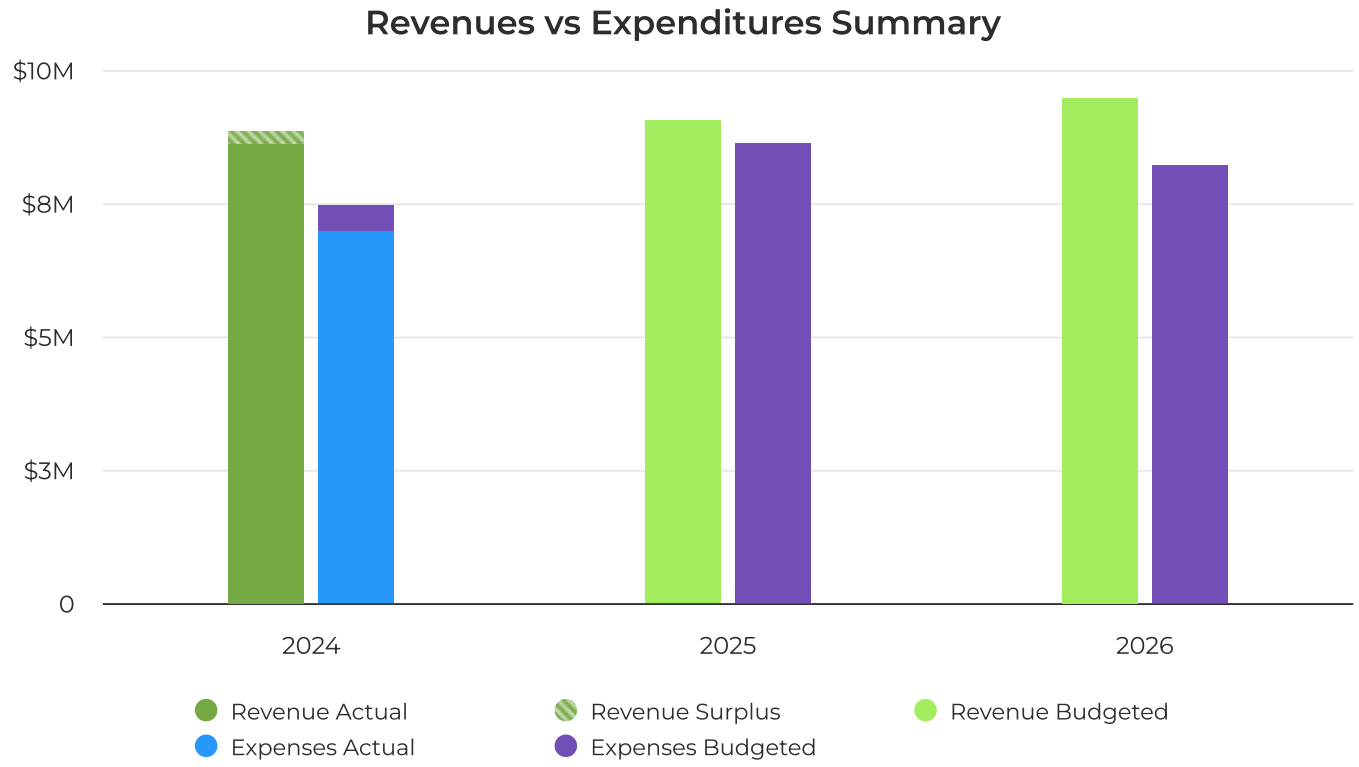
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$689,256	$691,056	$691,056	$622,945	-9.86%
Materials and Supplies	$596	-	-	-	-
Other Charges	$113,677	$143,369	$143,369	$142,911	-0.32%
Transfer Out-Operating	$47,197	$38,583	$38,583	$116,647	202.33%
Total Expenditures	**$850,726**	**$873,008**	**$873,008**	**$882,503**	**1.09%**

TIRZ Fund

Summary

Tax increment financing (TIF) – is a financing method local governments can use to pay for improvements that will encourage economic development in a geographical area.

City has two types. Currently, there are 3 active zones, that are Tax Increment Reinvestment Zone (TIRZ) and 1 active Transportation Reinvestment Zone (TRZ).



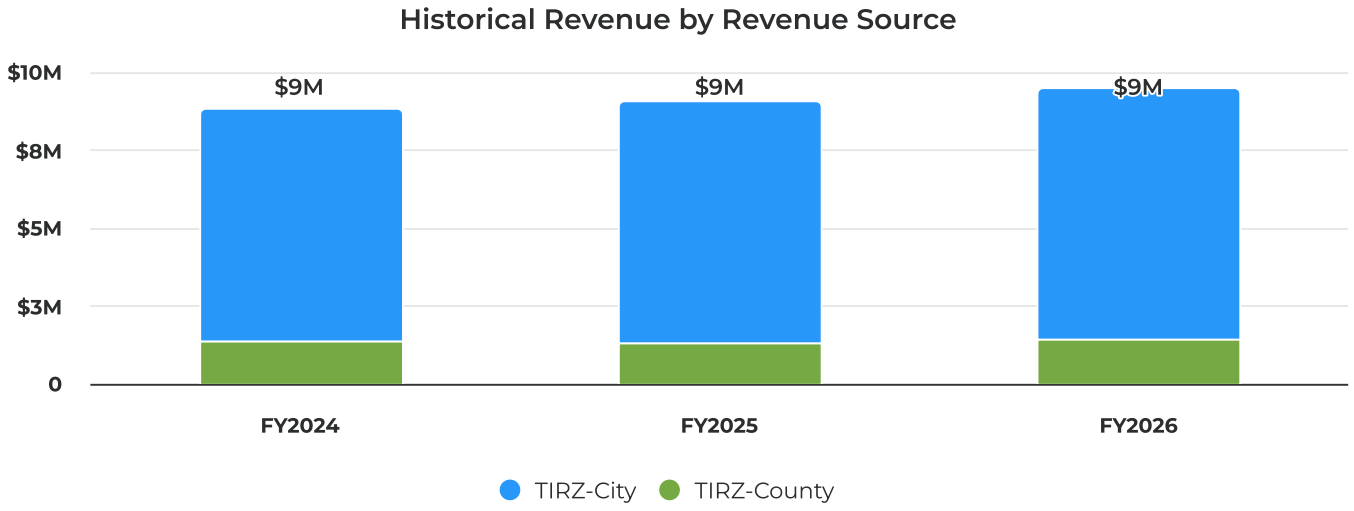
Comprehensive Fund Summary

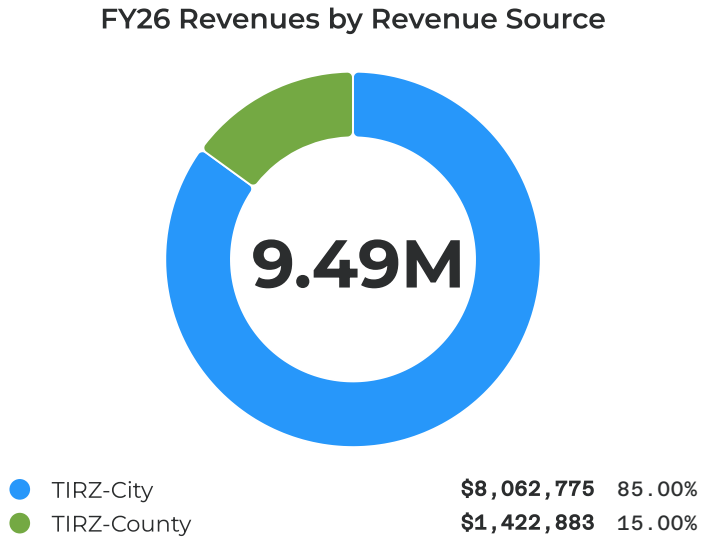
Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	**$4,914,016**	**$6,752,938**	**$6,752,938**	**-**	**-**
Revenues					
TIRZ-City	$7,453,548	$7,771,666	$7,771,666	$8,062,775	3.75%
TIRZ-County	$1,367,091	$1,287,998	$1,287,998	$1,422,883	10.47%
Total Revenues	**$8,820,639**	**$9,059,664**	**$9,059,664**	**$9,485,658**	**4.70%**
Expenditures					

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$1,484,280	$2,327,259	$2,220,924	$2,827,624	21.50%
Material & Supplies	$925	$2,400	-	$2,400	0.00%
Other Charges	$4,586,444	$4,966,267	$2,775,742	-	-100.00%
Grants Disbursements	$144,300	-	-	-	-
Oper Trsf To Other Funds	$206,921	$198,864	$154,532	$5,381,526	2,606.13%
CIP	$558,847	$1,141,672	-	-	-100.00%
Total Expenditures	**$6,981,717**	**$8,636,462**	**$5,151,198**	**$8,211,550**	**-4.92%**
Total Revenues Less Expenditures	**$1,838,922**	**$423,202**	**$3,908,466**	**$1,274,108**	**201.06%**
Ending Fund Balance	**$6,752,938**	**$7,176,140**	**$10,661,404**	**$1,274,108**	**-82.25%**

Revenues by Revenue Source



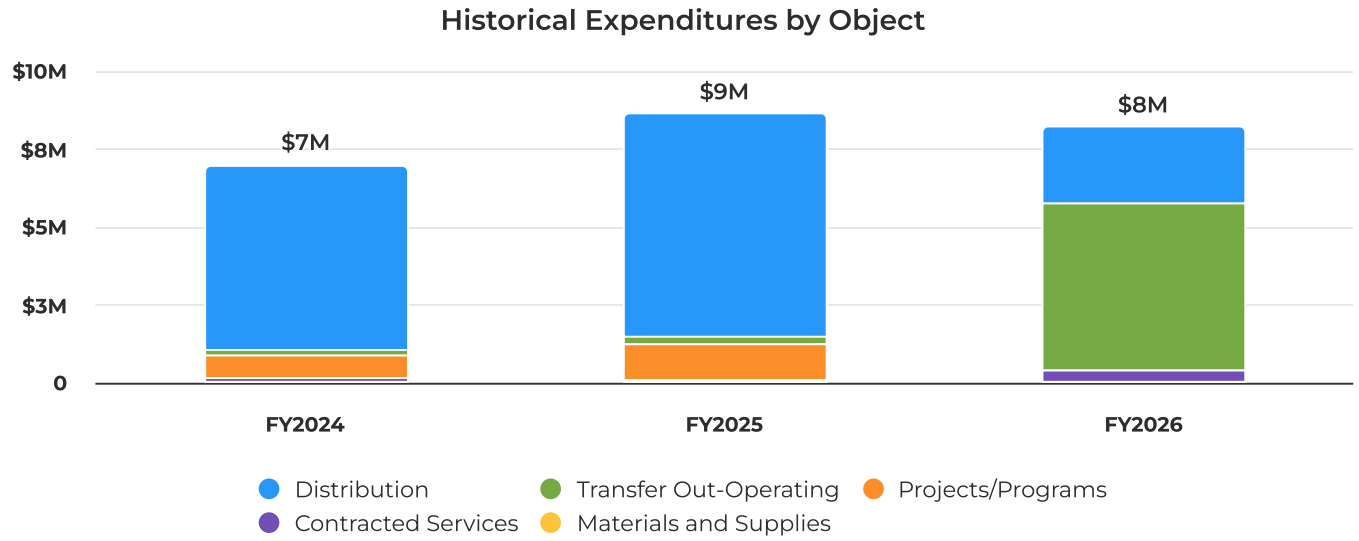


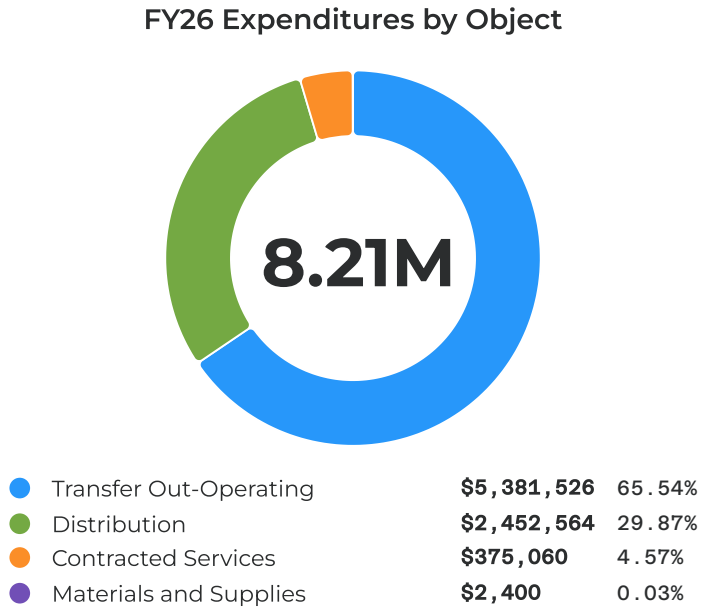
TIRZ-City	$8,062,775	85.00%
TIRZ-County	$1,422,883	15.00%

Revenues by Revenue Source

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
TIRZ-City	$7,453,548	$7,771,666	$7,771,666	$8,062,775	3.75%
TIRZ-County	$1,367,091	$1,287,998	$1,287,998	$1,422,883	10.47%
Total Revenues	**$8,820,639**	**$9,059,664**	**$9,059,664**	**$9,485,658**	**4.70%**

Expenditures by Object





Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$151,769	$109,871	$1,565	$375,060	241.36%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Materials and Supplies	$925	$2,400	-	$2,400	0.00%
Projects/Programs	$703,147	$1,141,672	-	-	-100.00%
Transfer Out-Operating	$206,921	$198,864	$154,532	$5,381,526	2,606.13%
Distribution	$5,918,955	$7,183,655	$4,995,101	$2,452,564	-65.86%
Total Expenditures	**$6,981,717**	**$8,636,462**	**$5,151,198**	**$8,211,550**	**-4.92%**

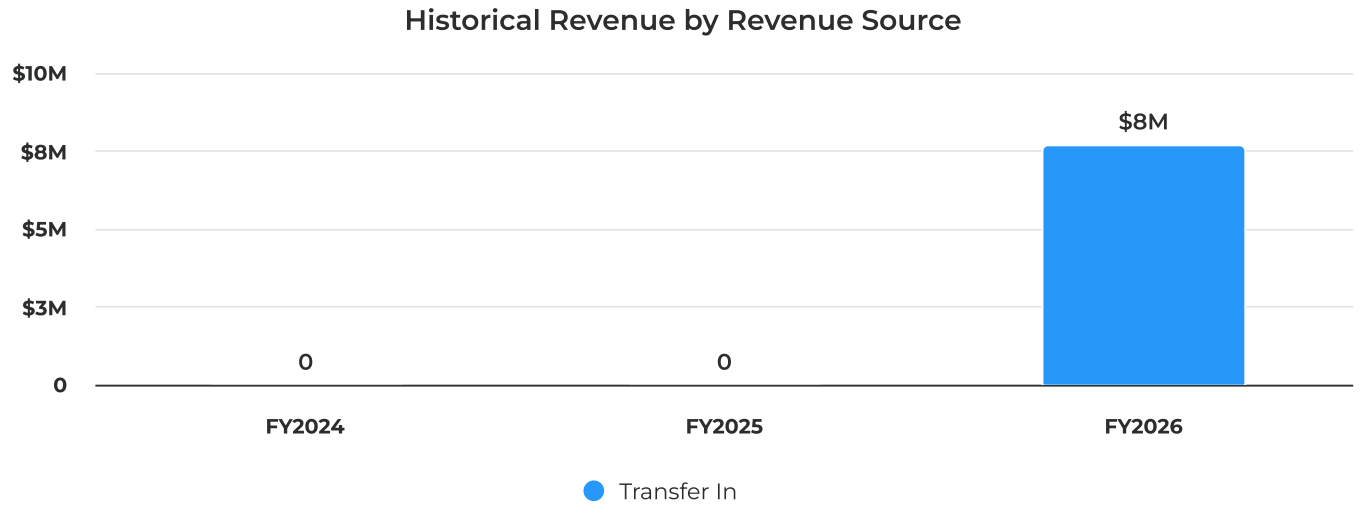
Information Technology ISF

Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Beginning Fund Balance	-	-	-	-	-
Revenues					
Transfer In	-	-	-	$7,695,466	-
Total Revenues	-	-	-	**$7,695,466**	-
Expenditures					
Personnel	-	-	-	$3,827,754	-
Contracted Services	-	-	-	$3,372,074	-
Material & Supplies	-	-	-	$57,186	-
Other Charges	-	-	-	$167,021	-
Capital Outlay	-	-	-	$122,262	-
Total Expenditures	-	-	-	**$7,546,297**	-
Total Revenues Less Expenditures	-	-	-	**$149,169**	-
Ending Fund Balance	-	-	-	**$149,169**	-

Revenues by Revenue Source



FY26 Revenues by Revenue Source



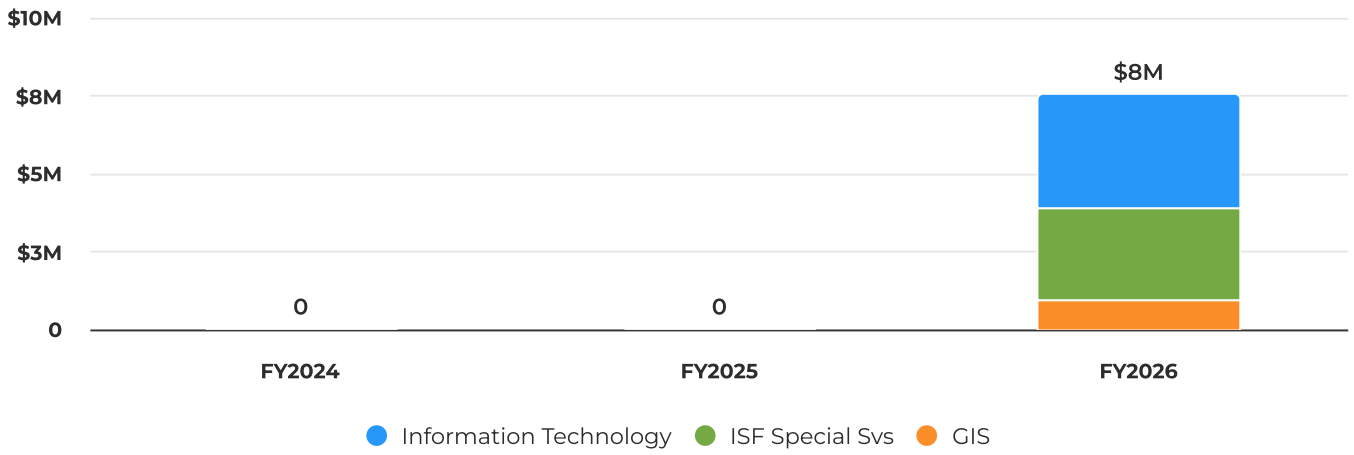
Transfer In **$7,695,466** 100.00%

Revenues by Revenue Source

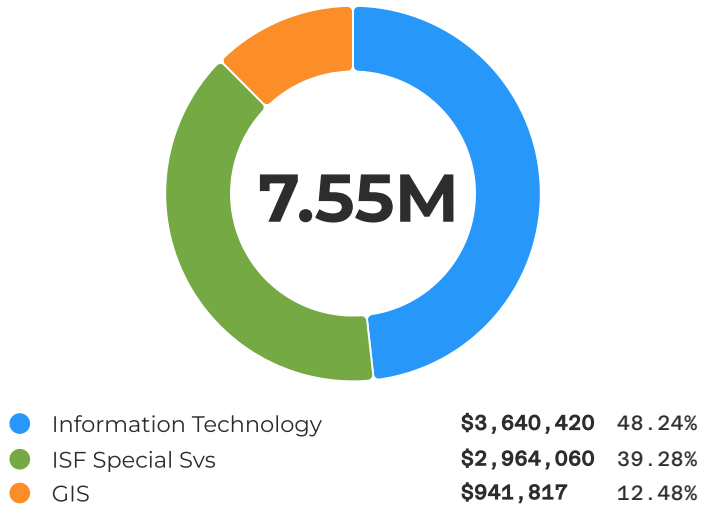
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Budgeted	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Transfer In	-	-	-	$7,695,466	-
Total Revenues	**-**	**-**	**-**	**$7,695,466**	**-**

Expenditures by Department

Historical Expenditures by Department



FY26 Expenditures by Department

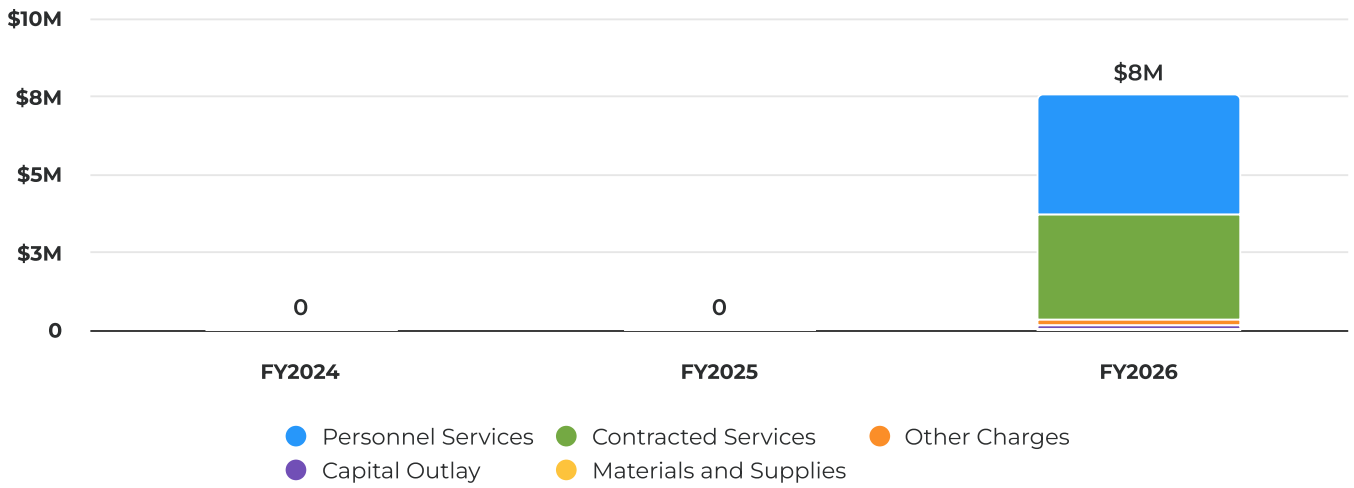


Expenditures by Department

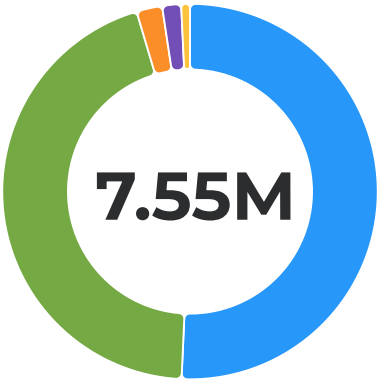
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Information Technology	-	-	-	$3,640,420	-
GIS	-	-	-	$941,817	-
ISF Special Svs	-	-	-	$2,964,060	-
Total Expenditures	**-**	**-**	**-**	**$7,546,297**	**-**

Expenditures by Object

Historical Expenditures by Object



FY26 Expenditures by Object



Personnel Services	**$3,827,754**	50.72%
Contracted Services	**$3,372,074**	44.69%
Other Charges	**$167,021**	2.21%
Capital Outlay	**$122,262**	1.62%
Materials and Supplies	**$57,186**	0.76%

Expenditures by Object

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel Services	-	-	-	$3,827,754	-
Contracted Services	-	-	-	$3,372,074	-
Materials and Supplies	-	-	-	$57,186	-
Other Charges	-	-	-	$167,021	-
Capital Outlay	-	-	-	$122,262	-
Total Expenditures	**-**	**-**	**-**	**$7,546,297**	**-**

Departments



San Marcos Aquarena

Personnel Summary for all Funds

Summary of FTEs by Fund	FY 2024 Revised	FY 2025 Estimate	FY 2026 Proposed
General Fund	678.51	687.00	659.25
Water/ Wastewater Utility Fund	91.33	90.66	89.99
Electric Utility Fund	78.58	81.91	85.24
Information Technology Internal Service Fund	-	-	30.88
WIC State Program	28.00	30.00	30.00
Stormwater Utility Fund	21.00	21.00	21.33
Hotel Occupancy Tax Fund	11.50	13.00	14.50
Resource Recovery Fund	8.39	8.39	8.39
Community Enhancement	6.00	5.00	4.00
Transit	3.25	3.25	3.25
Municipal Court	0.25	0.25	0.25
Grand Total	**926.81**	**940.46**	**947.08**

Personnel Summary of FTEs by Departments

DEPARTMENT SUMMARY DETAIL BY FUND

GENERAL FUND	FY 2024 Revised	FY 2025 Adopted	FY 2026 Proposed
CITY CLERK	7.50	7.50	7.50
CITY MANAGER'S OFFICE	10.38	11.74	11.74
CITY MARSHAL	15.38	14.48	16.42
COMMUNICATIONS	9.50	8.50	8.50
ECONOMIC DEVELOPMENT	1.00	1.33	1.66
ENGINEERING	29.48	29.48	29.48
FINANCE	25.86	25.86	25.86
FIRE	110.00	99.00	99.25
FIRE MARSHAL	0.00	11.00	11.00
GIS	6.38	6.38	0.00
HUMAN RESOURCES	12.50	12.50	12.50
INFORMATION TECHNOLOGY	26.38	24.38	0.00
LEGAL	6.00	6.00	6.00
LIBRARY	23.13	23.35	23.35
MUNICIPAL COURT	9.88	10.00	10.00
NEIGHBORHOOD ENHANCEMENT	38.63	39.13	39.63
OFFICE OF EMERGENCY MANAGEMENT	3.00	2.00	2.00
PARKING ENFORCEMENT	2.90	3.96	3.96
PARKS AND RECREATION	66.35	68.12	68.12
PLANNING & DEVELOPMENT	38.93	38.00	36.00
POLICE	177.15	184.63	184.38
PUBLIC WORKS	58.23	61.23	61.90
TOTAL	**678.56**	**688.57**	**659.25**
WATER/WASTEWATER UTILITY FUND			
W/WW ADMINISTRATION	6.83	7.16	6.49
W/WW COLLECTION	23.50	23.50	23.50
W/WW QUALITY SERVICES	14.00	14.00	14.00
W/WW MAINTENANCE	12.00	12.00	12.00
W/WW DISTRIBUTION	33.00	32.00	33.00
W/WW CONSERVATION	2.00	2.00	1.00
TOTAL	**91.33**	**90.66**	**89.99**
ELECTRIC UTILITY FUND			
ELECTRIC UTILITIES ADMINISTRATION	7.08	6.41	6.74
ELECTRIC CONSERVATION	1.00	1.00	1.00
ELECTRIC OPERATIONS	12.00	12.00	13.00
ELECTRIC METER OPERATIONS	17.50	17.50	20.50
ELECTRIC MAINTENANCE	26.00	25.00	25.00
ELECTRIC WAREHOUSE	0.00	4.00	3.00

UTILITY BILLING AND COLLECTIONS	15.00	16.00	16.00
TOTAL	**78.58**	**81.91**	**85.24**

CITY OF SAN MARCOS | TEXAS

SUMMARY OF FTEs BY DEPARTMENT

DEPARTMENT SUMMARY DETAIL BY FUND

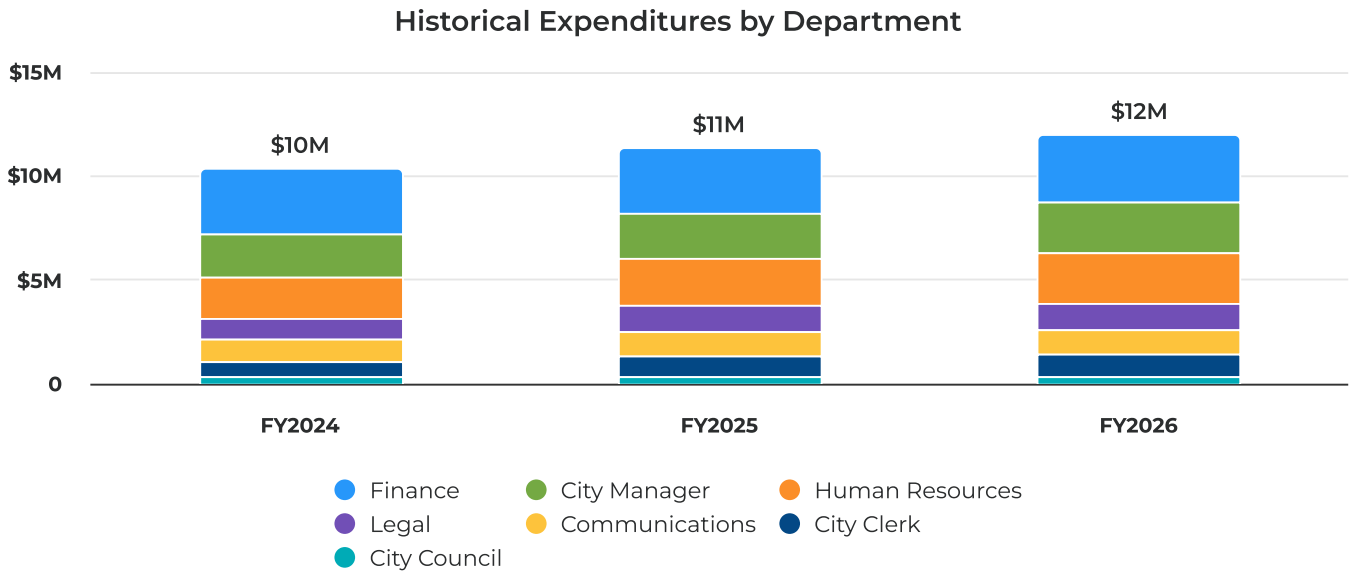
INFORMATION TECHNOLOGY INTERNAL SERVICE FUND			
INFORMATION TECHNOLOGY	0.00	0.00	24.38
GIS	0.00	0.00	6.50
TOTAL	**0.00**	**0.00**	**30.88**
WIC PROGRAM FUND			
ADMINISTRATION	14.00	14.00	14.00
NUTRITION	8.00	9.00	9.00
LACTATION	1.00	2.00	2.00
PEER COUNSELOR	5.00	5.00	5.00
TOTAL	**28.00**	**30.00**	**30.00**
STORMWATER FUND			
STORMWATER OPERATIONS	21.00	21.00	21.33
TOTAL	**21.00**	**21.00**	**21.33**
HOTEL OCCUPANCY TAX FUND			
ARTS PROGRAMS	0.00	0.00	2.00
CVB	7.50	7.50	6.50
MAIN STREET	4.00	5.50	6.00
TOTAL	**11.50**	**13.00**	**14.50**
RESOURCE RECOVERY FUND			
RESOURCE RECOVERY ADMINISTRATION	8.39	8.39	8.39
TOTAL	**8.39**	**8.39**	**8.39**
COMMUNITY ENHANCEMENT | SPECIAL REVENUE			
COMMUNITY ENHANCEMENT	6.00	5.00	4.00
TOTAL	**6.00**	**5.00**	**4.00**
TRANSIT FUND			
TRANSIT ADMINISTRATION	3.25	3.25	3.25
TOTAL	**3.25**	**3.25**	**3.25**
MUNICIPAL COURT | SPECIAL REVENUE			
MUNICIPAL COURT JUVENILE FEE	0.25	0.25	0.25
TOTAL	**0.25**	**0.25**	**0.25**
FY 2026 - Proposed FTEs by Fund	**926.86**	**942.03**	**947.08**

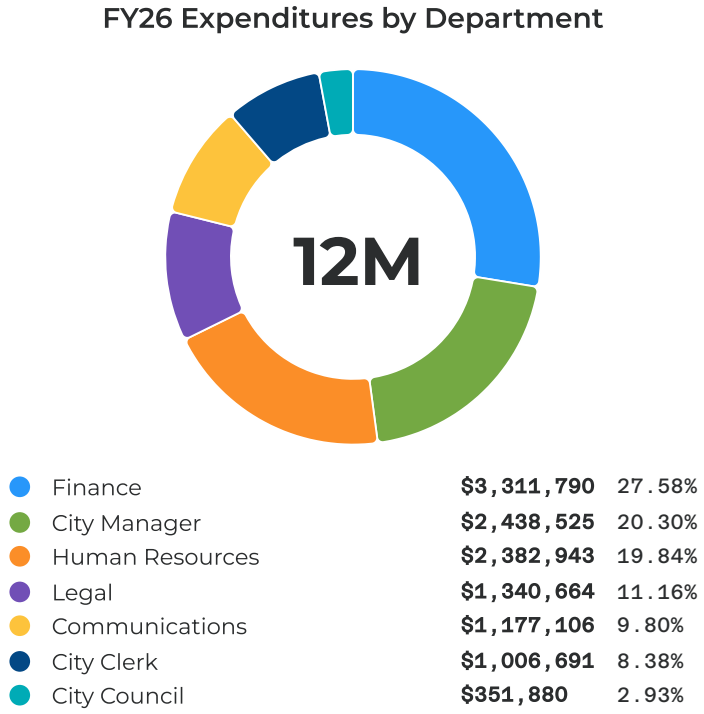
Administrative Services



Administrative Services Budgets

Expenditures by Department





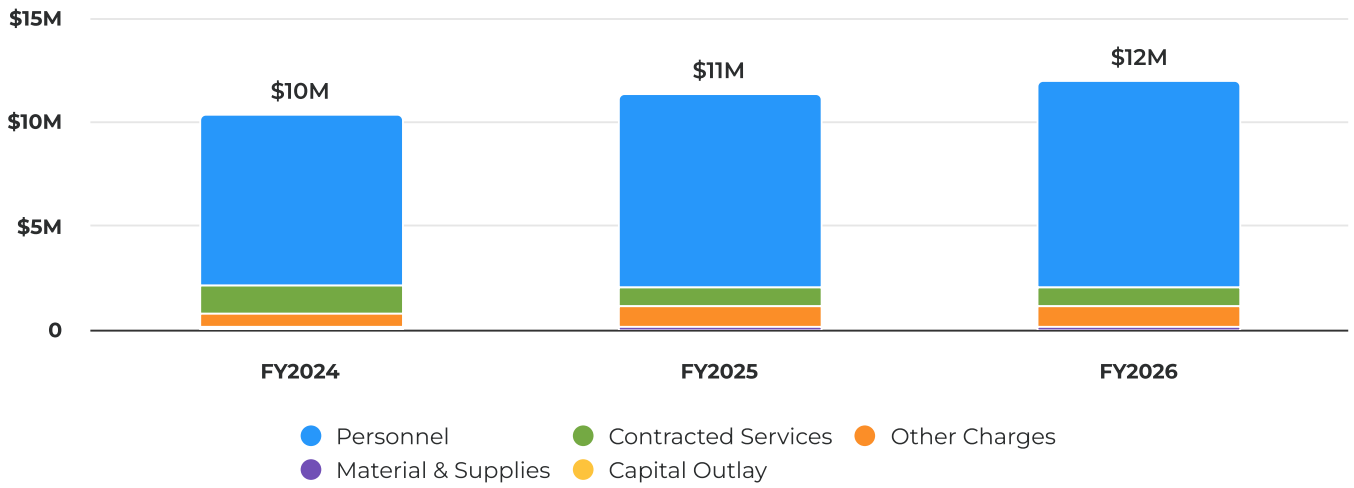
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
City Manager	$2,136,992	$2,110,108	$2,136,012	$2,438,525	15.56%
City Clerk	$795,470	$994,379	$881,101	$1,006,691	1.24%
City Council	$284,811	$351,556	$337,745	$351,880	0.09%

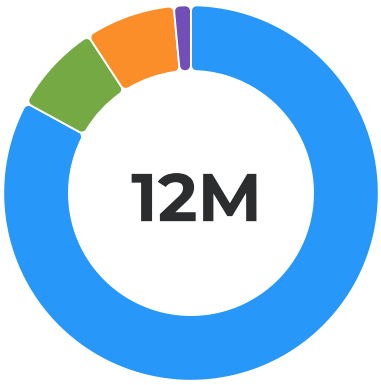
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Communications	$1,002,731	$1,108,730	$1,090,270	$1,177,106	6.17%
Finance	$3,182,305	$3,206,353	$3,123,505	$3,311,790	3.29%
Legal	$1,018,151	$1,309,795	$1,116,761	$1,340,664	2.36%
Human Resources	$1,969,783	$2,277,720	$2,306,402	$2,382,943	4.62%
Total Expenditures	**$10,390,243**	**$11,358,640**	**$10,991,796**	**$12,009,599**	**5.73%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$9,964,110**	82.97%
Other Charges	**$938,531**	7.81%
Contracted Services	**$930,874**	7.75%
Material & Supplies	**$176,084**	1.47%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$8,305,405	$9,280,519	$9,080,364	$9,964,110	7.37%
Contracted Services	$1,273,372	$987,357	$914,511	$930,874	-5.72%
Material & Supplies	$123,378	$154,037	$131,544	$176,084	14.31%
Other Charges	$687,961	$936,727	$865,377	$938,531	0.19%
Capital Outlay	$126	-	-	-	-
Total Expenditures	**$10,390,243**	**$11,358,640**	**$10,991,796**	**$12,009,599**	**5.73%**

City Manager

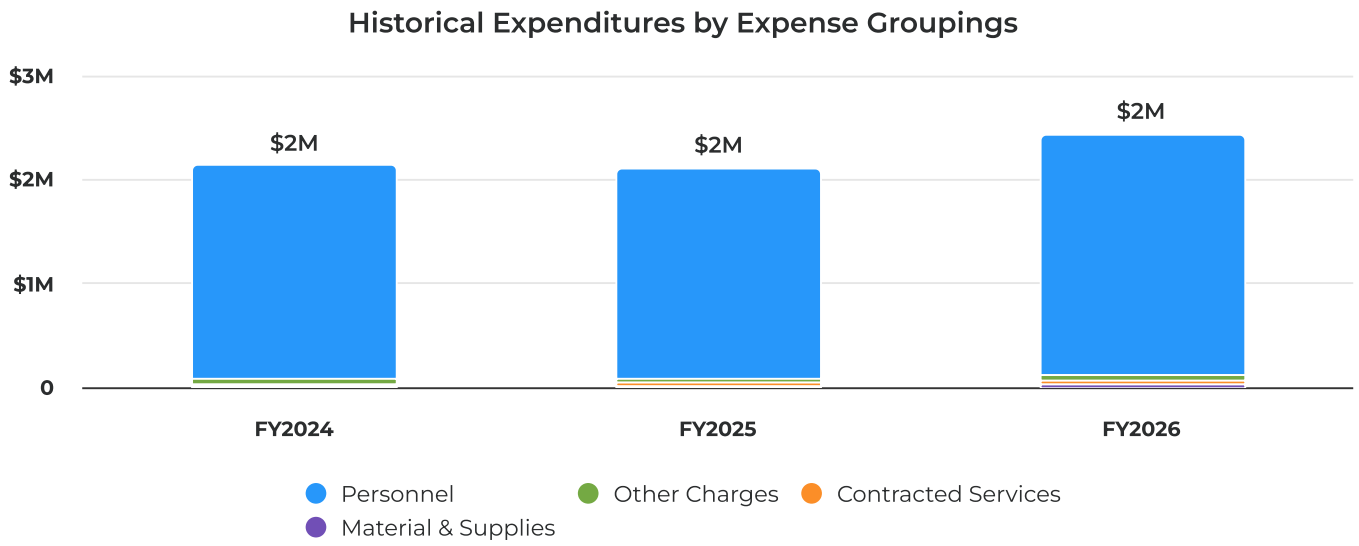
Department Description:

The City Manager's Office is responsible for ensuring City Council's policies are operationalized throughout the greater organization. This includes advancing the City Council's Strategic Plan, serving as liaison between Council and staff, and collaborating and communicating with all city departments to best provide core services.

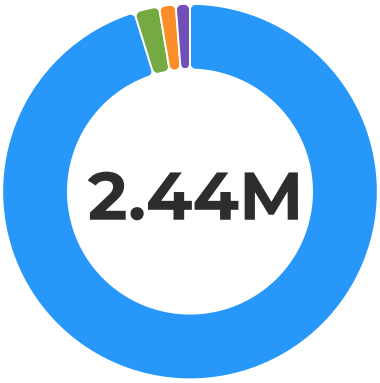
Mission:

The mission of the City Manager's Office is to build and maintain an effective city government organization for citizens of San Marcos, Texas. This is accomplished through sound management principles, proven fiscal management strategies, and robust community participation. The City Manager's Office ensures the effective delivery of services to all citizens, businesses and community partners, implements policies and programs approved by City Council, and provides management direction and support for the planning, implementation and evaluation of all city programs. The administrative staff provides assistance to the Mayor, City Council, and other departments and acts as liaison to citizens, businesses, and area agencies.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$2,321,432**	95.20%
Other Charges	**$52,434**	2.15%
Material & Supplies	**$34,959**	1.43%
Contracted Services	**$29,700**	1.22%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$2,055,482	$2,023,608	$2,048,012	$2,321,432	14.72%
Contracted Services	$22,939	$27,500	$27,500	$29,700	8.00%
Material & Supplies	$9,616	$15,000	$16,000	$34,959	133.06%
Other Charges	$48,955	$44,000	$44,500	$52,434	19.17%
Total Expenditures	**$2,136,992**	**$2,110,108**	**$2,136,012**	**$2,438,525**	**15.56%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Assistant City Manager	3.00	3.00	3.00
Assistant to the City Manager	1.00	1.00	1.00
City Manager	1.00	1.00	1.00
Community Resource & Enagagement Analyst	0.00	0.00	1.00
Community Resource & Engagement Coordinator	0.00	1.00	0.00
Community Resource & Engagement Manager	0.00	0.00	1.00
Director of Administrative Services	1.00	1.00	1.00
Diversity, Equity, And Inclusion Coordinator	1.00	0.00	0.00
Executive Assistant CMO	1.00	1.00	1.00
Graduate Management Fellow	0.00	1.24	1.24
Grant Specialist	1.00	1.00	0.00
Grants Coordinator	1.00	1.00	1.00
Intern - Paid	0.38	0.00	0.00
Special Events Coordinator*	0.00	0.50	0.50
FTE Total	**10.38**	**11.74**	**11.74**

*Position is split between GF and HOT

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Oversee the implementation and reporting of the Council adopted Strategic Initiatives	Strategic Plan: Continue to advance City Council's outlined goals	Quarterly reports will be provided to Council and the public regarding staff progress in the following areas: Comprehensive Planning, Workforce Development, Business Support, Community Safety, Neighborhood and Regional Connectivity, and Advancement of responsible stewardship of community's resources	* 100%	100%
	Optimize Community Engagement & Community Partnerships	Effectively engage with community through a variety of avenues. Minimize barriers to programs and resources and compassionately assist our community members. Provide monthly reports to Mayor & Council on meeting discussions that involve community partners (SMCISD, GSMP, Hays County, Texas State, Chamber of Commerce)	100%	100%
	Strong Organizational Culture	Continue using employee feedback and data to further enhance benefits and strategies for recruiting and retaining staff	100%	100%

* All items will be completed as received

(continued from above)

City Clerk

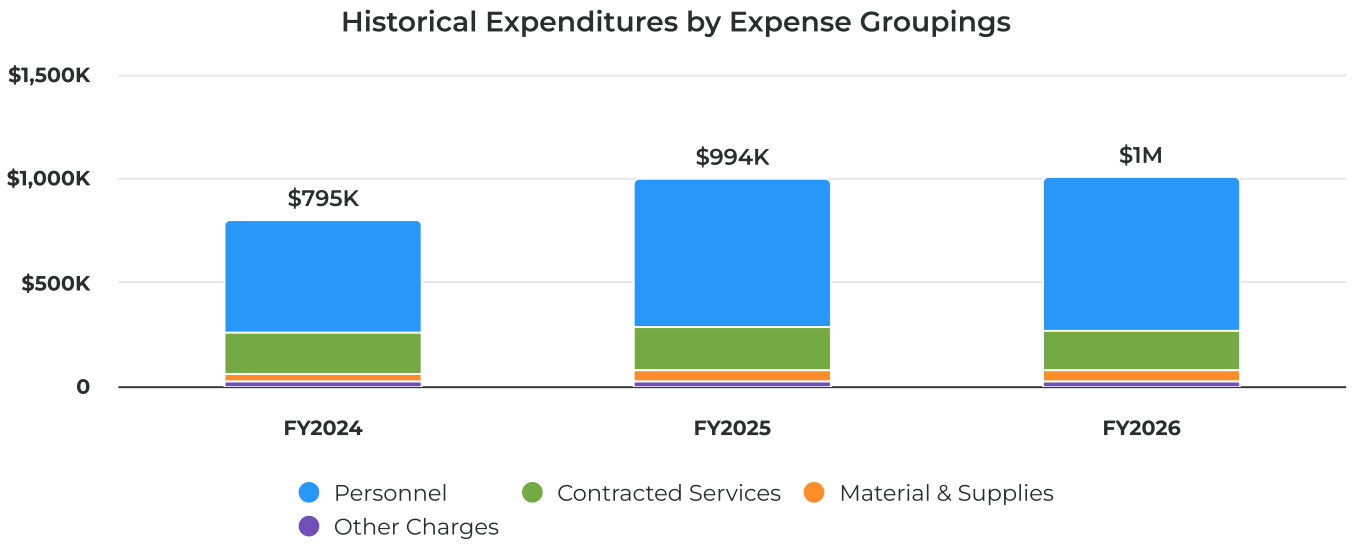
Department Description:

The City Clerk's office provides City Council support, City Council meetings-citizen sign-up, public records requests, passport acceptance, processing board and commission applications for appointment, elections administration, updating and maintaining city ordinances and codes, provides access to legislative meeting information, vital statistics (Birth and Death Certificates), records management, and election and financial disclosure related filings.

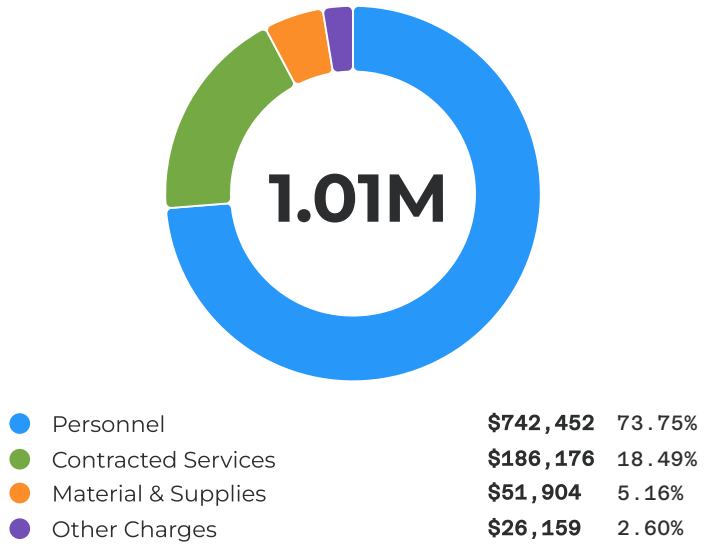
Mission:

Our mission is to ensure the City's legislative processes are open and public by providing a transparent link between citizens and government. Our office is responsible for the official records and documents of the City, including minutes of City Council meetings, ordinances and resolutions, deeds and easements, contracts, birth and death records, the computerized indexing of Council actions and board appointments, computerized code, keeps abreast of legislative changes in elections, administers all City elections, the City's Records Management program, provides support services to City Council, and responds to request made by the City Manager affecting daily business operations of the City. We are a technology-driven department, believing that technology provides much faster and more easily accessible information.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$540,714	$707,694	$617,063	$742,452	4.91%
Contracted Services	$195,699	$212,563	$192,126	$186,176	-12.41%
Material & Supplies	$39,061	$48,211	$46,001	$51,904	7.66%
Other Charges	$19,996	$25,911	$25,911	$26,159	0.96%
Total Expenditures	**$795,470**	**$994,379**	**$881,101**	**$1,006,691**	**1.24%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant	1.50	1.50	1.50
Administrative Assistant Sr/ Passport Administrator	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00
Local Registrar	1.00	1.00	1.00
Records Management Program Administrator	1.00	1.00	1.00
Records Management Program Specialist	1.00	1.00	1.00
FTE Total	**7.50**	**7.50**	**7.50**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Continue to Implement Updated Record Management Policy	Ensure City compliance with Texas State Library & Archives Commission and State Laws	Training record liaisons to maintain and preserve City Records	100%	100%
	Ensure proper destruction of records and maintain and preserve City records	Training for record liaisons	100%	100%
Implement New Board and Commission Software to increase applicant numbers	Increase applicant numbers	Added Software & Increased Public Outreach	100%	100%
	Create User Friendly option to apply for boards	Multiple ways to apply including hard copy and online format	100%	100%
Vital Statistic Services (Death Records)	Continue to maintain accurate record and production of death records	Record of submitted death records	435	450
Vital Statistic Services (Birth Records)	Continue to maintain accurate record and production of birth records	Record of submitted birth records	777	800
Open Records Requests (Online System: GovQA)	Ensure completed requests in a timely manner, maintain process consistency and ensure compliance with the law.	Online entry on the website or in-person submittal	5,500	6,000

City Council

Department Description:

The San Marcos City Council is composed of a Mayor, elected at-large for a two-year term, and six (6) Council Members elected at-large for staggered 3-year terms. Regular City Council elections are held on the general election day in November.

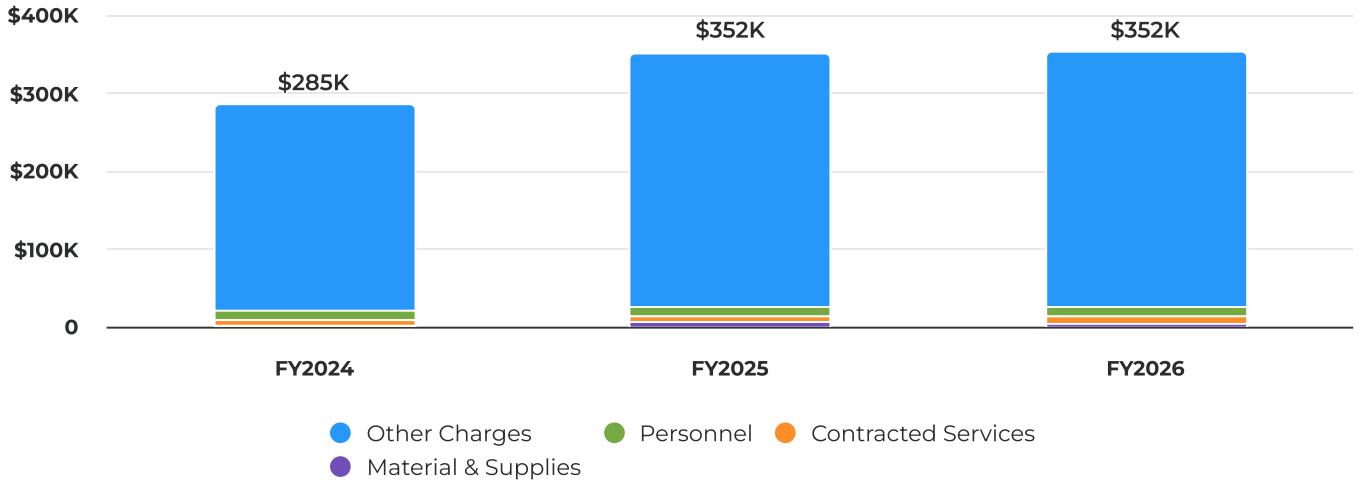
Mission:

The City Council enacts policies, adopts ordinances and resolutions, and establishes the annual budget to provide services to the public. They also set the city tax rate, and water, electric, and wastewater rates for the city. The City Council operates under the City Charter adopted by the citizens of San Marcos.

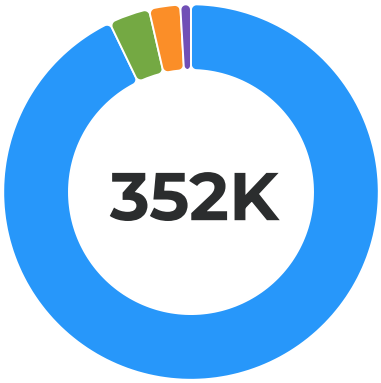


Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Other Charges	$326,755	92.86%
Personnel	$12,460	3.54%
Contracted Services	$9,460	2.69%
Material & Supplies	$3,205	0.91%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$12,193	$12,136	$13,525	$12,460	2.67%
Contracted Services	$5,981	$8,460	$8,460	$9,460	11.82%
Material & Supplies	$2,260	$5,000	$3,000	$3,205	-35.90%
Other Charges	$264,377	$325,960	$312,760	$326,755	0.24%
Total Expenditures	**$284,811**	**$351,556**	**$337,745**	**$351,880**	**0.09%**

Communications

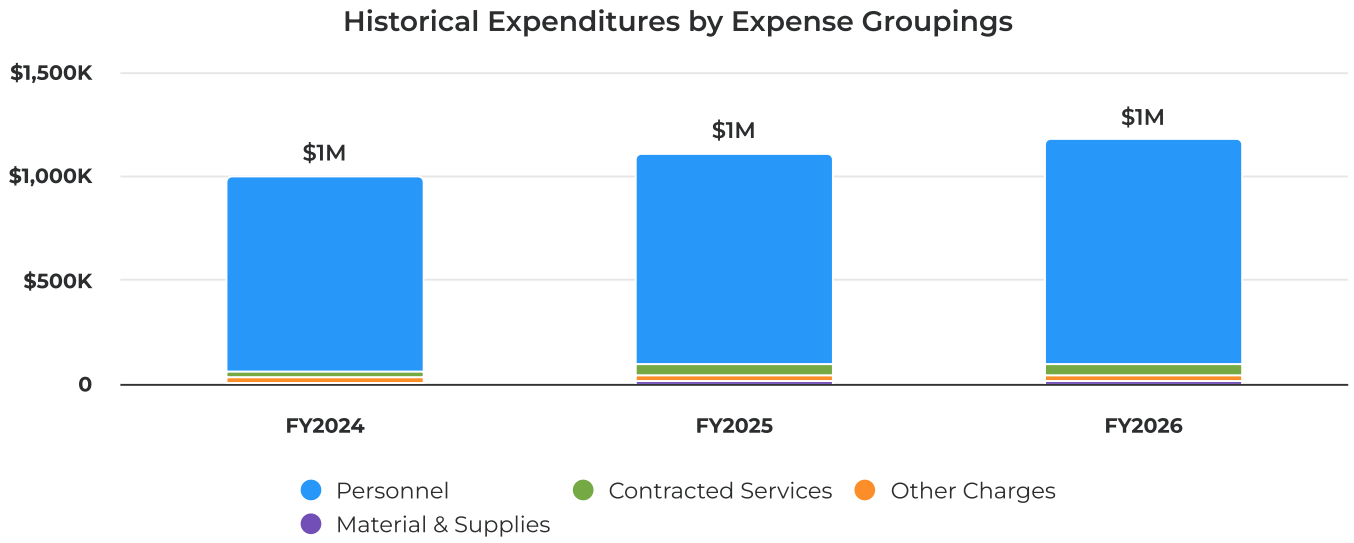
Department Description:

The Communications and Intergovernmental Relations department plays a pivotal role in shaping the narrative and managing interactions between the organization and its stakeholders by developing comprehensive internal and external communications strategies that ensure consistent and effective messaging. This department also coordinates state and federal relations by liaising with government agencies and officials to advocate for the organization's interests. Through public consultations, community meetings, and outreach efforts, the department works with citizens to maintain open lines of communication, fostering positive government relations, and enhancing citizen engagement.

Mission:

The mission of the San Marcos Communications & Intergovernmental Relations Department is to be the driving force in openly and effectively communicating information about the City of San Marcos, providing dynamic, creative, and comprehensive communications services to our internal and external customers, and engaging the citizens of San Marcos in the government process. We also strive to facilitate strategic relationships on behalf of the City of San Marcos with local, regional, state, and federal partners to ensure the City's interests are protected and enhanced through the legislative process and effective intergovernmental relations.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,083,923	92.08%
Contracted Services	$54,672	4.64%
Other Charges	$27,287	2.32%
Material & Supplies	$11,224	0.95%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$945,319	$1,014,564	$997,088	$1,083,923	6.84%
Contracted Services	$27,985	$50,601	$54,672	$54,672	8.05%
Material & Supplies	$3,582	$13,448	$11,224	$11,224	-16.54%
Other Charges	$25,844	$30,117	$27,286	$27,287	-9.40%
Total Expenditures	**$1,002,731**	**$1,108,730**	**$1,090,270**	**$1,177,106**	**6.17%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Assistant Director of Communications	0.00	0.00	1.00
Communications IGR Manager	1.00	1.00	0.00
Communications Specialist Bilingual	1.00	1.00	1.00
Communications Specialist Part Time	0.50	0.00	0.00
Communications Specialist Public Safety	1.00	1.00	1.00
Communications Specialist, Senior	0.00	0.00	1.00
Communications Specialist Utilities	1.00	1.00	0.00
Digital Design Specialist	1.00	0.50	0.50
Director of Communications/IGR	1.00	1.00	1.00
Marketing And Media Coordinator	1.00	1.00	1.00
Video Production Coordinator	1.00	1.00	1.00
Video Technician	1.00	1.00	1.00
FTE Total	**9.50**	**8.50**	**8.50**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Provide value to our community by creating timely, meaningful, and equitable opportunities for the public to learn about and engage with the City of San Marcos and our projects, programs, and initiatives.	Provide timely press releases and updates to Council and the community on events and high profile issues	Percent of reports provided in advance and/or within 24 hours	*100%	100%
	Coordinate the content for the City's twenty (20) social media accounts among social media staff to ensure timely and engaging content, including archiving the accounts to meet open records requirements	Percent of feedback resolved and social media accounts archived	100%	100%
	Maintain the City website with current and relevant information to maximize municipal transparency and to ensure website users can navigate the site with ease	Percent of information updated within 24 hours	100%	100%

* All items will be completed as received

(continued from above) ↑

Legal

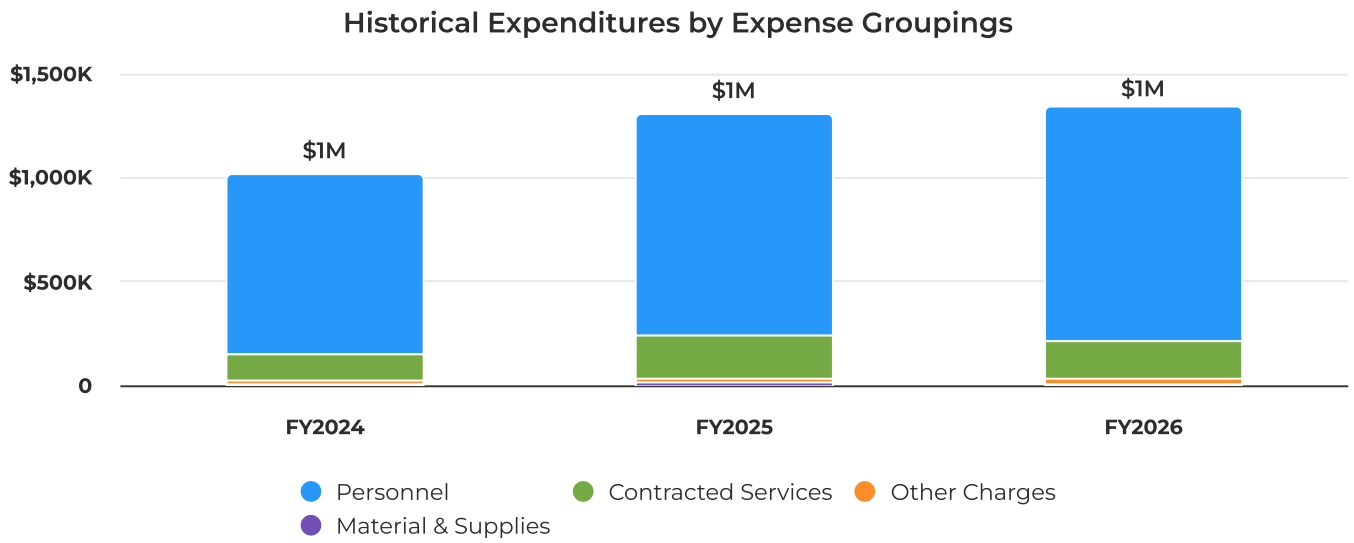
Department Description:

The Legal Department consists of the City Attorney, three Assistant City Attorneys, and one Administrative Coordinator. The Legal Department is an Internal Services Department providing legal services and legal advice to the City Council, Manager, and all City Departments.

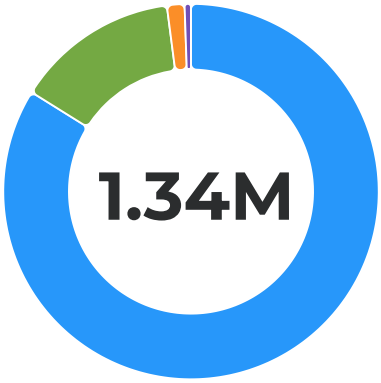
Mission:

The mission of the Legal Department is to provide high-quality legal services; to facilitate policymaking by the City Council and City Manager; to provide legal support to city departments; to ensure the legality of the city's actions; to promote compliance with city regulations, state and federal laws; to represent the city's interests in litigation and legislative matters; and to provide staffing for the Ethics Review Commission, Charter Review Commission, Planning and Zoning Commission, Zoning Board of Adjustments, and Historic Preservation Commission.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,124,390	83.87%
Contracted Services	$188,639	14.07%
Other Charges	$20,268	1.51%
Material & Supplies	$7,367	0.55%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$871,308	$1,067,527	$983,757	$1,124,390	5.33%
Contracted Services	$127,532	$208,639	$113,164	$188,639	-9.59%
Material & Supplies	$4,051	$10,367	$4,719	$7,367	-28.94%
Other Charges	$15,260	$23,262	$15,121	$20,268	-12.87%
Total Expenditures	**$1,018,151**	**$1,309,795**	**$1,116,761**	**$1,340,664**	**2.36%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant	1.00	0.00	0.00
Administrative Coordinator	1.00	1.00	1.00
Assistant City Attorney	3.00	3.00	3.00
City Attorney	1.00	1.00	1.00
Legal Project Manager	0.00	1.00	1.00
FTE Total	**6.00**	**6.00**	**6.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Assist City Council, City Administration, and all city departments	In achieving their lawful objectives by providing needed legal services and advice on a timely basis	Written or email communications/legal opinions/interpretations/Public Information Act Requests	* 100%	100%
		Real Property/legal documents prepared or reviewed	100%	100%
		Municipal Court matters	100%	100%
Support the City Council; assist the City Clerk; and support other boards and commissions	By preparing and reviewing materials for Council meetings in a timely manner for completion of agenda items in accordance with Council's expectations; providing legal services and legal advice	Attend meetings: City Council, Planning & Zoning Commission, Ethics Review Commission, Historic Preservation Commission, Zoning Board of Adjustments, etc.	100%	100%
		Ordinances	100%	100%
		Resolutions	100%	100%

* All Items will be completed when received

Human Resources

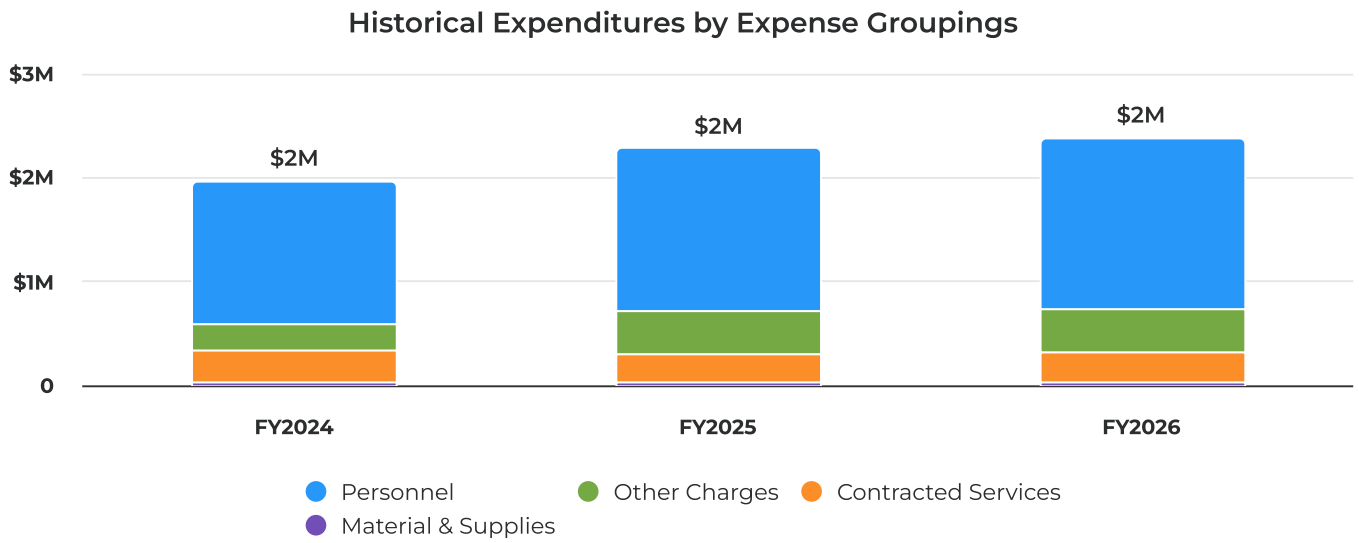
Department Description:

The Human Resources Department, staffed by 12.5 full-time equivalent employees, plays a vital role in supporting the City's workforce. The team is responsible for a broad range of services, including recruiting and retaining qualified talent, managing employee relations, and overseeing the City's total rewards program, which encompasses compensation, benefits, and wellness initiatives. Additionally, the department administers the Risk Management program, which focuses on workplace safety, liability, and workers' compensation. Together, these functions ensure the City attracts, supports, and retains a high-performing workforce while mitigating organizational risks.

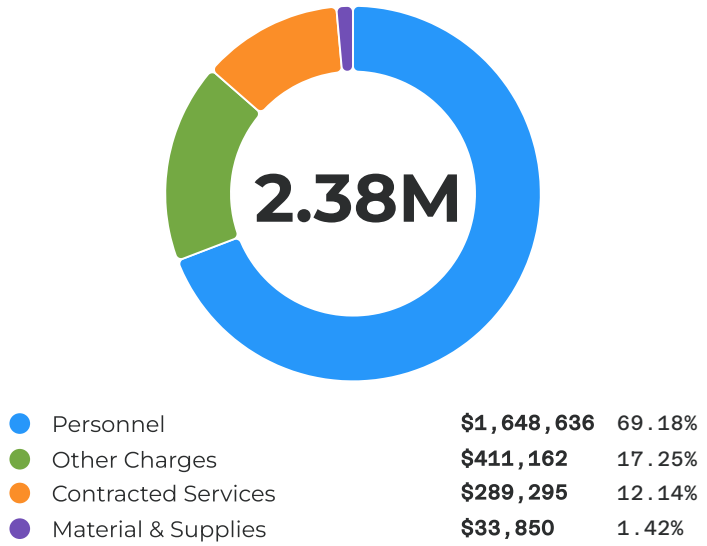
Mission:

By delivering exceptional customer service, our mission is to enhance the overall employment experience and respond to the needs of the community.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,376,368	$1,571,525	$1,597,654	$1,648,636	4.91%
Contracted Services	$292,784	$258,440	$311,054	$289,295	11.94%
Material & Supplies	$34,063	$31,850	$23,600	$33,850	6.28%
Other Charges	$266,568	$415,905	$374,094	$411,162	-1.14%
Total Expenditures	**$1,969,783**	**$2,277,720**	**$2,306,402**	**$2,382,943**	**4.62%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Coordinator	1.00	1.00	1.00
Assistant Director of Human Resources	1.00	1.00	1.00
Benefits Manager	1.00	1.00	1.00
Compensation/HRIS Analyst	1.00	1.00	1.00
Director of Human Resources	1.00	1.00	1.00
Entry-Level CDL Driver Instructor	0.50	0.50	0.50
Human Resources Generalist	2.00	2.00	2.00
Human Resources Specialist	2.00	2.00	2.00
Organizational Development Trainer	1.00	1.00	1.00
Risk Management Specialist	1.00	1.00	1.00
Risk Manager/ADA Coordinator	1.00	1.00	1.00
FTE Total	**12.50**	**12.50**	**12.50**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Meet the workforce needs of the organization	Process applicants	Applications received	* 100%	100%
	Staff development	Training Hours	100%	100%
	Staff development	Implement Online Learning Management System to enhance employee development	100%	100%
Meet health and wellness needs of the organization	Employee COVID case management	Employees counselled, assisted and/or monitor return to work	100%	100%
	Minimize impact of seaonal flu	Flu shot clinic	100%	100%
	Manage Workers Compensation Program	Incidents/claims reported	100%	100%
Legal Compliance	Compliance with the Family Medical Leave Act	Process employee certifications	100%	100%
	Compliance with Families First Coronavirus Act	Process requests for Emergency Paid Sick Leave and Emergency Family Medical Leave Expansion Act	100%	100%
	Coordinate citywide compliance with the Americans with Disabilities Act (ADA)	Site visits	100%	100%
Protect assets of the organization	Pursue recovery of funds eligible for repayment through subrogation of claims/ court recoveries	Funds recovered	100%	100%
	Provide property and liability coverage for the operations and assets of the organization	Liability Claims filed	100%	100%

* All items will be completed when received

Finance

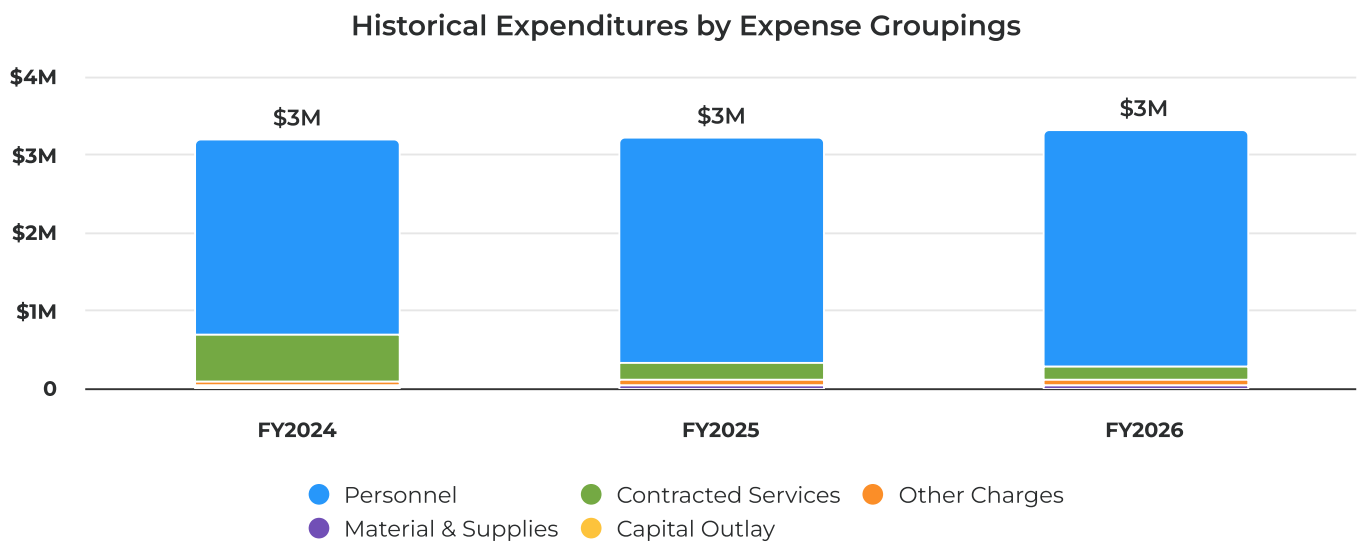
Department Description:

The Finance Department is responsible for managing the public funds of the city and provides financial oversight and support for all city business and departments. This includes the processes involved in raising, managing, and allocating funds for city operations, public services, and planned capital growth. Department divisions include the Budget activity, which manages the City's budget process, compiles the annual budget book, monitors fiscal compliance, and ensures funds are available for Council-approved activities. The Accounting division oversees the city's financial transactions, including grant compliance, accounts payable, accounts receivable, payroll, debt management, treasury management, and the annual audit. The Purchasing division facilities city-wide procurement and contracting activities in compliance with local and state laws. The Utility Billing division is responsible for generating accurate monthly utility bills, collecting payments, and providing customer service for all City utility departments.

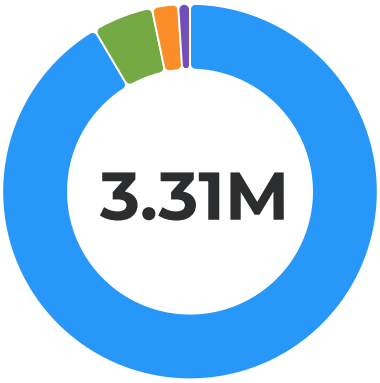
Mission:

The Finance Department will provide the highest quality financial services with accuracy, integrity, and transparency through the implementation of rigorous internal controls and adherence to state statutes and local policy. The department is strongly dedicated to managing public funds in a manner that fosters trust within the organization and throughout the community, providing quality customer service to San Marcos residents, employees, bondholders and other interested parties.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$3,030,817	91.52%
Contracted Services	$172,932	5.22%
Other Charges	$74,466	2.25%
Material & Supplies	$33,575	1.01%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$2,504,020	$2,883,465	$2,823,265	$3,030,817	5.11%
Contracted Services	$600,452	$221,155	$207,535	$172,932	-21.81%
Material & Supplies	$30,744	$30,161	$27,000	$33,575	11.32%
Other Charges	$46,962	$71,572	$65,705	$74,466	4.04%
Capital Outlay	$126	-	-	-	-
Total Expenditures	**$3,182,305**	**$3,206,353**	**$3,123,505**	**$3,311,790**	**3.29%**

Authorized Position List

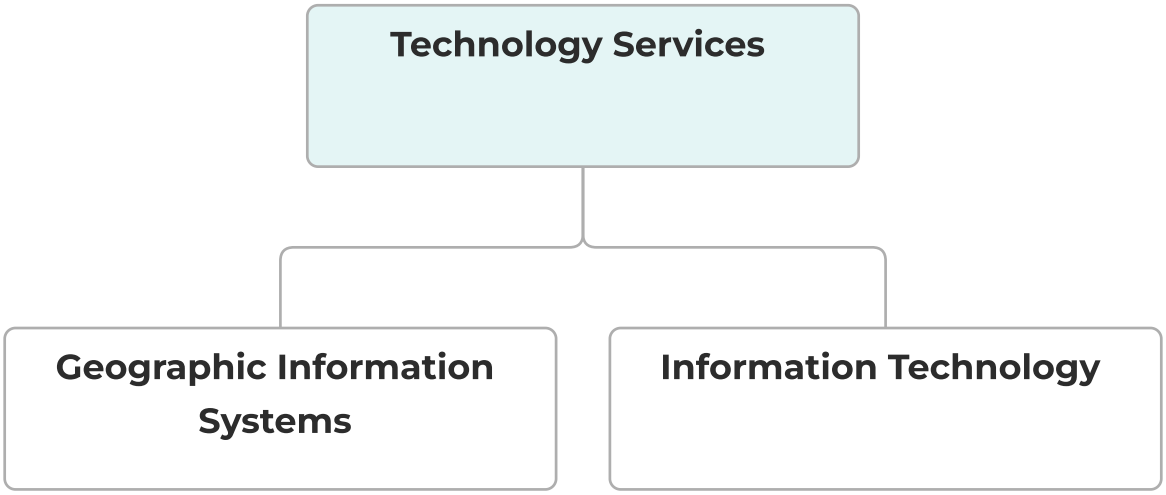
	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Accountant I - Capital Projects	1.00	1.00	1.00
Accountant I - Grants	1.00	1.00	1.00
Accountant II	2.00	2.00	2.00
Accounting Manager	1.00	1.00	1.00
Accounting Technician	2.48	2.48	2.48
Accounts Payable/Payroll Supervisor	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Assistant Director of Finance	1.00	1.00	1.00
Budget Manager	1.00	1.00	1.00
Construction Contract Specialist	1.00	1.00	1.00
Contract Specialist	1.00	1.00	1.00
Director of Finance-CFO	1.00	1.00	1.00
Financial/Budget Analyst	2.00	2.00	2.00
Intern - Paid	0.38	0.38	0.38
Mail Services Coordinator	1.00	1.00	1.00
Payroll-Accounts Receivable Specialist	2.00	2.00	2.00
Procurement Coordinator	1.00	1.00	1.00
Procurement Program Administrator	2.00	2.00	2.00
Purchasing Manager	1.00	1.00	1.00
Purchasing Specialist, Senior	2.00	2.00	2.00
FTE Total	**25.86**	**25.86**	**25.86**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Establish strong financial management of public funds	Develop financial policies based on best practices	Prepare fiscally responsible balanced budgets	* 100%	100%
	Ensure sound long-term financial objectives	Provide necessary and affordable financing options for capital improvement projects as required	100%	100%
Strengthen the City's financial knowledge, skills, and abilities	Develop financial competencies for department staff	Provide adequate training opportunities for staff proficiency	100%	100%
		Monitor accuracy of information provided to staff and public	100%	100%
	Continuous improvement of city's financial management systems	Regularly updating financial software systems to provide best information possible	100%	100%
Produce relevant, accurate and timely financial information	Compile all required financial data needed to produce the Annual Fiscal Year Budget with a high level of accuracy and on time	Submit and receive the GFOA Distinguished Budget Presentation Award	100%	100%
	Compile all required financial data needed to produce Annual Comprehensive Financial year-end report with a high level of accuracy and on time	Submit and receive the GFOA Certificate of Achievement for Excellence in Financial Reporting	100%	100%
Provide excellent customer service	Engage in community outreach events to explain city financial standing and solicit public input	Public response to city elections, events and surveys	100%	100%
	Encourage collaboration with customer departments	Pay city vendors and employees timely and accurately	100%	100%

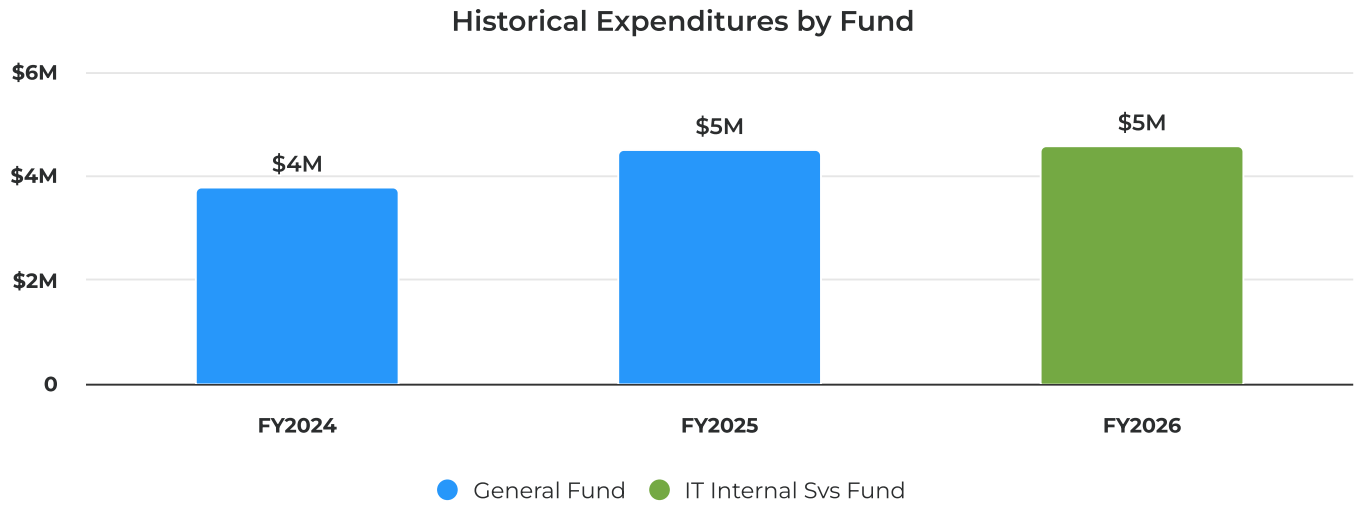
* All items will be completed when received

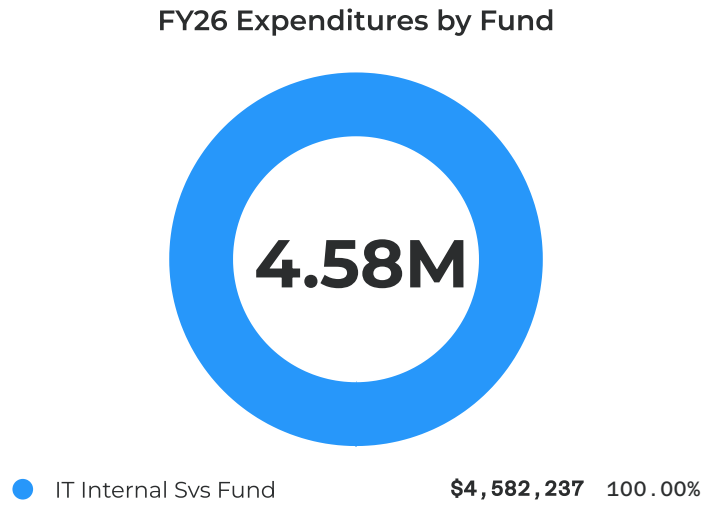
Technology Services



Technology Service Budgets 2

Expenditures by Fund

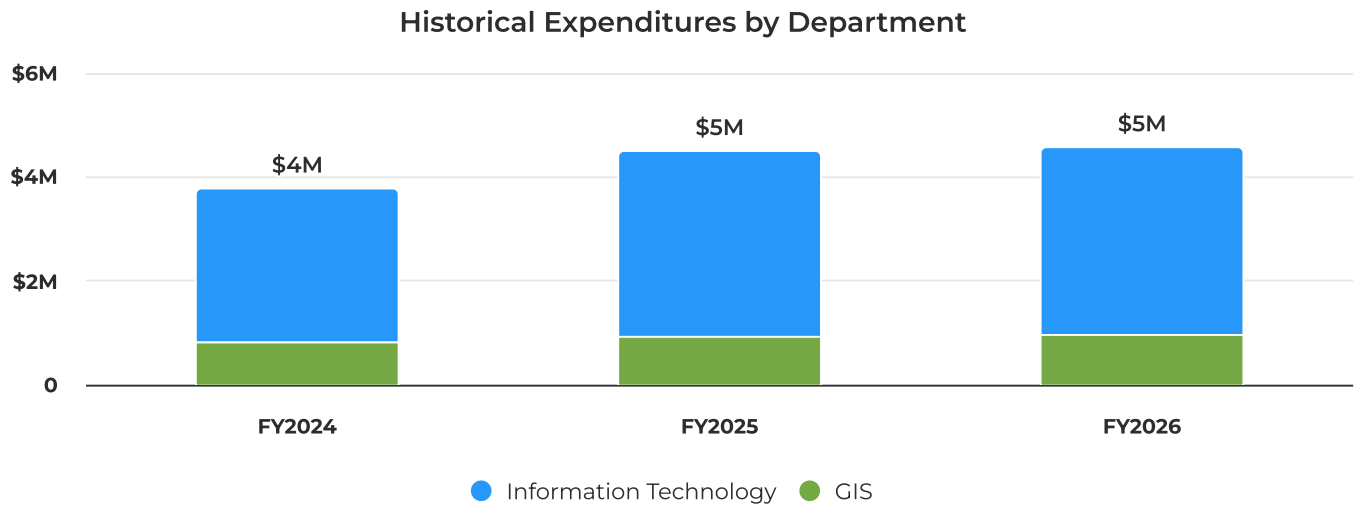


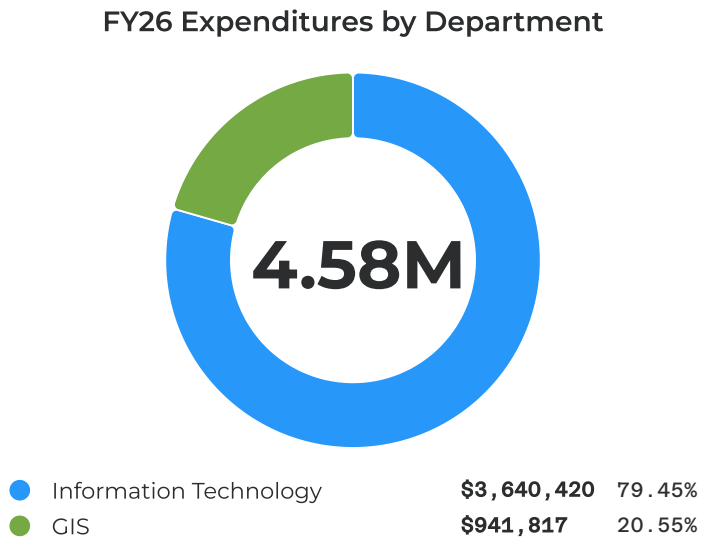


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
General Fund	$3,791,059	$4,511,349	$4,790,005	-	-100.00%
IT Internal Svs Fund	-	-	-	$4,582,237	-
Total Expenditures	**$3,791,059**	**$4,511,349**	**$4,790,005**	**$4,582,237**	**1.57%**

Expenditures by Department

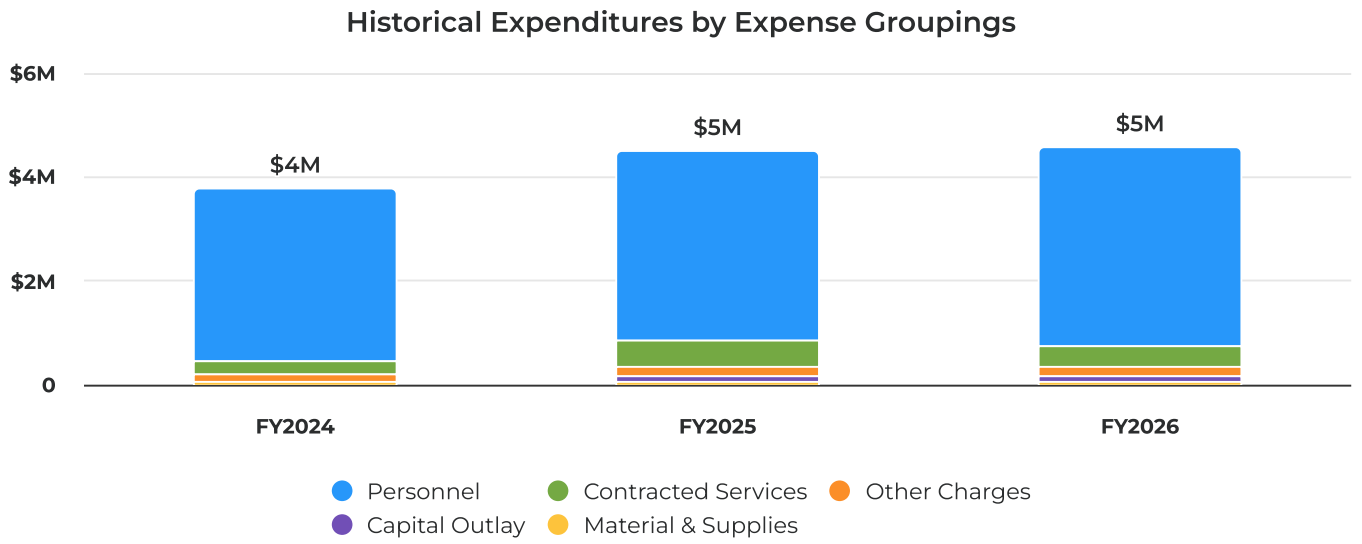


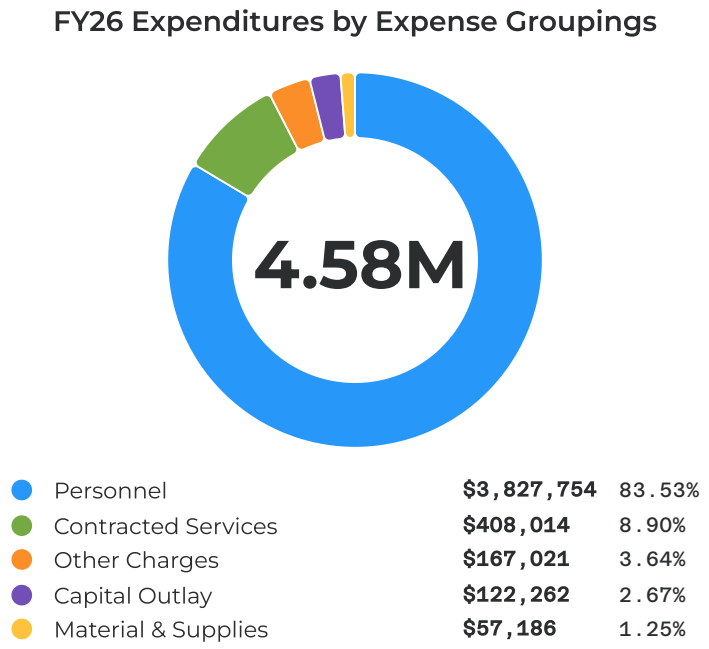


Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Information Technology	$2,989,734	$3,587,368	$3,952,784	$3,640,420	1.48%
GIS	$801,325	$923,981	$837,221	$941,817	1.93%
Total Expenditures	**$3,791,059**	**$4,511,349**	**$4,790,005**	**$4,582,237**	**1.57%**

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$3,323,419	$3,675,533	$3,663,034	$3,827,754	4.14%
Contracted Services	$282,284	$507,936	$406,736	$408,014	-19.67%
Material & Supplies	$38,665	$60,886	$55,637	$57,186	-6.08%
Other Charges	$123,790	$166,994	$143,300	$167,021	0.02%
Capital Outlay	$22,901	$100,000	$521,298	$122,262	22.26%
Total Expenditures	**$3,791,059**	**$4,511,349**	**$4,790,005**	**$4,582,237**	**1.57%**

GIS ISF

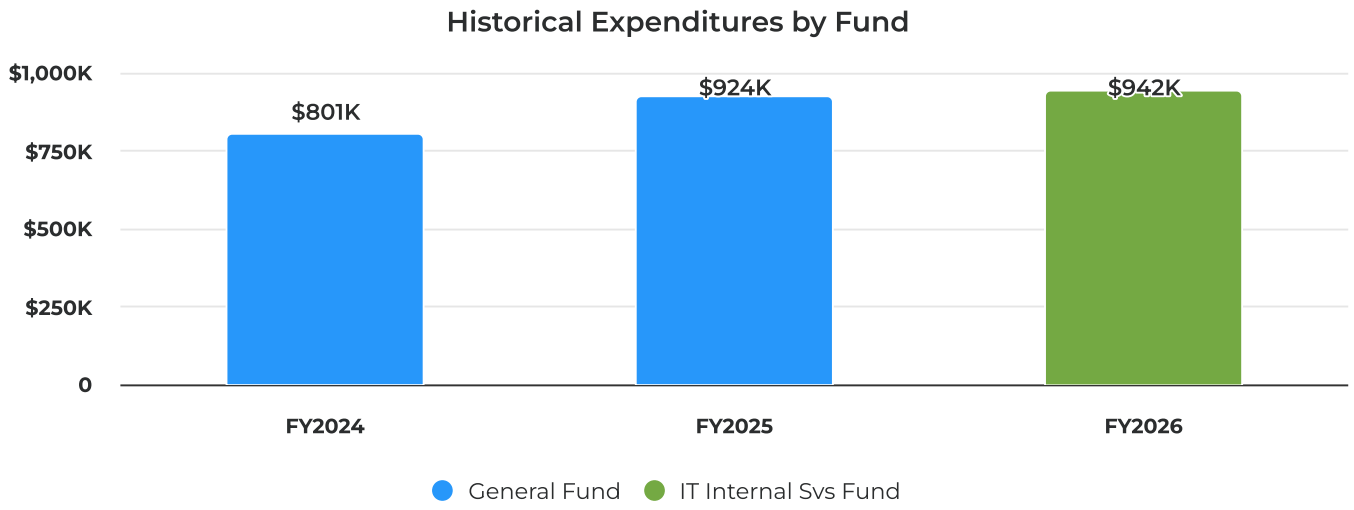
Department Description:

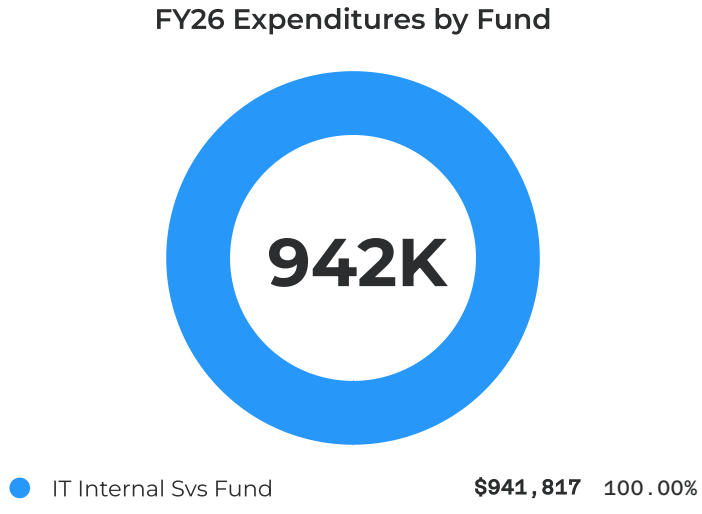
The geographic advantage provides a robust and high-quality geographic information system that empowers users to efficiently manage and maintain accurate, reliable, and consistent geographic data, and to easily and quickly obtain information in various formats on demand. The GIS Division is responsible for the enterprise GIS system, GIS Governance, and supporting departments with managing their spatial data and developing business solutions to support their goals and objectives.

Mission:

The department's mission is to practice responsive, collaborative and innovative approaches to GIS. The City GIS staff will provide geospatial information and applications to city employees and the public in order to enhance city operations, improve decision-making, and provide excellent customer service.

Expenditures by Fund

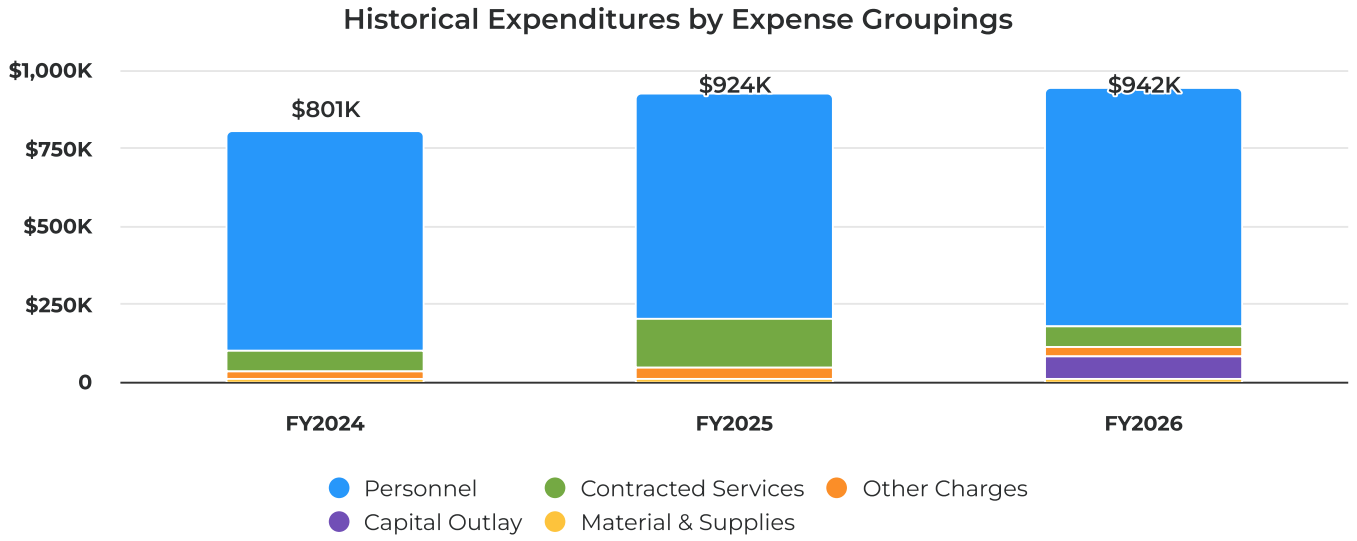


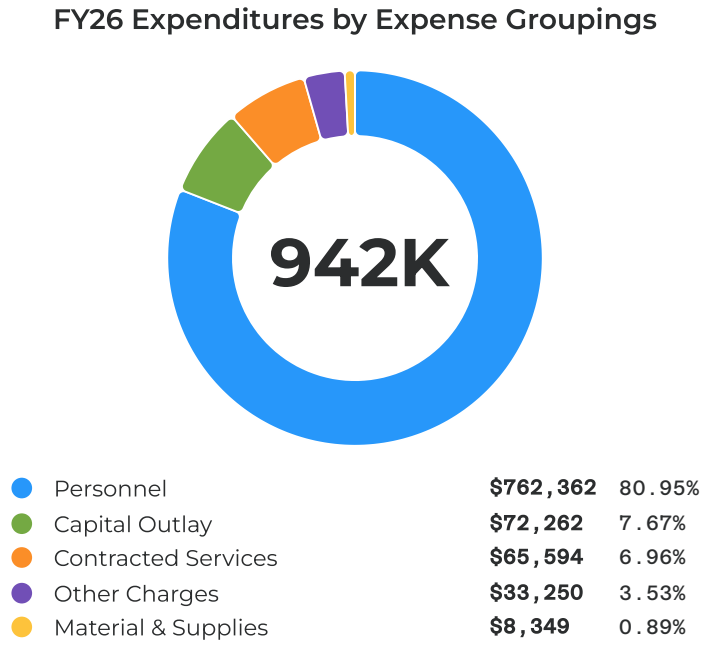


Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
General Fund	$801,325	$923,981	$837,221	-	-100.00%
IT Internal Svs Fund	-	-	-	$941,817	-
Total Expenditures	**$801,325**	**$923,981**	**$837,221**	**$941,817**	**1.93%**

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$699,521	$722,172	$733,411	$762,362	5.57%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$69,984	$158,810	$72,610	$65,594	-58.70%
Material & Supplies	$8,712	$9,749	$4,900	$8,349	-14.36%
Other Charges	$23,107	$33,250	$26,300	$33,250	0.00%
Capital Outlay	-	-	-	$72,262	-
Total Expenditures	**$801,325**	**$923,981**	**$837,221**	**$941,817**	**1.93%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
GIS Administrato	1.00	1.00	1.00
GIS Analyst	3.00	3.00	3.00
GIS Data Coordir	0.00	0.00	1.00
GIS Manager	1.00	1.00	1.00
GIS Technician	1.00	1.00	0.00
Intern - Paid*	0.38	0.38	0.50
FTE Total	**6.38**	**6.38**	**6.50**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Establish policies, procedures, and standards for managing the enterprise GIS system and data	Develop and implement a policy and standard for all publicly shared content on ArcGIS Online	Policy has been written and adopted by organization	80%	100%
		Staff trained on policy and standards	50%	75%
		All publicly shared content adheres to standard	25%	100%
Regularly engage GIS stakeholders to demonstrate the value of GIS success stories and provide support through training resources and opportunities	Communicate GIS success stories through internal webinars highlighting completed projects	Deliver 3 webinars annually	100%	100%
		Gather feedback from attendees on value of content.	100%	100%
	Develop a GIS training and support program to increase GIS adoption and competency among staff	Provide hands on learning opportunity for staff at least once per year	100%	100%
		Develop GIS road show presentation for departments to learn about GIS Program services	100%	100%
		Deliver GIS road show presentation 2 times annually	50%	100%
Modernize GIS infrastructure and workflows to enhance data accessibility, system integration, and user experience across the organization.	Migrate all ArcGIS Web AppBuilder configurations to ArcGIS Experience Builder in ArcGIS Online and Portal environments due to retirement of Web AppBuilder	Identify all applications that need to be migrated	100%	100%
		Migrate all ArcGIS Online applications	60%	100%
		Migrate all Portal for ArcGIS applications	40%	100%
	Upgrade Enterprise GIS system annually (when a long term support release is available from Esri)	Enterprise system upgraded to latest long term support release from Esri	100%	100%

Information Technology

Department Description:

The IT department offers a comprehensive suite of IT services, encompassing:

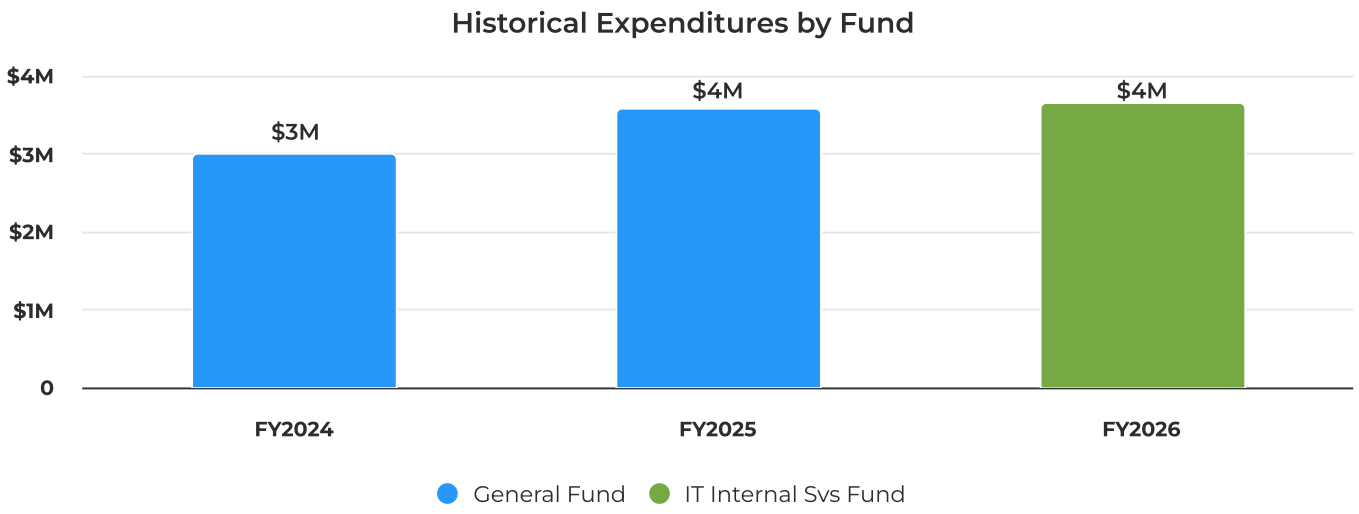
- Support: Addressing user issues and requests.
- Infrastructure: Maintaining the IT backbone for smooth operations.
- Business Analysts (BAs): Translating business needs into IT solutions.
- Security: Managing risk and safeguarding IT systems and data.
- The IT department functions as a one-stop shop for all the organization's technological needs, encompassing four key areas.

These combined teams create a comprehensive approach to IT management.

Mission:

The Department of Information Technology's mission is to deliver reliable and sustainable technology services necessary for the support and operations of the City of San Marcos. We are committed to providing cost-effective recommendations, implementing solutions, and overseeing technological resources through teamwork, professionalism, and quality customer service.

Expenditures by Fund



FY26 Expenditures by Fund



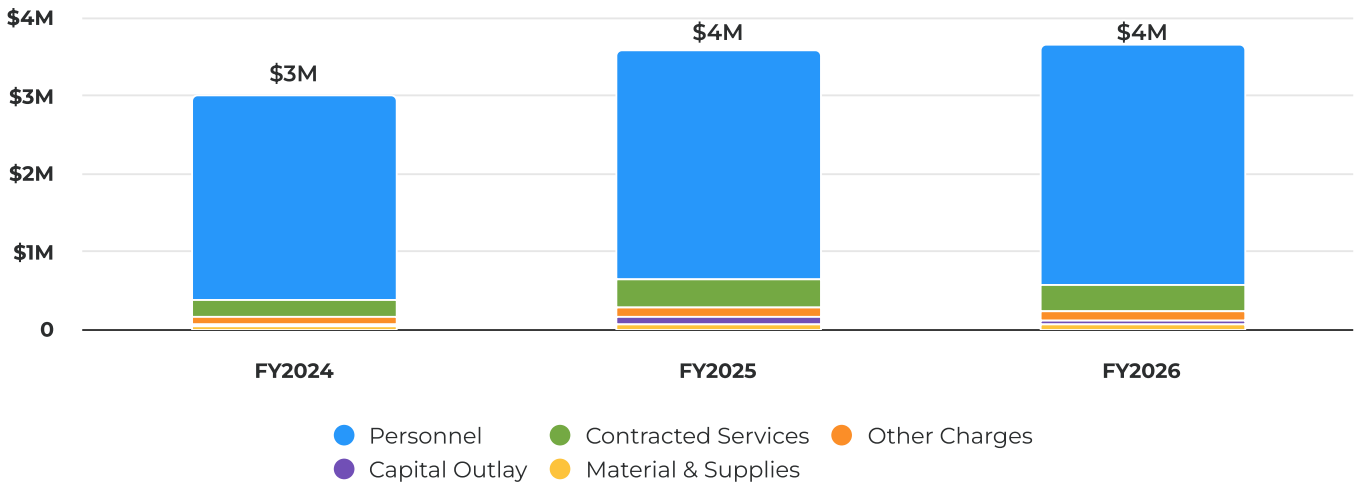
IT Internal Svs Fund	$3,640,420	100.00%

Expenditures by Fund

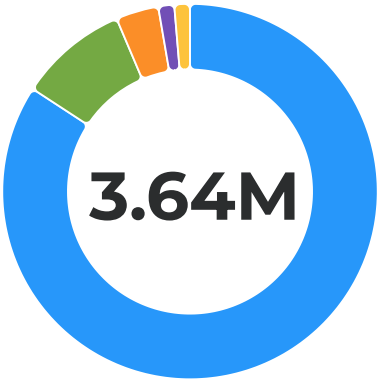
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
General Fund	$2,989,734	$3,587,368	$3,952,784	-	-100.00%
IT Internal Svs Fund	-	-	-	$3,640,420	-
Total Expenditures	**$2,989,734**	**$3,587,368**	**$3,952,784**	**$3,640,420**	**1.48%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$3,065,392	84.20%
Contracted Services	$342,420	9.41%
Other Charges	$133,771	3.67%
Capital Outlay	$50,000	1.37%
Material & Supplies	$48,837	1.34%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$2,623,898	$2,953,361	$2,929,623	$3,065,392	3.79%
Contracted Services	$212,300	$349,126	$334,126	$342,420	-1.92%
Material & Supplies	$29,953	$51,137	$50,737	$48,837	-4.50%
Other Charges	$100,682	$133,744	$117,000	$133,771	0.02%
Capital Outlay	$22,901	$100,000	$521,298	$50,000	-50.00%
Total Expenditures	**$2,989,734**	**$3,587,368**	**$3,952,784**	**$3,640,420**	**1.48%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Coordinator	1.00	1.00	1.00
Application Administrator**	1.00	0.00	0.00
Assistant Director of IT	1.00	1.00	1.00
Director of IT	1.00	1.00	1.00
ERP Administrator	2.00	1.00	1.00
ERP Administrator, Lead	2.00	1.00	1.00
Intern - Paid	0.38	0.38	0.38
IT Business System Analyst	3.00	3.00	3.00
IT Infrastructure Administrator	2.00	2.00	2.00
IT Infrastructure Manager	1.00	1.00	1.00
IT Project Manager	1.00	1.00	1.00
IT Security Analyst*	1.00	2.00	2.00
IT Security Manager	1.00	1.00	1.00
IT Service Delivery Manager	1.00	1.00	1.00
IT Support Analyst	3.00	2.00	2.00
IT Support Supervisor	0.00	1.00	1.00
IT Systems Administrator	3.00	3.00	3.00
Technology Specialist - Public Safety	2.00	2.00	2.00
FTE Total	**26.38**	**24.38**	**24.38**

*Two FTEs are funded with ARPA

**Funded in Utilities, Reports under IT

Goals and Performance Measures

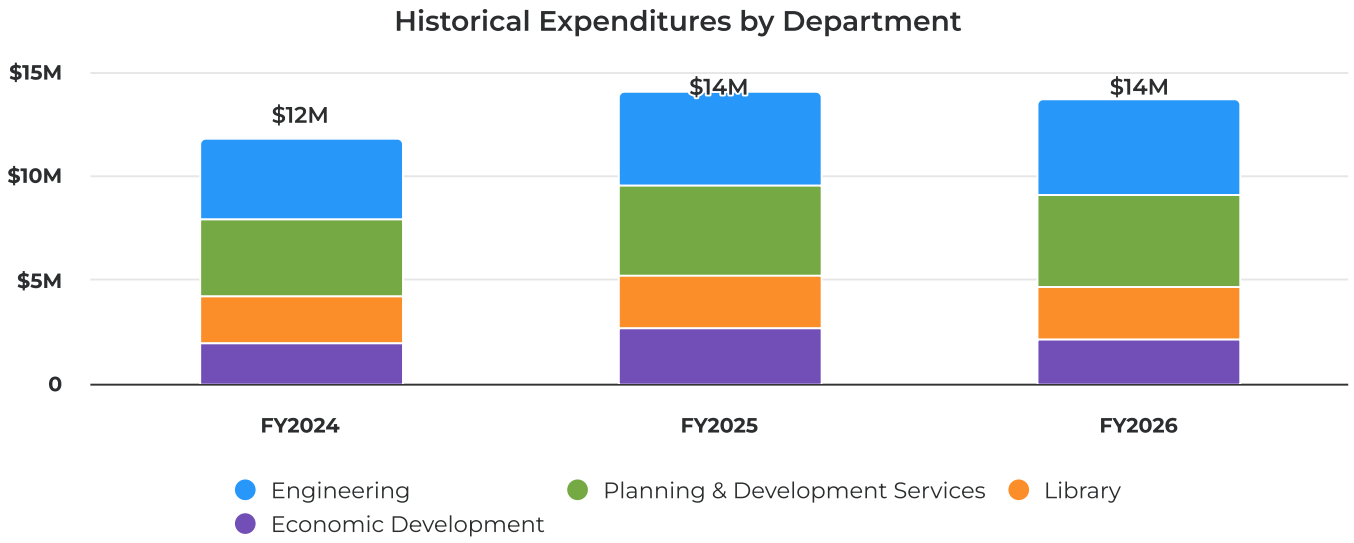
Goal	Objective	Performance Measure	FY25	FY26
Digital Modernization	Modernize and standardize conference room technology	Complete 12 conference & training rooms	100%	
	EOC Project	Complete internet installation	100%	
		Data center expansion	100%	
		Tech / AV upgrade	100%	
		Managed EOC devices	100%	
		Phone system	75%	100%
	Public Wi-Fi in Parks	Award contract to vendor and begin installations	100%	
Governance	Develop Criminal Justice Information Service (CJIS) security plan	CJIS Security Plan signed	100%	
	Complete Governance, Risk & Compliance (GRC) baseline	GRC baseline assessment completed (canceled project)	0%	
	Develop Physical Security Strategic Plan	Strategic Plan reviewed & approved by Emergency Preparedness Team	100%	
		Strategic Plan reviewed & adopted by City Manager		100%
	Enhance Cybersecurity Posture	Implement and regularly update cybersecurity policies and protocols (measured by number completed)	3	5
		Conduct regular cybersecurity assessments and audits (measured by number of assessments and audits)	4	4
		Provide ongoing cybersecurity awareness training for IT staff and end users	100%	100%
Operation Moderization	Departmental structure that supports personnel growth	Define structure	80%	100%
		Write new job descriptions in alignment with new structure	50%	100%
	Create departmental runbooks and playbooks	Each team documents the team runbook	100%	
		Complete department playbook	75%	100%
	Optimize IT Service Delivery	Define and implement SLA & ELA fo r department	75%	100%

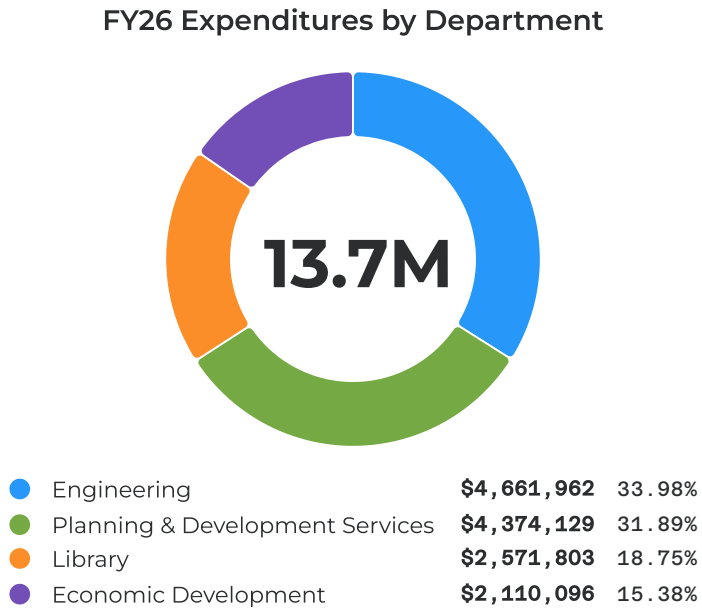
Community Development



Community Development Budgets

Expenditures by Department

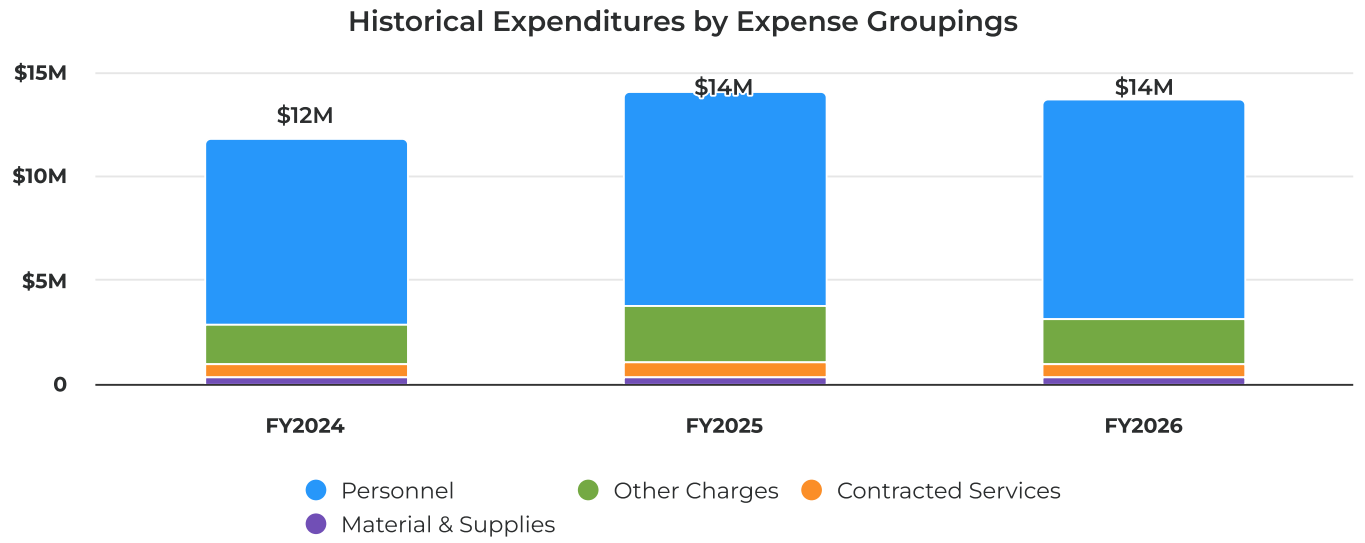


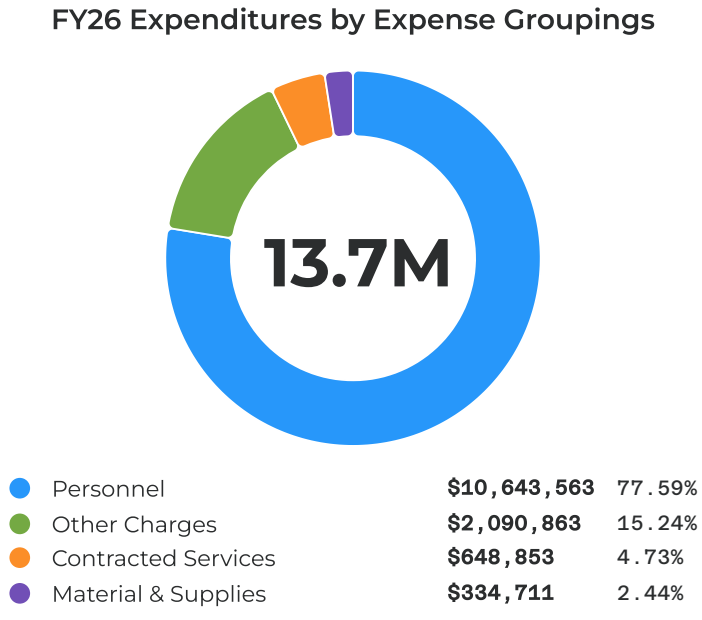


Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Planning & Development Services	$3,767,209	$4,378,600	$3,984,480	$4,374,129	-0.10%
Engineering	$3,845,474	$4,484,734	$4,349,304	$4,661,962	3.95%
Economic Development	$1,932,135	$2,669,600	$1,662,319	$2,110,096	-20.96%
Library	$2,248,088	$2,498,261	$2,393,427	$2,571,803	2.94%
Total Expenditures	**$11,792,906**	**$14,031,195**	**$12,389,530**	**$13,717,990**	**-2.23%**

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$8,912,983	$10,260,617	$9,787,605	$10,643,563	3.73%
Contracted Services	$636,541	$703,450	$630,603	$648,853	-7.76%
Material & Supplies	$323,545	$359,317	$326,180	$334,711	-6.85%
Other Charges	$1,919,837	$2,707,811	$1,645,142	$2,090,863	-22.78%
Total Expenditures	**$11,792,906**	**$14,031,195**	**$12,389,530**	**$13,717,990**	**-2.23%**

Engineering

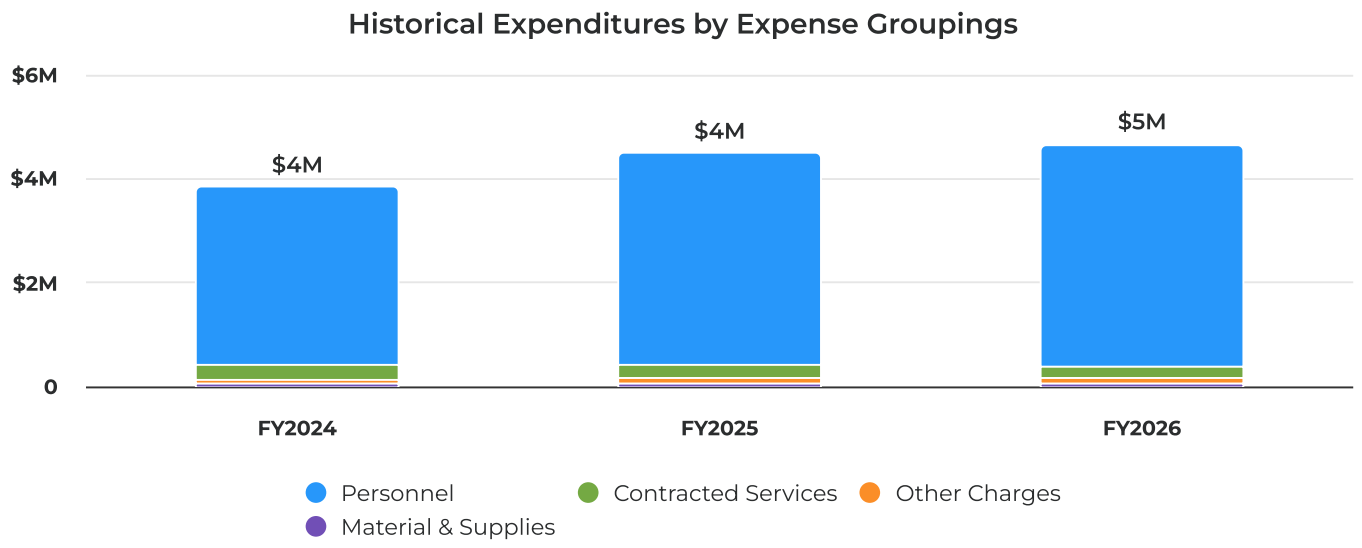
Department Description:

The Engineering and Capital Improvements Program (CIP) Department has five (5) Divisions: Development Engineering, Capital Improvements, Inspections, Real Estate and Habitat Conservation. The Development Engineering Division leads the engineering reviews associated with new development in San Marcos. The Capital Improvements Division develops and implements the Capital Improvement Program; in addition, they maintain the master plans for the water, wastewater, storm and transportation systems. The Inspections Division inspects all horizontal (such as pipelines, subdivision or road) construction for CIP and Development projects. They do not inspect vertical projects such as apartment complexes, houses or office buildings. The Real Estate Division acquires and disposes of real estate, ROW, and easements for all City Departments. The Habit Conservation Division manages implementation of the Edwards Aquifer Habitat Conservation Plan to protect endangered species in the San Marcos River and maintain compliance with the federal Endangered Species Act; this includes oversight and coordination of multiple San Marcos River restoration and habitat improvement projects.

Mission:

The mission of the Engineering and CIP Department is to provide comprehensive engineering and development review, capital project planning and management, and public improvement inspection services to the citizens of San Marcos and other City departments in order to manage the City's infrastructure, ensure public safety and health, protect the environment and improve the community.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$4,268,917**	91.57%
Contracted Services	**$227,645**	4.88%
Other Charges	**$110,000**	2.36%
Material & Supplies	**$55,400**	1.19%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$3,427,353	$4,061,626	$4,003,865	$4,268,917	5.10%
Contracted Services	$303,292	$250,639	$222,344	$227,645	-9.17%
Material & Supplies	$60,844	$56,117	$56,116	$55,400	-1.28%
Other Charges	$53,984	$116,352	$66,979	$110,000	-5.46%
Total Expenditures	**$3,845,474**	**$4,484,734**	**$4,349,304**	**$4,661,962**	**3.95%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	1.00	1.00
Assistant Director Engineering	1.00	1.00	1.00
Assistant Director of Capital Improvements	1.00	1.00	1.00
Director of Engineering and CIP	1.00	1.00	1.00
Engineering Associate II	1.00	1.00	1.00
Engineering Inspections Manager	1.00	1.00	1.00
Engineering Inspector	4.00	3.00	4.00
Financial Analyst - CIP	1.00	1.00	1.00
Graduate Engineer I	0.00	3.00	1.00
Graduate Engineer II	3.00	2.00	2.00
Habitat Conservation Manager	1.00	1.00	1.00
Intern - Paid	0.48	0.48	0.48
Project Engineer	4.00	4.00	3.00
Real Estate Manager	1.00	1.00	1.00
Real Estate Specialist	1.00	1.00	1.00
Senior Engineer	6.00	5.00	7.00
Senior Engineering Inspector	2.00	2.00	2.00
FTE Total	**29.48**	**29.48**	**29.48**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
QUALITY OF LIFE & SENSE OF PLACE Cultivate a community that promotes inclusivity, equity, and belonging; has a unique sense of place due to our distinct natural, historical, and cultural assets; and commits to a healthy quality of life for families of all types.	COMPREHENSIVE PLANNING - Complete and utilize the City's Comprehensive Plan and other master plans as our guiding principles for decision-making.	Ensure master plans align with the current Comprehensive Plan.	1	1
PUBLIC SAFETY, CORE SERVICES & FISCAL EXCELLENCE Deliver quality government services and improve community safety in a fiscally responsible manner with a professional workforce.	FINANCIAL MANAGEMENT - Use strategic financial decision making to meet our community's existing and future needs.	Pursue grant funding opportunities for applicable projects, including CIP. (Engineering/CIP)	2	3
	INFRASTRUCTURE MANAGEMENT - Dedicate the financial and staffing resources necessary for capital improvement project planning, construction, operations, and maintenance	Develop and implement the CIP. (Engineering/CIP)	1	1
MOBILITY & CONNECTIVITY: Improve neighborhood and regional connectivity to provide a safe, convenient, and efficient multimodal system for goods, services, and people of all income levels and abilities to move throughout the City.	MULTIMODAL TRANSPORTATION SYSTEM - Develop a diverse transportation system to improve multimodal connectivity and capacity by implementing the Transportation Master Plan.	Maintain and coordinate the bike & greenways plan within the Transportation Master Plan with CIP projects.	1	1
	TRANSPORTATION AND TRAFFIC OPERATIONS - Increase the safety, convenience, and reliability of the transportation system, including investment in technology and maintenance.	Coordinate with CAMPO to ensure specific San Marcos projects are identified in the Safe Streets for All program.	1	1
ENVIRONMENTAL PROTECTION Advance responsible stewardship of the community's natural, cultural, and historical resources through varied environmentally friendly policies and practices.	ENVIRONMENTAL STEWARDSHIP - Set the standard by demonstrating responsible stewardship of the environment, including our rivers, aquifers, and other sensitive features.	Incorporate green storm water and water/ energy conservation infrastructure on CIP projects. Metric is based on projects in design or construction.	8	6
	RESILIENT INFRASTRUCTURE - Incorporate resiliency into existing and future City	Incorporate and anticipate future needs of the City into CIP Projects to mitigate future risks. Metric is based	18	18

	infrastructure planning, construction, operations, and maintenance.	on projects in design or construction		
	ENVIRONMENTAL PROGRAMS - Promote innovative programs and educate residents about environmental resiliency	Continue participation and implementation of the Edwards Aquifer Habitat Conservation Plan	1	1

Economic Development

Department Description:

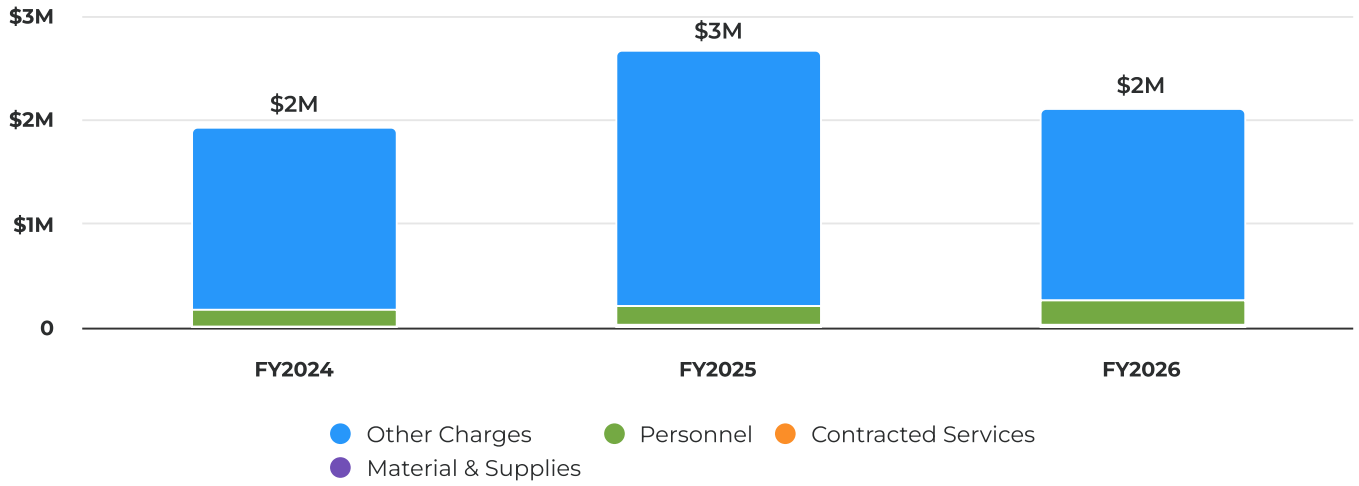
The San Marcos Economic Development Department encourages and supports high-quality new business development and the growth of its business community through retention, expansion, and recruitment endeavors.

Mission:

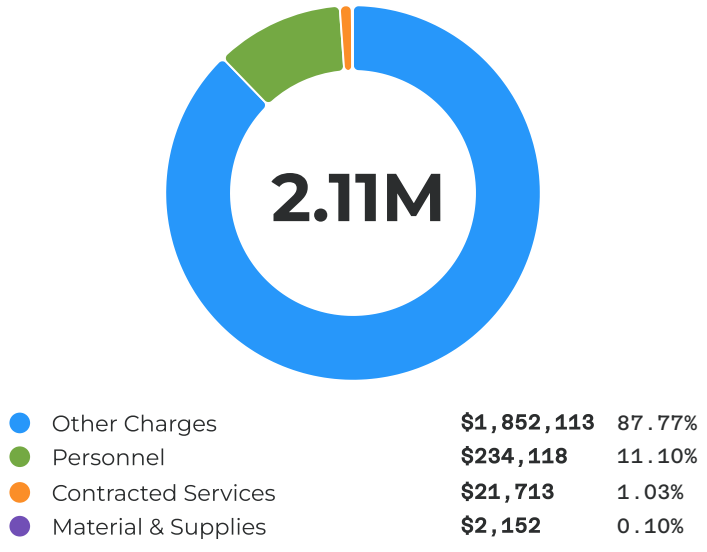
The mission of the Economic Development Department is to facilitate the creation, retention, and expansion of high-quality jobs, as well as expand the City's commercial tax base.

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Other Charges	$1,852,113	87.77%
Personnel	$234,118	11.10%
Contracted Services	$21,713	1.03%
Material & Supplies	$2,152	0.10%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$157,399	$194,192	$179,422	$234,118	20.56%
Contracted Services	$9,703	$16,544	$12,009	$21,713	31.24%
Material & Supplies	-	$3,638	$3,086	$2,152	-40.85%
Other Charges	$1,765,034	$2,455,226	$1,467,802	$1,852,113	-24.56%
Total Expenditures	**$1,932,135**	**$2,669,600**	**$1,662,319**	**$2,110,096**	**-20.96%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Business Retention & Expansion Coordinator*	0.00	0.33	0.33
Economic and Business Development Manager	1.00	1.00	1.00
Economic Development Specialist**	0.00	0.00	0.33
FTE Total	**1.00**	**1.33**	**1.66**

*Position is split between GF, Elec, and WWW

**New Position, Position is split between GF, Elec, and WWV

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Support high quality business development, retention, and expansion	Stand up remaining council approved business support grant programs	Identify qualified businesses and distribute program funds	* 100%	100%
	Implement Business Retention and Expansion Program (BRE) to support local businesses	Hire additional staff member to inaugurate BRE efforts in house	100%	100%
	Continue to attract high quality business development through partnership with the Greater San Marcos Partnership (GSMP)	Monitor and evaluate regular reporting to ensure compliance with contract deliverables	100%	100%

*All items will be completed

Planning and Development

Department Description:

Planning & Development Services is responsible for the development process, from annexation to building permits, and long-range planning for the City of San Marcos. The Planning division reviews new developments, is responsible for maintenance of the San Marcos Development Code, and is the steward of the City's Comprehensive Plan (Vision SMTX) as well as a variety of other long-range plans like the Historic Preservation Plan. The Permit and Inspections divisions ensure compliance with building and site development regulations at the local, state, and national level. The Community Initiatives and Housing division administers the City's Community Development Block Grant and Human Services Advisory Board funding.

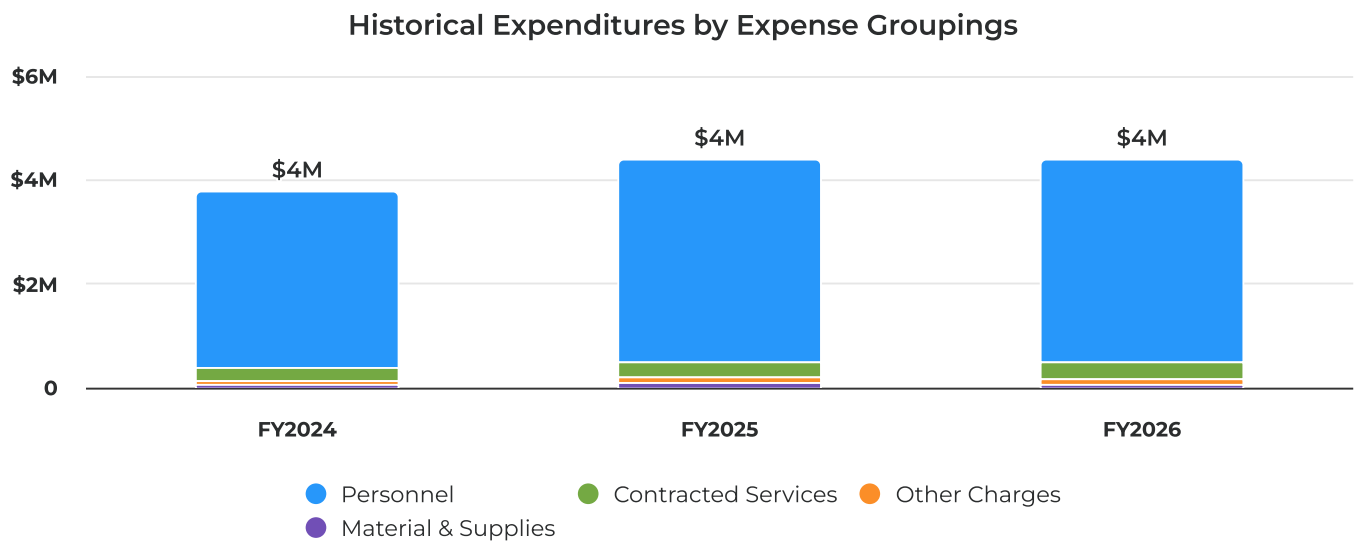
Mission:

To properly manage the growth and development of the community by carrying out adopted Council policies, and providing professional expertise in the area of city planning, while actively planning for the needs of tomorrow.

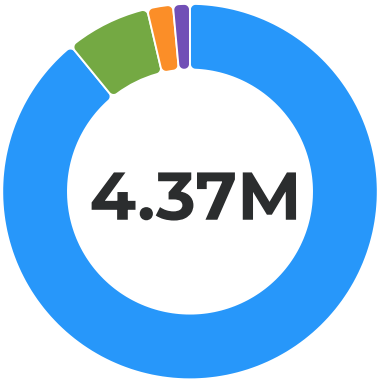
To continue our commitment to providing high-quality customer service to the various groups served, including builders, developers, landowners, neighborhood groups, city commissions, outside agencies and citizens of our community.

To enhance the tax base and livability of the community by encouraging high-quality growth and development.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$3,896,739	89.09%
Contracted Services	$316,240	7.23%
Other Charges	$97,450	2.23%
Material & Supplies	$63,700	1.46%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$3,377,088	$3,895,016	$3,529,369	$3,896,739	0.04%
Contracted Services	$265,142	$283,509	$313,611	$316,240	11.54%
Material & Supplies	$52,392	$91,387	$56,500	$63,700	-30.30%
Other Charges	$72,587	$108,688	$85,000	$97,450	-10.34%
Total Expenditures	**$3,767,209**	**$4,378,600**	**$3,984,480**	**$4,374,129**	**-0.10%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Coordinator	1.00	1.00	1.00
Assistant Director of Development Services	1.00	1.00	1.00
Assistant Director of Planning	1.00	1.00	1.00
Building Permit Technician	2.00	2.00	2.00
Building Permit Technician, Senior	1.00	1.00	1.00
Building Services Coordinator	1.00	1.00	1.00
Chief Building Official	1.00	1.00	1.00
Chief Planner	1.00	1.00	1.00
Combination Inspector	2.00	2.00	2.00
Combination Inspector, Sr.	2.00	2.00	2.00
Community Initiatives Coordinator	1.00	0.00	0.00
Community Initiatives Program Administrator	1.00	1.00	1.00
Deputy Chief Building Official	1.00	1.00	1.00
Director of Planning and Development Services	1.00	1.00	1.00
Electrical Inspector*	0.50	0.50	0.50
Environmental Compliance Program Manager	1.00	1.00	1.00
Environmental Inspection Specialist	3.00	3.00	3.00
GIS Analyst Planning	1.00	1.00	1.00
GIS Technician Planning	1.00	1.00	1.00
Grants Compliance Specialist	2.00	0.00	0.00
Historic Preservation Officer	1.00	1.00	1.00
Housing and Community Development Manager	1.00	1.00	1.00
Housing Coordinator	1.00	1.00	1.00
Intern-Paid	1.43	1.50	1.50
Permit Manager	1.00	1.00	1.00
Planner	3.00	3.00	3.00
Planner, Senior	1.00	1.00	1.00
Planning Manager	1.00	1.00	1.00
Planning Technician I	2.00	2.00	2.00
Senior Planning Technician	1.00	1.00	1.00
FTE Total	**38.93**	**36.00**	**36.00**

*Position is split between GF and Elec

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Improved Customer Experience	Improve development application review timeframes	Thorough review in a shortened timeframe	180 days	150 days
	Increase department transparency	Maintain an updated website	90%	95%
		Maintain updated reports	50%	75%
		Maintain an updated Permit Map	monthly	weekly
Long Range Planning and Code Updates	Create Neighborhood and Area Plans	Adoption of 5 area plans	2	4
	Strategic Housing Action Plan	Adoption of the Plan	0%	75%
	City-Wide Historic Preservation Plan	Adoption of the Plan	75%	100%
	Development Code update	Adoption of an updated Code	50%	100%
Permit & Inspections Process Improvements	Improve customer experience in permitting process	Implementation of process improvements in My Government Online	10%	25%
	Maintain next day inspections	Perform next day inspections	95%	95%
	Increase oversight of environmental features	Increase regular site visits for new construction	50%	60%
Social Service and Grant Funds Administration	Successfully distribute Human Services Advisory Board funding	Timely consideration of funding allocations presented to City Council	annually	annually
	Successfully administer Community Development Block Grant funding	Comply with US Department of Housing and Urban Development requirements for spending	annually	annually

Library

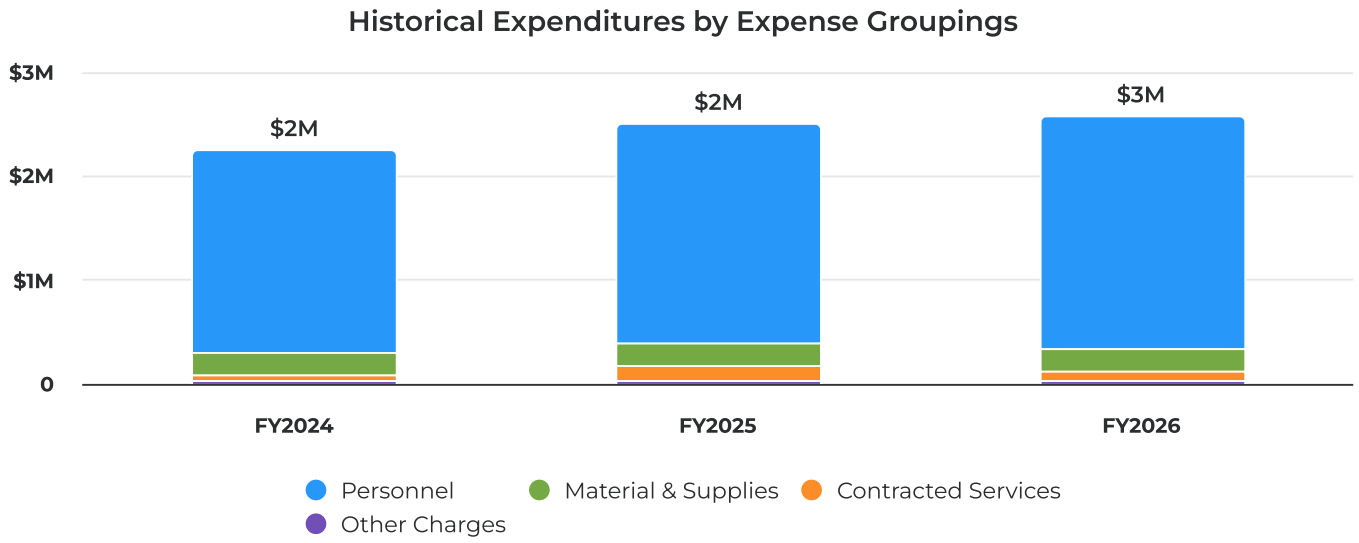
Department Description:

The San Marcos Public Library serves as a community hub for the people of San Marcos, SMCISD, and Hays County. The library provides access to a wide range of information and resources, offering books, magazines, newspapers, and digital media - all available for free. Beyond lending materials, we provide educational programs, workshops, classes, and events for all ages. The public can use our computer devices or bring their own and access Wi-Fi and printing services. The library is a welcoming place, and we strive to create a community that is educated, engaged, and well-informed. The library is open seven days per week for a total of 70 hours and the staffing level remains at 22.5 FTEs.

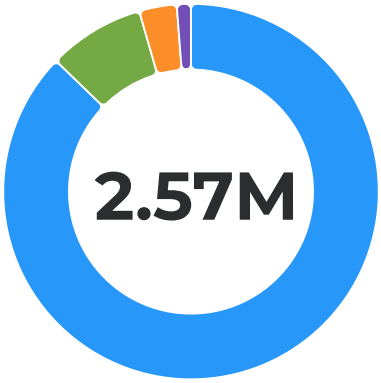
Mission:

The mission of the San Marcos Public Library is to create opportunities for our citizens to explore and expand their interests; to improve their academic work and life skills; and to enhance their enjoyment of leisure time through reading and lifelong learning.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$2,243,789	87.25%
Material & Supplies	$213,459	8.30%
Contracted Services	$83,255	3.24%
Other Charges	$31,300	1.22%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,951,143	$2,109,783	$2,074,949	$2,243,789	6.35%
Contracted Services	$58,404	$152,758	$82,639	$83,255	-45.50%
Material & Supplies	$210,309	$208,175	$210,478	$213,459	2.54%
Other Charges	$28,231	$27,545	$25,361	$31,300	13.63%
Total Expenditures	**$2,248,088**	**$2,498,261**	**$2,393,427**	**$2,571,803**	**2.94%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	1.00	1.00
Director of Library	1.00	1.00	1.00
Librarian	5.00	5.00	5.00
Library Assistant	4.00	4.00	4.00
Library Clerk	6.25	6.45	6.45
Library Division Manager	3.00	3.00	3.00
Library Page	1.88	1.90	1.90
Library Supervisor	1.00	1.00	1.00
FTE Total	**23.13**	**23.35**	**23.35**

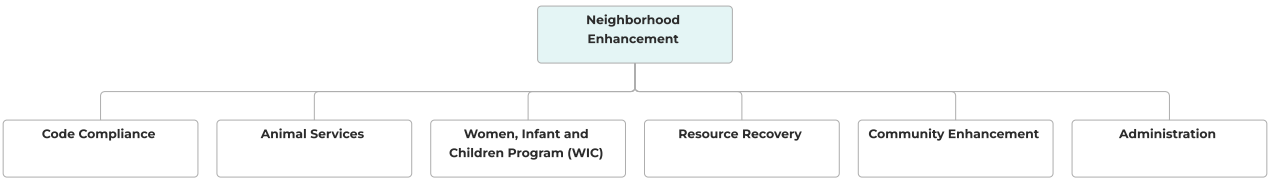
Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Our goal is to inspire children and teens to explore and expand their interests, help them succeed in school, and develop a love of reading by providing them with an abundance of creative programs and access to books, computers, and other learning resources.	To maximize the children's and teen spaces at the library, attendance at programs for children, tweens, and teens should increase by 10% per year.	Attendance will be taken at each program presented to children, tweens, and teens that takes place inside or outside in-person.	Attendance for elementary-age and teens exceeded this goal, however the preschool attendance decreased.	Attendance by children and teens is expected to grow by at least 10%. STAR teens have provided an informal advisory board and they will continue to meet to make program suggestions. The partnership with CORE 4 will continue and so with the YAM grant.
	Staff will present at least 400 in-person programs for children, tweens, and teens.	Programs will be offered to children, tweens, and teens daytime, evening, and weekends with special emphasis on the summer reading program.	In FY23, the number of in-person programs grew by 33%. We are on-pace to meet this goal.	To build on the growth seen in FY24, we expect to increase program attendance by at least 10%.
	School and life success is impacted positively when children read. Over the next three years, the library expects to increase the circulation numbers of the children's and teen materials to 160,000.	Library staff will monitor circulation of children's and YA items checked out from the library (totals do not include eResources).	FY2023, books checked out at the library increased by 6%, while children's eBook circulation decreased by 45%.	Children's and YA circulation will increase by 10% and library staff will work more closely with SMCISD to market our online services for children since all students have access to tablets or laptops.
Our goal is to expand the library digital footprint in the community and provide additional eResources, virtual learning opportunities, access to robust Wi-Fi, and the abililty to self-check out materials in order to manage health risks to our staff and customers.	The current library automation software is at end-of-life. There are many new products available that would provide better service to all of our customers with functionality that would make the system more intuitive and easy-to-use. An upgrade to this system would allow library staff to incorporate our in-library and	Library staff will monitor the statistics provided and once installed, we would expect to see this number increase.	This item was approved as part of the FY2024 Capital Outlay, but funds have been frozen due to sales tax income. This item will be part of the redistribution of ARPA funds. We are hopeful this project will be funded.	If the new automation system is funded, library staff will have a 26 week implementation plan. The system will be available to the public by mid-January and the library will promote the new system online and in-house.

	eResources into one search.			
	Library staff will develop Facebook and other social media sites to provide programs, information, and promote library services.	Facebook for Business includes statistics about members, use, and popularity of content. With all four groups, the Library goal is to have 10,000 followers, now aiming for 15,000 in FY2025. FY2023 had 8,993 followers on the regular page, 2,893 for workforce, 866 for book club and 184 for story time. The library on Instagram has 1,946 followers.	This goal was met! The library has a total of 13,936 followers on social media with the number participating on the Workforce pages more than doubled.	Facebook has continued to be a major focus of marketing. The new automation system will add texting as a contact point and we expect that our social media presence will increase by at least 10%.
	Internet access and computer literacy is still a struggle for many of our population. The Library will provide a robust Wi-Fi connection for the public. The public computers can be used without any staff contact and our goal is to provide check out services that are self-serve.	Grant funding has been secured for improving the Wi-Fi service at the library and the City IT department is working to purchase and install items this fiscal year. Wi-Fi was upgraded in January 2024, so use numbers will be collected to determine if improved service increases use.	Improved Wi-Fi project was just completed in January 2024.	Library staff will continue to provide computer assistance on a walk-in basis, but will also add classes and one-to-one personal device instruction.
Our goal is to meet the informational, educational, and recreational needs of our adult citizens by providing them with convenient access to well-maintained, up-to-date collections of informative and entertaining library materials and high-quality educational programming.	Workforce Development continues to be a primary focus of the library. The Workforce Librarian will facilitate job fairs, classes, programs, and partner with other agencies to provide information and referral to job openings and local training opportunities.	The Workforce Librarian will provide at least eight programs per month, job fairs quarterly, and work with individuals and groups that need assistance with their job search and career counseling. Attendance at these events will be counted.	Workforce Librarian has provided ten programs per month and beginning in May, we are offering a monthly job fair.	The Workforce Librarian will continue to expand the visibility of the program and the partnerships. Services to individuals has flourished. For this year, the Library will develop an evaluation form to get feedback from participants.
	The library provides citizens and visitors with access to the Internet, databases, online newspaper subscriptions, and other computer resources.	Library staff selects and processes about 5,000 new items per year. A reading public is an educated public. The library will purchase items of interest to the community and increase the circulation	Patrons expect and enjoy having new materials, but inflation and supply chain issues decreased the number of items we are able to purchase.	Workforce Librarian will provide classes on commonly used employment sites, like Indeed. She will also add classes on LinkedIn and Learning Express.

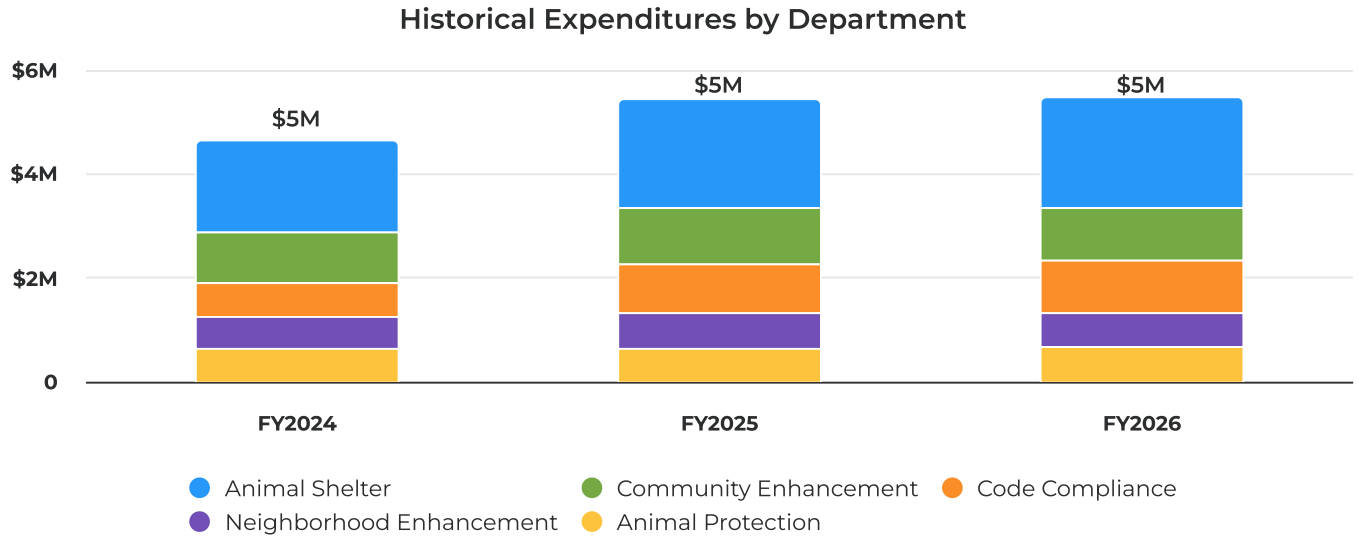
		of existing and new items.		
	The Library will provide adult programs, classes, and events that meet the growing needs of our community. With special focus on healthy families, mental illness, and services for people experiencing homeless. The Library expects attendance at these programs to grow. Grant funding from St. David's Foundation has greatly increased the library's ability to provide useful and fun programming.	The programs that we provide in-person at the Library are in response to needs identified in the community. The Library will expand program attendance at these programs by 10% a year.	Program attendance has far-exceeded 10% because of the St. David's Libraries for Health grant that allows us to pay teachers and buy materials for adult programs.	The St. David's L4H funding will end in June 2025. Staff will be seeking grant funding using Candid and other resources, so we can continue providing high-quality programming. We will also look to local partners to provide free programming.

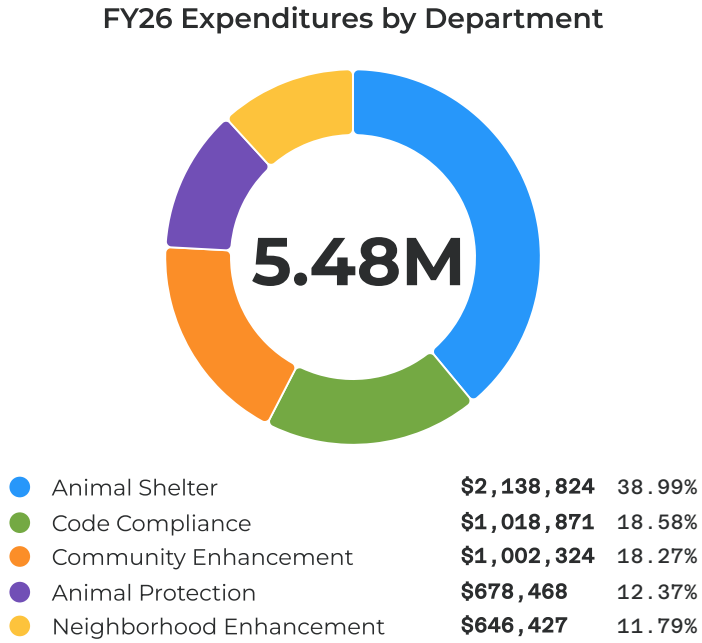
Neighborhood Enhancement



Neighborhood Enhancement Budgets

Expenditures by Department



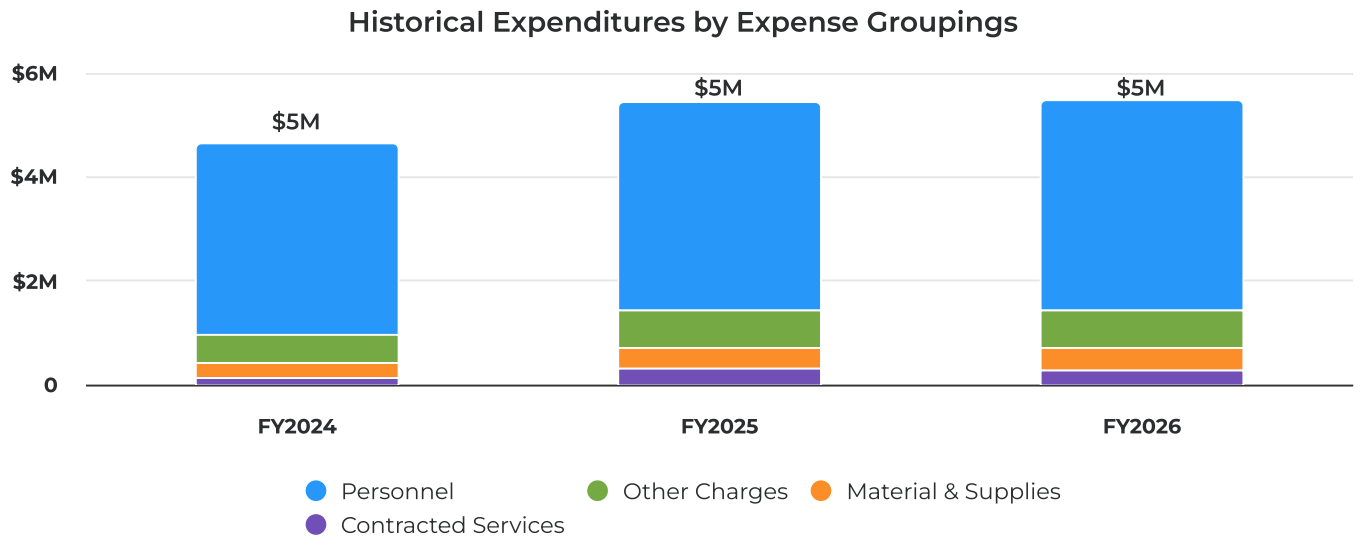


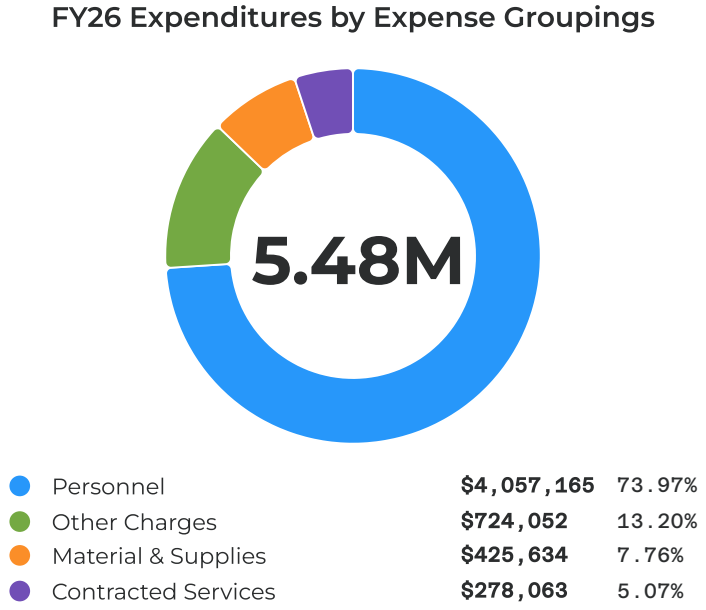
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Code Compliance	$658,059	$943,316	$936,432	$1,018,871	8.01%
Animal Protection	$615,983	$645,837	$561,263	$678,468	5.05%
Animal Shelter	$1,769,475	$2,094,115	$1,970,208	$2,138,824	2.13%
Community Enhancement	$965,374	$1,069,182	$1,275,053	$1,002,324	-6.25%
Neighborhood Enhancement	$622,449	$686,153	$657,104	$646,427	-5.79%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Total Expenditures	**$4,631,341**	**$5,438,603**	**$5,400,060**	**$5,484,914**	**0.85%**

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$3,671,343	$4,012,152	$3,933,492	$4,057,165	1.12%
Contracted Services	$124,987	$307,957	$295,700	$278,063	-9.71%
Material & Supplies	$293,134	$394,331	$316,015	$425,634	7.94%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Other Charges	$541,877	$724,163	$851,409	$724,052	-0.02%
Capital Outlay	-	-	$3,444	-	-
Total Expenditures	**$4,631,341**	**$5,438,603**	**$5,400,060**	**$5,484,914**	**0.85%**

Administration

Department Description:

Neighborhood Enhancement serves as an "umbrella" department with oversight responsibility for several divisions. Neighborhood Enhancement's mission is to emphasize education, problem-solving, and targeted assistance to support people, pets, and property.

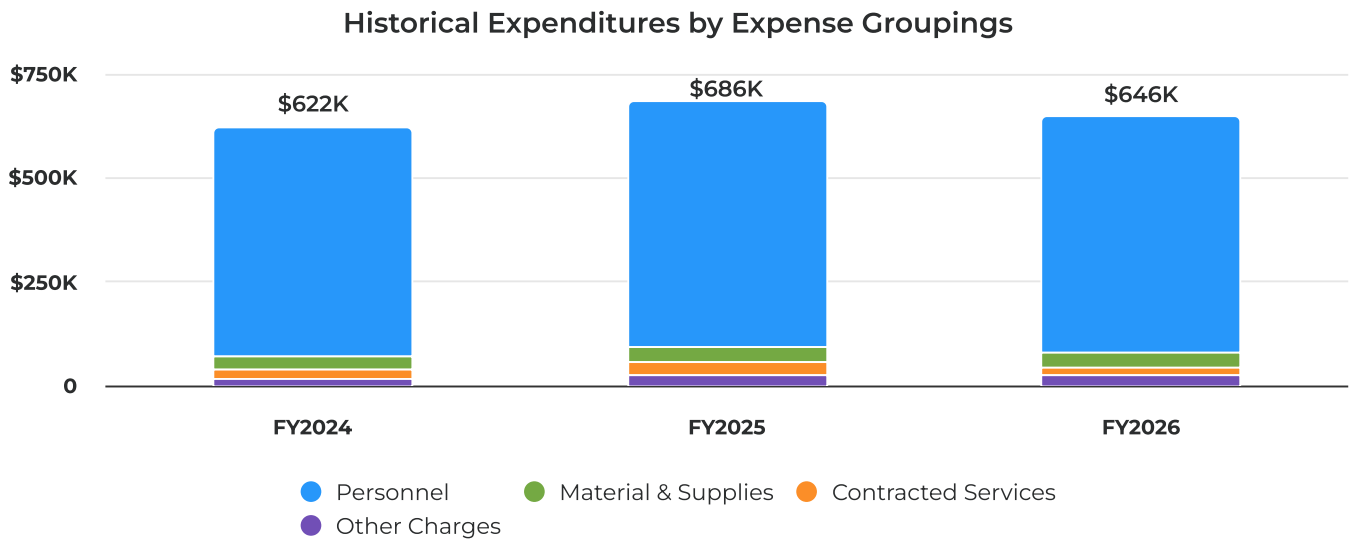
Neighborhood Enhancement Department
- Community Vitality – Public engagement / Texas State University Off-Campus Living Liaison
- Animal Services
- Code Compliance / Environmental Health
- Resource Recovery / Community Enhancement
- WIC (Women, Infants, and Children Supplemental Nutrition Program)

Goals and Objectives
Neighborhood Enhancement strives to become a strategic problem-solving team with effective outreach and communication to improve quality of life for people and pets, and to improve the vitality of neighborhoods and the day-to-day life of citizens across the community.

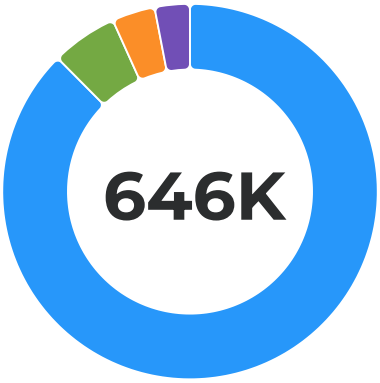
Mission:

Neighborhoods that are connected, cared for, and cherished by those who live there experience better relations, beautification, waste reduction, sustainability, and neighborhood engagement.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$566,010	87.56%
Material & Supplies	$36,900	5.71%
Other Charges	$23,900	3.70%
Contracted Services	$19,617	3.03%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$551,698	$593,067	$570,886	$566,010	-4.56%
Contracted Services	$21,361	$32,286	$34,118	$19,617	-39.24%
Material & Supplies	$31,897	$36,900	$32,500	$36,900	0.00%
Other Charges	$17,494	$23,900	$19,600	$23,900	0.00%
Total Expenditures	**$622,449**	**$686,153**	**$657,104**	**$646,427**	**-5.79%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Coordinator	1	1	1
Assistant Director of Neighborhood Enhancement-WIC	1	1	1
Community Vitality Coordinator	1	1	1
Director of Neighborhood Enhancement*	0.75	0.75	0.75
FTE Total	**3.75**	**3.75**	**3.75**

*Position is split between Neighborhood Enhancement and Resource Recove

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Host four (4) Neighborhood Conversation events in four (4) different sectors across the City	Determine sectors, locations and agenda items	Determine locations and schedule meetings	* 100%	100%
		Determine agendas based on city projects, initiatives and current events impacting sectors	100%	100%
		Use Neighborhood Enhancement Department's outreach protocol for promotion and follow-up	100%	100%
Mitigate 10 potential code violations due to need by partnering residents with Operation Triage and Mission Able programs	Match need with resources available	Create partnership between Neighborhood Enhancement, Operation Triage, and Mission Able	100%	100%
		Determine properties/residents in need with help of Code Compliance	100%	100%
		Assist residents in completing necessary paperwork and process to secure property as Operation Triage or Mission Able sites	100%	100%
Provide resources for landlord/tenant issues	Empower residents by providing available resources and assistance	Develop directory of available resources	100%	100%
		Determine workflow and protocol for staff to refer service requests to resources available	100%	100%
		Austin Tenant Council onsite counselling sessions	100%	100%

* All items will be complete

Code Compliance

Department Description:

Neighborhood Enhancement serves as an "umbrella" department with oversight responsibility for several divisions. Neighborhood Enhancement's mission is to emphasize education, problem-solving, and targeted assistance to support people, pets, and property.

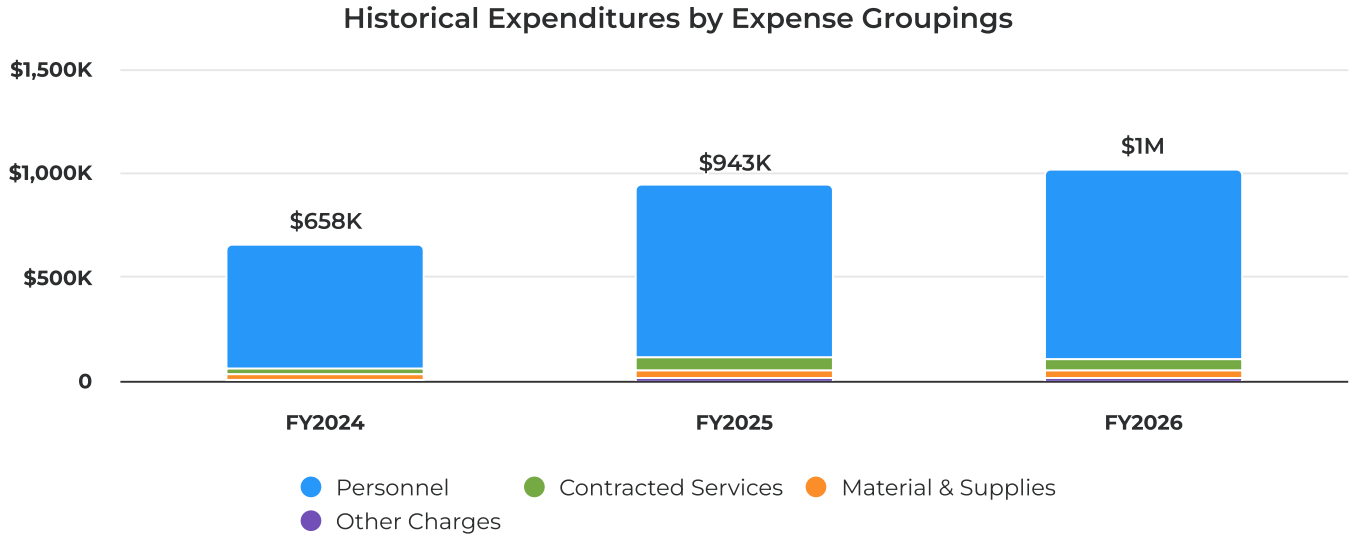
Neighborhood Enhancement Department
- Community Vitality – Public engagement / Texas State University Off-Campus Living Liaison
- Animal Services
- Code Compliance / Environmental Health
- Resource Recovery / Community Enhancement
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Goals and Objectives
Neighborhood Enhancement strives to become a strategic problem-solving team with effective outreach and communication to improve quality of life for people and pets, and to improve the vitality of neighborhoods and the day-to-day life of citizens across the community.

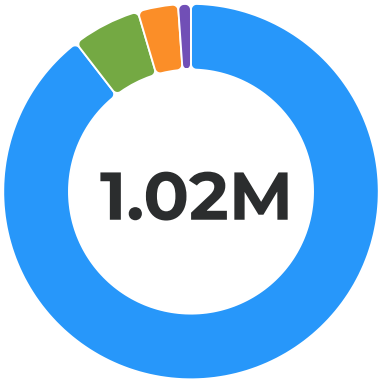
Mission:

To provide our citizens with the highest quality of service and to uphold and ensure compliance with codes and standards established to protect the public health, safety, and welfare of all residents, business owners, and visitors. Courtesy and professionalism will serve as guiding principles which will permeate the character of Code Compliance, thereby ensuring that our priority is to help solve community problems through creative and effective compliance.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$912,092	89.52%
Contracted Services	$60,106	5.90%
Material & Supplies	$35,373	3.47%
Other Charges	$11,300	1.11%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$596,730	$828,619	$836,992	$912,092	10.07%
Contracted Services	$28,828	$63,831	$62,607	$60,106	-5.84%
Material & Supplies	$24,353	$38,566	$28,583	$35,373	-8.28%
Other Charges	$8,148	$12,300	$8,250	$11,300	-8.13%
Total Expenditures	**$658,059**	**$943,316**	**$936,432**	**$1,018,871**	**8.01%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant	0.00	0.48	0.48
Code Compliance Officer*	4.00	5.00	5.50
Community Health and Safety Manager	1.00	1.00	1.00
Sanitarian	3.00	2.00	2.00
Senior Sanitarian-Fog**	0.50	0.50	0.50
FTE Total	**8.50**	**8.98**	**9.48**

*One Code Compliance Officer moved from CE Fund to be split between GF and HOT
**Position is split between GF and WWW
***Position is split between GF and WWW

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Rewrite and revise the nuisance ordinance	Streamline and clarify ordinances to meet the health and safety needs of the City	Complete the ordinance rewrite and monitor outcomes	50%	100%
Rewrite the unsafe structures program	Rewrite policies/procedures and transition the unsafe structure program from PADS to Code Compliance	Complete unsafe structure policies/procedures and monitor outcomes	100%	100%
Increase the level of voluntary compliance	Identify specific needs of our citizens and provide them with guidance and resources to gain compliance	Increase Compliance Rate	75%	100%

Animal Services

Department Description:

Neighborhood Enhancement serves as an “umbrella” department with oversight responsibility for several divisions. Neighborhood Enhancement’s mission is to emphasize education, problem-solving, and targeted assistance to support people, pets, and property.

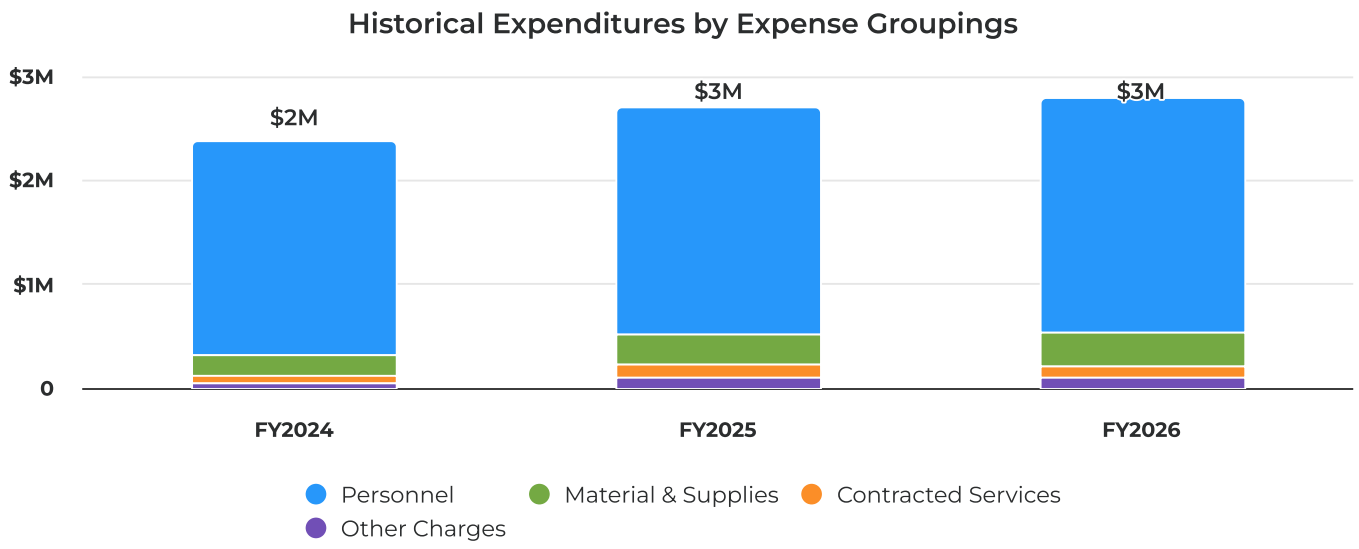
Neighborhood Enhancement Department
- Community Vitality – Public engagement / Texas State University Off-Campus Living Liaison
- Animal Services
- Code Compliance / Environmental Health
- Resource Recovery / Community Enhancement
- WIC (Women, Infants, and Children Supplemental Nutrition Program)

Goals and Objectives
Neighborhood Enhancement strives to become a strategic problem-solving team with effective outreach and communication to improve quality of life for people and pets, and to improve the vitality of neighborhoods and the day-to-day life of citizens across the community.

Mission:

To care for, protect, and find quality homes for abandoned and neglected animals, aid in the reduction of pet over-population, and provide community education for the mutual benefit of animals and people.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$2,262,941**	81.19%
Material & Supplies	**$325,461**	11.68%
Contracted Services	**$107,040**	3.84%
Other Charges	**$91,850**	3.30%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$2,058,805	$2,196,829	$2,142,325	$2,262,941	3.01%
Contracted Services	$56,867	$125,340	$108,880	$107,040	-14.60%
Material & Supplies	$212,881	$290,965	$227,032	$325,461	11.86%
Other Charges	$52,101	$96,818	$19,790	$91,850	-5.13%
Capital Outlay	-	-	$3,444	-	-
Total Expenditures	**$2,380,654**	**$2,709,952**	**$2,501,471**	**$2,787,292**	**2.85%**

Authorized Position List

ANIMAL PROTECTION	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Animal Protection Officer	3.00	3.00	3.00
Animal Protection Officer, Senior	1.00	1.00	1.00
Animal Protection Specialist	2.00	2.00	2.00
Animal Protection Supervisor	1.00	1.00	1.00
FTE Total	**7.00**	**7.00**	**7.00**

ANIMAL SHELTER	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	1.00	1.00
Animal Adoption Specialist	2.00	2.00	2.00
Animal Behavioralist	1.00	1.00	1.00
Animal Services Manager	1.00	1.00	1.00
Animal Services Program Coordinator	2.00	2.00	2.00
Animal Shelter Supervisor	1.00	1.00	1.00
Animal Shelter Technician	3.38	4.40	4.40
Animal Shelter Technician, Lead	4.00	3.00	3.00
Animal Shelter Veterinary Technician	2.00	2.00	2.00
Community Engagement Coordinator	1.00	1.00	1.00
Veterinarian	1.00	1.00	1.00
FTE Total	**19.38**	**19.40**	**19.40**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Increase trap, neuter and return for community cats	To humanely control community cat population, reduce overall cat intakes to the shelter, and increase quality of life for cats and the community	Increase total number of trap, neuter and return surgeries with in-house Veterinarian	201	300
Increase funding to PALS	To decrease shelter intake overall through addressing the problem of overpopulation at the root cause	Increasing spay/neuter opportunities directly affects the shelter population and is the single most important thing we can do to save lives	$45k	$45k
Increase community support	To educate the community and raise awareness about responsible pet ownership	Provide educational materials to the public at events and the shelter to promote responsible pet ownership	25	25
	To support owners in keeping their pets safe and healthy	Conduct free or low-cost microchip drives	5	10
		Provide vouchers to prevent shelter intakes (vet care, boarding, fence repair, etc.)	27	30

WIC

Department Description:

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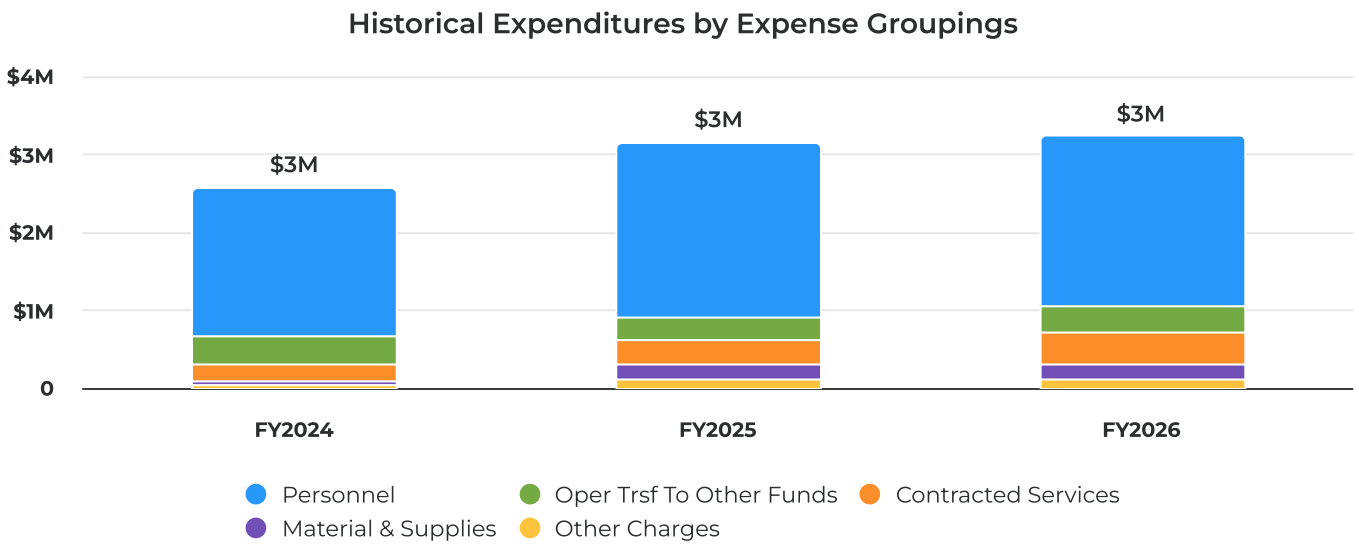
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Goals and Objectives
Neighborhood Enhancement strives to become a strategic problem-solving team with effective outreach and communication to improve quality of life for people and pets, and to improve the vitality of neighborhoods and the day-to-day life of citizens across the community.

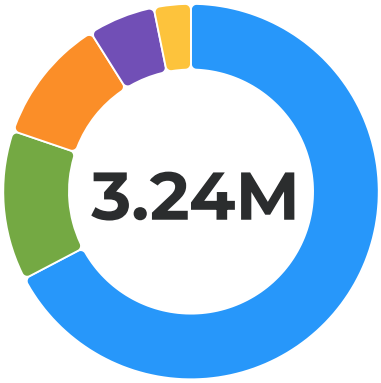
Mission:

WIC strives to educate, encourage, and empower; WIC helps amazing families grow, one individual at a time.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$2,179,586**	67.32%
Contracted Services	**$418,121**	12.91%
Oper Trsf To Other Funds	**$350,511**	10.83%
Material & Supplies	**$186,063**	5.75%
Other Charges	**$103,497**	3.20%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,908,697	$2,235,332	$2,183,467	$2,179,586	-2.49%
Contracted Services	$210,463	$333,660	$255,926	$418,121	25.31%
Material & Supplies	$65,397	$189,124	$151,500	$186,063	-1.62%
Other Charges	$24,945	$103,397	$56,864	$103,497	0.10%
Oper Trsf To Other Funds	$365,542	$287,675	$287,675	$350,511	21.84%
Total Expenditures	**$2,575,044**	**$3,149,188**	**$2,935,432**	**$3,237,778**	**2.81%**

Authorized Position List

WIC ADMIN	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
WIC Clerk - Kyle	0.00	1.00	1.00
WIC Clerk	7.00	6.00	6.00
WIC Health And Nutrition Specialist	6.00	6.00	6.00
Administrative Assistant, Senior	1.00	1.00	1.00
FTE Total	**14.00**	**14.00**	**14.00**

WIC LACTATION	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
WIC Clerk-Breastfeeding Peer Counselor	1.00	1.00	1.00
IBCLC	0.00	1.00	1.00
FTE Total	**1.00**	**2.00**	**2.00**

WIC NUTRITION EDU	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
WIC Program Manager	1.00	1.00	1.00
WIC Program Supervisor	1.00	1.00	1.00
WIC Health And Nutrition Supervisor	5.00	5.00	5.00
WIC Nutrition Coordinator	1.00	1.00	1.00
Registered Dietitian	0.00	1.00	1.00
FTE Total	**8.00**	**9.00**	**9.00**

WIC PEER COUNSELING	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
WIC Clerk-Breastfeeding Peer Counselor	5.00	5.00	5.00
FTE Total	**5.00**	**5.00**	**5.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Provide quality WIC services to help grow healthy families	Meet or exceed the performance measures required in the State contract	Provide nutrition education to an average of 95% of families that receive food benefits each month	100%	95%
		Ensure that an average of 20% of pregnant women enrolled are enrolled during their first trimester	38%	20%
		Provide WIC services and food benefits to an average of 80% of enrolled participants	94%	80%
		Ensure that an average for customer satisfaction of no more than 10% below the State WIC average	Above state average	No more than 10% below
Increase awareness of WIC to encourage more families to utilize our services	Maintain frequent contact with the general public	Outreach shall be conducted monthly (minimum 12 per year)	Exceeds	12
		Bring special attention to WIC during National Nutrition Month (1 event)	Met	1
		Bring special attention to WIC during National Breastfeeding Week (1 event)	In Process	1

Resource Recovery

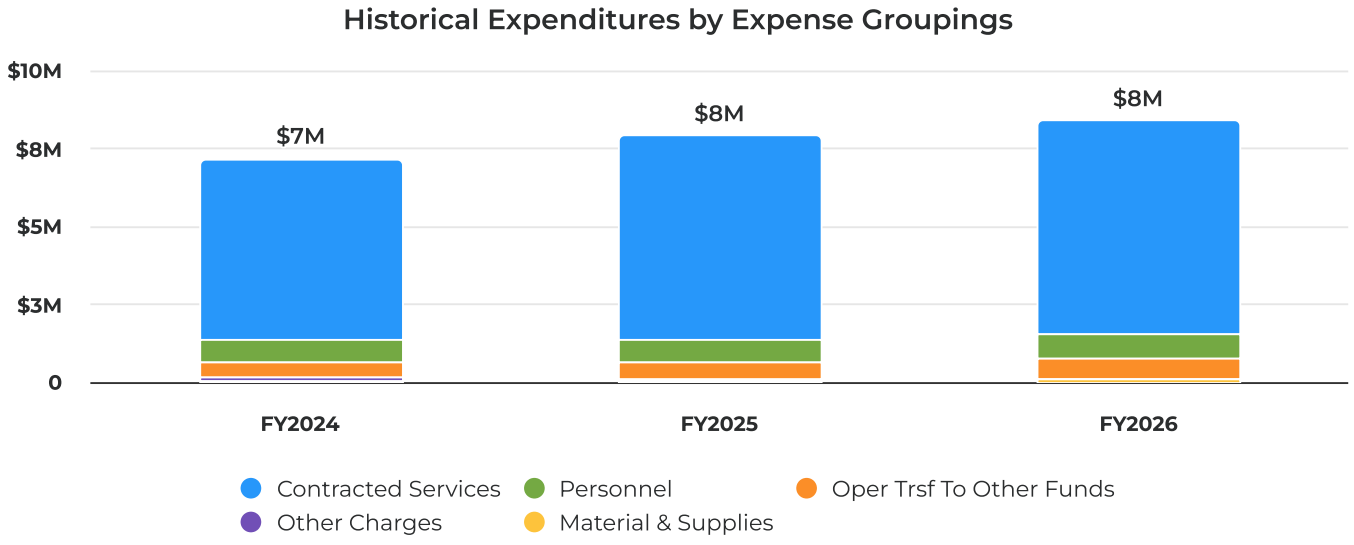
Department Description:

Neighborhood Enhancement serves as an "umbrella" department with oversight responsibility for several divisions. Neighborhood Enhancement's mission is to emphasize education, problem-solving, and targeted assistance to support people, pets, and property.
Neighborhood Enhancement Department
• Community Vitality – Public engagement / Texas State University Off-Campus Living Liaison
• Animal Services
• Code Compliance / Environmental Health
• Resource Recovery / Community Enhancement
• WIC (Women, Infants, and Children Supplemental Nutrition Program)
Goals and Objectives
Neighborhood Enhancement strives to become a strategic problem-solving team with effective outreach and communication to improve quality of life for people and pets, and to improve the vitality of neighborhoods and the day-to-day life of citizens across the community.

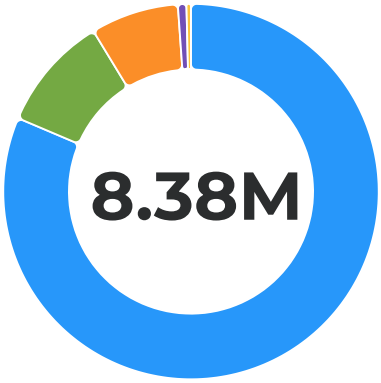
Mission:

To manage solid waste services in San Marcos by providing an integrated solid waste system that is responsible for the City's vision and growth by adding programs to help increase landfill diversion. It includes the Keep San Marcos Beautiful Program to educate and engage San Marcos citizens to take responsibility for improving our community environment through litter prevention, beautification, waste reduction and sustainability.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Contracted Services	$6,821,848	81.39%
Personnel	$831,264	9.92%
Oper Trsf To Other Funds	$634,722	7.57%
Material & Supplies	$61,000	0.73%
Other Charges	$33,000	0.39%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$702,250	$752,897	$756,432	$831,264	10.41%
Contracted Services	$5,792,456	$6,527,632	$6,529,433	$6,821,848	4.51%
Material & Supplies	$40,958	$44,500	$44,500	$61,000	37.08%
Other Charges	$94,267	$25,500	$25,500	$33,000	29.41%
Oper Trsf To Other Funds	$526,199	$551,983	$551,983	$634,722	14.99%
Total Expenditures	**$7,156,129**	**$7,902,512**	**$7,907,848**	**$8,381,834**	**6.07%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Assistant Director of Neighborhood Enhancement	0.00	0.00	1.00
Community Enhancement Coordinator	1.00	1.00	1.00
Community Enhancement Initiatives Manager	1.00	1.00	0.00
Director Of Neighborhood Enhancement*	0.25	0.25	0.25
Intern - Paid	1.14	1.14	1.14
Marketing And Outreach Coordinator	1.00	1.00	1.00
Resource Recovery Program Coordinator	3.00	3.00	2.00
Resource Recovery Manager	0.00	0.00	1.00
Resource Recovery Specialist	1.00	1.00	1.00
FTE Total	**8.39**	**8.39**	**8.39**

*Position is split between Neighborhood Enhancement and Resource Recovery

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Design new offices for Resource Recovery and Community Enhancement operations	Design a facility in anticipation of the growth of the Resource Recovery and Community Enhancement programs	Procure contract and complete design	0%	10%
Provide resources and training for all City offices and employees to increase landfill diversion and minimize contamination in City facilities.	Standardize all trash and recycling containers in City facilities	Procure containers and deliver to City facilities	100%	100%
	Train all City staff on the proper use of the various containers	Provide orientation and training to staff in each City facility	10%	100%
Issue Request for Proposals (RFP) for valet recycle service for multifamily	Develop a pilot to figure out best practices	Work with the Recycling Partnership	100%	100%
	Create a RFP and Evaluate proposals		65%	100%
	Award new contract	Negotiate, send to council and sign new contract	0%	100%

Community Enhancement

Department Description:

Neighborhood Enhancement serves as an "umbrella" department with oversight responsibility for several divisions. Neighborhood Enhancement's mission is to emphasize education, problem-solving, and targeted assistance to support people, pets, and property.

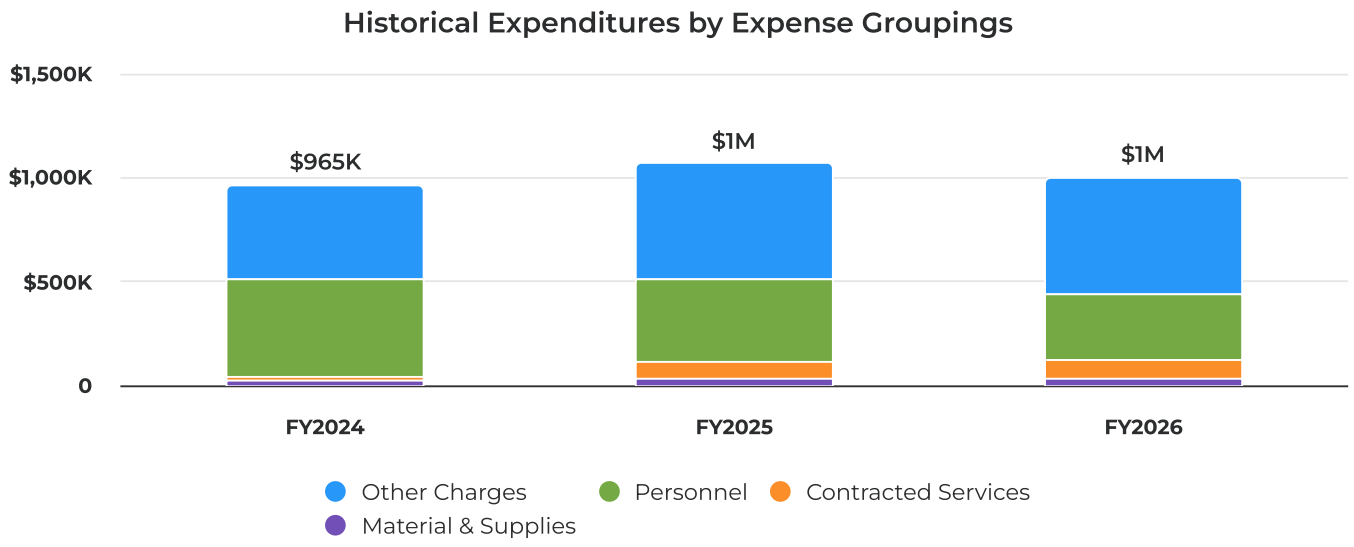
Neighborhood Enhancement Department
- Community Vitality – Public engagement / Texas State University Off-Campus Living Liaison
- Animal Services
- Code Compliance / Environmental Health
- Resource Recovery / Community Enhancement
- WIC (Women, Infants, and Children Supplemental Nutrition Program)

Goals and Objectives
Neighborhood Enhancement strives to become a strategic problem-solving team with effective outreach and communication to improve quality of life for people and pets, and to improve the vitality of neighborhoods and the day-to-day life of citizens across the community.

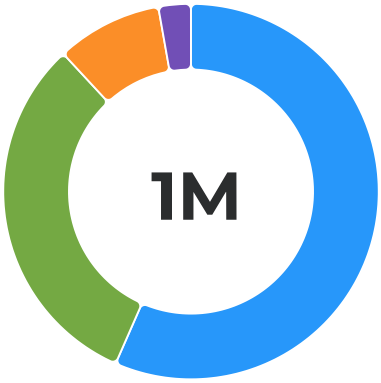
Mission:

Strengthen the appearance of San Marcos through increased litter pickup and beautification projects. This will include recurring and one-time projects focusing on IH-35 and major corridors, downtown, neighborhoods, and parks.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Other Charges	$567,002	56.57%
Personnel	$316,122	31.54%
Contracted Services	$91,300	9.11%
Material & Supplies	$27,900	2.78%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$464,110	$393,637	$383,289	$316,122	-19.69%
Contracted Services	$17,931	$86,500	$90,095	$91,300	5.55%
Material & Supplies	$24,003	$27,900	$27,900	$27,900	0.00%
Other Charges	$459,329	$561,145	$773,769	$567,002	1.04%
Total Expenditures	**$965,374**	**$1,069,182**	**$1,275,053**	**$1,002,324**	**-6.25%**

Authorized Position List

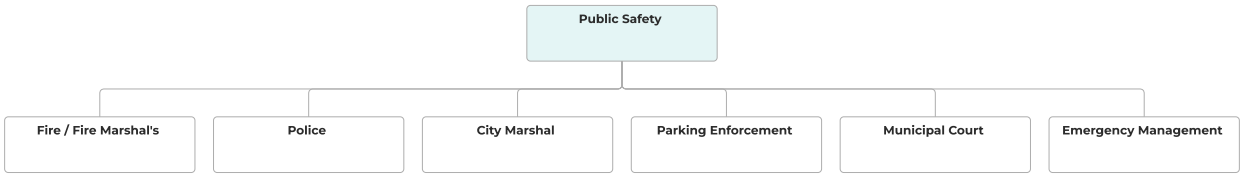
	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Code Compliance Officer*	2.00	1.00	0.00
Community Enhancement Technician	3.00	3.00	3.00
Horticulturalist	1.00	1.00	1.00
FTE Total	**6.00**	**5.00**	**4.00**

*Code Compliance Officer moved from CE Fund to be split between GF and H

Goals and Performance Measures

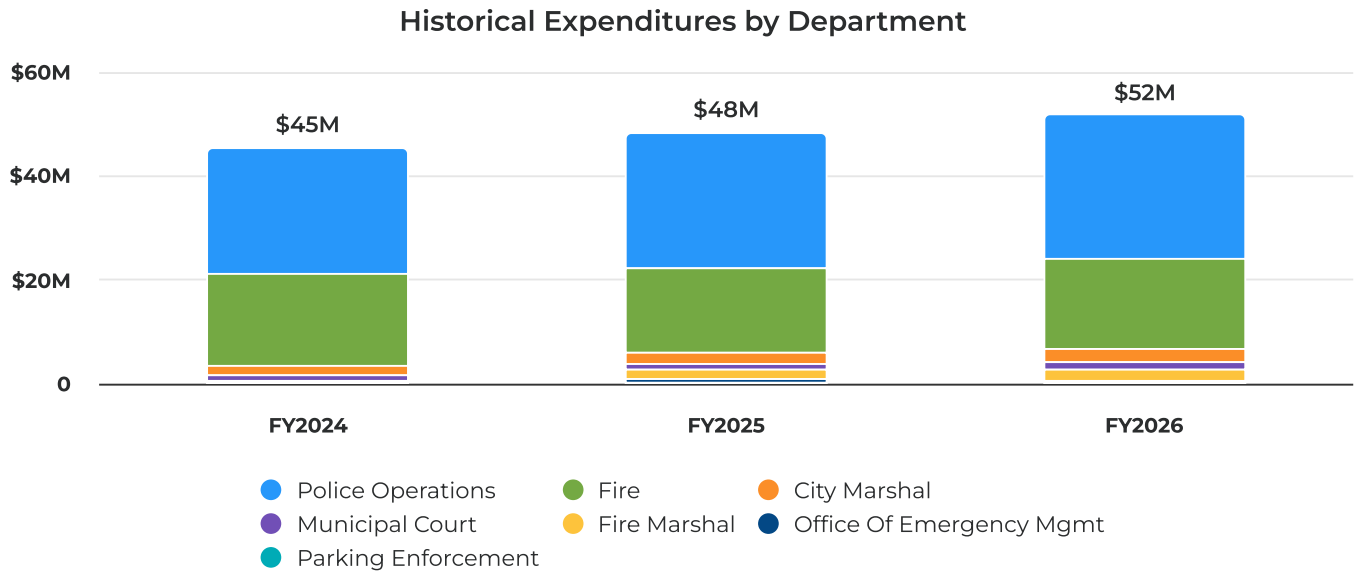
Goal	Objective	Performance Measure	FY25	FY26
Maintain all public garden beds for plant and soil health utilizing permanent staff Horticulturalist	Provide a level of service that enhances the beautification of the community.	Work on budget to create 2-4 permanent full-time person crews	50%	100%
		Focus on IH 35 (from city limit to city limit) and Hopkins (Thorpe to CM Allen)	10%	75%
Institutionalize Love Where You Live Program	Launch pilot neighborhood	Launch meeting, spring workday, summer workshops, fall regroup meeting, fall workday, spring capstone project	65%	100%
		Engage with non-profits	100%	100%
	Start second neighborhood	Work with GIS to create a HEAT map to identify the neighborhood most in need	25%	100%
		Launch meeting, spring workday, summer workshops, fall regroup meeting, fall workday, spring capstone project	-	65%

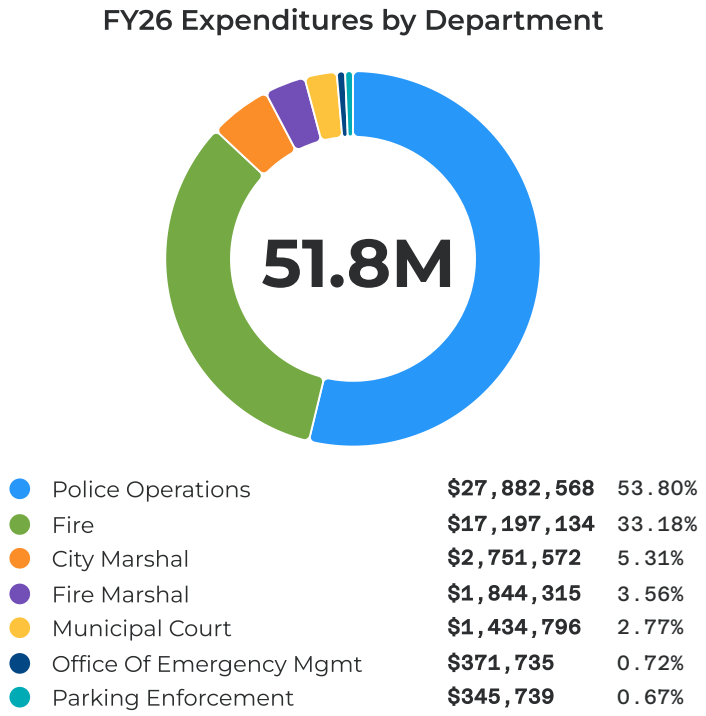
Public Safety



Public Safety Budgets

Expenditures by Department





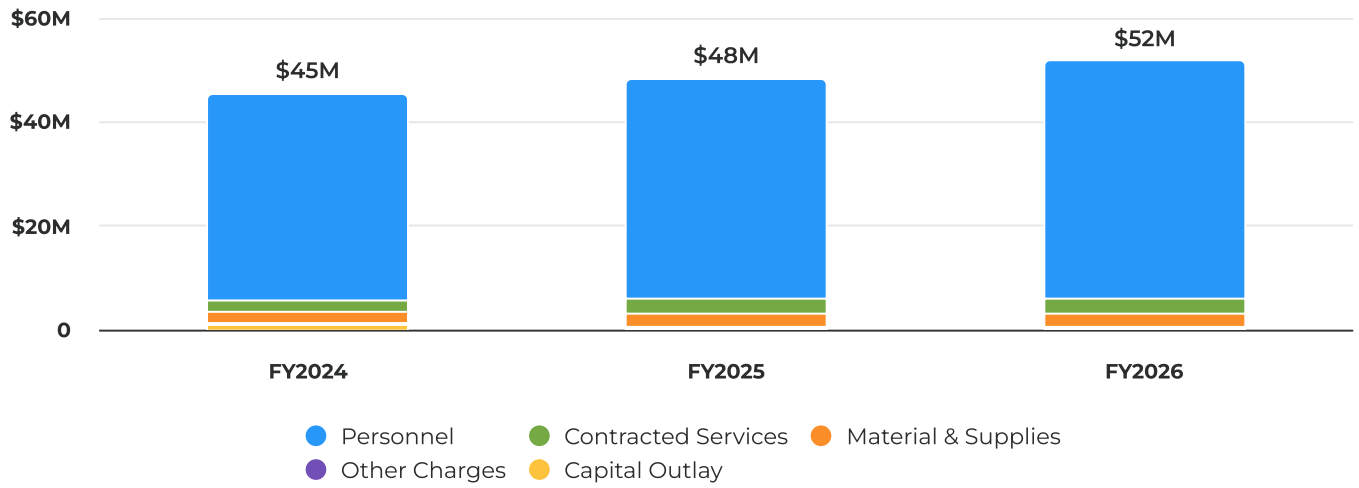
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Municipal Court	$1,069,664	$1,342,297	$1,269,365	$1,434,796	6.89%
Office Of Emergency Mgmt	$385,432	$440,654	$369,836	$371,735	-15.64%
Fire	$17,785,512	$16,228,575	$16,923,826	$17,197,134	5.97%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Fire Marshal	-	$1,768,488	$1,866,958	$1,844,315	4.29%
Police Operations	$24,175,939	$26,157,622	$26,256,936	$27,882,568	6.59%
City Marshal	$1,814,708	$2,061,943	$1,776,682	$2,751,572	33.45%
Parking Enforcement	$204,341	$352,414	$524,375	$345,739	-1.89%
Total Expenditures	**$45,435,596**	**$48,351,992**	**$48,987,978**	**$51,827,859**	**7.19%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$45,811,403**	88.39%
Contracted Services	**$2,997,803**	5.78%
Material & Supplies	**$2,434,882**	4.70%
Other Charges	**$520,971**	1.01%
Capital Outlay	**$62,800**	0.12%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$39,985,189	$42,470,870	$41,990,525	$45,811,403	7.87%
Contracted Services	$1,848,405	$2,751,656	$2,993,721	$2,997,803	8.95%
Material & Supplies	$2,377,287	$2,501,932	$2,526,169	$2,434,882	-2.68%
Other Charges	$461,454	$540,734	$514,161	$520,971	-3.65%
Capital Outlay	$763,261	$86,800	$963,401	$62,800	-27.65%
Total Expenditures	**$45,435,596**	**$48,351,992**	**$48,987,978**	**$51,827,859**	**7.19%**

Municipal Court

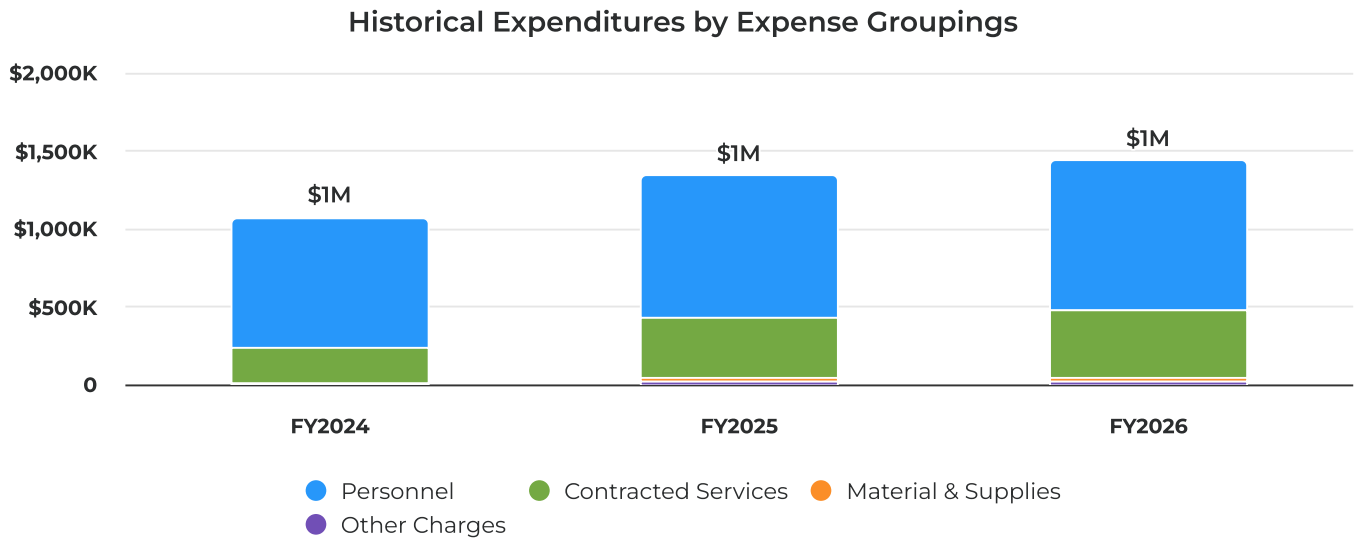
Department Description:

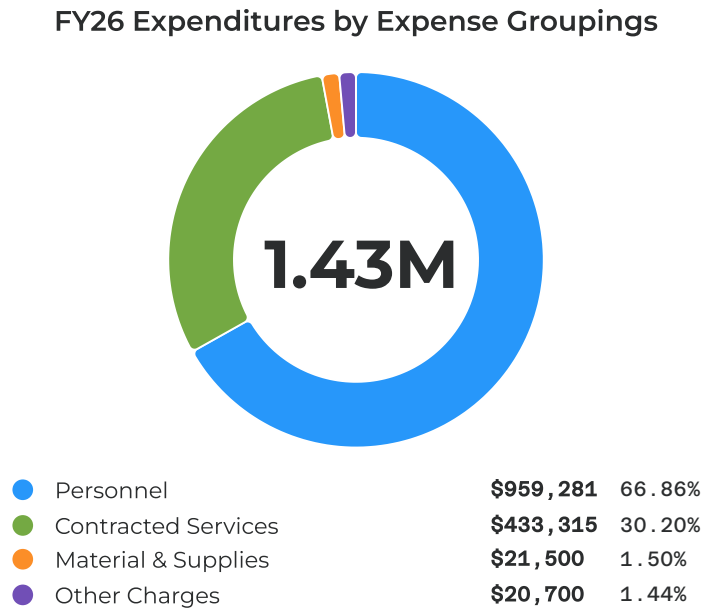
The Municipal Court represents the judicial branch of government and handles civil and criminal Class C misdemeanors.

Mission:

To impartially administer justice in a transparent and efficient manner that fosters public trust and confidence in the justice system.

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$833,543	$916,145	$841,136	$959,281	4.71%
Contracted Services	$226,792	$382,113	$398,029	$433,315	13.40%
Material & Supplies	$6,073	$22,539	$16,500	$21,500	-4.61%
Other Charges	$3,256	$21,500	$13,700	$20,700	-3.72%
Total Expenditures	**$1,069,664**	**$1,342,297**	**$1,269,365**	**$1,434,796**	**6.89%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Alternate Municipal Court Judge	0.13	0.25	0.25
Chief Deputy Municipal Court Clerk	1.00	1.00	1.00
Deputy Municipal Court Clerk I	5.00	5.00	5.00
Deputy Municipal Court Clerk II	1.00	1.00	1.00
Juvenile Case Coordinator*	0.75	0.75	0.75
Municipal Court Administrator	1.00	1.00	1.00
Municipal Court Judge	1.00	1.00	1.00
FTE Total	**9.88**	**10**	**10**

*Position is split between GF and MC Juvenille Fee

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Pursuant to 103.0081 of the Texas Code of Criminal Procedures the court continues to address cases older than 15 years in the court files, reducing volume of uncollectable cases	Review of all 15+ year old cases is ongoing. We are currently up to date through April 2009	Each month, our clerks will close cases that meet the Standing Order signed by the judge	100%	100%
Ensure independence and accountability of the court	All staff will be cross-trained annually allowing for a fairer distribution of tasks resulting in less stress for the clerks	Clerk duties are monitored throughout the year	100%	100%
Continue court project closing cases at least 10 years old if no state witness is available to testify	Clean up old cases that cannot be prosecuted	Month to month as clerks are available to work the project	100%	100%
Municipal Court relocation	Lease is ending September 2025 and the court must find a new place to conduct business	Daily and frequent communication with Public Works, Legal, Architects and other city stakeholders to ensure the relocation will occur in a timely fashion	20%	20%

Emergency Management

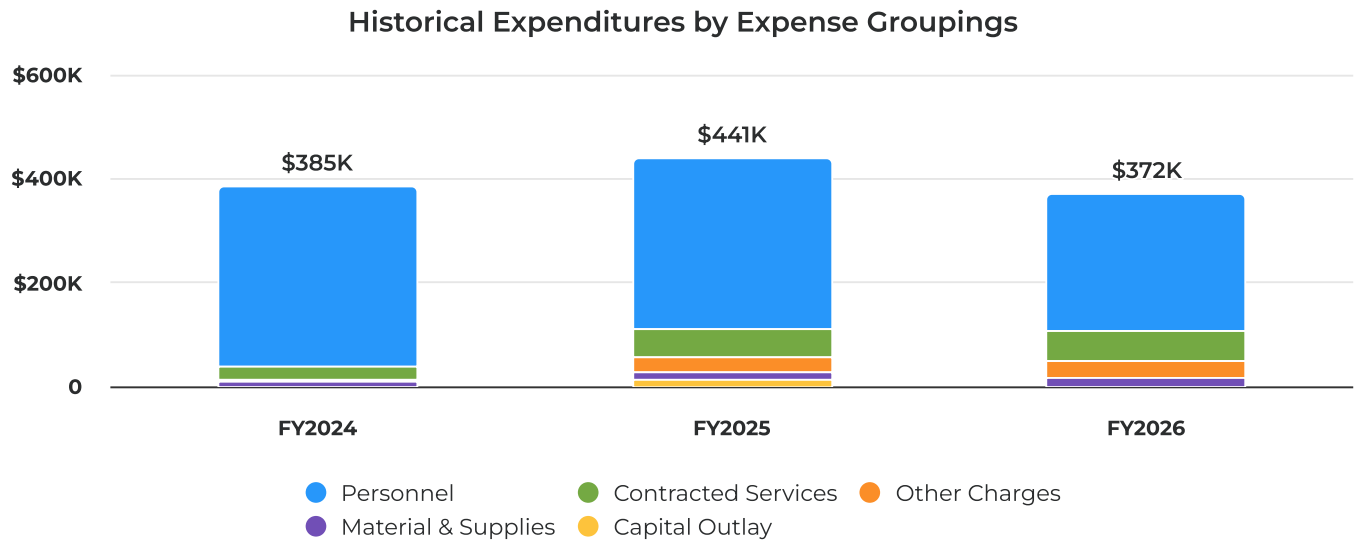
Department Description:

The Office of Emergency Management (OEM) is a small, but powerful workforce. OEM develops emergency continuity plans for all city departments. The Hazard and Mitigation plans help identify threats and how to best mitigate them. Our community outreach programs strive to educate the public on how to protect themselves and their loved ones in times of potential disaster. OEM has become the lead training office for all departments and coordinates with all departments on special events that could affect the city, e.g. solar eclipse, rainstorms, wildfires, etc.

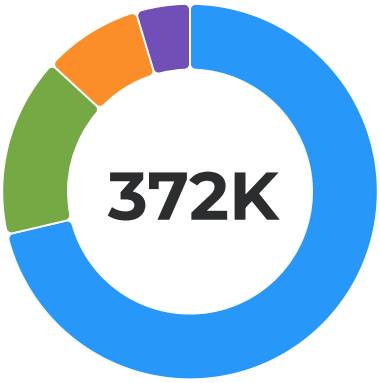
Mission:

The mission of the San Marcos Office of Emergency Management is to create a culture of preparedness that sustains a resilient community in the face of natural and man-made hazards. We strive to enhance the city's preparedness and response capabilities and coordinate with regional, state, and federal partners. Regular training and exercises are used to test and improve the ability to respond to and recover from the unexpected. We strive to ensure the citizens of San Marcos are prepared, informed, and capable of responding to and recovering from all hazards.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$265,135	71.32%
Contracted Services	$57,620	15.50%
Other Charges	$31,700	8.53%
Material & Supplies	$17,280	4.65%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$348,525	$330,954	$274,761	$265,135	-19.89%
Contracted Services	$23,123	$54,300	$52,475	$57,620	6.11%
Material & Supplies	$9,618	$13,600	$7,500	$17,280	27.06%
Other Charges	$4,167	$29,800	$23,100	$31,700	6.38%
Capital Outlay	-	$12,000	$12,000	-	-100.00%
Total Expenditures	**$385,432**	**$440,654**	**$369,836**	**$371,735**	**-15.64%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Assistant Emergency Management Coordinator	1	1	1
Emergency Management Coordinator	1	1	1
Emergency Management Specialist	1	0	0
FTE Total	**3**	**2**	**2**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Prepare citizens & staff for emergencies to reduce risk of loss of life & property caused by disasters	Education & Outreach	Create and enhance new outreach opportunities to prepare the community	4	6
	Emergency Notification Systems	Increase sign-ups for emergency notification systems of staff and citizens	2.50%	5.00%
	Train & exercise the 'Whole Community' for emergency response	Host on-going training for staff, community partners, and suppliers on emergency preparedness	6	10

Fire

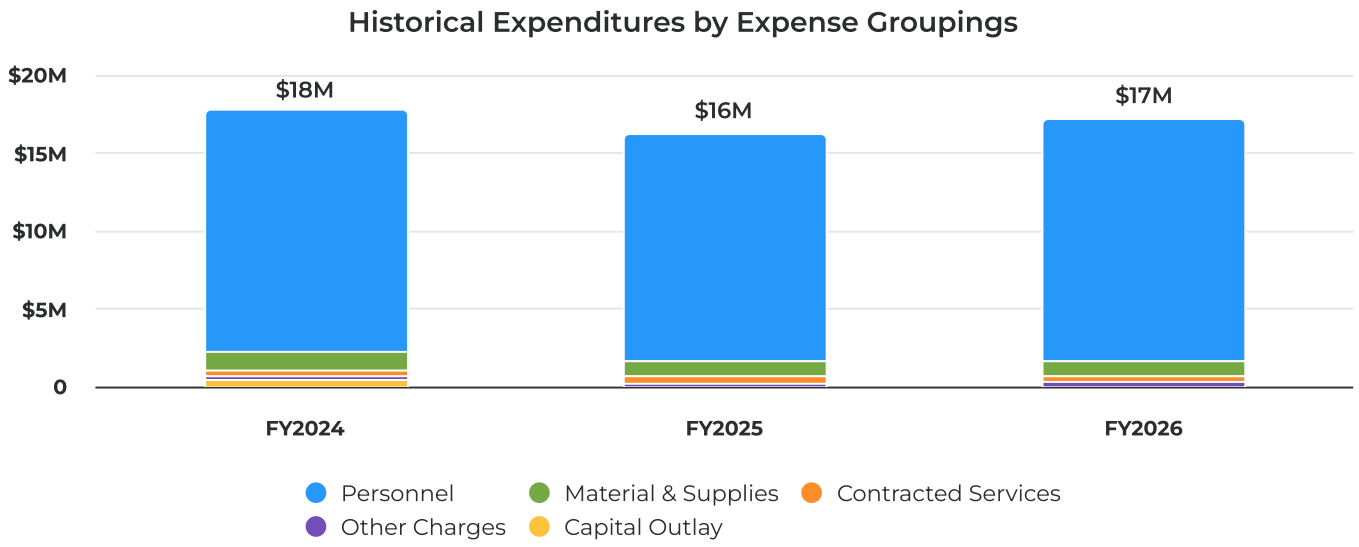
Department Description:

The San Marcos Fire Department, accredited in 2023 as a Texas Fire Chief's Best Practices organization, is a six-station department, ISO Class 2, protecting an area of 40.45 square miles. It consists of 110 sworn and professional personnel who deliver service to one of the fastest-growing cities in America. In addition to a stretch of Interstate 35, we are home to Texas State University and its 40K+ students, the Premium and Tanger Outlet malls, two newly constructed Amazon fulfillment centers, and the San Marcos Municipal Airport.

Mission:

The San Marcos Fire Department is dedicated to providing a well-trained, motivated, and diverse team of professionals who deliver excellence in prevention, educational programs, and emergency response services to our community in a safe, responsible and efficient manner.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$15,547,574**	90.41%
Material & Supplies	**$1,044,505**	6.07%
Contracted Services	**$362,338**	2.11%
Other Charges	**$242,717**	1.41%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$15,583,436	$14,618,023	$14,562,852	$15,547,574	6.36%
Contracted Services	$390,773	$421,992	$447,741	$362,338	-14.14%
Material & Supplies	$1,128,317	$961,355	$1,026,143	$1,044,505	8.65%
Other Charges	$243,584	$227,204	$236,096	$242,717	6.83%
Capital Outlay	$439,402	-	$650,994	-	-
Total Expenditures	**$17,785,512**	**$16,228,575**	**$16,923,826**	**$17,197,134**	**5.97%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	2.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Assistant Fire Chief	3.00	2.00	2.00
Fire Assistant	0.00	0.00	0.25
Fire Battalion Chief	3.00	3.00	3.00
Fire Battalion Chief 40HR	2.00	2.00	2.00
Fire Captain	23.00	21.00	21.00
Fire Captain 40HR - EMS	1.00	1.00	1.00
Fire Chief	1.00	1.00	1.00
Fire Engineer	30.00	24.00	24.00
Fire Engineer 40HR	1.00	1.00	1.00
Firefighter	42.00	42.00	42.00
Fire Prevention Services Coordinator	1.00	0.00	0.00
FTE Total	**110.00**	**99.00**	**99.25**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Improve response times in under-served areas within the City Limits to improve the likelihood of positive outcomes for people or property, and to improve our overall Insurance Services Office (ISO) Public Protection Classification (PPC) rating.	Utilize data and GIS mapping tools to improve efficiency of fire department response by dispatching the closest available apparatus.	Reduction in amount of time to turn-out of the fire station following dispatch notification	1%	1%
	Improved efficiency of the public-safety-answering-point (call handling, call processing, dispatching)	Reduction in amount of time to answer 911 calls, process call taker information, and dispatch apparatus	1%	1%
Increase capacity in Support Services to help spec, order, maintain, and support fire department equipment, apparatus, and tools. This position has not been funded, so no reportable progress has been realized.	Ensure the dependability and reliability of all emergency related tools, equipment, and apparatus by following all manufacturer recommended maintenance schedules	Increase support staff capacity to proactively maintain/repair equipment	0%	0%
Have a GIS/Data Analyst within the fire department to help collect and analyze data, and to make the most efficient use of existing resources. This position has not yet been funded, so no reportable progress has been realized.	Maintain accurate district response maps to reduce fire department response times	The reduction of response times due to data analysis and map accuracy	0%	1%
	Better monitor statistical metrics to demonstrate incremental improvement		0%	20%
Select, purchase, implement, and utilize a new cloud-based Fire Records Management System (RMS). This new system will be National Emergency Response Information System (NEERIS) compliant	The Fire Department's existing Records Management System (RMS) is Zoll. We were notified in December 2024, that Zoll was no longer going to support this system and we would need to find another RMS vendor before January 1, 2026. We have been researching and interviewing different vendors and have made a selection	We need to complete the purchase of our new system by June 2025 and have implementation of the RMS completed by December 31, 2025	80%	20%
Renovation, expansion, and update of Fire Station 3, located at	Improve the overall safety for our personnel and extend the lifespan of the facility to more	The Architect is scheduled to have our 100% Design Documents completed by May	25%	50%

2420 Hunter Rd. This station was opened in 2001 and lacks many of the structural, functional, and firefighter safety features we have incorporated into our other facilities	closely align with our other stations	1, 2025. On May 11, 2025 we plan to go our for Request for Proposals (RFPs). Once we select a general contractor, we anticipate construction taking 18-24 months		

Fire Marshal

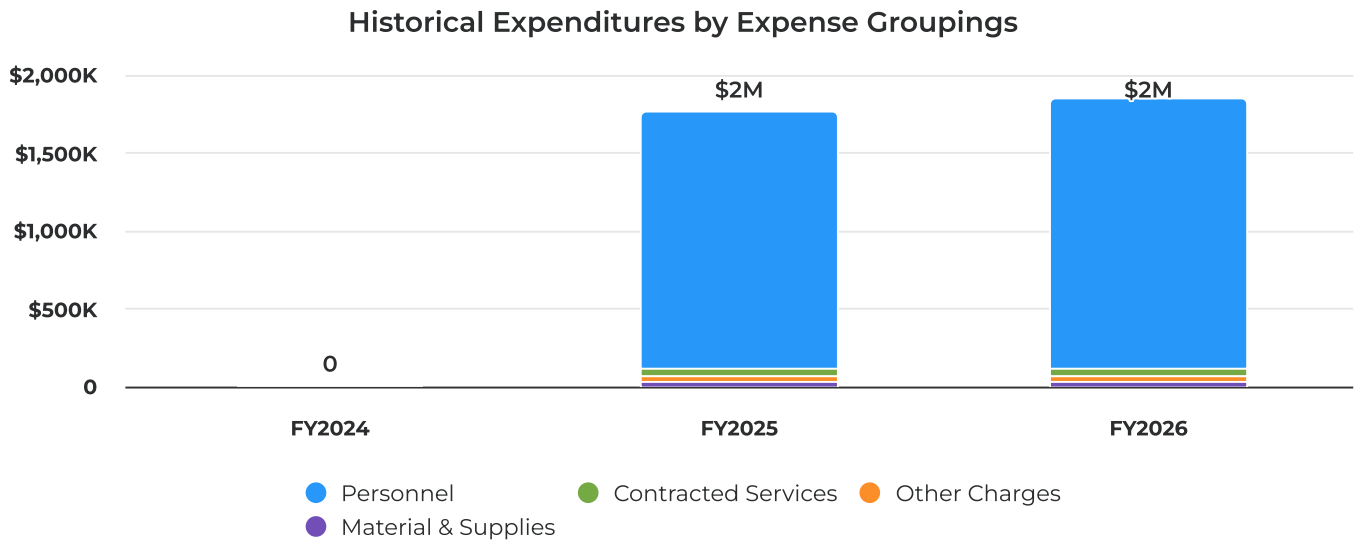
Department Description:

The San Marcos Fire Department, accredited in 2023 as a Texas Fire Chief's Best Practices organization, is a six-station department, ISO Class 2, protecting an area of 40.45 square miles. It consists of 110 sworn and professional personnel who deliver service to one of the fastest-growing cities in America. In addition to a stretch of Interstate 35, we are home to Texas State University and its 40K+ students, the Premium and Tanger Outlet malls, two newly constructed Amazon fulfillment centers, and the San Marcos Municipal Airport.

Mission:

The San Marcos Fire Department is dedicated to providing a well-trained, motivated, and diverse team of professionals who deliver excellence in prevention, educational programs, and emergency response services to our community in a safe, responsible, and efficient manner.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,723,976	93.48%
Contracted Services	$48,912	2.65%
Other Charges	$38,972	2.11%
Material & Supplies	$32,455	1.76%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	-	$1,649,560	$1,738,952	$1,723,976	4.51%
Contracted Services	-	$52,604	$61,850	$48,912	-7.02%
Material & Supplies	-	$25,931	$25,931	$32,455	25.16%
Other Charges	-	$40,392	$40,225	$38,972	-3.52%
Total Expenditures	**-**	**$1,768,488**	**$1,866,958**	**$1,844,315**	**4.29%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	0.00	1.00	1.00
Assistant Fire Chief	0.00	1.00	1.00
Fire Captain 40HR	0.00	0.00	1.00
Fire Captain 40HR - Inspector	0.00	2.00	2.00
Fire Engineer 40HR	0.00	4.00	3.00
Fire Engineer 40HR - Inspector/Investigator	0.00	2.00	2.00
Fire Prevention Services Coordinator	0.00	1.00	1.00
FTE Total	**0.00**	**11.00**	**11.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Increase citizen and visitor safety through enhanced fire prevention and education initiatives	Conduct annual inspections of commercial businesses in San Marcos, including those under construction, apartments, hotels/motels, and all business and mercantile occupancies	Total number of inspections completed annually	4540	4750
Ensure 100% of the top 100 apartment complexes are inspected annually	Conduct annual inspections of at least the 100 highest risk multi-family properties in the COSM	Percentage of multi-family properties obtaining 100% compliance with fire code inspections	100%	100%
Increase inspection capacity to inspect places of religious worship on an annual basis	Inspect all A3 occupancies, specifically places of religious worship, within the City of San Marcos annually	Percentage of A3, places of religious worship, inspected	0%	100%
Increase public education outreach by 4%	Increase public education outreach by attending all quarterly apartment manager meetings hosted by Neighborhood Enhancement, Support the operations division with public education in schools, increase public education in age restricted communities, continue supporting the Resident Advisor Academy on Texas State campus.	Percentage of public reached based on total population of the city of San Marcos	11%	15%

Police

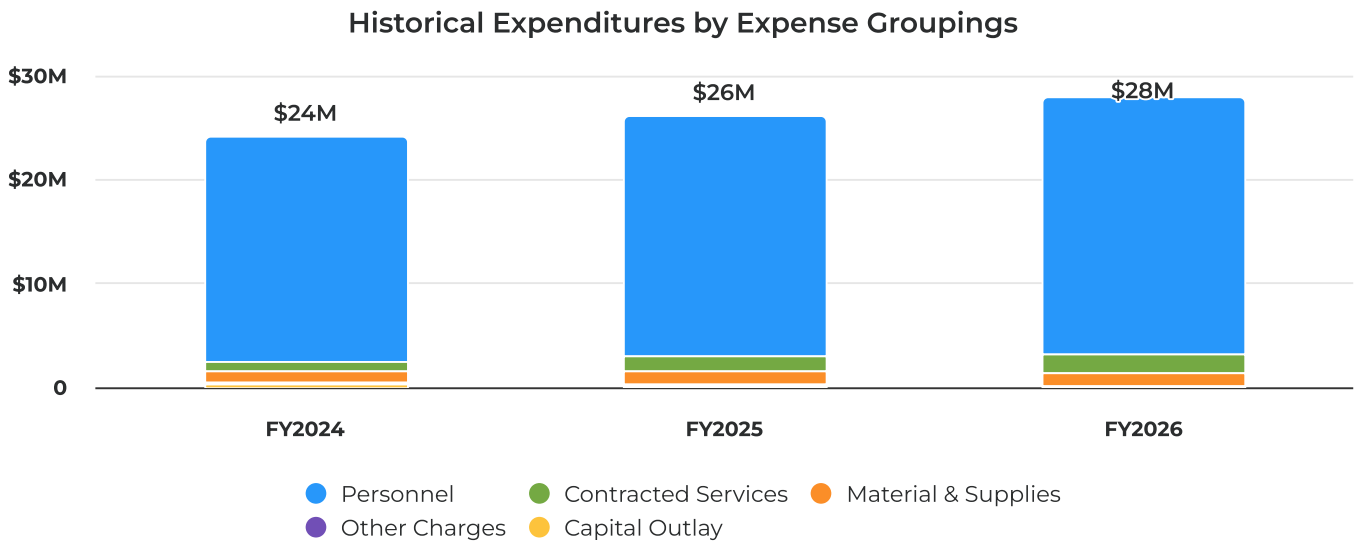
Department Description:

The San Marcos Police Department is a full-service police agency providing 24/7 police response to the San Marcos community. We also provide 24/7 emergency dispatch services for Police, Fire, and EMS within the City of San Marcos. We accomplish our goals through the commitment of 125 sworn and 56 professional staff (non-sworn employees) in several specialized divisions, including uniformed patrol, criminal investigations, emergency communications, community services, K9 operations, narcotics investigations, and school resource services.

Mission:

The mission of the San Marcos Police Department is to effectively and efficiently provide for the protection of lives and property, preserve the public peace, and provide needed community services with the highest level of professionalism and ethical standards.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$24,788,881**	88.90%
Contracted Services	**$1,796,653**	6.44%
Material & Supplies	**$1,121,340**	4.02%
Other Charges	**$148,894**	0.53%
Capital Outlay	**$26,800**	0.10%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$21,660,147	$23,108,545	$23,037,617	$24,788,881	7.27%
Contracted Services	$1,053,813	$1,560,755	$1,717,735	$1,796,653	15.11%
Material & Supplies	$1,021,569	$1,277,672	$1,282,041	$1,121,340	-12.24%
Other Charges	$171,552	$183,850	$180,552	$148,894	-19.01%
Capital Outlay	$268,859	$26,800	$38,991	$26,800	0.00%
Total Expenditures	**$24,175,939**	**$26,157,622**	**$26,256,936**	**$27,882,568**	**6.59%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
911 Communications Manager	1.00	1.00	1.00
911 QA Training Coordinator	1.00	1.00	1.00
911 Shift Supervisor	4.00	4.00	4.00
911 Telecommunicator*	15.00	19.00	19.00
911 Telecommunicator, Lead	6.00	6.00	6.00
Administrative Assistant, Senior	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Assistant Chief of Police	2.00	2.00	2.00
Crime Analyst Supervisor	0.00	1.00	1.00
Crime Scene-Evidence Technician	1.00	1.00	1.00
Crime/Intelligence Analyst	2.00	2.00	2.00
Crime-Evidence Supervisor	1.00	1.00	1.00
Crime-Evidence Technician	2.00	2.00	2.00
Police Assistant	1.15	1.25	1.00
Police Chief	1.00	1.00	1.00
Police Commander	5.00	6.00	6.00
Police Corporal	17.00	16.00	16.00
Police Officer**	85.00	87.00	87.00
Police Operations Specialist	1.00	1.00	1.00
Police Records Specialist	4.00	4.38	4.38
Police Records Supervisor	1.00	1.00	1.00
Police Sergeant	13.00	13.00	13.00
Police Services Specialist	5.00	5.00	5.00
Police Systems Support Specialist	1.00	1.00	1.00
Records And Communication Manager	1.00	1.00	1.00
Records Compliance Coordinator	2.00	2.00	2.00
Victim Services Coordinator	1.00	1.00	1.00
Victim Services Specialist	1.00	1.00	1.00
Volunteer Coordinator	1.00	1.00	1.00
FTE Total	**177.15**	**184.63**	**184.38**

**20 authorized positions, one position is unfunded in FY 2026

*One Police Officer is grant funded in FY 2026

Goals and Performance Measures

SMPD Strategic Business Plan 2021 - 2025

City Marshal

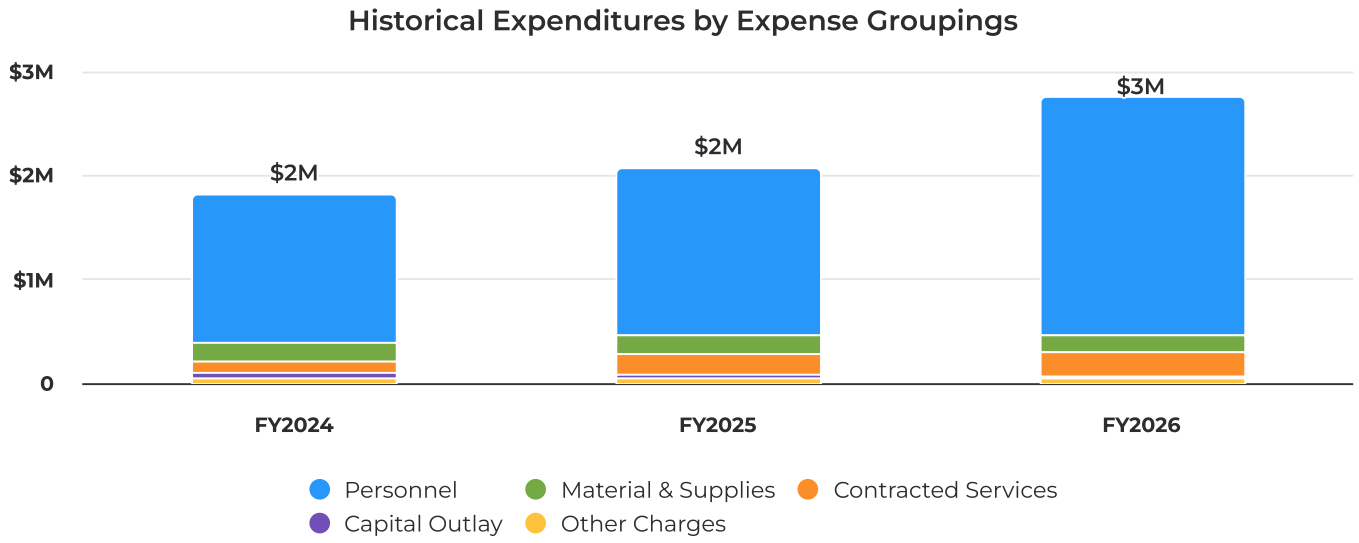
Department Description:

The San Marcos City Marshal's Department is made up of one City Marshal, one Administrative Coordinator, two Sergeants, and four divisions: Deputy Marshal, Municipal Court, Park Ranger, and Parking Enforcement and Towing Compliance. Additionally, the City Marshal is responsible for all criminal investigations conducted by the Fire Marshal. The Deputy Marshal Division is primarily responsible for law enforcement in approximately 3,000 acres of parks and green spaces throughout San Marcos. The Municipal Court Division is responsible for court security. The Park Rangers are responsible for EMS throughout the park system. The Parking Enforcement and Towing Compliance Division enforces the city's parking ordinances.

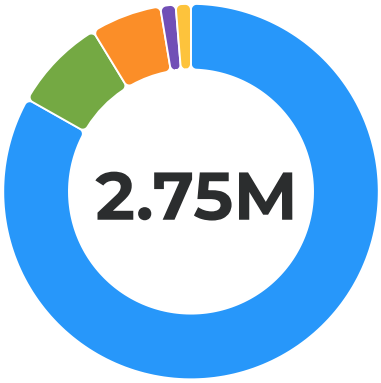
Mission:

The mission of the San Marcos City Marshal's Office is to effectively and efficiently provide for the protection of lives and property, preserve public peace, and provide needed community services with the highest level of professionalism and ethical standards.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$2,288,801	83.18%
Contracted Services	$222,412	8.08%
Material & Supplies	$168,121	6.11%
Other Charges	$36,238	1.32%
Capital Outlay	$36,000	1.31%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,417,526	$1,602,443	$1,312,012	$2,288,801	42.83%
Contracted Services	$108,963	$201,403	$238,403	$222,412	10.43%
Material & Supplies	$194,381	$173,859	$151,079	$168,121	-3.30%
Other Charges	$38,839	$36,238	$18,738	$36,238	0.00%
Capital Outlay	$55,000	$48,000	$56,450	$36,000	-25.00%
Total Expenditures	**$1,814,708**	**$2,061,943**	**$1,776,682**	**$2,751,572**	**33.45%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Coordinator	1.00	1.00	1.00
City Marshal	1.00	1.00	1.00
Deputy Marshal	8.48	7.00	7.00
Deputy Marshal, Court Bailiff*	0.48	0.48	1.98
Deputy Marshal, Lead Court Bailiff	1.00	1.00	1.00
Deputy Marshal/Sergeant	2.00	3.00	3.00
Park Ranger/EMT	1.43	1.44	1.44
FTE Total	**15.39**	**14.92**	**16.42**

*1.5 FTE New Positions to support new Municipal Court building

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Increase Deputy Marshal presence in outlying greenspaces/parks through implementation of multi-year staffing plan	Increase Deputy Marshal/Park Ranger contact with public for education resulting in changes of behavior to decrease ordinance violations and damage to city property (sleeping in the park, dog off leash, graffiti, entering a closed park, etc.)	Performance is measured through the use of Survey 123	100%	100% compliance of violations through verbal education
Increase the productivity of the municipal warrant program through Deputy Marshal warrant officers	Increase collection of warrant payments through enforcement and education	Track revenue gained and warrants issued to evaluate effectiveness of program	100%	Complete warrant program review and implementation

Parking Enforcement

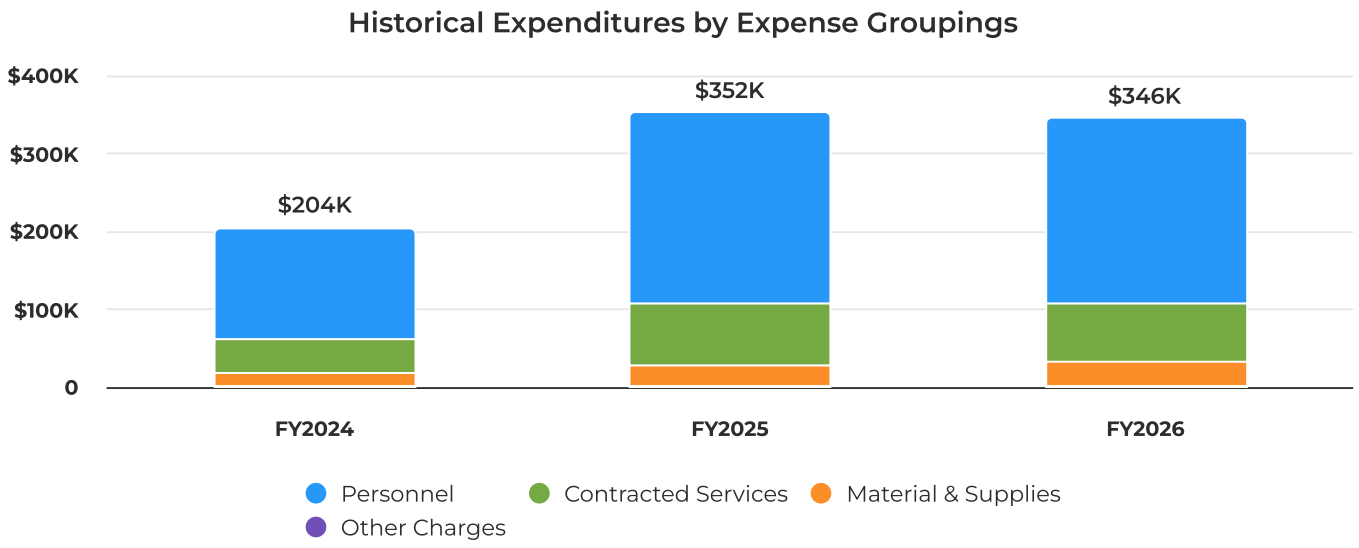
Department Description:

The San Marcos Parking program is an integral component of the community's economic development strategy and will strive to develop a superior, customer-oriented parking system, responding to the current and future parking needs of visitors, employees, employers, and property owners through active planning, management, coordination, and communications.

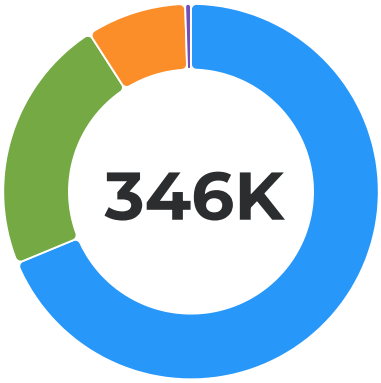
Mission:

The mission of Parking Enforcement is the implementation of an innovative customer-centric parking and multi-modal management program with the objective of reducing congestion and carbon emissions in the City of San Marcos.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$237,755	68.77%
Contracted Services	$76,553	22.14%
Material & Supplies	$29,681	8.58%
Other Charges	$1,750	0.51%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$142,012	$245,200	$223,195	$237,755	-3.04%
Contracted Services	$44,942	$78,489	$77,489	$76,553	-2.47%
Material & Supplies	$17,330	$26,975	$16,975	$29,681	10.03%
Other Charges	$57	$1,750	$1,750	$1,750	0.00%
Capital Outlay	-	-	$204,966	-	-
Total Expenditures	**$204,341**	**$352,414**	**$524,375**	**$345,739**	**-1.89%**

Authorized Position List

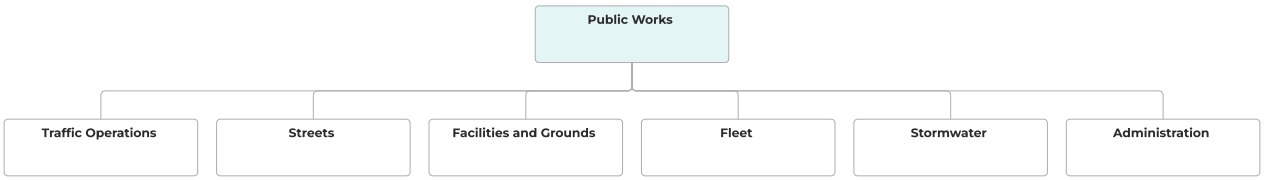
	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Parking Coordinator	1	1	1
Parking Technician	1.9	2.96	2.96
FTE Total	**2.9**	**3.96**	**3.96**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Implement Paid Parking Pilot @ City Park Lot	Secure contract for automatic enforcement system for City Park surface lot	90-95% of all parking violations are captured by automatic enforcement system	100%	100%
	Secure permitting system for residents at City Park parking lot	Ensure permit system meets expectations and integrates with enforcement system	100%	100%
	Secure parking payment system at City Park parking lot that can integrate with all parking enforcement systems	Ensure payment data is integrates with enforcement system	100%	100%
	Secure City Park parking lot validation system for businesses	Rollout validation system for local businesses	100%	100%
	Rollout paid parking @ City Park lot	Implement all paid parking components	100%	100%
Manage downtown parking demand	Compile downtown parking occupancy data	Report on occupancy data on a block by block basis	100%	100%
	Implement alternative systems for 24/7 parking space occupancy data collection (Project placed on Hold)	Implement pilot program for a fixed camera based occupancy and enforcement system	0%	0%
Parking Benefit Districts	River Parks Parking Benefit District	Work with the Parks Department and Parking Advisory Board for approval of a River Parks Parking Benefit District	90%	100%
	Downtown Parking Benefit District	Provide data to Parking Advisory Board so the Board can follow up with Council on Recommended Resolution 2023-03. Work with the Parking Advisory Board for approval of a Downtown Parking Benefit District	75%	100%
Multi-modal/Last Mile Transportation	Increase multi-modal utilization through expansion of the SPIN electric scooter program	Implement expansion of electric scooter program to east of IH35 and extend operating hours to 24/7	100%	100%
	Provide multi-modal connectivity by developing and implementing a comprehensive multimodal electric scooter deployment plan for integration with Bus Stops	Implement SPIN electric scooter deployment zones at Bus Stops	75%	100%
	Increase multi-modal utilization through expansion	Implement new service area surrounding Blanco Gardens	90%	100%

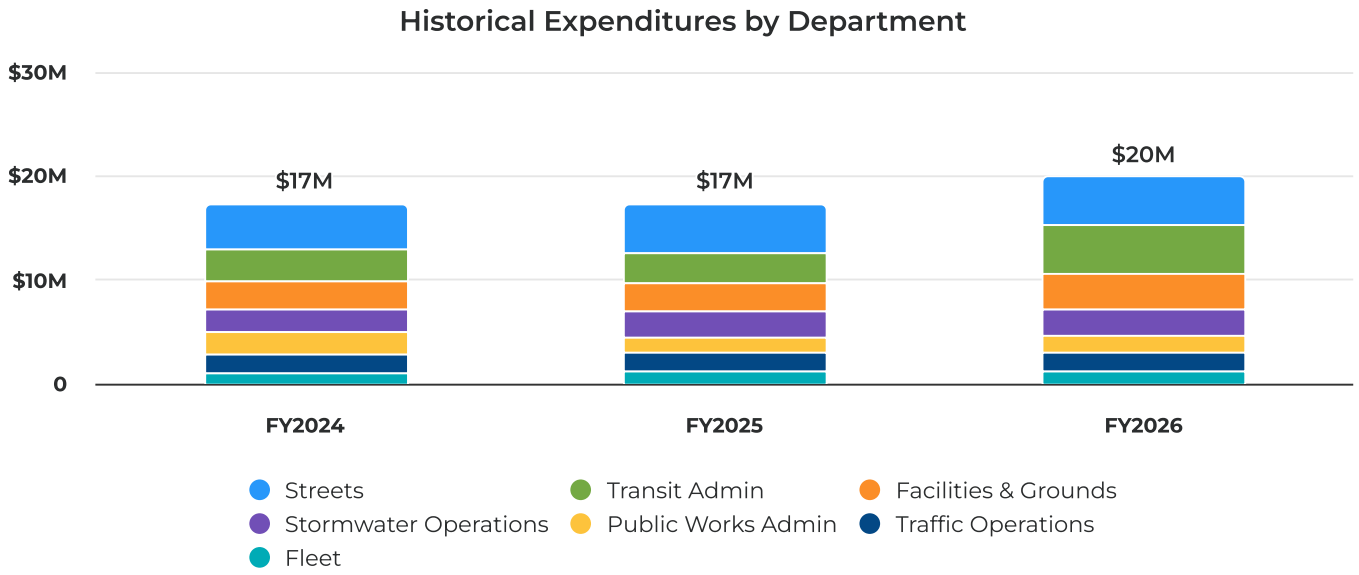
	of program to Blanco Neighborhood area	neighborhood		
Downotwn Parking Space Maintenance	Improve painting and signage of downtown parking spaces- New for FY26	Paint all parking spaces and curbs + ensure proper signage	New	100%

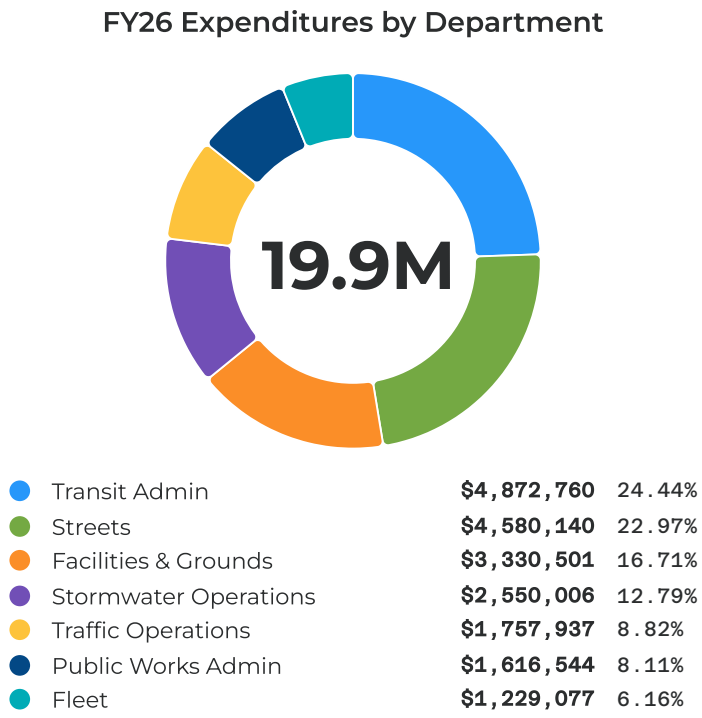
Public Works



Public Works Budgets

Expenditures by Department





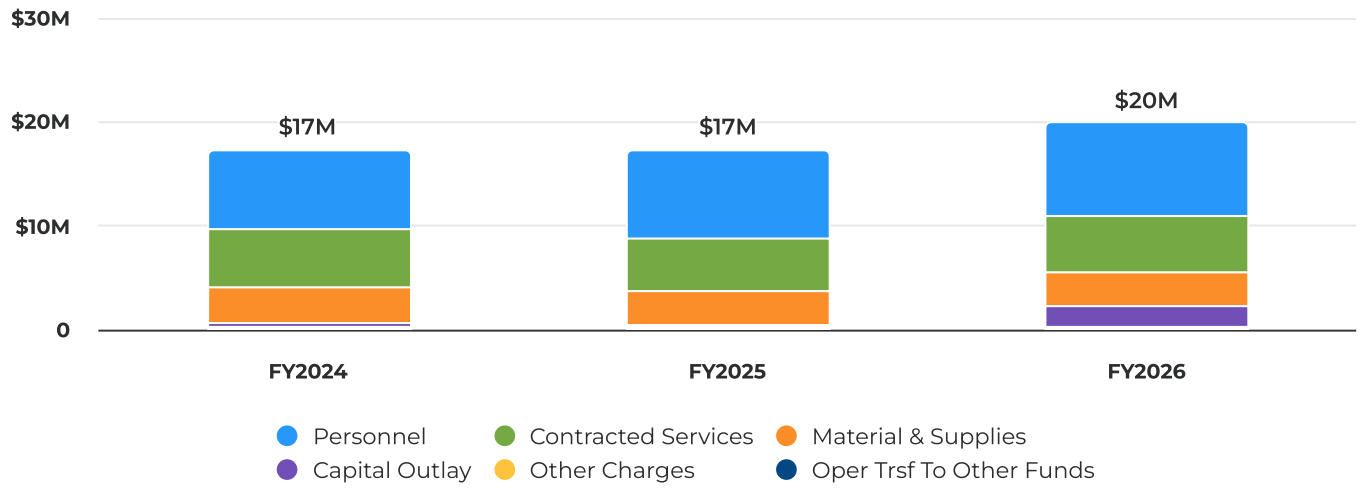
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Public Works Admin	$2,158,866	$1,496,974	$1,563,325	$1,616,544	7.99%
Traffic Operations	$1,658,984	$1,706,314	$1,900,243	$1,757,937	3.03%
Streets	$4,317,188	$4,748,799	$4,936,856	$4,580,140	-3.55%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Facilities & Grounds	$2,832,419	$2,827,807	$2,959,707	$3,330,501	17.78%
Fleet	$1,083,986	$1,210,781	$1,215,446	$1,229,077	1.51%
Stormwater Operations	$2,160,913	$2,486,142	$2,403,787	$2,550,006	2.57%
Transit Admin	$3,114,925	$2,825,957	$2,849,723	$4,872,760	72.43%
Total Expenditures	**$17,327,283**	**$17,302,774**	**$17,829,087**	**$19,936,965**	**15.22%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$8,923,000	44.76%
Contracted Services	$5,479,072	27.48%
Material & Supplies	$3,309,522	16.60%
Capital Outlay	$1,950,000	9.78%
Other Charges	$191,979	0.96%
Oper Trsf To Other Funds	$83,392	0.42%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$7,662,099	$8,500,842	$8,238,959	$8,923,000	4.97%
Contracted Services	$5,603,199	$5,038,444	$5,406,364	$5,479,072	8.75%
Material & Supplies	$3,411,697	$3,283,566	$3,299,709	$3,309,522	0.79%
Other Charges	$137,483	$198,899	$197,399	$191,979	-3.48%
Oper Trsf To Other Funds	$92,841	$81,024	$81,024	$83,392	2.92%
Capital Outlay	$419,964	$200,000	$605,633	$1,950,000	875.00%
Total Expenditures	**$17,327,283**	**$17,302,774**	**$17,829,087**	**$19,936,965**	**15.22%**

Public Works Administration

Department Description:

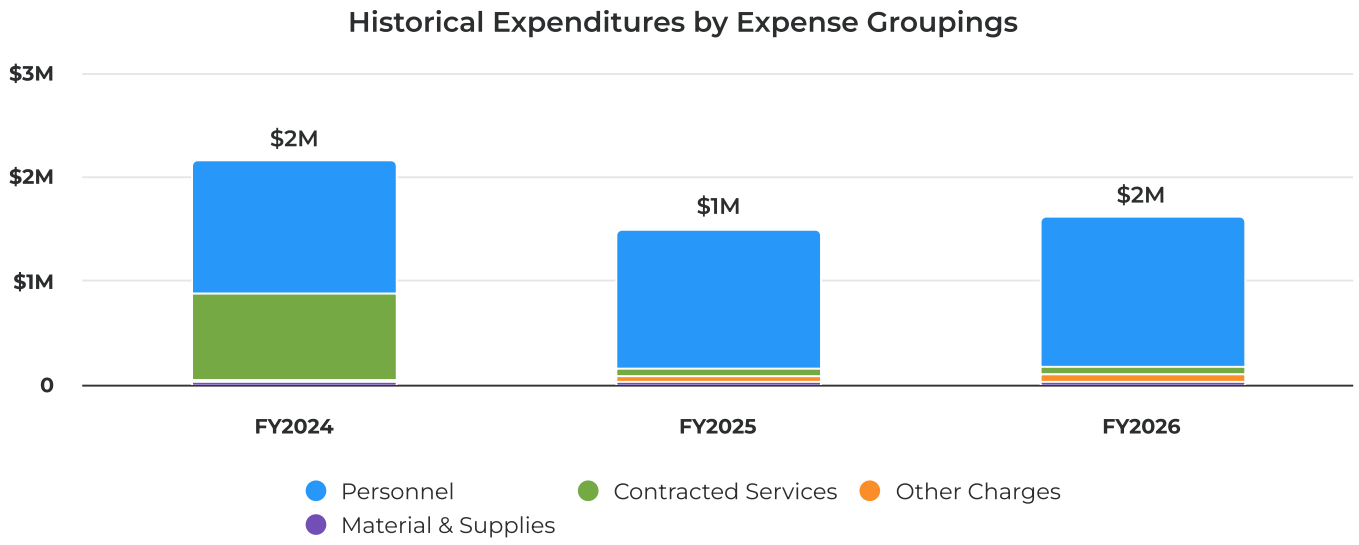
The Public Works Department is responsible for the maintenance and operation of critical infrastructure and essential services that ensure the safety, functionality, and sustainability of the community. Key areas of responsibility include:

- Streets and Roadways
- Stormwater Management
- Traffic and Transportation
- Fleet Management
- Facilities Management
- Transit Services
- Parking Management

Mission:

The Public Works Department is committed to providing high-quality, well-planned, environmentally responsible, cost-effective street, drainage, traffic, fleet, facilities, and transit infrastructure and services to promote public health, safety, multi-modal transportation, economic growth, and community vitality.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,453,367	89.91%
Contracted Services	$68,391	4.23%
Other Charges	$59,185	3.66%
Material & Supplies	$35,601	2.20%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,286,570	$1,335,205	$1,325,116	$1,453,367	8.85%
Contracted Services	$828,778	$75,228	$151,668	$68,391	-9.09%
Material & Supplies	$18,151	$33,576	$33,576	$35,601	6.03%
Other Charges	$25,368	$52,966	$52,966	$59,185	11.74%
Total Expenditures	**$2,158,866**	**$1,496,974**	**$1,563,325**	**$1,616,544**	**7.99%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	1.00	0.67
Administrative Coordinator**	0.00	0.00	1.00
Assistant Director of Public Works	2.00	2.00	2.00
Director of Public Works*	0.75	0.75	0.75
GIS Analyst	1.00	1.00	1.00
Intern - Paid	0.48	0.48	0.48
Inventory Control Technician	1.00	1.00	1.00
Multi-modal Parking Initiatives Manager	1.00	1.00	1.00
Senior Engineering Technician	1.00	1.00	1.00
Transportation Engineering Manager	1.00	1.00	1.00
FTE Total	**9.23**	**9.23**	**9.90**

*Position is split between GF and Transit

**New Position

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Increase the safety, convenience, and reliability of critical infrastructure and services	Remove ADA Barriers, eliminate sidewalk gaps, and repair sidewalks in poor condition	Replace poor condition sidewalks and ADA ramps	10,000 LF	10,000 LF
	Maintain the condition of road markings including crosswalks, bike lanes, and travel lanes.	Install striping and pavement buttons on roadways	30 Lane Miles	30 Lane Miles
	Develop a seamless, coordinated Transit service between Tx. State University and City of San Marcos	Complete a transit route study with Texas State as a partner	50%	100%
	Reduce overall City Facility costs	Complete 15% of total repairs using in-house resources	15%	15%

Traffic

Department Description:

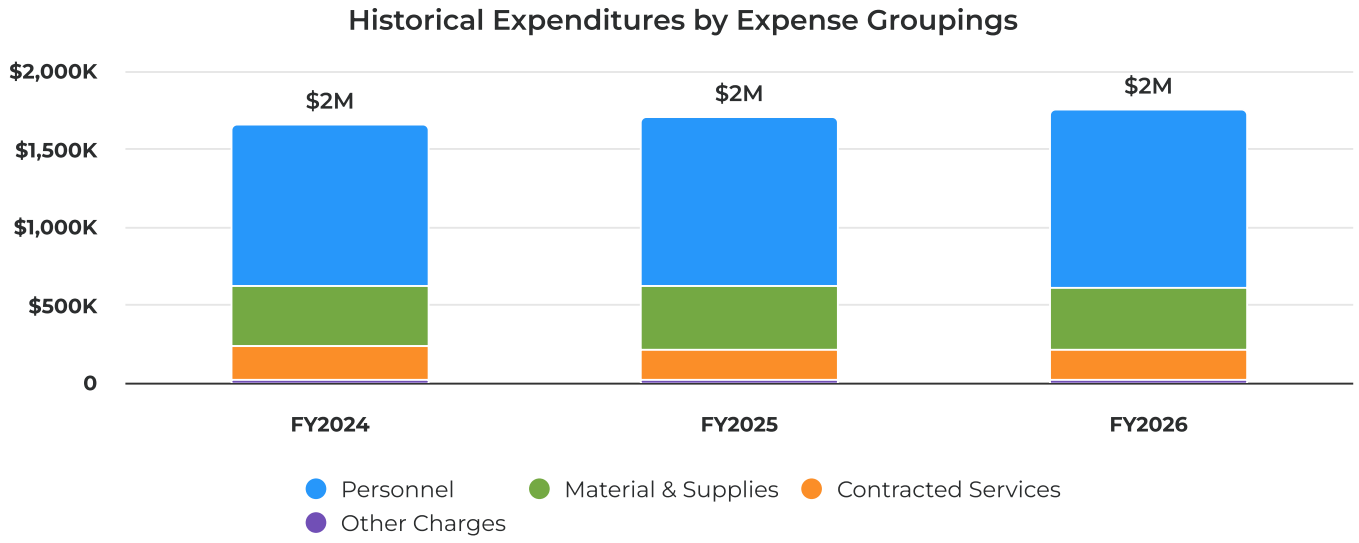
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- Stormwater Management
- Traffic and Transportation
- Fleet Management
- Facilities Management
- Transit Services
- Parking Management

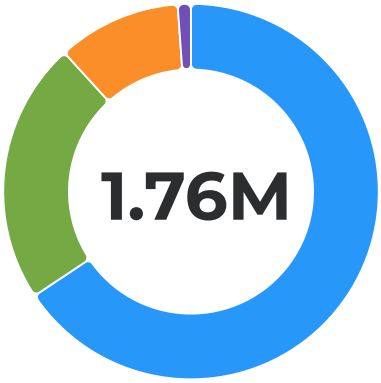
Mission:

The Public Works - Traffic Division is committed to providing high-quality, well-planned, environmentally responsible, cost-effective traffic infrastructure and services to promote public health, safety, multi-modal transportation, economic growth, and community vitality.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,154,119	65.65%
Material & Supplies	$396,816	22.57%
Contracted Services	$186,986	10.64%
Other Charges	$20,016	1.14%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,038,710	$1,088,711	$1,071,025	$1,154,119	6.01%
Contracted Services	$216,405	$186,987	$186,987	$186,986	0.00%
Material & Supplies	$387,599	$406,816	$413,002	$396,816	-2.46%
Other Charges	$16,270	$23,800	$23,800	$20,016	-15.90%
Capital Outlay	-	-	$205,429	-	-
Total Expenditures	**$1,658,984**	**$1,706,314**	**$1,900,243**	**$1,757,937**	**3.03%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Crew Leader-Traffic	2.00	2.00	2.00
Traffic Control and Signal Operator I	5.00	5.00	5.00
Traffic Control and Signal Operator II	2.00	2.00	2.00
Traffic Signal Specialist	2.00	2.00	2.00
Traffic Signal Supervisor	1.00	1.00	1.00
FTE Total	**12.00**	**12.00**	**12.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Increase the safety, convenience, and reliability of the transportation system	Ensure traffic signals are well-maintained	Preform Preventative Maintenance on all Traffic Signals	74	74
	Maintain the condition of road markings including crosswalks and bike lanes	Install striping and pavement buttons on roadways	30 Lane Miles	30 Lane Miles
	School zone traffic control inspection and maintenance	Inspect and perform maintenance to all school zone signage, flashers and striping	12 Locations	12 Locations
	Update traffic volume data	Conduct traffic data collection studies	62 Locations	62 Locations

Streets

Department Description:

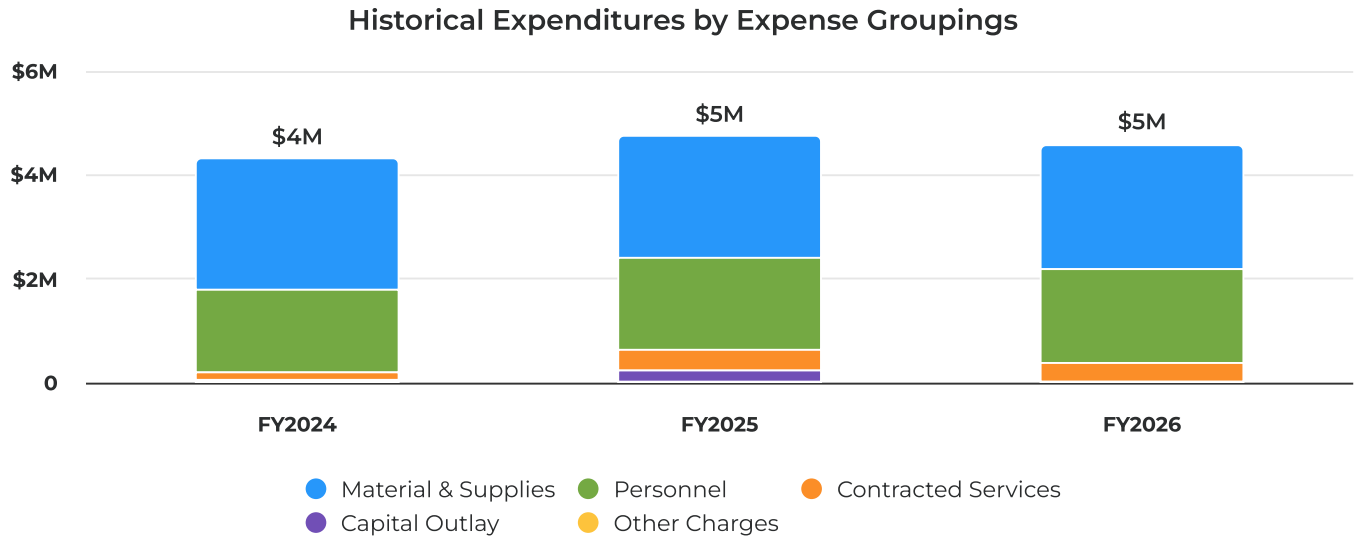
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- Transit Services
- Parking Management

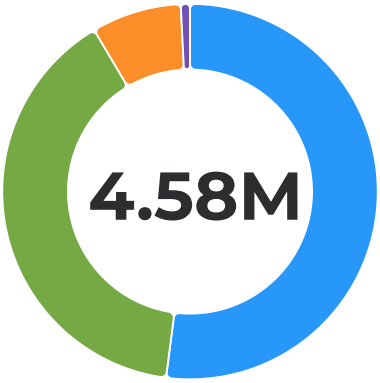
Mission:

The Public Works - Transportation Division is committed to providing high-quality, well-planned, environmentally responsible, cost-effective street, drainage and traffic infrastructure and services to promote public health, safety, multi-modal transportation, economic growth, and community vitality.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Material & Supplies	$2,383,162	52.03%
Personnel	$1,806,971	39.45%
Contracted Services	$354,027	7.73%
Other Charges	$35,980	0.79%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,588,101	$1,788,748	$1,712,930	$1,806,971	1.02%
Contracted Services	$158,089	$379,027	$530,137	$354,027	-6.60%
Material & Supplies	$2,518,255	$2,345,044	$2,347,809	$2,383,162	1.63%
Other Charges	$15,204	$35,980	$35,980	$35,980	0.00%
Capital Outlay	$37,540	$200,000	$310,000	-	-100.00%
Total Expenditures	**$4,317,188**	**$4,748,799**	**$4,936,856**	**$4,580,140**	**-3.55%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Crew Leader-Streets	3.00	3.00	3.00
Equipment Operator I-Streets	9.00	9.00	9.00
Heavy Equipment Operator II-Streets	6.00	6.00	6.00
Streets Maintenance Manager	1.00	1.00	1.00
Street Maintenance Supervisor	0.00	1.00	1.00
FTE Total	**19.00**	**20.00**	**20.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Improve pedestrian connectivity and accessibility	Eliminate sidewalk gaps and sidewalks in poor condition	Install new sidewalk to connect gaps and replace sidewalks in poor condition with a goal of 10,000 Linear feet per fiscal year	10,000 LF	10,000 LF
	Remove ADA mobility barriers	Install new ADA ramps or replace existing ADA ramps in poor condition	30	30
	Conduct and/or update assessment of of existing street infrastructure	Conduct or update assessment of of existing infrastructure	Annually	Annually
Implement Complete Street policy and principles	Main street pavement in good condition	Prioritize and resurface streets to maximize pavement condition with existing funding level.	12 Lane-Miles	12 Lane-Miles

Facilities and Grounds

Department Description:

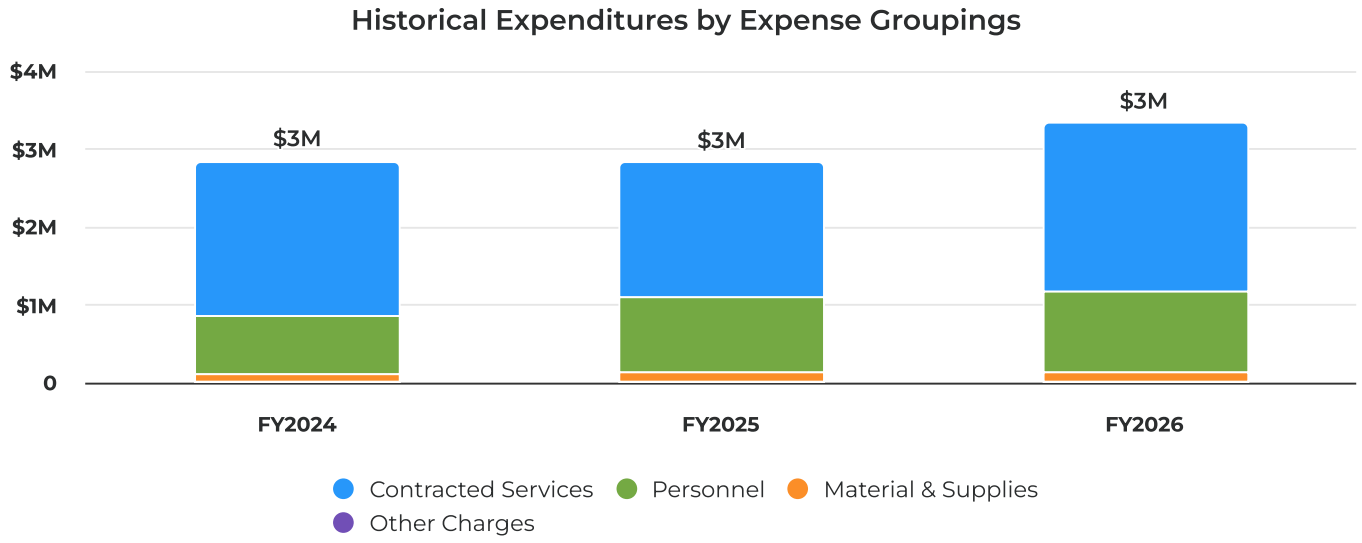
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- Fleet Management
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- Transit Services
- Parking Management

Mission:

Our mission is to provide quality, professional, effective, timely, and proactive general maintenance services to City Facilities with integrity and transparency in all transactions. This approach will be professional, create innovation and teamwork, and provide a positive customer experience.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Contracted Services	$2,160,300	64.86%
Personnel	$1,038,863	31.19%
Material & Supplies	$114,288	3.43%
Other Charges	$17,050	0.51%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$759,246	$960,424	$885,959	$1,038,863	8.17%
Contracted Services	$1,971,487	$1,736,045	$1,868,048	$2,160,300	24.44%
Material & Supplies	$91,164	$114,288	$115,700	$114,288	0.00%
Other Charges	$10,522	$17,050	$17,050	$17,050	0.00%
Capital Outlay	-	-	$72,950	-	-
Total Expenditures	**$2,832,419**	**$2,827,807**	**$2,959,707**	**$3,330,501**	**17.78%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Construction Facilities Maintenance Manager	1.00	1.00	1.00
Construction Specialist	1.00	1.00	1.00
Construction Technician	2.00	2.00	2.00
Contracts Coordinator - Fleet and Facilities	1.00	1.00	1.00
Facilities Plumber	0.00	1.00	1.00
Facility Journeyman Electrician	1.00	1.00	1.00
Facility Project Manager	1.00	1.00	1.00
HVAC Technician	1.00	1.00	1.00
FTE Total	**8.00**	**9.00**	**9.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Reduce overall Facility costs	Reduce outsourced repairs by increasing in-house repairs.	Annual % of increased of in-house repairs.	15%	15%
	Reduce electricity cost by increasing LED fixture installations	Annual number of fluorescent to LED fixture conversions	220	100
	Reduce expensive unplanned repairs by increasing Preventative Maintenance Inspections	Annual % of increased PM Inspections	5%	5%
Increase occupant satisfaction	Reduce response time	Average time to respond to Facility Service Requests	3 day	3 day
	Increase customer satisfaction	Satisfaction Ratings	Average	Above Average

Fleet

Department Description:

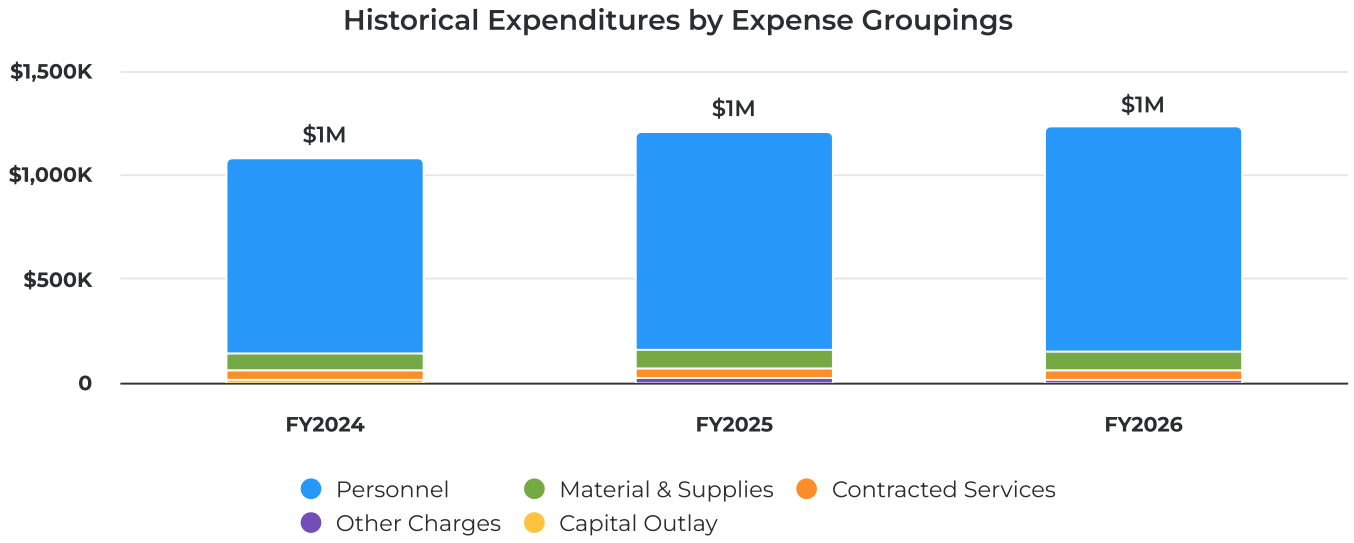
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- Traffic and Transportation
- Fleet Management
- Facilities Management
- Transit Services
- Parking Management

Mission:

The Public Works - Fleet Division is committed to executing City Council's vision and goals by providing top-quality, professional, effective, and timely fleet management and maintenance services to customers.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,077,532	87.67%
Material & Supplies	$88,944	7.24%
Contracted Services	$50,017	4.07%
Other Charges	$12,584	1.02%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$940,092	$1,051,799	$1,036,615	$1,077,532	2.45%
Contracted Services	$38,502	$47,358	$47,358	$50,017	5.61%
Material & Supplies	$88,425	$92,040	$94,635	$88,944	-3.36%
Other Charges	$6,997	$19,584	$19,584	$12,584	-35.74%
Capital Outlay	$9,970	-	$17,254	-	-
Total Expenditures	**$1,083,986**	**$1,210,781**	**$1,215,446**	**$1,229,077**	**1.51%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Fleet Service Technician	1.00	1.00	1.00
Fleet Services Manager	1.00	1.00	1.00
Fleet Services Specialist	1.00	1.00	1.00
Fleet Services Supervisor	1.00	1.00	1.00
Inventory Control Technician	1.00	1.00	1.00
Master Fleet Services Technician	3.00	3.00	3.00
Master Fleet Services Technician, Lead	1.00	1.00	1.00
Master Fleet Services/Emergency Vehicle Technician (EVT)	1.00	2.00	2.00
FTE Total	**10.00**	**11.00**	**11.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Maximize Fleet reporting and equipment availability	Increased time and labor reporting, inventory count accuracy. Higher equipment availability	Minimize EOY inventory shrinkage	n/a	Decrease by 50%
Review Electric Vehicle (EV) integration into Fleet	Roll Out EV in departments that fit the program	Lower Carbon foot print. Meet council objectives	9%	15%
Establish Bulk Fuel Contract for Emergency Generators	Reduce amount of time required for Fleet Staff to maintain fuel during EOC operations.	Bulk fuel carriers are able to refuel generators in a timely manner. Reduced staff time in field	50%	100%
Establish Bulk Oil Contract	Fully utilize bulk oil containers at the fleet PSC location	Reduced inventory on shelves, reduced shrinkage	100%	100%

Stormwater

Department Description:

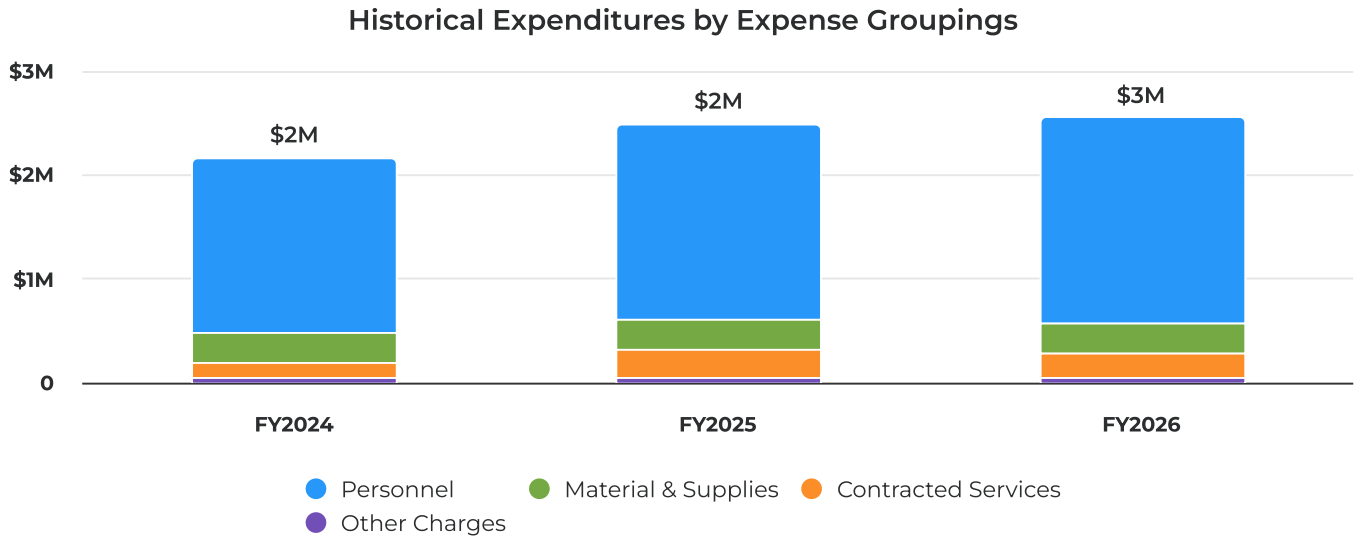
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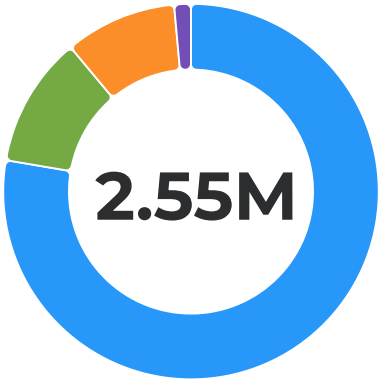
Mission:

The Public Works - Stormwater Department is committed to maintaining a healthy and safe environment for our citizens, visitors, and native plant species. Through the use of industry maintenance standards and practices, we ensure the protection of water quality for generations to come.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,980,680	77.67%
Material & Supplies	$287,302	11.27%
Contracted Services	$245,524	9.63%
Other Charges	$36,500	1.43%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,683,910	$1,883,752	$1,797,212	$1,980,680	5.15%
Contracted Services	$142,097	$278,588	$278,588	$245,524	-11.87%
Material & Supplies	$295,741	$287,302	$291,487	$287,302	0.00%
Other Charges	$39,165	$36,500	$36,500	$36,500	0.00%
Total Expenditures	**$2,160,913**	**$2,486,142**	**$2,403,787**	**$2,550,006**	**2.57%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior*	0.00	0.00	0.33
Crew Leader-Stormwater	4.00	4.00	4.00
Equipment Operator I-Drainage	9.00	9.00	8.00
Heavy Equipment Operator II-Drainage	4.00	4.00	5.00
Stormwater Coordinator	1.00	1.00	1.00
Stormwater Supervisor	1.00	1.00	1.00
Stormwater Systems Manager	1.00	1.00	1.00
Stormwater Technician	1.00	1.00	1.00
FTE Total	**21.00**	**21.00**	**21.33**

*New Position, Position is split between GF and Stormwater

Goals and Performance Measures

Goal	Objective	Performance Measu	FY25	FY26
Improve Transportation System Safety	Reduce pollutants from roadway and bike lane surfaces	Regularly maintain street sweeping of each city streets	3 Sweeps/street	3 Sweeps/street
	Minimize water quality impacts from stormwater runoff	Regularly clean storm sewers and drainage channels	10,000 LF	10,000 LF
	Prevent pollutant accumulation at storm drain inlets	Regularly inspect drainage inlets for debris and needed maintenance	500 Inlets	500 Inlets
Downtown Vitality	Enhance water quality in the downtown area	Regularly sweep downtown city streets	Sweep twice Weekly	Sweep twice Weekly
Sustainability	Increase public awareness of stormwater pollution prevention	Attend public education events	4 Annually	4 Annually

Transit

Department Description:

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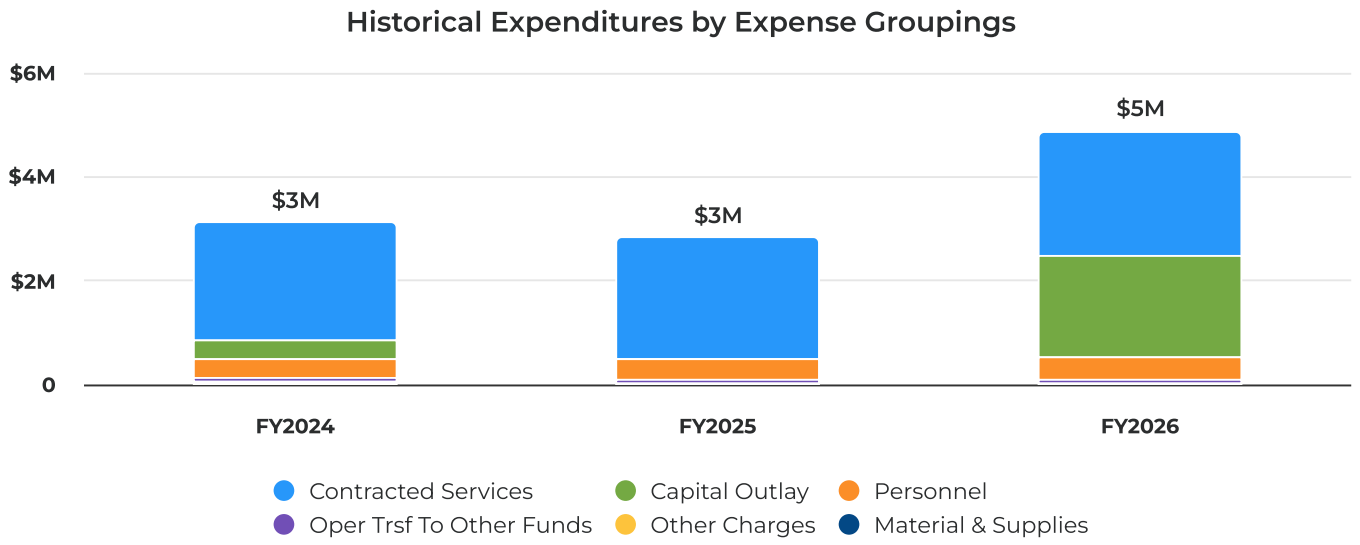
- Streets and Roadways
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- Fleet Management
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- Transit Services
- Parking Management

Responsible for providing public transportation to San Marcos, the current contract operates fixed route service, complementary ADA Paratransit (curb-to-curb), and commuter bus service from San Marcos to Austin. The Division must maintain federal and state compliance to receive grant funding for the program.

Mission:

The Public Works - Transit Services Division provides top-quality, professional, effective and timely transit services to the community through our partnership with the Capital Area Rural Transportation System.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Contracted Services	$2,413,827	49.54%
Capital Outlay	$1,950,000	40.02%
Personnel	$411,468	8.44%
Oper Trsf To Other Funds	$83,392	1.71%
Other Charges	$10,664	0.22%
Material & Supplies	$3,409	0.07%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$365,471	$392,203	$410,102	$411,468	4.91%
Contracted Services	$2,247,841	$2,335,211	$2,343,578	$2,413,827	3.37%
Material & Supplies	$12,362	$4,500	$3,500	$3,409	-24.24%
Other Charges	$23,957	$13,019	$11,519	$10,664	-18.09%
Oper Trsf To Other Funds	$92,841	$81,024	$81,024	$83,392	2.92%
Capital Outlay	$372,454	-	-	$1,950,000	-
Total Expenditures	**$3,114,925**	**$2,825,957**	**$2,849,723**	**$4,872,760**	**72.43%**

Authorized Position List

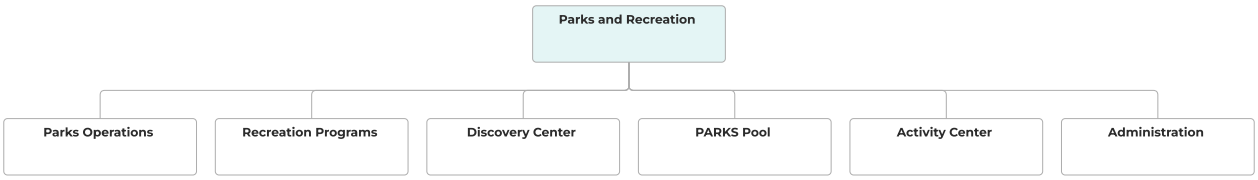
	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Transit Manager	1.00	1.00	1.00
Transit Specialist	2.00	2.00	2.00
Director of Public Works*	0.25	0.25	0.25
FTE Total	**3.25**	**3.25**	**3.25**

*Position is split between GF and Transit

Goals and Performance Measures

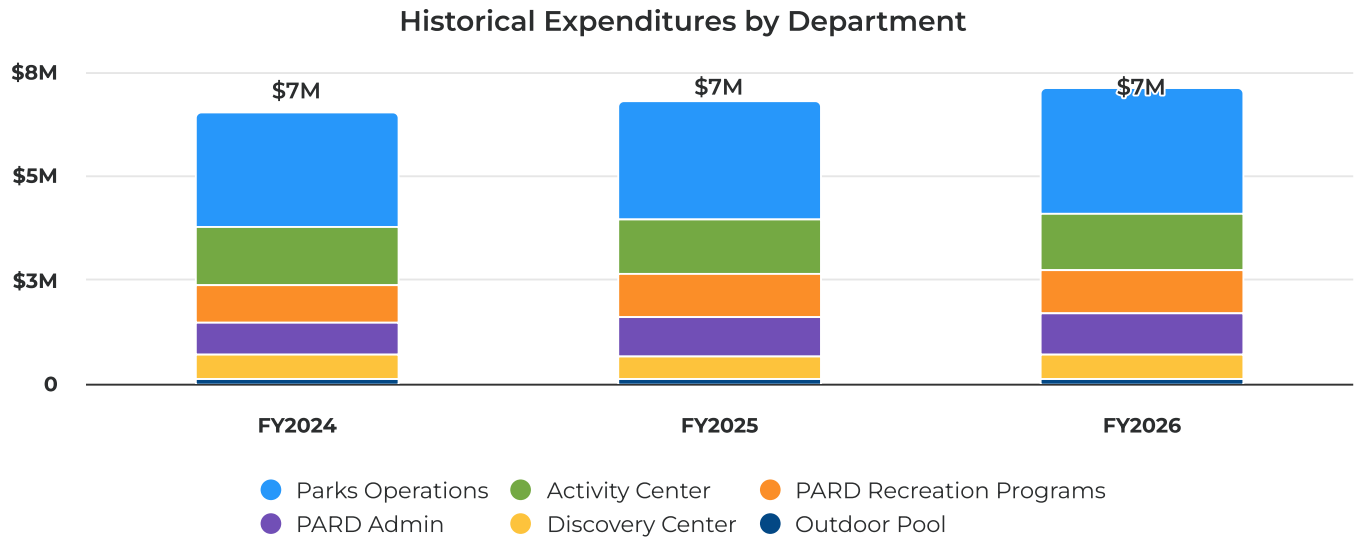
Goal	Objective	Performance Measure	FY25	FY26
Maintain grant compliance for federal and state funding	Effectively administer federal and state grant funds	Maintain FTA & TxDOT grant management procedures	100%	100%
		Maintain FTA & TxDOT grant compliance procedures	100%	100%
		Implement compliant subrecipient oversite to Texas State University once they receive FTA funding	50%	100%
City creates an integrated, seamless transit system to serve the entire community	Assess operating and financial alternatives for coordinated transit services	Develop Interlocal Agreements for coordinated transit system	100%	100%
	Complete a route study with Texas State as a partner	Propose network that coordinates resources for the City and Texas State University	50%	100%
		Complete extensive public participation to drive route study results	50%	100%
Improve communications to riders	Update public communications	Complete updated map hand out and install more informational signage at bus stops	70%	100%
		Update city website with most recent transit information	70%	100%

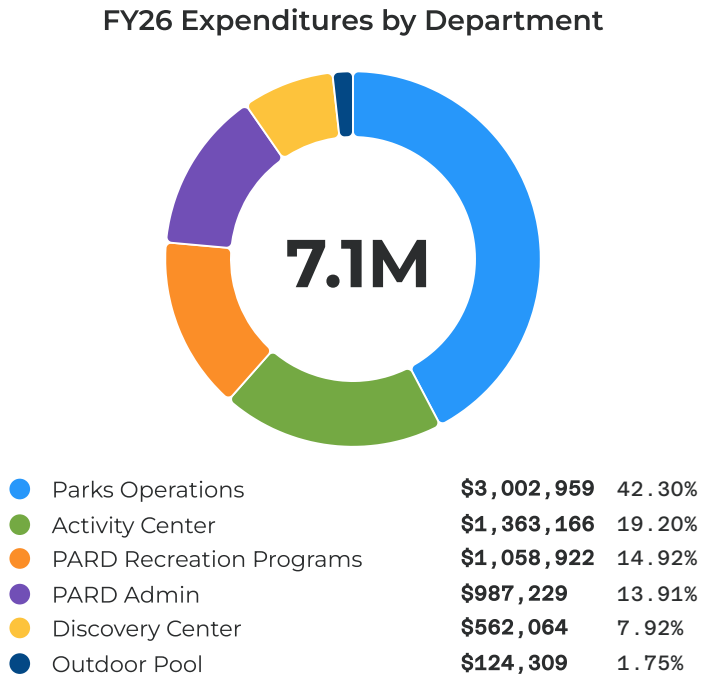
Parks and Recreation



Parks and Recreation Budgets

Expenditures by Department





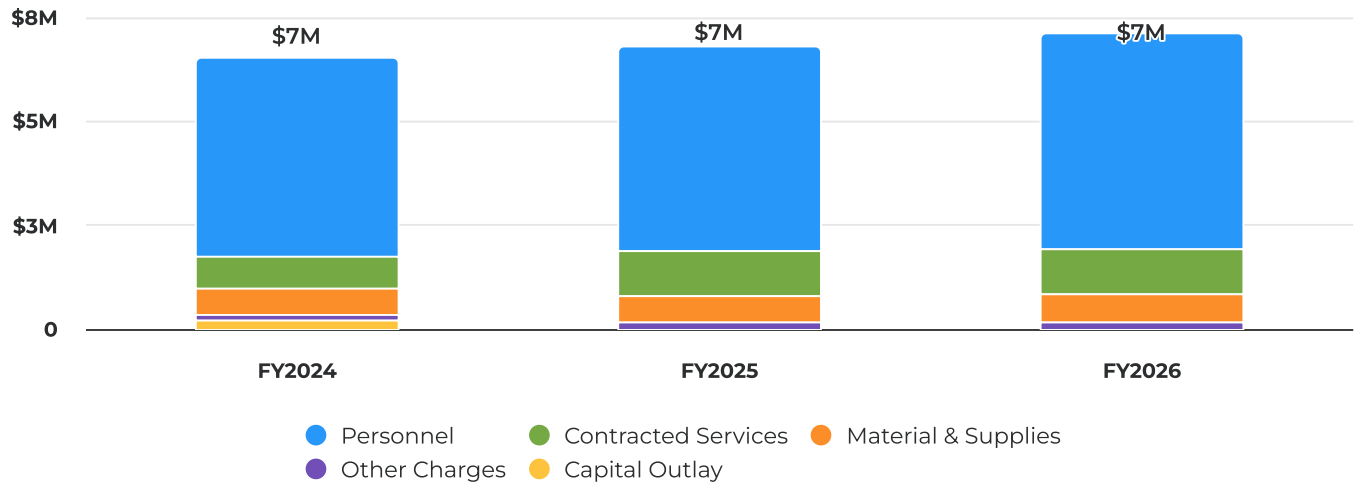
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Parks Operations	$2,758,375	$2,851,150	$3,583,717	$3,002,959	5.32%
PARD Admin	$789,623	$977,110	$967,110	$987,229	1.04%
PARD Recreation Programs	$899,307	$1,016,963	$972,055	$1,058,922	4.13%
Outdoor Pool	$114,309	$117,617	$111,327	$124,309	5.69%
Activity Center	$1,369,919	$1,320,905	$1,287,469	$1,363,166	3.20%

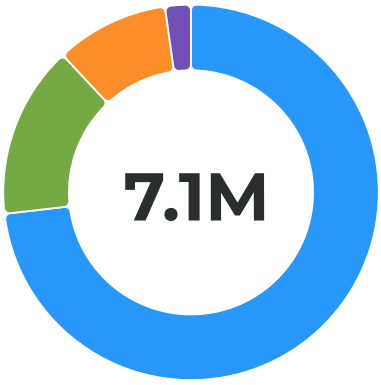
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Discovery Center	$582,083	$517,597	$524,747	$562,064	8.59%
Total Expenditures	**$6,513,617**	**$6,801,342**	**$7,446,425**	**$7,098,649**	**4.37%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$5,194,797**	73.18%
Contracted Services	**$1,055,390**	14.87%
Material & Supplies	**$690,546**	9.73%
Other Charges	**$157,916**	2.22%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$4,764,700	$4,940,943	$4,911,167	$5,194,797	5.14%
Contracted Services	$767,375	$1,054,312	$1,016,314	$1,055,390	0.10%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Material & Supplies	$653,322	$663,384	$603,249	$690,546	4.09%
Other Charges	$122,654	$142,703	$133,053	$157,916	10.66%
Capital Outlay	$205,565	-	$782,642	-	-
Total Expenditures	**$6,513,617**	**$6,801,342**	**$7,446,425**	**$7,098,649**	**4.37%**

Parks Administration

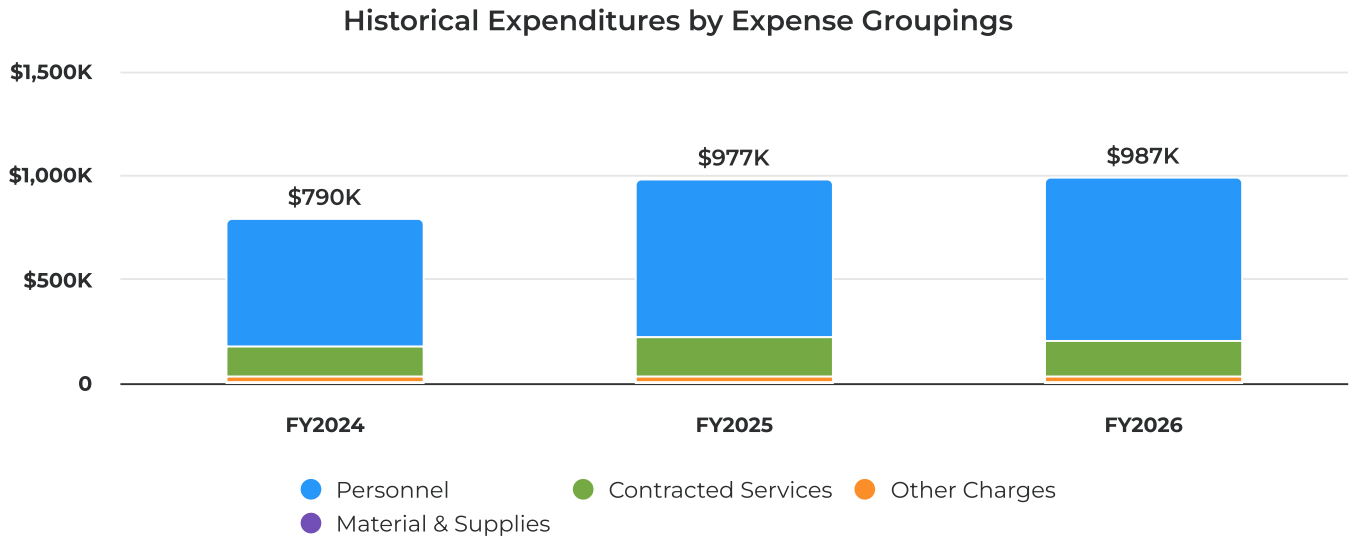
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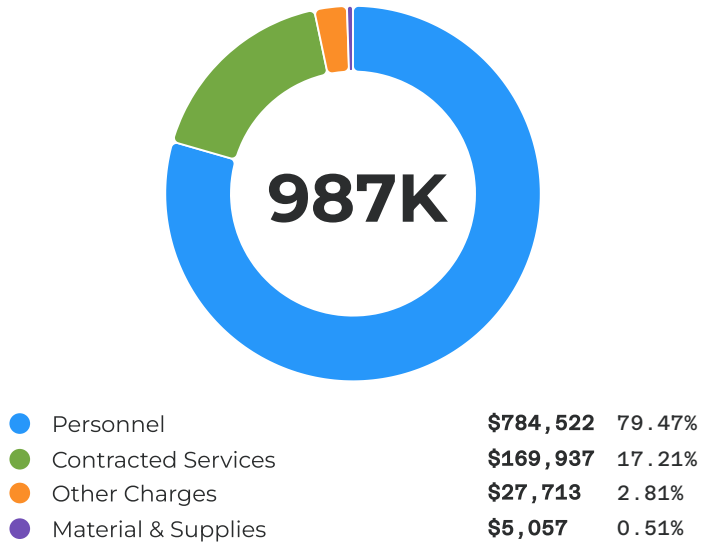
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Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$614,580	$758,589	$726,004	$784,522	3.42%
Contracted Services	$139,045	$187,971	$207,606	$169,937	-9.59%
Material & Supplies	$8,367	$3,300	$5,800	$5,057	53.24%
Other Charges	$27,631	$27,250	$27,700	$27,713	1.70%
Total Expenditures	**$789,623**	**$977,110**	**$967,110**	**$987,229**	**1.04%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Assistant Director of Parks and Recreation	1.00	1.00	1.00
Contracts Coordinator - PARD	1.00	1.00	1.00
Director of Parks and Recreation	1.00	1.00	1.00
Intern - Paid	2.13	2.13	2.13
FTE Total	**7.13**	**7.13**	**7.13**

Goals and Performance Measures

Goal	Objective	Performance Measur	FY25	FY26
Evaluate implementation of the Single Use Beverage Container Ban in Riverfront Parks.	Evaluate education efforts	Number of contacts made	690	1,200
	Conduct end of season survey of Park Ambassadors	Number of respondents and results of surveys	2 out of 6 responded	Anticipate 15/20 to respond
Complete the following Master Plans: Quail Creek Design Master Plan and Riverfront Parks Master Plan	Conduct public meetings and surveys and compile responses	Plans approved and adopted by council	7 Public Meetings with 159 participants Online Surveys ran from Feb 12-March 30 with 557 participants responding. Phase 2 Public Engagement began May 8 and ran until June 8. Final concepts were developed and provided to Parks & Rec Board for review and consideration	Final Concepts will be provided to City Council Oct 2025 for consideration and adoption
Complete Park Infrastructure and Improvement Projects	Successfully procure materials and/or services needed for various park improvement projects	Number of projects completed	12	8
Develop an Urban and Community Forestry Strategic Management Plan	Conduct a tree inventory and tree canopy study	Results of study	10%	50%
	Create policy and procedures that promote greater cooperation within the City while improving public tree management and engaging and educating the community	Increased tree inventory and canopy across the City	Planted ~150-200 trees. Gave away 960 trees	Planting ~200 trees ~2,000 to give away
Evaluate and update Park Ordinances	Convene subcommittee to provide recommendations to Parks and Recreation Board	Written recommendation is brought forth	N/A	TBD
	Provide Parks and Recreation Boards approved recommendation to City Council for Recommendation	Written recommendation is brought forth and adopted	N/A	TBD

To enhance the quality of life for citizens of all ages	Provide recreational programs and special events	Number of programs offered	374	380
	Promote and provide Activity Center, Wellness, and Pool Memberships for individuals and families	Average number of active memberships per month	3,981	4,000
To provide community spaces for private and public events	Provide rental space for meetings/events. (Activity Center, Paulina Espinosa Hall, Dunbar Center, Fish Hatchery)	1)Number of Paid Rental Bookings 2)Number of City Department Non-Paid Rental Bookings	1) 586 2) 260 (as of 4/30/25)	1) 1175 2) 400
	Provide outdoor rental space for picnics, parties, community events	Number of Paid Rental Bookings	176 (as of 4/30/25)	320
Manage Cemetery Operations	Sell and manage payments for cemetery plots and niches	1) Number of Plots sold 2)Number of Niches Sold	1) 98 2) 7 (as of 4/30/25)	1) 100 2) 10
To enhance the quality of life for citizens of all ages through provision of low/no-cost community events	Secure sponsorships to offset program costs and reduce participant fees and reliance on general fund	Sponsorship Revenue	$37,200	$45,000

Park Operations

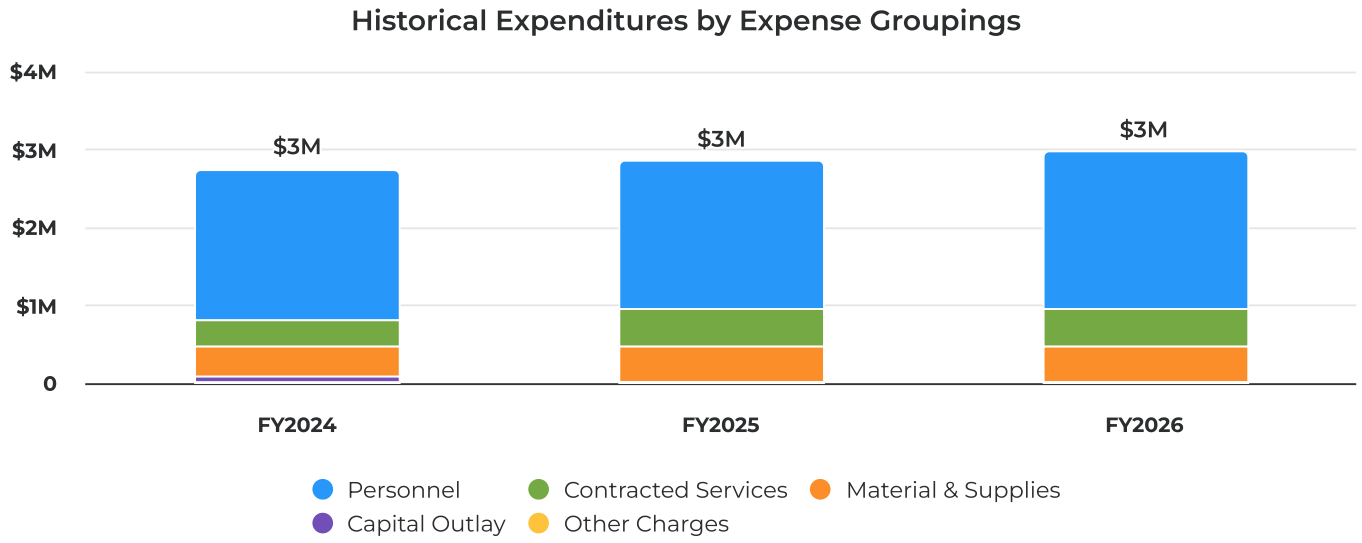
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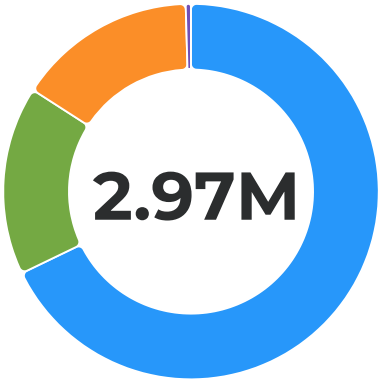
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Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$2,017,084	67.85%
Contracted Services	$482,786	16.24%
Material & Supplies	$459,839	15.47%
Other Charges	$13,250	0.45%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,933,520	$1,892,875	$1,889,517	$2,017,084	6.56%
Contracted Services	$333,143	$483,591	$467,394	$482,786	-0.17%
Material & Supplies	$374,354	$463,434	$436,814	$459,839	-0.78%
Other Charges	$5,720	$11,250	$7,350	$13,250	17.78%
Capital Outlay	$89,337	-	$782,642	-	-
Total Expenditures	**$2,736,074**	**$2,851,150**	**$3,583,717**	**$2,972,959**	**4.27%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Park Ambassador	2.25	2.00	2.00
Park Ambassador, Lead	0.00	0.50	0.50
Parks Maintenance Crew Leader	3.00	3.00	3.00
Parks Maintenance Supervisor	1.00	1.00	1.00
Parks Operations Manager	1.00	1.00	1.00
Parks/Athletic Fields Crew Leader	1.00	1.00	1.00
Parks/Athletic Fields Specialist	1.00	1.00	1.00
Parks/Athletic Fields Worker	3.00	3.00	3.00
Parks/Facilities Specialist	5.00	5.00	5.00
Parks/Facilities Worker	4.00	4.00	4.00
Trail Crew Leader	1.00	1.00	1.00
Trail Crew Specialist	1.00	1.00	1.00
Trail Crew Worker	1.00	1.00	1.00
FTE Total	**24.25**	**24.50**	**24.50**

Recreation Programs

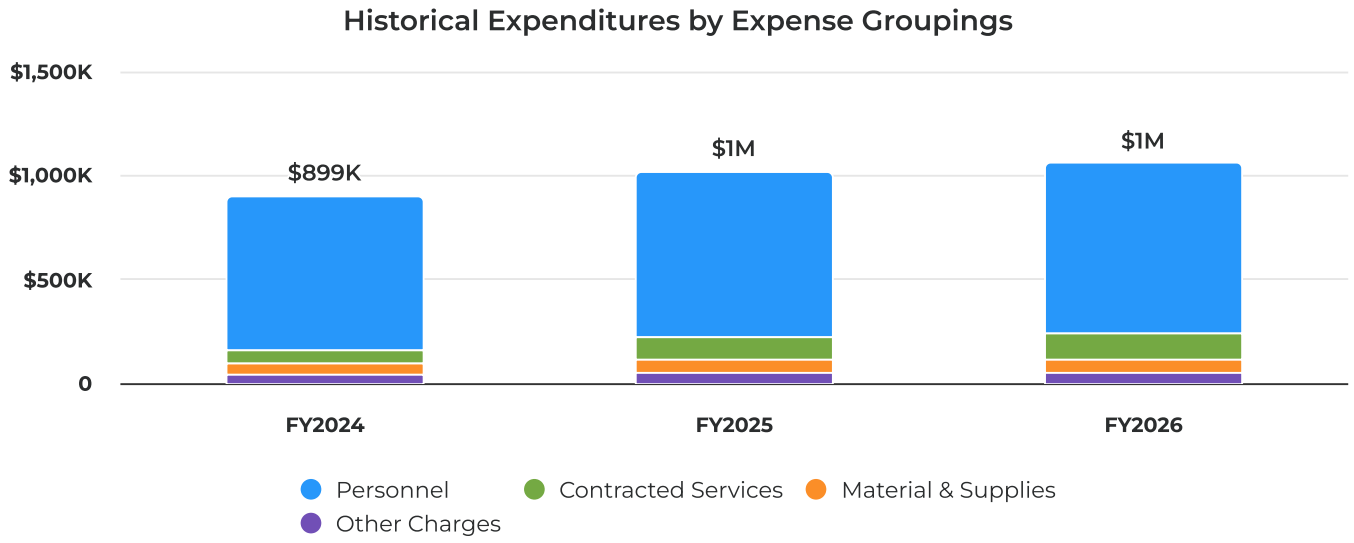
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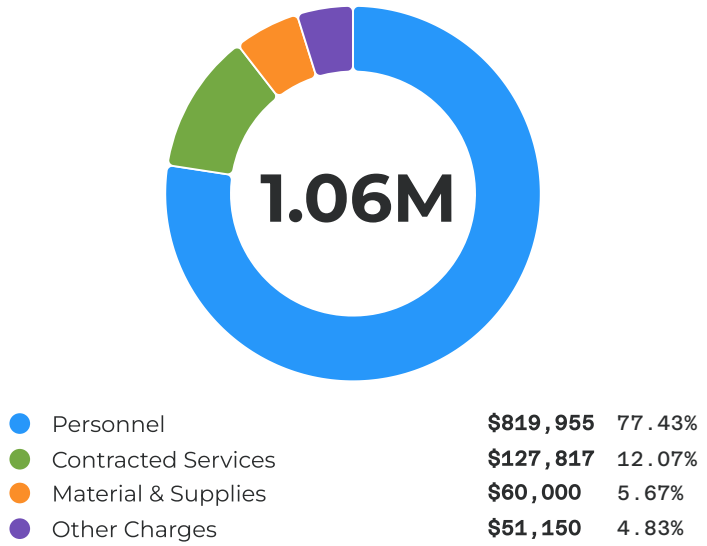
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Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$737,521	$794,513	$773,805	$819,955	3.20%
Contracted Services	$70,370	$110,300	$96,800	$127,817	15.88%
Material & Supplies	$50,487	$61,000	$55,800	$60,000	-1.64%
Other Charges	$40,929	$51,150	$45,650	$51,150	0.00%
Total Expenditures	**$899,307**	**$1,016,963**	**$972,055**	**$1,058,922**	**4.13%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Camp Activity Leader	3.20	3.80	3.80
Marketing and Outreach Coordinator	1.00	1.00	1.00
Recreation Manager	1.00	1.00	1.00
Recreation Programs Manager	1.00	1.00	1.00
Senior Citizens Program Coordinator	1.00	1.00	1.00
Summer Fun Program Assistant Coordinator	0.25	0.25	0.25
Summer Fun Program Assistant Site Supervisors	0.80	0.80	0.80
Summer Fun Program Coordinator	0.38	0.38	0.38
Summer Fun Program Site Supervisor	0.95	0.96	0.96
Youth Services Coordinator	1.00	1.00	1.00
Youth Services Specialist	1.00	1.00	1.00
FTE Total	**11.58**	**12.19**	**12.19**

Outdoor Pool

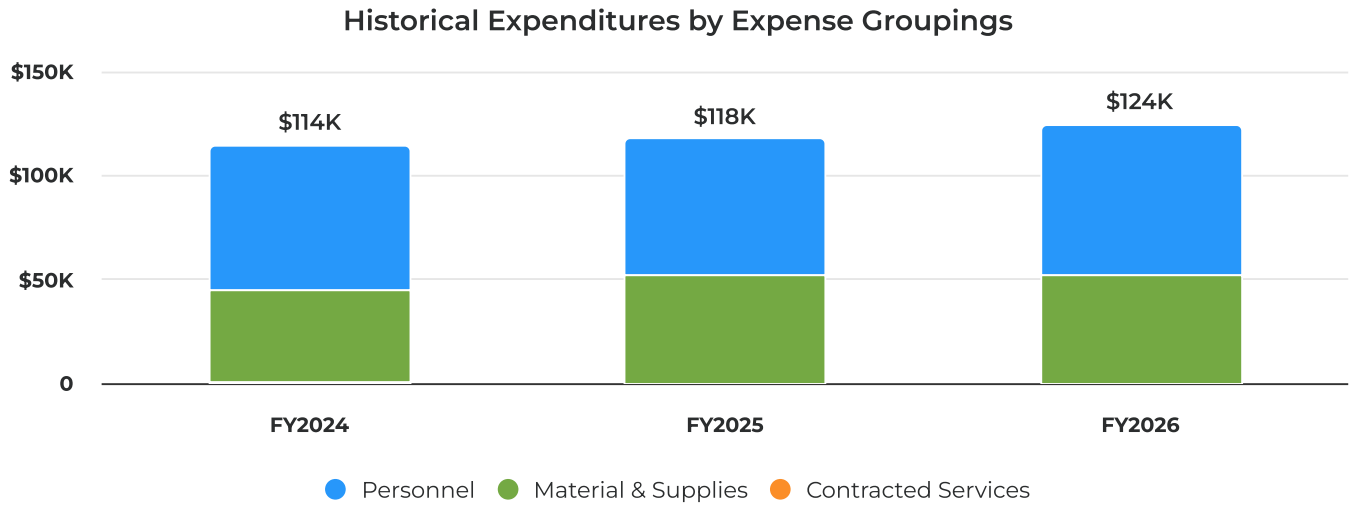
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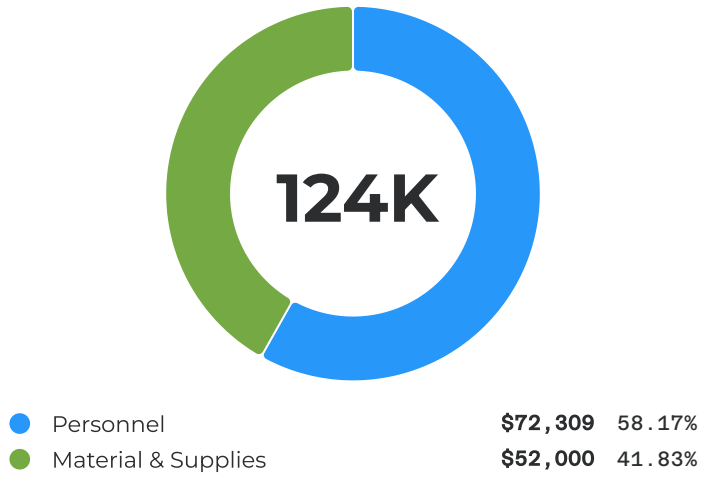
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Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$69,925	$65,617	$65,252	$72,309	10.20%
Contracted Services	$91	-	$75	-	-
Material & Supplies	$44,292	$52,000	$46,000	$52,000	0.00%
Total Expenditures	**$114,309**	**$117,617**	**$111,327**	**$124,309**	**5.69%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Cashier/Pool Attendant	0.40	0.50	0.50
Head Lifeguard-Aquatics	1.20	1.52	1.52
Lifeguard-Aquatics	1.75	3.04	3.04
Pool Manager	0.38	0.00	0.00
Water Safety Instructor	1.00	0.00	0.00
FTE Total	**4.73**	**5.06**	**5.06**

Activity Center

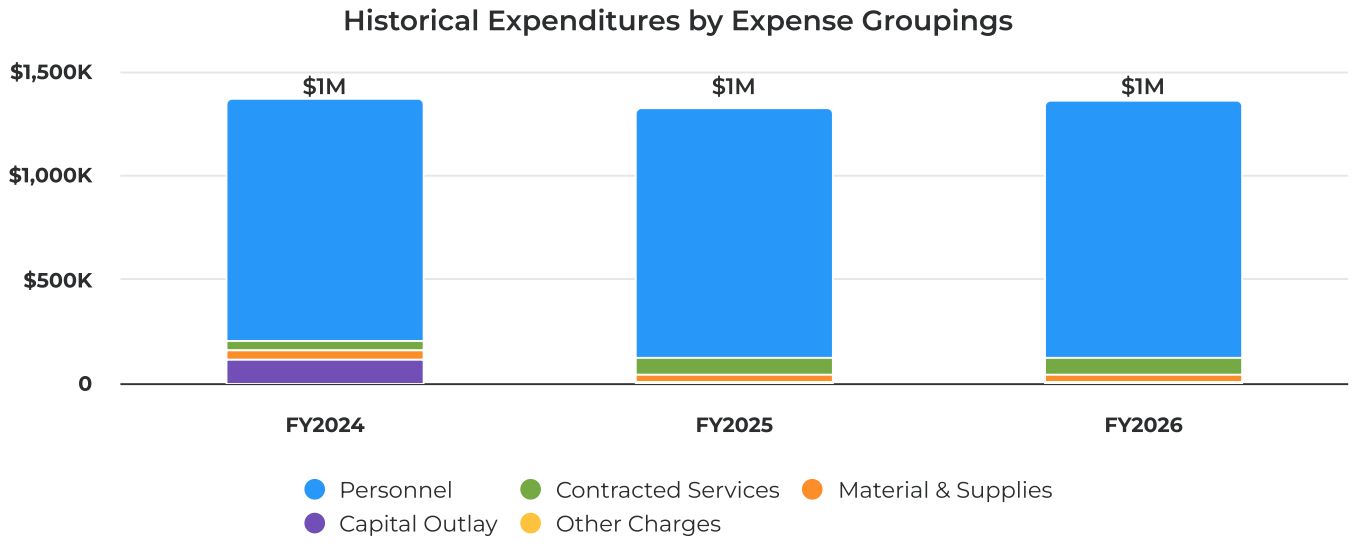
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Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,243,716	91.24%
Contracted Services	$78,450	5.75%
Material & Supplies	$39,000	2.86%
Other Charges	$2,000	0.15%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,165,574	$1,199,205	$1,217,595	$1,243,716	3.71%
Contracted Services	$45,252	$78,450	$50,039	$78,450	0.00%
Material & Supplies	$42,865	$39,000	$15,585	$39,000	0.00%
Other Charges	-	$4,250	$4,250	$2,000	-52.94%
Capital Outlay	$116,228	-	-	-	-
Total Expenditures	**$1,369,919**	**$1,320,905**	**$1,287,469**	**$1,363,166**	**3.20%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Activity Center Attendant	4.25	4.38	4.38
Activity Center Attendant, Lead	1.00	1.00	1.00
Activity Center Facility Worker	0.00	1.00	1.00
Activity Center Supervisor	1.00	1.00	1.00
Aquatics Program Supervisor	1.00	1.00	1.00
Aquatics-Fitness Program Coordinator	1.00	1.00	1.00
Athletic Program Coordinator	1.00	1.00	1.00
Athletic Program Specialist	2.00	2.00	2.00
Facilities Maintenance Worker	1.75	0.75	0.75
Lifeguard-Activity Center	3.33	3.77	3.77
FTE Total	**16.33**	**16.90**	**16.90**

Discovery Center

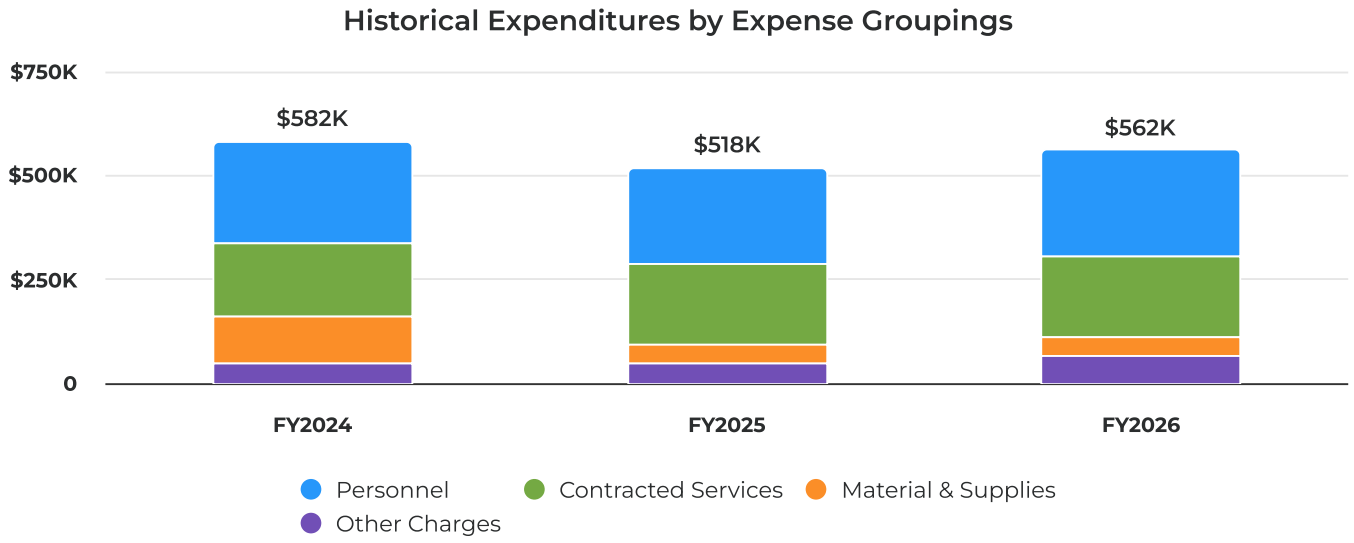
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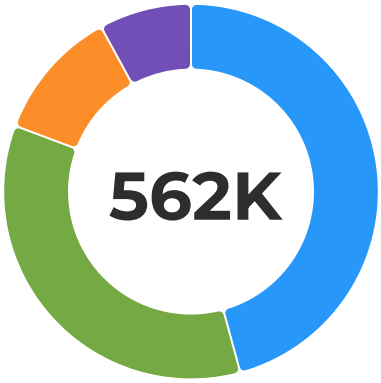
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Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$257,211	45.76%
Contracted Services	$196,400	34.94%
Other Charges	$63,803	11.35%
Material & Supplies	$44,650	7.94%

Expenditures by Expense Groupings

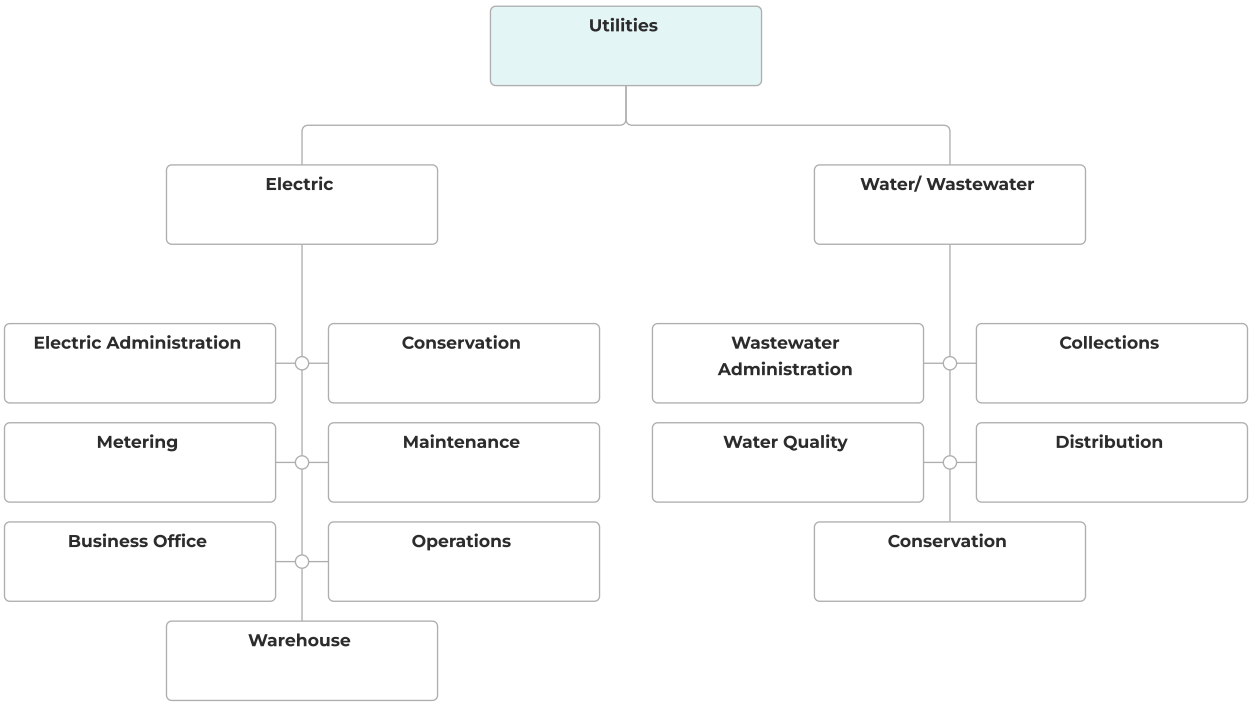
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$243,580	$230,144	$238,994	$257,211	11.76%
Contracted Services	$179,474	$194,000	$194,400	$196,400	1.24%
Material & Supplies	$110,655	$44,650	$43,250	$44,650	0.00%
Other Charges	$48,374	$48,803	$48,103	$63,803	30.74%
Total Expenditures	**$582,083**	**$517,597**	**$524,747**	**$562,064**	**8.59%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Discovery Center Coordinator	0.00	0.00	1.00
Discovery Center Manager	1.00	1.00	1.00
Discovery Center Specialist	1.00	1.00	0.00
Urban Forester*	0.34	0.34	0.34
FTE Total	**2.34**	**2.34**	**2.34**

*Position is split between GF, Elec, and WWW

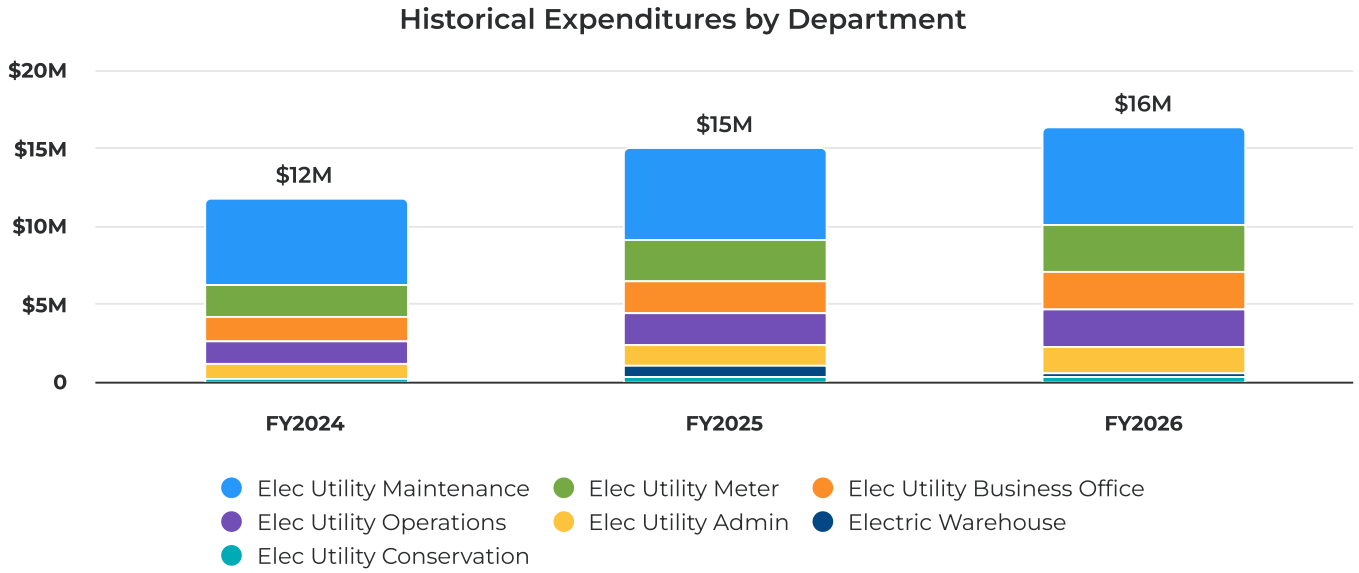
Utilities

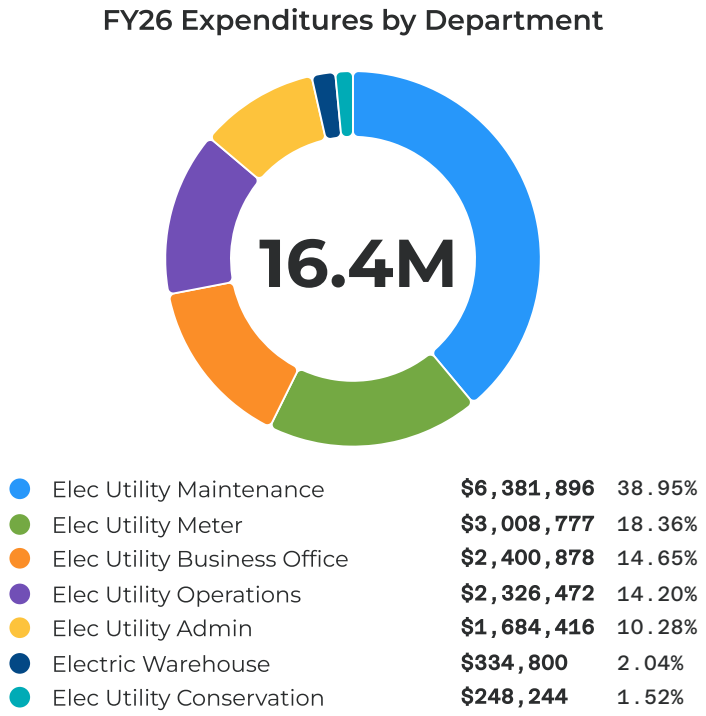

Utilities
Electric
Water/ Wastewater
Electric Administration
Conservation
Metering
Maintenance
Business Office
Operations
Warehouse
Wastewater Administration
Collections
Water Quality
Distribution
Conservation


ADMINISTRATION
FIRE LANE NO PARKING TOW AWAY ZONE

Electric Utilities Budgets

Expenditures by Department





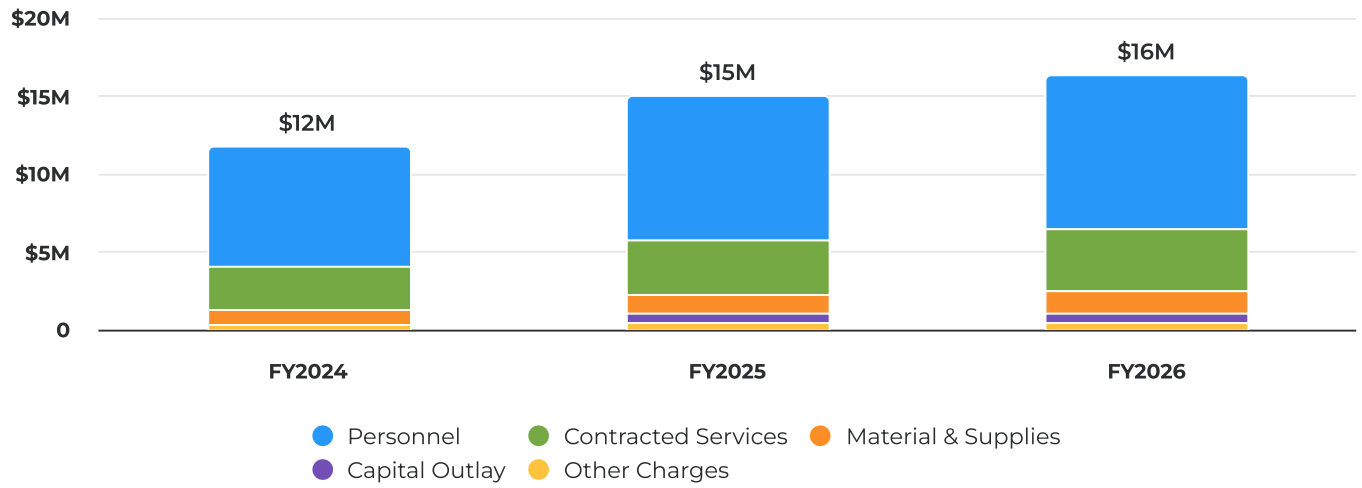
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Elec Utility Admin	$997,662	$1,300,023	$1,024,741	$1,684,416	29.57%
Elec Utility Operations	$1,410,403	$2,030,916	$2,247,311	$2,326,472	14.55%
Elec Utility Conservation	$151,822	$280,347	$192,151	$248,244	-11.45%

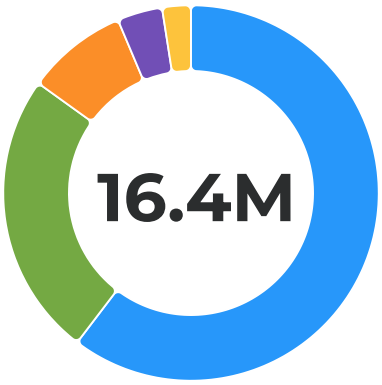
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Elec Utility Meter	$2,043,729	$2,585,339	$2,641,583	$3,008,777	16.38%
Elec Utility Maintenance	$5,531,296	$5,993,555	$6,367,273	$6,381,896	6.48%
Elec Utility Business Office	$1,656,190	$2,117,005	$2,075,712	$2,400,878	13.41%
Electric Warehouse	-	$731,608	$423,208	$334,800	-54.24%
Total Expenditures	**$11,791,102**	**$15,038,793**	**$14,971,979**	**$16,385,483**	**8.95%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$9,890,924**	60.36%
Contracted Services	**$4,024,616**	24.56%
Material & Supplies	**$1,428,643**	8.72%
Capital Outlay	**$634,780**	3.87%
Other Charges	**$406,520**	2.48%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$7,753,221	$9,318,838	$8,603,703	$9,890,924	6.14%
Contracted Services	$2,729,645	$3,441,431	$3,316,278	$4,024,616	16.95%
Material & Supplies	$990,740	$1,292,903	$1,252,900	$1,428,643	10.50%
Other Charges	$317,496	$373,430	$372,537	$406,520	8.86%
Capital Outlay	-	$612,191	$1,426,561	$634,780	3.69%
Total Expenditures	**$11,791,102**	**$15,038,793**	**$14,971,979**	**$16,385,483**	**8.95%**

Electric Administration

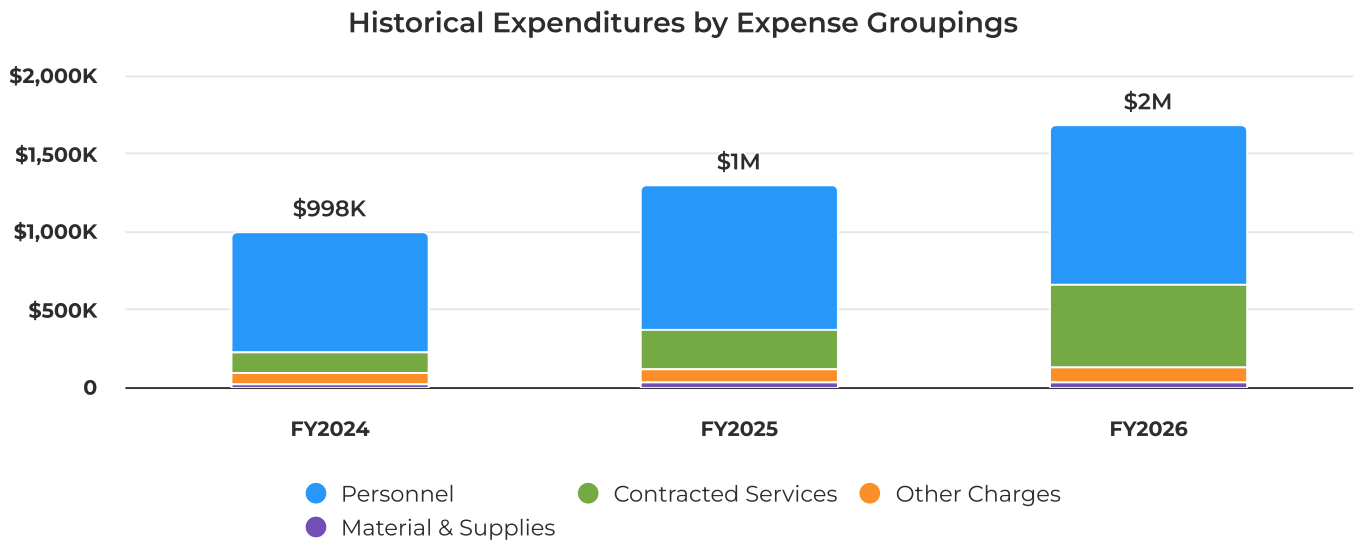
Department Description:

The Electric Administration oversees the financial, strategic, and operational management of the City of San Marcos Electric Utility. The department ensures reliable and cost-effective electrical services by managing budgets, rate structures, capital improvement planning, and regulatory compliance.

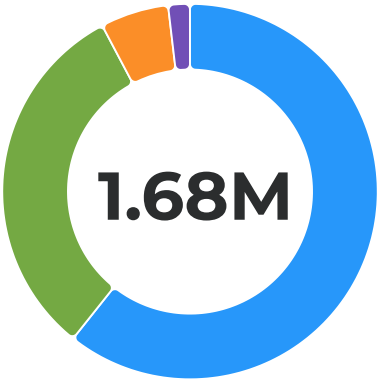
Mission:

The mission of the City of San Marcos Electric utility is to deliver safe, reliable, and affordable electricity to the residents of San Marcos while prioritizing fiscal responsibility, sustainability, and community needs. We are committed to delivering superior customer service, maintaining a resilient infrastructure, and ensuring the long-term financial health of our utility.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$1,022,449**	60.70%
Contracted Services	**$531,465**	31.55%
Other Charges	**$99,000**	5.88%
Material & Supplies	**$31,502**	1.87%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$773,254	$934,023	$748,341	$1,022,449	9.47%
Contracted Services	$131,414	$246,300	$162,300	$531,465	115.78%
Material & Supplies	$13,796	$34,200	$28,600	$31,502	-7.89%
Other Charges	$79,198	$85,500	$85,500	$99,000	15.79%
Total Expenditures	**$997,662**	**$1,300,023**	**$1,024,741**	**$1,684,416**	**29.57%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	0.00	0.00
Administrative Coordinator	1.00	1.00	1.00
Assistant Director Of Utilities - Electric	1.00	1.00	1.00
Business Retention & Expansion Coordinator	0.00	0.33	0.33
Contracts Coordinator - Utilities	0.00	1.00	1.00
Director of Utilities**	0.50	0.50	0.50
Economic Development Specialist*	0.00	0.00	0.33
Intern- Paid	0.25	0.25	0.25
Inventory Control Technician****	1.00	0.00	0.00
Urban Forester***	0.33	0.33	0.33
Utility Financial Analyst	1.00	1.00	1.00
Utilities Safety Manager	0.00	1.00	1.00
Warehouse Supervisor****	1.00	0.00	0.00
FTE Total	**7.08**	**6.41**	**6.74**

*New Position, Position is split between GF, Elec, and W
**Position is split between Elec and WWW
***Position is split between GF, Elec, and WWW
****Moved to Utility Warehouse

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Financial Stability & Rate Management	Regularly update and refine the electric rate model to ensure cost recovery and financial sustainability	Present the updated rate model to stakeholders for review at least once per year to ensure transparency	Yes	Yes
	Monitor revenue and expenditure trends to maintain a balanced budget and adequate reserves	90% accuracy in revenue and expenditure forecasts for financial planning	≥90%	≥90%
	Evaluate and implement strategies to optimize debt management and capital funding	Maintain a minimum DSCR of 1.2 to ensure adequate debt capacity and financial health	1.2	1.2
Infrastructure Resilience & Reliability	Support long-term capital improvement planning to maintain and upgrade electric infrastructure	% of capital improvement projects are completed on time and within budget as outlined in the long-term plan	90%	90%
	Collaborate with operations teams to prioritize needs that improve reliability and system resilience	Meet with operations teams to assess and update priority lists for reliability and resilience projects	Yes	Yes
Operational Excellence & Customer Service	Streamline administrative processes to improve efficiency and reduce costs	% reduction in processing time for key tasks annually	5%	5%
	Strengthen communication and engagement with customers to ensure transparency and service satisfaction	Ensure % of customer inquiries are responded to and resolved	95%	95%
Emergency Preparedness & Resiliency Planning	Contribute to the comprehensive emergency preparedness and resiliency plan to ensure the continuity of reliable electric service during natural or man-made disasters	Perform annual evaluations of the electric system's vulnerabilities, identifying potential threats and developing mitigation strategies	Yes	Yes

Operations

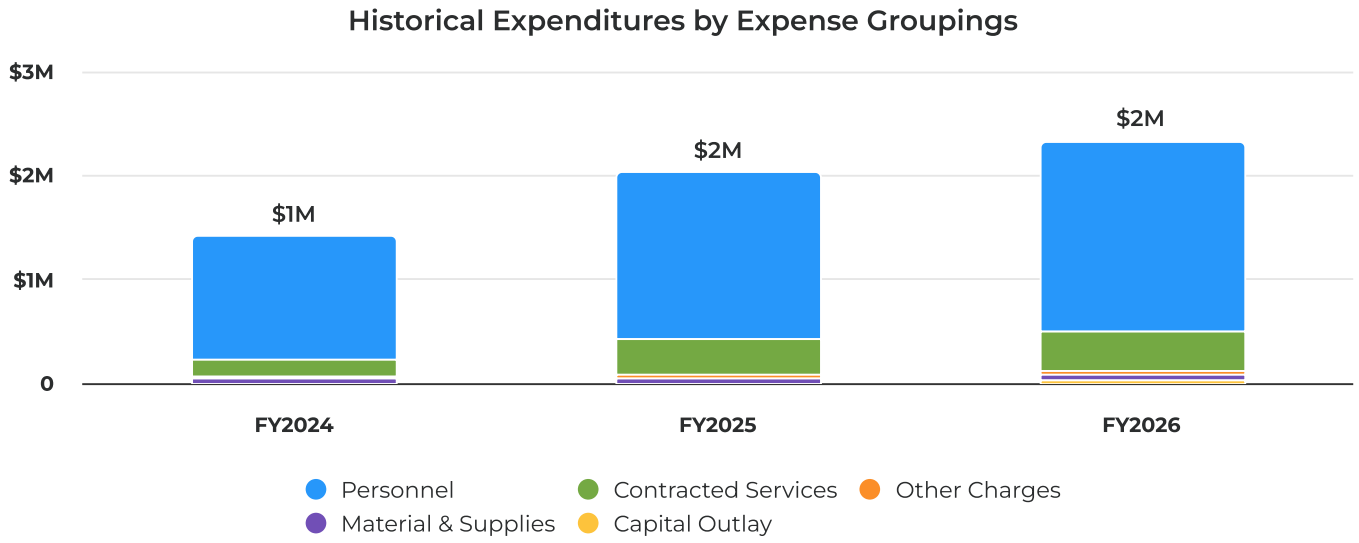
Department Description:

The Electric Utilities Operations Department plans, designs, and develops the City of San Marcos' electrical infrastructure. It ensures system reliability, manages distribution design, substation maintenance, line locating, and designs for customer-requested projects. Engineers, distribution designers, and power system technicians oversee capital improvements and long-term planning to support the city's growth.

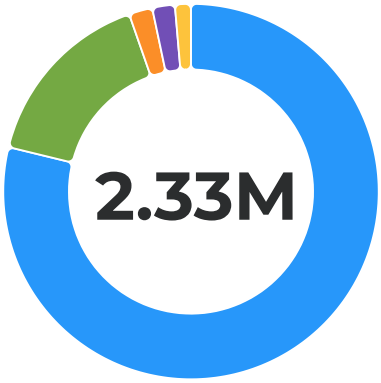
Mission:

The Electric Utilities Operations Department is dedicated to the planning, design, and enhancement of the City of San Marcos' electrical infrastructure. Through the expertise of engineers, distribution designers, and power system technicians, the department ensures the reliability, safety, and efficiency of the city's power system. By identifying and implementing capital improvement projects, the team supports system growth, sustainability, and long-term resilience to meet the energy needs of the community.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,833,436	78.81%
Contracted Services	$368,740	15.85%
Other Charges	$47,150	2.03%
Material & Supplies	$45,146	1.94%
Capital Outlay	$32,000	1.38%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,189,225	$1,614,706	$1,545,741	$1,833,436	13.55%
Contracted Services	$149,277	$335,000	$357,846	$368,740	10.07%
Material & Supplies	$37,407	$39,110	$39,110	$45,146	15.43%
Other Charges	$34,494	$42,100	$42,100	$47,150	12.00%
Capital Outlay	-	-	$262,514	$32,000	-
Total Expenditures	**$1,410,403**	**$2,030,916**	**$2,247,311**	**$2,326,472**	**14.55%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Distribution Designer	5.00	4.00	4.00
Distribution Designer - Senior	1.00	1.00	1.00
Distribution Designer Supervisor*	0.00	0.00	1.00
Electric Engineering Services Manager	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00
Graduate Electrical Engineer	1.00	1.00	1.00
Power System Technician	2.00	2.00	2.00
Senior Electrical Engineer	1.00	1.00	1.00
Utility Line Locator	0.00	1.00	1.00
FTE Total	**12.00**	**12.00**	**13.00**

*New Position

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Customer-Centered Design	Ensure Efficient Design Turnaround	% designs delivered to construction within four weeks or eight weeks of project initiation, as applicable	90%	90%
	Maintain Clear Communication	Number of communication touchpoints (calls, emails, meetings) initiated by the department to proactively update customers and stakeholders	5	5
	Facilitate Seamless Energy Connections	% of projects that transition from design to construction without delays or disruptions due to design-related issues	95%	95%
Plan for Future Needs	Develop a Long-Term Infrastructure Plan	Number of capital improvement projects addressing aging infrastructure that are either developed, initiated, or completed within the planned 5- to 10-year timeframe	3	3
	Monitor and Adjust Plans as Needed	Number of capital improvement projects in the plan that are realigned or postponed due to changes in funding availability	1	1
Reliability	Clear Outage Reliability Benchmarks	SAIDI & SAIFI	100%	100%
	Evaluation of Outage Causes for System Improvement	IEEE Outage Cause Codes	100%	100%

Conservation

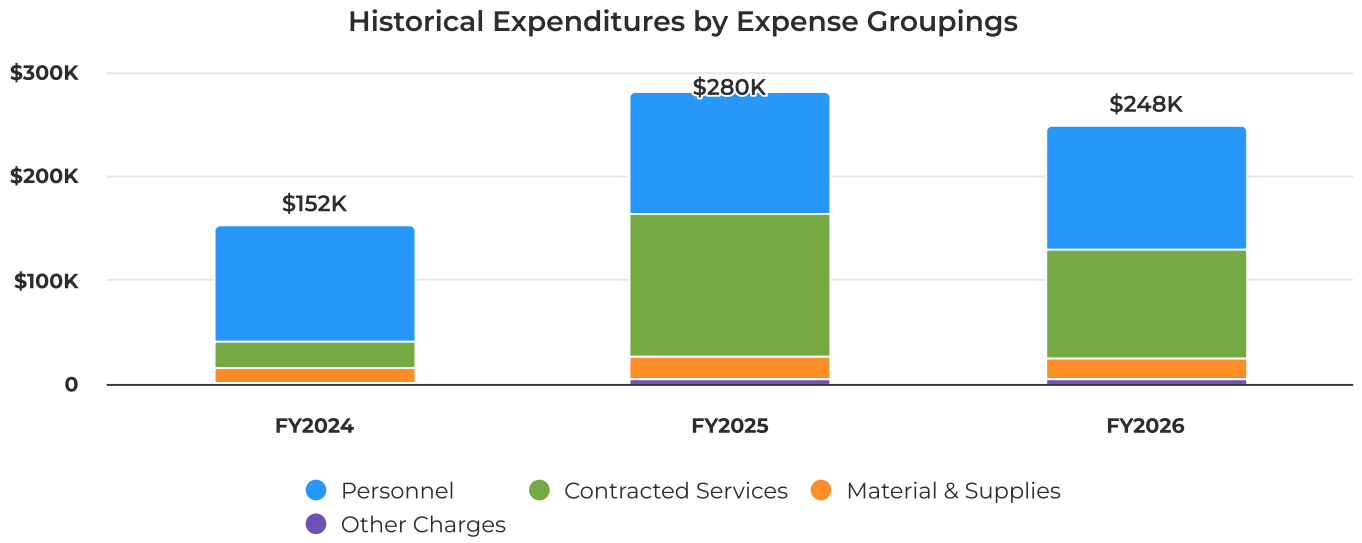
Department Description:

The Electric Utilities Conservation Department is responsible for developing and implementing programs that promote energy efficiency and conservation within the community.

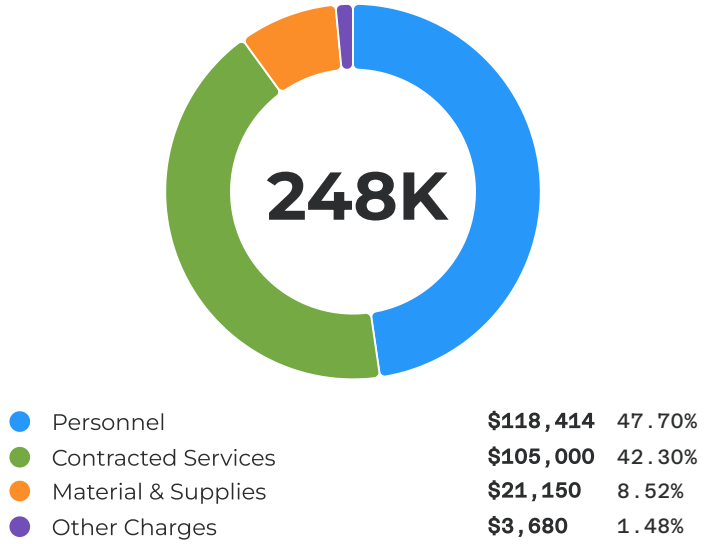
Mission:

The Electric Utilities Conservation Department is committed to promoting energy efficiency and sustainability within the community. By providing resources, education, and innovative solutions, we empower residents and businesses to reduce energy consumption, lower costs, and minimize environmental impact.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$110,938	$116,167	$85,118	$118,414	1.93%
Contracted Services	$25,120	$137,920	$80,920	$105,000	-23.87%
Material & Supplies	$15,517	$21,400	$21,075	$21,150	-1.17%
Other Charges	$246	$4,860	$5,038	$3,680	-24.28%
Total Expenditures	**$151,822**	**$280,347**	**$192,151**	**$248,244**	**-11.45%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Conservation Technician*	0.50	0.50	0.50
Utilities Conservation Coordinator*	0.50	0.50	0.50
FTE Total	**1.00**	**1.00**	**1.00**

*Position is split between Elec and WWW

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Promote Energy Efficiency & Enhance Community Engagement	Implement new and/or make adjustments to current rebate and incentive programs to encourage energy-efficiency	Number of rebates issued annually for energy-efficient appliances, installation or upgrades	10	10
	Create partnerships with local schools, businesses, and organizations to promote conservation efforts and expand community outreach initiatives	Number of community outreach events organized or promoted annually	5	5
	Evaluate and update conservation programs regularly	Frequency and depth of program evaluations conducted	2	2

Metering

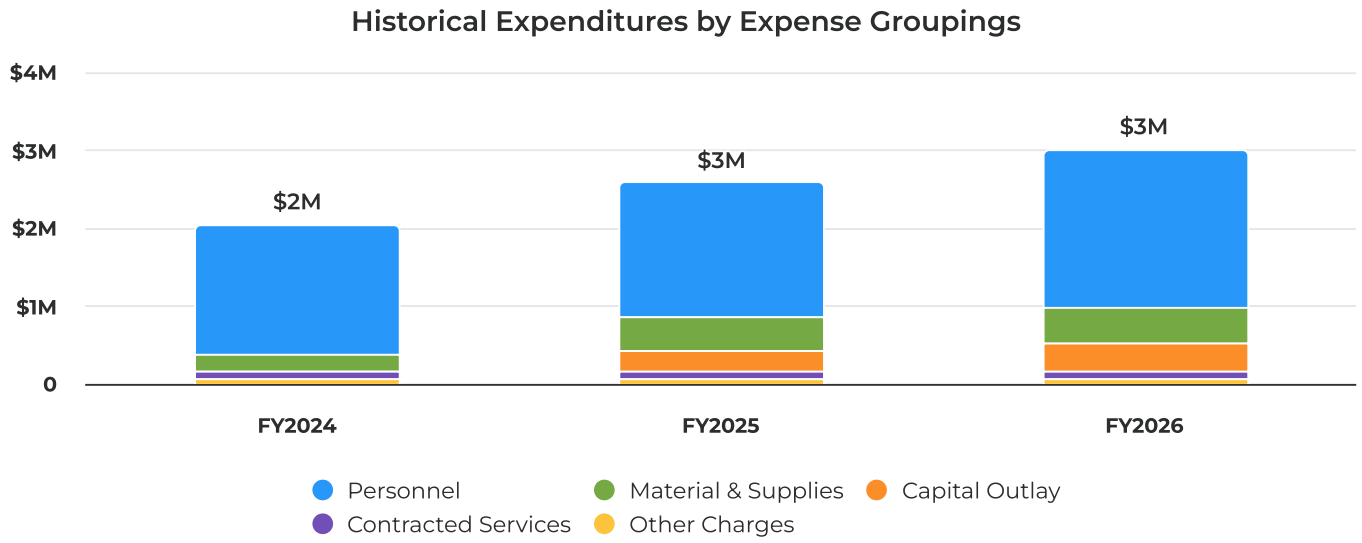
Department Description:

The Utilities Metering Department manages the collection and monitoring of water and electrical usage. It supports outage management and dispatches crews during system interruptions or emergencies. In partnership with Utility Billing, the department helps customers with their usage data and any related questions. By efficiently coordinating resources and responding quickly to emergencies, the Utilities Metering Department ensures reliable service and supports the community's needs.

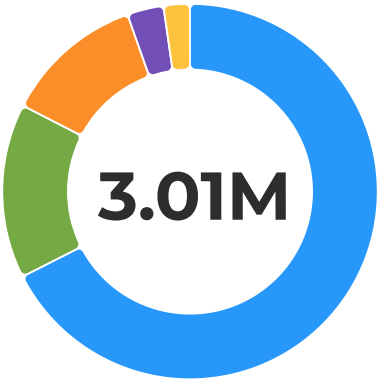
Mission:

The Utilities Metering Department is committed to providing accurate, real-time data for water and electric distribution systems, supporting outage management systems through advanced metering infrastructure. The department ensures reliable service by dispatching crews during system interruptions and city emergencies, while also keeping residents informed and safe through efficient coordination of resources and response efforts.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$2,031,582	67.52%
Material & Supplies	$452,700	15.05%
Capital Outlay	$361,795	12.02%
Contracted Services	$94,700	3.15%
Other Charges	$68,000	2.26%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,666,433	$1,741,500	$1,791,585	$2,031,582	16.66%
Contracted Services	$95,494	$93,200	$93,200	$94,700	1.61%
Material & Supplies	$225,722	$415,848	$421,770	$452,700	8.86%
Other Charges	$56,080	$69,600	$69,837	$68,000	-2.30%
Capital Outlay	-	$265,191	$265,191	$361,795	36.43%
Total Expenditures	**$2,043,729**	**$2,585,339**	**$2,641,583**	**$3,008,777**	**16.38%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	0.00	0.00
Complex Meter Technician	2.00	2.00	2.00
Electrical Inspector*	0.50	0.50	0.50
Meter Service Technician	8.00	8.00	8.00
Utilities Meter Supervisor	1.00	1.00	1.00
Utilities Metering Manager	1.00	1.00	1.00
Utilities Support Specialist	1.00	2.00	4.00
Utilities Support Supervisor	0.00	0.00	1.00
Utility Meter Data Specialist	2.00	2.00	2.00
Utility System Analyst	1.00	1.00	1.00
FTE Total	**17.50**	**17.50**	**20.50**

*Position is split between GF and Elec

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Ensure Accurate Metering	Timely Data Collection and Reporting	Average Time Per Meter Read Cycle	<10 mins	<10 mins
	Upgrade and Maintain Metering Equipment	Replace % of identified faulty or outdated meters within the scheduled 10-yr change out cycle	10%	10%
	Data Integration with Utility Systems	Conduct monthly system checks to ensure all data flows accurately between metering, billing, and outage systems	Yes	Yes
Enhance Customer Support	Direct Communication with Customer	% of Call answered by a utility support specialist during normal hours	95%	95%
	Improve Customer Experience	Achieve a % of proper handling of customer interactions via telephone with utility support specialists	95%	95%
Optimize System Performance	Streamline Metering Processes	Reduction in average cycle time for meter reading and reporting by % within the next year	1%	1%
	Reduce Data Transmission Errors	% accuracy in the transmission of data from metering systems to utility databases	90%	95%
	Regular Performance Reviews	Conduct periodic reviews of metering processes to identify areas for improvement and increased efficiency	0	1

Electric Maintenance

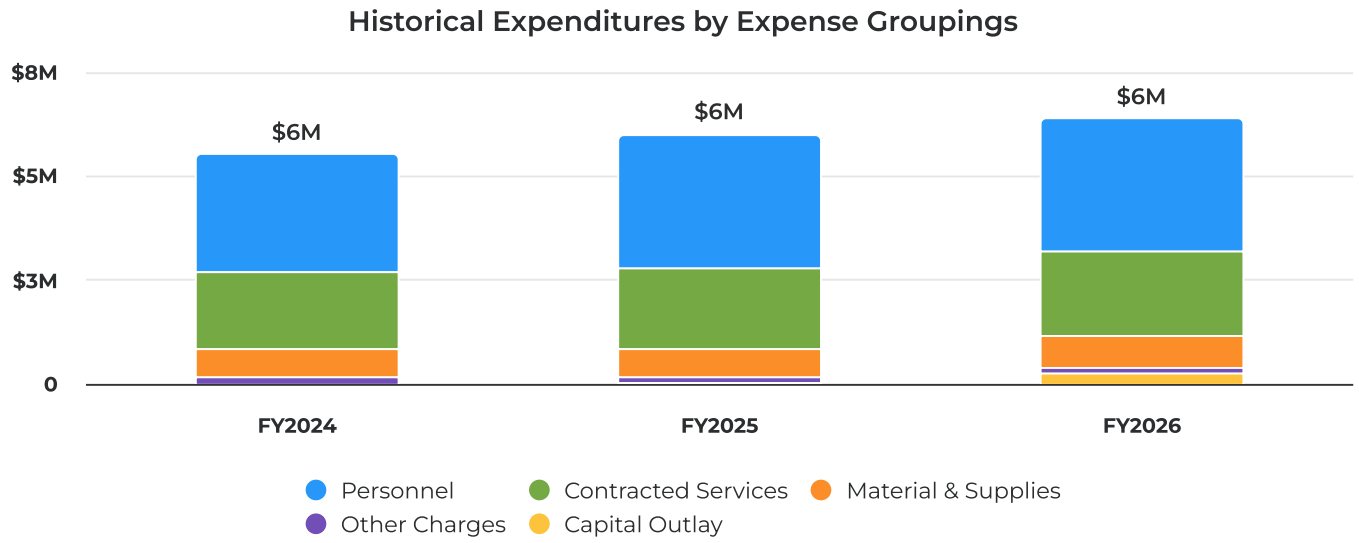
Department Description:

The Electric Maintenance Department is responsible for the upkeep and improvement of the City of San Marcos' electrical distribution system. Our team ensures the safe and reliable delivery of electricity through regular system inspections, preventive maintenance, and prompt responses to service interruptions. In times of natural or disasters caused by humans, our skilled linemen are deployed to restore power quickly and safely, working tirelessly to minimize downtime, and ensure the safety of the community.

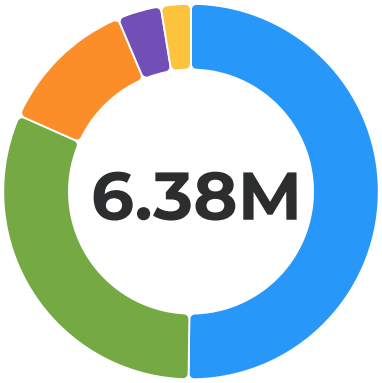
Mission:

The Electric Maintenance Department is committed to delivering uninterrupted, safe, and efficient electrical services to the City of San Marcos. Through proactive maintenance, timely response to service disruptions, and continuous system upgrades, we ensure a reliable and resilient energy infrastructure that meets the growing needs of our community, while prioritizing safety and operational excellence.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$3,203,896	50.20%
Contracted Services	$2,006,800	31.45%
Material & Supplies	$765,645	12.00%
Capital Outlay	$240,985	3.78%
Other Charges	$164,570	2.58%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$2,852,234	$3,212,160	$2,853,785	$3,203,896	-0.26%
Contracted Services	$1,864,665	$1,964,300	$1,964,300	$2,006,800	2.16%
Material & Supplies	$670,701	$647,845	$647,845	$765,645	18.18%
Other Charges	$143,696	$147,250	$147,487	$164,570	11.76%
Capital Outlay	-	$22,000	$753,856	$240,985	995.39%
Total Expenditures	**$5,531,296**	**$5,993,555**	**$6,367,273**	**$6,381,896**	**6.48%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Electric Distribution Manager	1.00	1.00	1.00
Electric Distribution Supervisor	4.00	4.00	4.00
Electric Service Technician	2.00	2.00	1.00
Inventory Control Technician	1.00	0.00	0.00
Lineworker	4.00	4.00	6.00
Lineworker Apprentice I	3.00	1.00	5.00
Lineworker Apprentice II	6.00	2.00	0.00
Lineworker Apprentice III	1.00	4.00	1.00
Lineworker Apprentice IV	0.00	1.00	2.00
Lineworker Helper	0.00	2.00	1.00
Senior Lineworker	4.00	4.00	4.00
FTE Total	**26.00**	**25.00**	**25.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Proactive Maintenance	Develop and Implement a Preventive Maintenance Schedule	Ratio of planned versus forced outages	5:01	5:01
	Regularly Review and Update Maintenance Procedures	# of procedures reviewed and updated within the specified time period	1	2
Customer-Centered & Infrastructure Enhancement Construction	Construction Efficiency	% of projects completed on time after job is received by and ready for construction	95%	95%
Safety	Prevention of Vehicle Accidents	# of Preventable employee involved vehicle accidents	0	0
	Prevention of Employee Injuries	# of Preventable employee injuries	0	0
	Prevention of Employee Caused Outages	# of Employee Caused Outages	2	2
Community Engagement	Respond Promptly to Customer Inquiries	% of customer inquiries that are resolved during the first interaction, without the need for follow-up	90%	90%
	Engage the Community	# of community engagement activities	2	4

Business Office

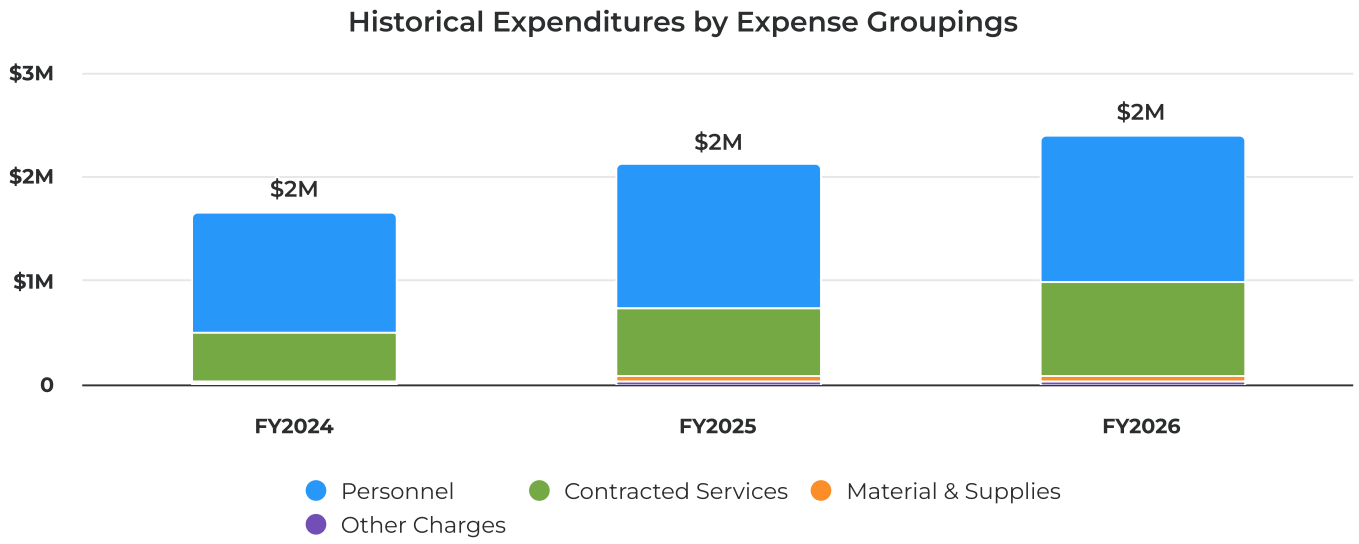
Department Description:

The Utility Customer Service division is responsible for a variety of specialized utility customer service functions relative to the areas of billing, customer inquiries, collections, utility payments & other miscellaneous transactions, cash posting, connections/disconnections, AR reconciliation, journal posting, and also conducts administrative duties in support of departmental operations, and other general data entries.

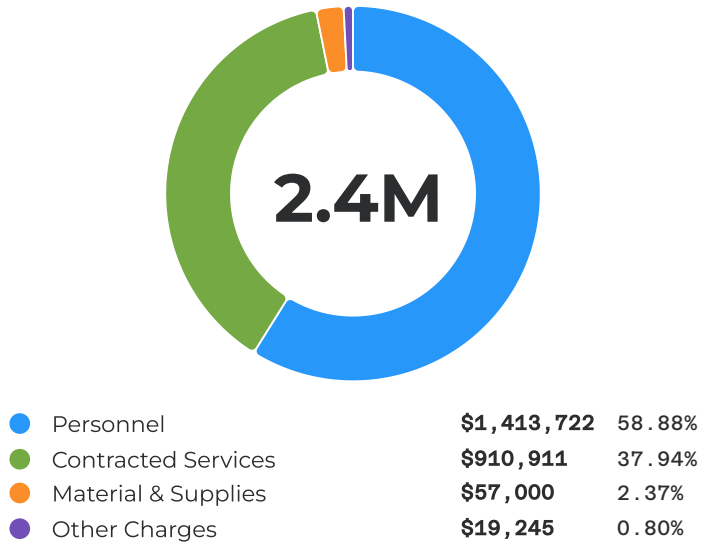
Mission:

The Utility Customer Service Division is committed to providing a streamline of operations that customers will experience from paying a utility bill to connecting/disconnecting services and other general requests.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,161,136	$1,385,049	$1,332,800	$1,413,722	2.07%
Contracted Services	$463,674	$655,711	$657,712	$910,911	38.92%
Material & Supplies	$27,597	$57,000	$65,000	$57,000	0.00%
Other Charges	$3,783	$19,245	$20,200	$19,245	0.00%
Total Expenditures	**$1,656,190**	**$2,117,005**	**$2,075,712**	**$2,400,878**	**13.41%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Accounting Specialist-Utility Billing	6.00	6.00	6.00
Application Administrator*	0.00	1.00	1.00
Billing Quality Assurance Specialist	1.00	1.00	1.00
Lead Cashier	2.00	2.00	2.00
Utilities Customer Service Clerk	3.00	3.00	3.00
Utilities Customer Service Supervisor	2.00	2.00	2.00
Utility Billing Manager	1.00	1.00	1.00
FTE Total	**15**	**16**	**16**

*Funded in Utilities, Reports under IT

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Improving Customer Service Experience & Satisfaction	Facilitate administrative processes and procedures to improve accuracy and efficiencies	Automated platform reporting used to review any discrepancies, improvements and or training opportunities	95%	95%
	Conduct quarterly review of comment cards to ensure customer satisfaction and address any concerns.	Perform quarterly comment reviews to identify areas that need improvements	85%	95%
Software Upgrades	Improve the customer portal for payments, usage, connections/disconnections	Perform weekly testing to ensure portal is functioning. Engagement with vendor for options to improve customer portal	80%	90%
	Upgrade in current C.I.S NorthStar	Review of vendor test scripts to ensure accuracy with current processes. Ensure other interfaced applications are in line with daily processes	95%	95%
Personnel Operations	Expand current staff to accommodate growing city	Review of monthly count for billing statements/connection request. Audit drive-thru count for in office customer visits	80%	90%
	Strengthen communication, knowledge and understanding within Utility Billing and other departments to ensure transparency, accuracy and providing quality service	Maintain communication with updates from external departments on new/revised departmental changes	75%	95%

Warehouse

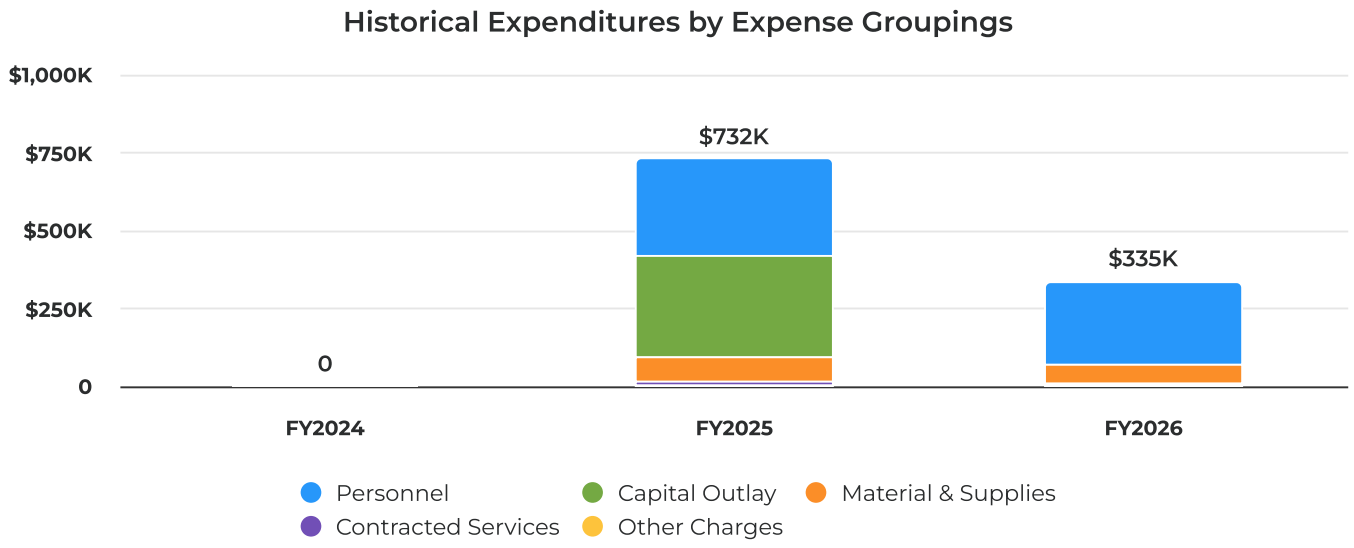
Department Description:

The Electric Utility Warehouse is responsible for managing the procurement, inventory, and distribution of materials and equipment essential to the operations of the Electric and Water/Wastewater Departments. The Warehouse ensures adequate material levels are maintained through purchasing via p-cards, purchase orders, and established contracts. Staff receive, inspect, and stock incoming materials, issue supplies to crews for maintenance and construction activities, and stage materials for major capital improvement projects. The Warehouse supports operational efficiency by ensuring critical materials are available when and where they are needed to meet departmental and citywide service goals.

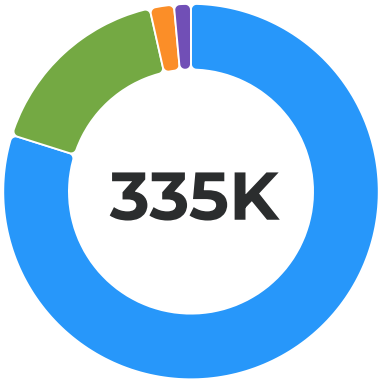
Mission:

The Electric Utility Warehouse Department is committed to advancing material support for the Electric and Water/Wastewater Departments by strengthening inventory management, enhancing procurement practices, and implementing innovative staging solutions. The department strives to improve operational readiness, drive efficiencies, and ensure that crews have timely access to the resources needed to serve the City of San Marcos effectively.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$267,425	79.88%
Material & Supplies	$55,500	16.58%
Contracted Services	$7,000	2.09%
Other Charges	$4,875	1.46%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	-	$315,233	$246,333	$267,425	-15.17%
Contracted Services	-	$9,000	-	$7,000	-22.22%
Material & Supplies	-	$77,500	$29,500	$55,500	-28.39%
Other Charges	-	$4,875	$2,375	$4,875	0.00%
Capital Outlay	-	$325,000	$145,000	-	-100.00%
Total Expenditures	**-**	**$731,608**	**$423,208**	**$334,800**	**-54.24%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Inventory Control Technician	0.00	3.00	2.00
Warehouse Supervisor	0.00	1.00	1.00
FTE Total	**0.00**	**4.00**	**3.00**

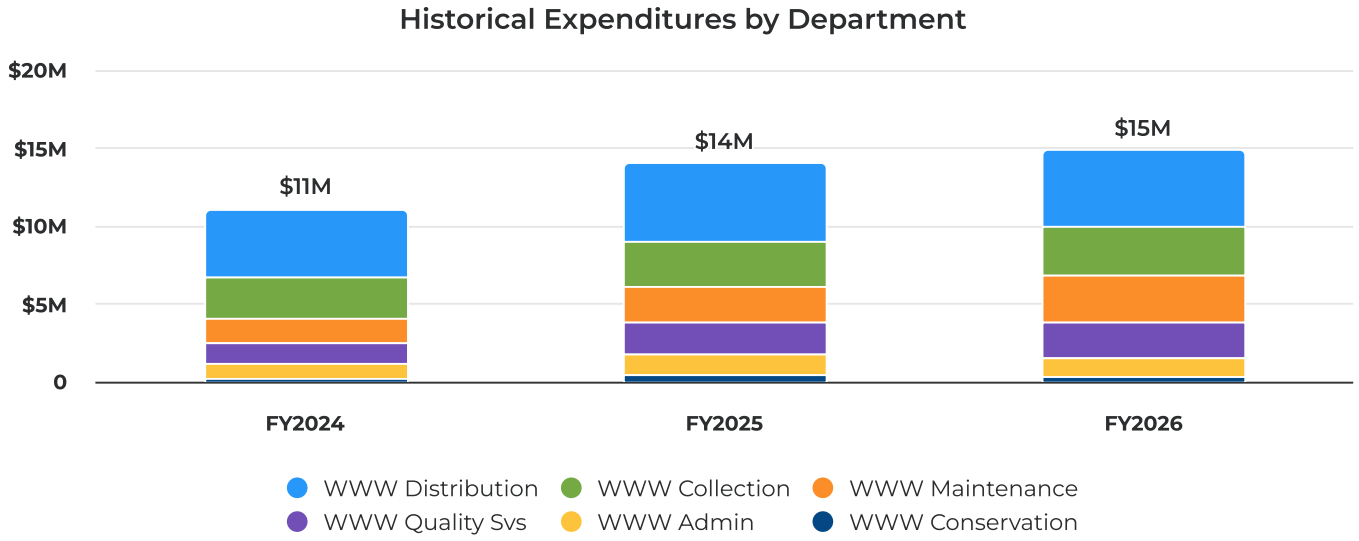
Goals and Performance Measures

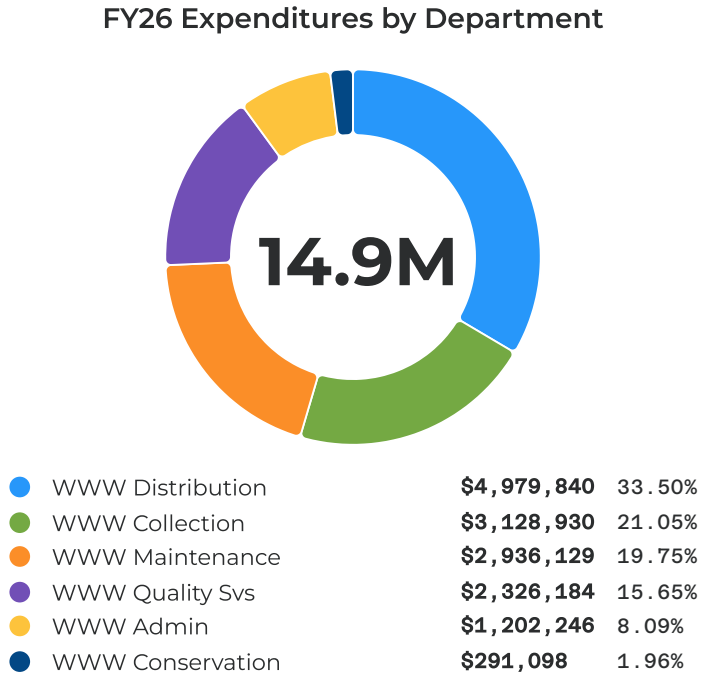
Goal	Objective	Performance Measure	FY25	FY26
Strengthen Inventory Management and Material Availability	Maintain 95% availability of high-use inventory items to support Electric and Water/Wastewater operations	% Inventory availability rate	95%	95%
	Conduct weekly cycle counts to ensure material accuracy and reduce discrepancies	# physical inventories completed	52	52
Enhance Operational Efficiency	Stage materials for major capital improvement projects	# of projects stage during the FY	10	10
	Develop process for reconciliation against actual costing	% Difference of requested to actual material use	20%	20%



Water - Wastewater Utilities Budgets

Expenditures by Department





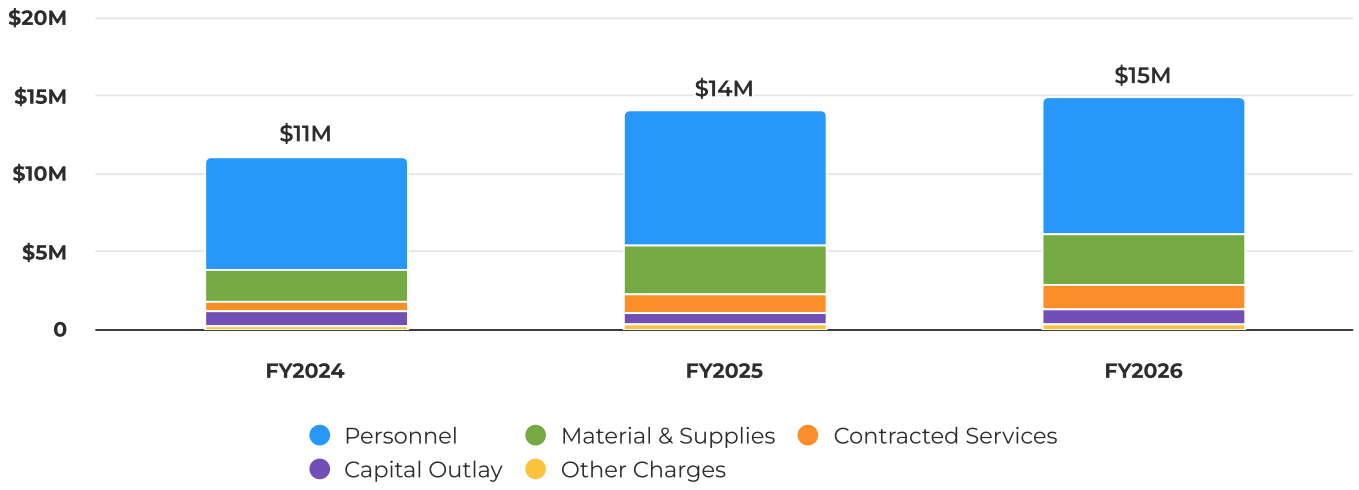
Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
WWW Admin	$1,062,127	$1,352,003	$1,082,256	$1,202,246	-11.08%
WWW Maintenance	$1,560,423	$2,271,804	$2,067,019	$2,936,129	29.24%
WWW Collection	$2,680,845	$2,974,536	$3,294,038	$3,128,930	5.19%
WWW Quality Svs	$1,260,004	$2,008,900	$1,949,756	$2,326,184	15.79%
WWW Distribution	$4,345,060	$4,982,125	$5,844,321	$4,979,840	-0.05%

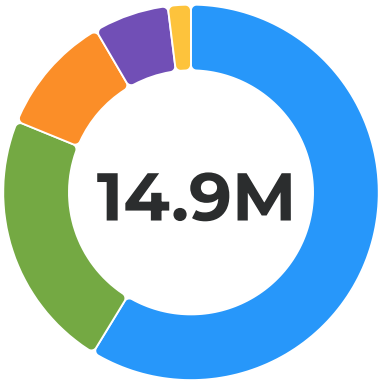
Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
WWW Conservation	$131,839	$403,093	$192,312	$291,098	-27.78%
Total Expenditures	**$11,040,299**	**$13,992,461**	**$14,429,702**	**$14,864,427**	**6.23%**

Expenditures by Expense Groupings

Historical Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$8,729,972**	58.73%
Material & Supplies	**$3,335,617**	22.44%
Contracted Services	**$1,543,856**	10.39%
Capital Outlay	**$960,152**	6.46%
Other Charges	**$294,830**	1.98%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$7,252,681	$8,579,954	$7,798,798	$8,729,972	1.75%

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Contracted Services	$610,040	$1,231,384	$1,134,009	$1,543,856	25.38%
Material & Supplies	$2,011,262	$3,128,696	$2,846,103	$3,335,617	6.61%
Other Charges	$173,238	$264,500	$237,480	$294,830	11.47%
Capital Outlay	$993,079	$787,927	$2,413,312	$960,152	21.86%
Total Expenditures	**$11,040,299**	**$13,992,461**	**$14,429,702**	**$14,864,427**	**6.23%**

Water - Wastewater Administration

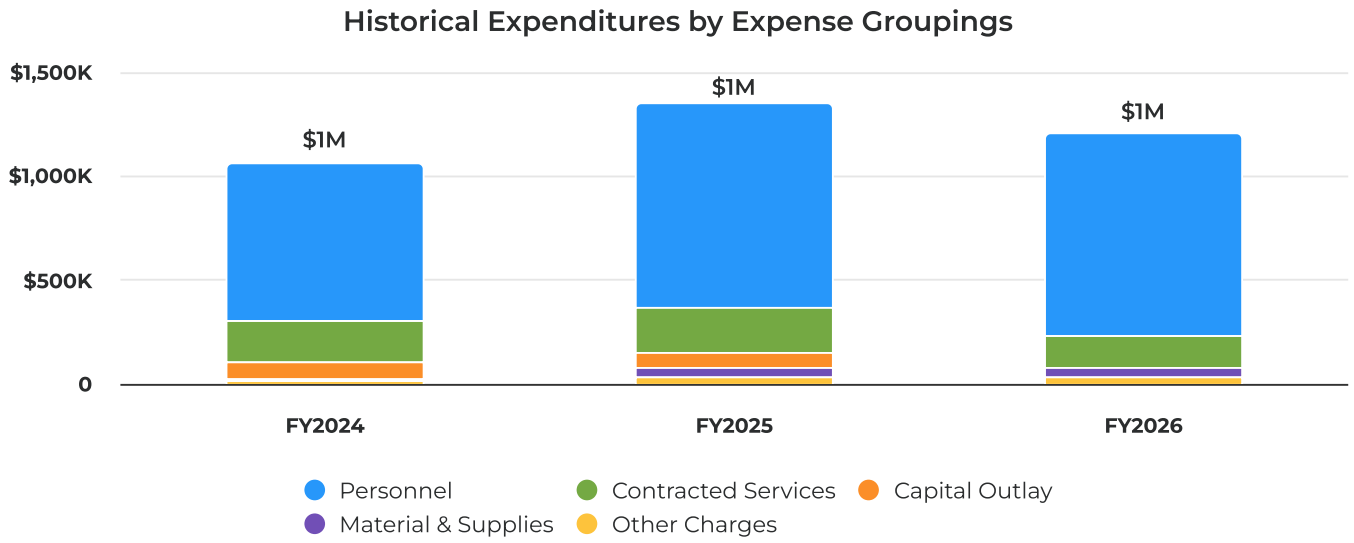
Department Description:

The Water-Wastewater Administration Department oversees the financial, strategic, and operational management of the City of San Marcos Water and Wastewater Utility. The department supports reliable and cost-effective service delivery by managing budgets, rate structures, capital improvement planning, and regulatory compliance. It plays a critical role in sustaining infrastructure, advancing service performance, and ensuring the long-term financial health of the utility while meeting the evolving needs of the community.

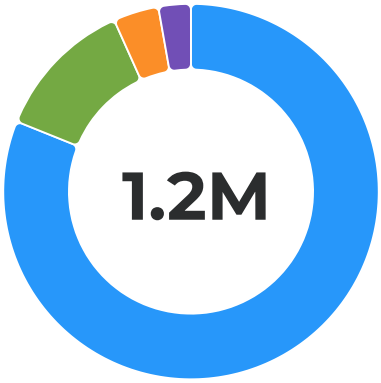
Mission:

The Water-Wastewater Utility is committed to delivering safe, reliable, and affordable water and wastewater services to the residents of San Marcos. We prioritize fiscal responsibility, sustainability, and responsiveness to community needs by promoting exceptional customer service, resilient infrastructure, and long-term financial stewardship.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	**$974,879**	81.09%
Contracted Services	**$146,665**	12.20%
Material & Supplies	**$47,152**	3.92%
Other Charges	**$33,550**	2.79%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$758,343	$987,743	$749,146	$974,879	-1.30%
Contracted Services	$197,797	$211,500	$208,500	$146,665	-30.65%
Material & Supplies	$14,304	$46,400	$28,300	$47,152	1.62%
Other Charges	$10,184	$31,360	$21,310	$33,550	6.98%
Capital Outlay	$81,500	$75,000	$75,000	-	-100.00%
Total Expenditures	**$1,062,127**	**$1,352,003**	**$1,082,256**	**$1,202,246**	**-11.08%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Clerk	1.00	0.00	0.00
Administrative Coordinator	1.00	0.00	1.00
Assistant Director of Utilities -Water/Wastewater	1.00	1.00	1.00
Business Retention & Expansion Coordinator	0.00	0.33	0.33
Contracts Coordinator - Utilities	1.00	1.00	1.00
Director of Utilities**	0.50	0.50	0.50
Economic Development Specialist*	0.00	0.00	0.33
GIS Analyst	1.00	1.00	1.00
Urban Forester***	0.33	0.33	0.33
Utilities Support Specialist	0.00	2.00	0.00
Water/Wastewater Senior Engineer	1.00	1.00	1.00
FTE Total	**6.83**	**7.16**	**6.49**

*New Position, Position is split between GF, Elec, and W

**Position is split between Elec and WWW

***Position is split between GF, Elec, and WWW

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	
Financial Stability & Rate Management	Refine and update the rate model annually to ensure cost recovery and long-term financial sustainability	Rate model presented to stakeholders at least once per year	Yes	
	Monitor revenue and expenditure trends to support budget accuracy and reserve planning	90% accuracy in revenue and expenditure forecasts for financial planning	≥90%	≥90
	Implement strategies for optimizing debt management and capital funding	Maintain a minimum DSCR of 1.2	1.2	1.2
Infrastructure Maintenance & System Integrity	Support long-term capital improvement planning for water and wastewater infrastructure	% of projects completed on time and within budget	0.9	
	Coordinate with operations to prioritize infrastructure needs that ensure service continuity	Updated CIP priority list reviewed with operations teams at least semi-annually	Yes	Yes
Operational Excellence & Customer Service	Streamline administrative processes to improve efficiency and reduce costs	% reduction in processing time for key tasks annually	0.05	
	Enhance communication and transparency with customers	% of customer inquiries responded to within 2 hours	0.95	0.95
Water Loss Reduction & Drought Preparedness	Monitor and implement water loss reduction and drought response strategies	Reports submitted on time and compliance maintained with state deadlines	Yes	
Strengthen utility planning through development of comprehensive master plans	Create or update the Water, Wastewater, and Reclaimed Water Master Plans to guide infrastructure and service needs	Completion status of Master Plan updates	Yes	

(continued from above)

FY26
Yes
0.9
0.05
Yes
Yes

Maintenance

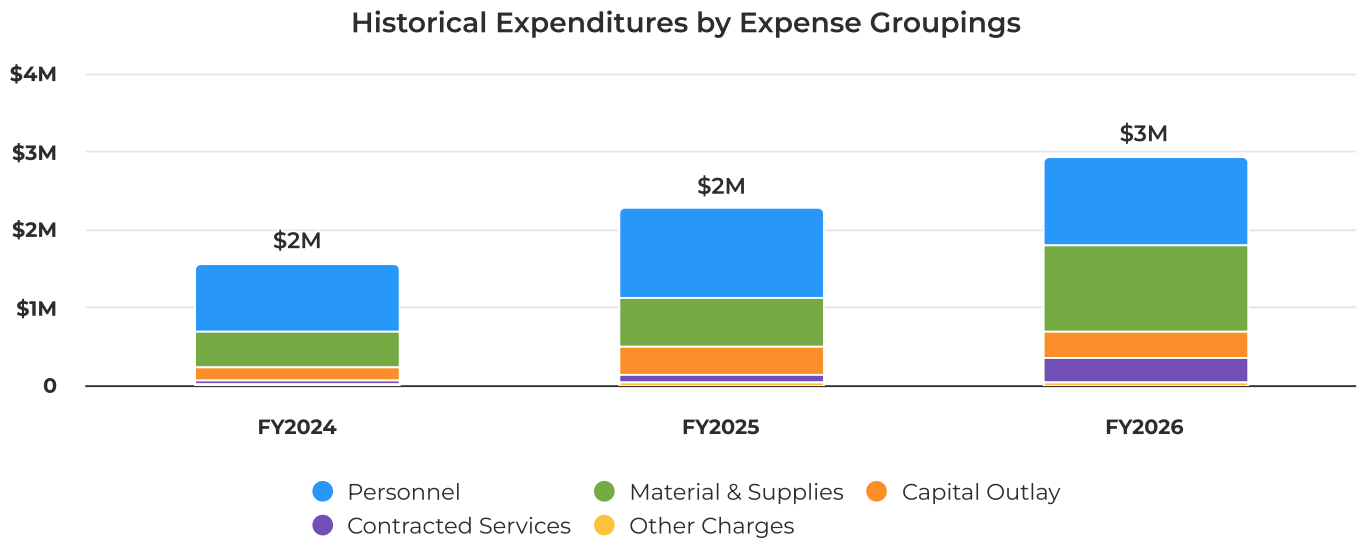
Department Description:

The Utility Maintenance Department is responsible for the preventative maintenance and operational reliability of the City of San Marcos' water stations, lift stations, and wells. The department oversees instrumentation and control systems that manage flows throughout the utility system and facilitates the SCADA system for Water and Wastewater assets. In addition to routine maintenance, the team performs lift station rehabs, pump motor replacements, and collects system performance data that informs capital improvement planning and infrastructure investment decisions.

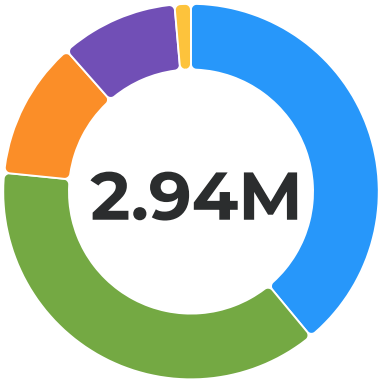
Mission:

The Utility Maintenance Department is committed to ensuring the safe, reliable, and efficient operation of Water and Wastewater infrastructure through preventative maintenance, SCADA system support, and control system reliability. We support public health and service continuity while helping shape long-term capital improvement planning through equipment rehabilitation and data-driven infrastructure analysis.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,144,717	38.99%
Material & Supplies	$1,104,300	37.61%
Capital Outlay	$349,152	11.89%
Contracted Services	$296,650	10.10%
Other Charges	$41,310	1.41%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$865,830	$1,162,729	$406,877	$1,144,717	-1.55%
Contracted Services	$30,310	$101,000	$101,000	$296,650	193.71%
Material & Supplies	$453,736	$603,300	$600,975	$1,104,300	83.04%
Other Charges	$22,767	$37,350	$37,350	$41,310	10.60%
Capital Outlay	$187,780	$367,425	$920,817	$349,152	-4.97%
Total Expenditures	**$1,560,423**	**$2,271,804**	**$2,067,019**	**$2,936,129**	**29.24%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Electrical Maintenance Technician	1.00	1.00	1.00
Equipment Operator I-W/WW-Maintenance	3.00	3.00	3.00
Instrumentation And Controls Maintenance Technician	3.00	3.00	3.00
Water/Wastewater Controls Supervisor	1.00	1.00	1.00
Water/Wastewater Maintenance Supervisor	1.00	1.00	1.00
Water/Wastewater Maintenance Technician	3.00	3.00	3.00
FTE Total	**12.00**	**12.00**	**12.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Ensure operational reliability of critical utility infrastructure	Perform scheduled preventative maintenance on water stations, lift stations, and wells	% of preventative maintenance tasks completed on schedule	90%	90%
	Rehabilitate aging lift stations and pump motors to extend service life and reduce unplanned downtime	Number of stations/motors rehabilitated	3	3
Support real-time monitoring and automation systems	Maintain and calibrate instrumentation and control systems for flow management	% of instrumentation assets inspected and verified	90%	90%
	Facilitate SCADA upgrades and ensure reliable system monitoring	% SCADA uptime and completion of scheduled upgrades	98%	98%
Strengthen long-term infrastructure planning	Collect and report maintenance and performance data to support capital improvement planning	System data logs submitted and integrated into CIP review	Yes	Yes

Collections

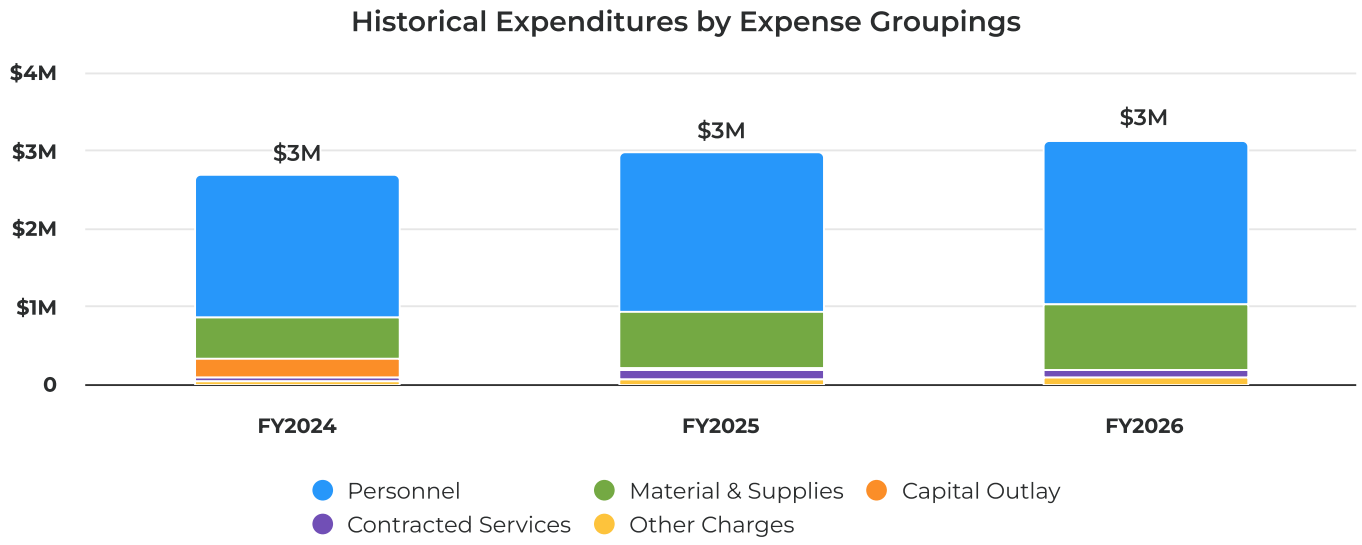
Department Description:

The Wastewater Collections Department is responsible for operating and maintaining the City's wastewater collection system. Through routine inspections, preventive maintenance, and rapid response to system conditions, the department ensures safe, continuous, and environmentally compliant wastewater service.

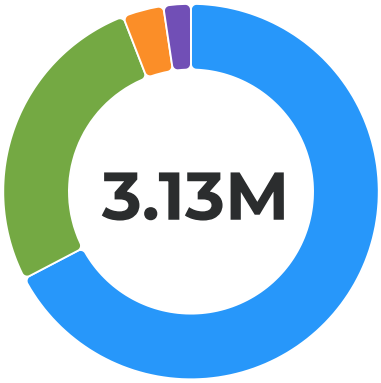
Mission:

The Wastewater Collections Department is committed to delivering reliable and efficient wastewater collection services by proactively inspecting, maintaining, and responding to system needs. Through its operations, the department supports public health, environmental protection, and uninterrupted service across the City of San Marcos.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$2,106,640	67.33%
Material & Supplies	$837,890	26.78%
Contracted Services	$110,700	3.54%
Other Charges	$73,700	2.36%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,833,873	$2,047,826	$2,069,210	$2,106,640	2.87%
Contracted Services	$43,244	$106,100	$99,500	$110,700	4.34%
Material & Supplies	$527,664	$710,390	$678,890	$837,890	17.95%
Other Charges	$46,004	$70,220	$57,820	$73,700	4.96%
Capital Outlay	$230,060	$40,000	$388,618	-	-100.00%
Total Expenditures	**$2,680,845**	**$2,974,536**	**$3,294,038**	**$3,128,930**	**5.19%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Crew Leader-Water/Wastewater	4.00	4.00	4.00
Equipment Operator I-W/WW-Collection	9.00	9.00	9.00
Heavy Equipment Operator II-W/WW-Collection	8.00	8.00	8.00
Senior Sanitarian-Fog*	0.50	0.50	0.50
Wastewater Collection Manager	1.00	1.00	1.00
Wastewater Collection Supervisor	1.00	1.00	1.00
FTE Total	**23.50**	**23.50**	**23.50**

*Position is split between GF and WWW

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Operate and maintain an effective and efficient wastewater collection system	Perform routine inspection and cleaning of the wastewater collection system to prevent blockages and reduce overflows	Linear feet of wastewater lines inspected and cleaned	10,000	10,000
	Implement condition assessment for aging infrastructure using CCTV or similar technologies	% of critical wastewater lines assessed	30%	30%

Water Quality

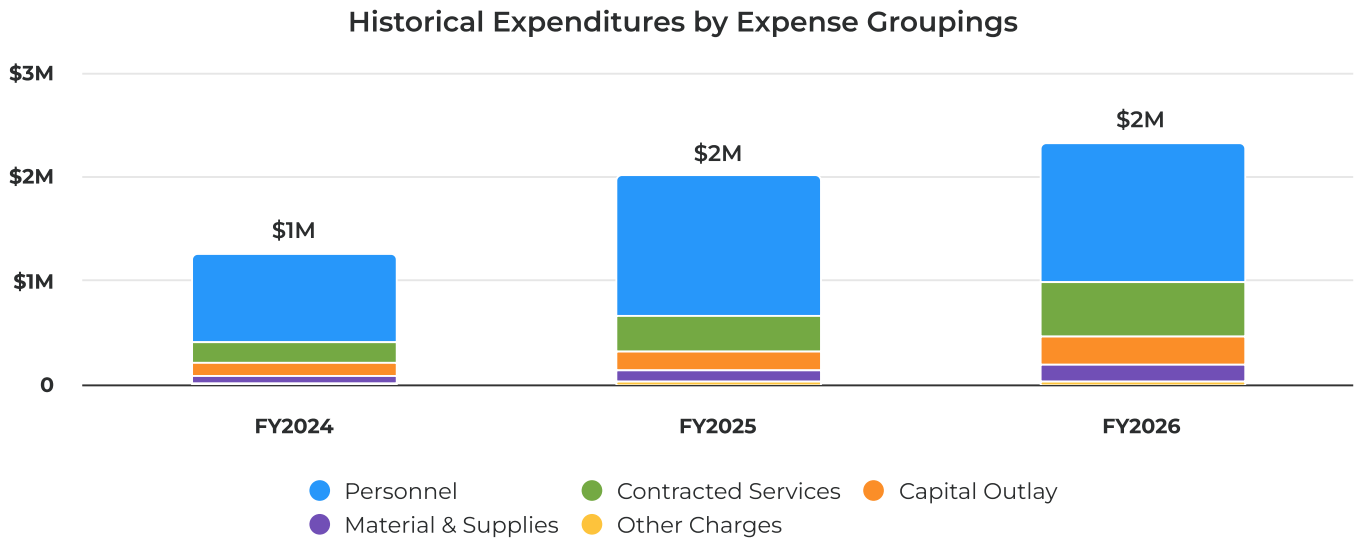
Department Description:

The Water Quality Department monitors drinking water and wastewater within the City of San Marcos' distribution and collection systems to ensure compliance with all local, state, and federal regulations. The department is dedicated to protecting public health and the environment by providing safe, high-quality drinking water and supporting clean water systems for recreational use and community well-being.

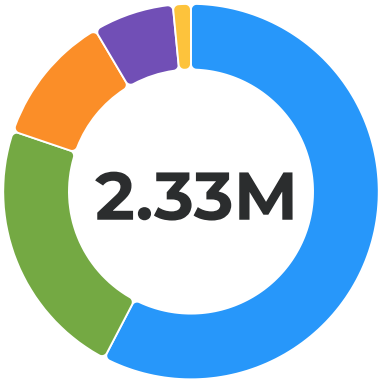
Mission:

The Water Quality Department strives to protect public health, preserve environmental quality, and strengthen community trust by ensuring safe delivery of drinking water. We are committed to continuous improvement, regulatory excellence, and proactive service to support the highest quality of life for the San Marcos community.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$1,340,707	57.64%
Contracted Services	$525,277	22.58%
Capital Outlay	$262,000	11.26%
Material & Supplies	$162,300	6.98%
Other Charges	$35,900	1.54%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$857,910	$1,343,931	$1,259,455	$1,340,707	-0.24%
Contracted Services	$194,326	$346,613	$369,378	$525,277	51.55%
Material & Supplies	$79,466	$115,456	$118,023	$162,300	40.57%
Other Charges	$9,647	$27,900	$27,900	$35,900	28.67%
Capital Outlay	$118,654	$175,000	$175,000	$262,000	49.71%
Total Expenditures	**$1,260,004**	**$2,008,900**	**$1,949,756**	**$2,326,184**	**15.79%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant	1.00	1.00	1.00
Water Quality Crew Leader	2.00	2.00	2.00
Water Quality Lab Supervisor	1.00	1.00	1.00
Water Quality Lab Technician	2.00	2.00	2.00
Water Quality Manager	1.00	1.00	1.00
Water Quality Supervisor	1.00	1.00	1.00
Water Quality Technician	6.00	6.00	6.00
FTE Total	**14.00**	**14.00**	**14.00**

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Administer and maintain compliance with all federal, state and local regulations	Conduct routine compliance inspections of industrial and commercial customers	Number of inspections completed and reports filed	370	370
	Perform water sampling and analysis to ensure water quality standards are met across the distribution system	Number of samples taken and analyzed	14,700	15,000
Expand internal lab services for regulatory testing	Begin proficiency testing for conventional parameters to support regulatory certification	Proficiency testing initiated for conventional analysis	Yes	Yes
Develop and manage internal lab services for regulatory testing	Establish internal lab capabilities to achieve proficiency for E. coli testing under regulatory standards	Internal lab certification	Yes	Yes

Distribution

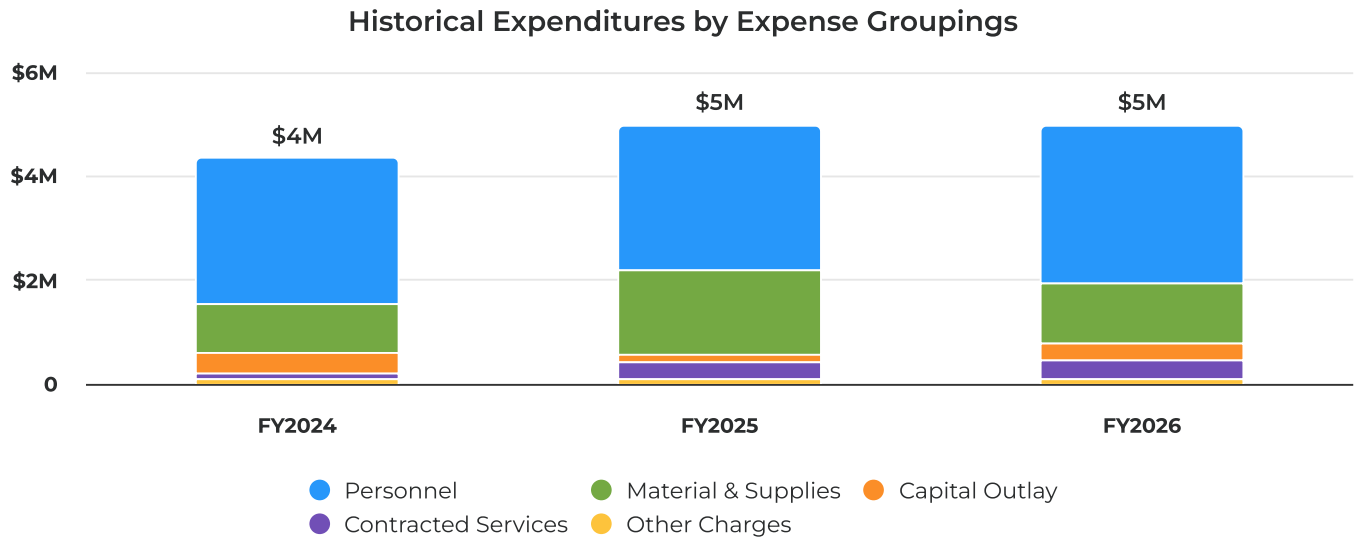
Department Description:

The Water Distribution Department is responsible for operating, maintaining, and repairing the City of San Marcos' potable water distribution system. Core services include water main and water service repairs, main and service line taps, extensions, replacements, relocations, valve exercising, hydrant flushing, and the replacement of large commercial meters (3 inches or greater). The department also maintains a construction crew that supports capital improvement projects (CIP) and infrastructure expansions to meet the needs of the growing community.

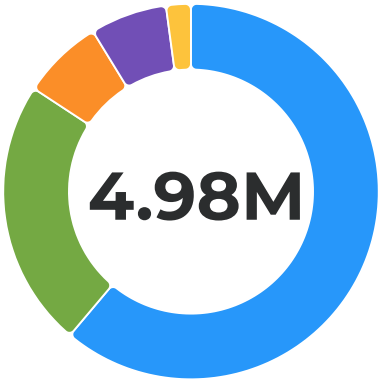
Mission:

The Water Distribution Department is committed to delivering safe and reliable water service through responsive repairs, system upgrades, and infrastructure improvements. The department supports the long-term needs of the San Marcos community by maintaining water system integrity, replacing aging assets, and collaborating on capital improvement projects.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$3,044,561	61.14%
Material & Supplies	$1,150,494	23.10%
Capital Outlay	$349,000	7.01%
Contracted Services	$328,995	6.61%
Other Charges	$106,790	2.14%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$2,825,938	$2,806,923	$3,160,598	$3,044,561	8.47%
Contracted Services	$125,413	$330,631	$331,131	$328,995	-0.49%
Material & Supplies	$935,152	$1,619,669	$1,407,115	$1,150,494	-28.97%
Other Charges	$83,472	$94,400	$91,600	$106,790	13.13%
Capital Outlay	$375,085	$130,502	$853,877	$349,000	167.43%
Total Expenditures	**$4,345,060**	**$4,982,125**	**$5,844,321**	**$4,979,840**	**-0.05%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Crew Leader-Water/Wastewater	6.00	6.00	6.00
Equipment Operator I-W/WW-Distribution	16.00	16.00	15.00
Heavy Equipment Operator II-W/WW-Distribution	6.00	6.00	6.00
Inventory Control Technician	1.00	0.00	0.00
Utility Line Locator	0.00	0.00	1.00
W/WW Backflow Prevention Coordinator	1.00	1.00	1.00
W/WW Backflow Prevention Technician	1.00	1.00	1.00
Water Distribution Manager	1.00	1.00	1.00
Water Distribution Supervisor*	1.00	1.00	2.00
FTE Total	**33.00**	**32.00**	**33.00**

*1 FTE New Position

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Maintain and operate a reliable water distribution system	Conduct annual hydrant flushing to ensure system readiness	% of valves and hydrants inspected annually	100%	100%
	Conduct routine valve inspections	# of valves inspected annually	150	150
	Respond to main breaks and service calls to minimize downtime and disruptions	# of water main breaks & service repairs	250	250
	Replace aging large commercial meters (3" and above) to ensure accuracy and service reliability	% large commercial meters replaced	10%	10%
Support system expansion and improvement	Provide construction support for scheduled CIP projects	% of CIP-related construction completed on schedule	90%	90%

W|WW Conservation

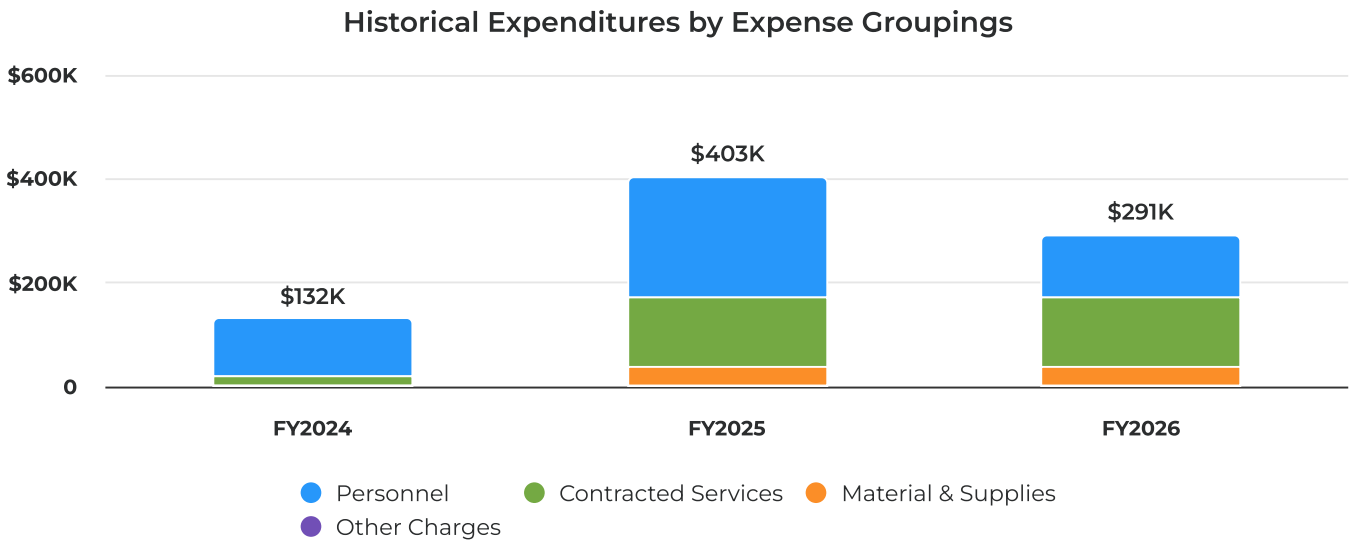
Department Description:

The Water and Wastewater Conservation Division supports the City Council's goal of environmental stewardship by promoting the efficient use of water through public education, community outreach, regulatory compliance, and incentive programs. The division implements water efficiency strategies, manages drought response efforts, and engages with residents, schools, and businesses to reduce water consumption, and preserve long-term water supply.

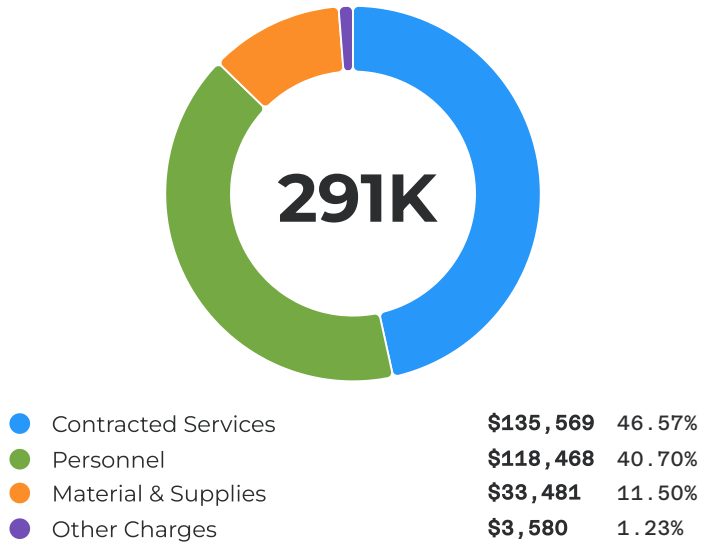
Mission:

The Water and Wastewater Conservation Division is committed to advancing environmental stewardship by implementing water efficiency programs and promoting responsible resource use through education, outreach, and financial incentives. We work to ensure a sustainable future for San Marcos by supporting conservation goals that benefit both the community and the environment.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$110,787	$230,802	$153,512	$118,468	-48.67%
Contracted Services	$18,949	$135,540	$24,500	$135,569	0.02%
Material & Supplies	$940	$33,481	$12,800	$33,481	0.00%
Other Charges	$1,164	$3,270	$1,500	$3,580	9.48%
Total Expenditures	**$131,839**	**$403,093**	**$192,312**	**$291,098**	**-27.78%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Conservation Technician*	0.50	0.50	0.50
Irrigation Inspector	1.00	1.00	0.00
Utilities Conservation Coordinator*	0.50	0.50	0.50
FTE Total	**2.00**	**2.00**	**1.00**

*Position is split between Elec and WWW

Goals and Performance Measures

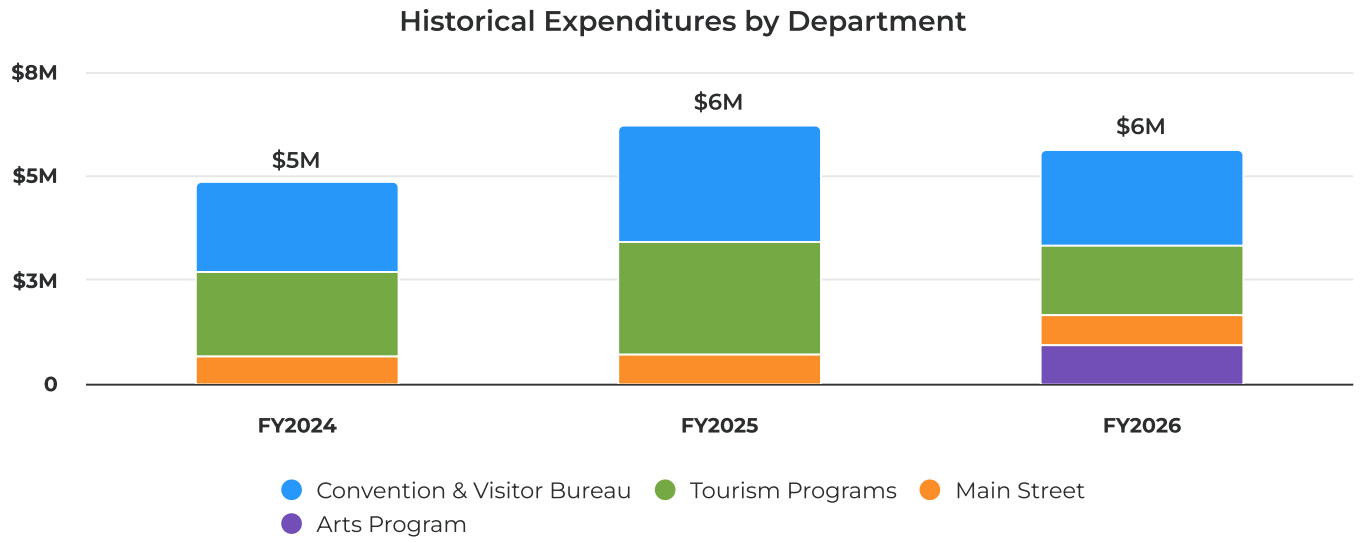
Goal	Objective	Performance Measure	FY25	FY26
Promote water conservation awareness and enhance community engagement	Conduct outreach campaigns to educate customers on water-saving practices	Number of outreach events or campaigns completed	3	4
	Evaluate and update conservation programs annually based on participation and impact	Annual review completed and updates implemented	1	1
Support compliance with water conservation and drought regulations	Track and report customer violations and enforce water use restrictions	Number of violations addressed and reports submitted	100% compliance	100% compliance
Facilitate participation in conservation programs	Increase customer participation in water rebate programs (e.g., irrigation audits, fixture replacements)	Number of rebates issued or program participants	150	150

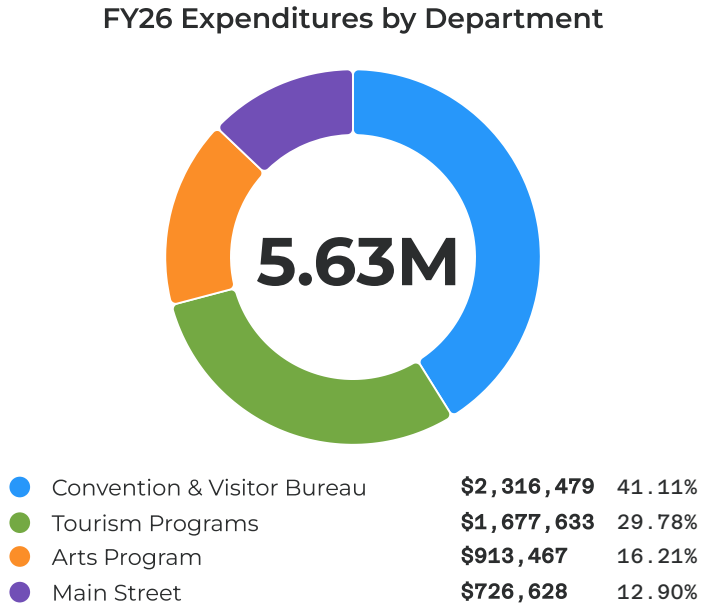
Destination Services



Destination Services Budgets

Expenditures by Department

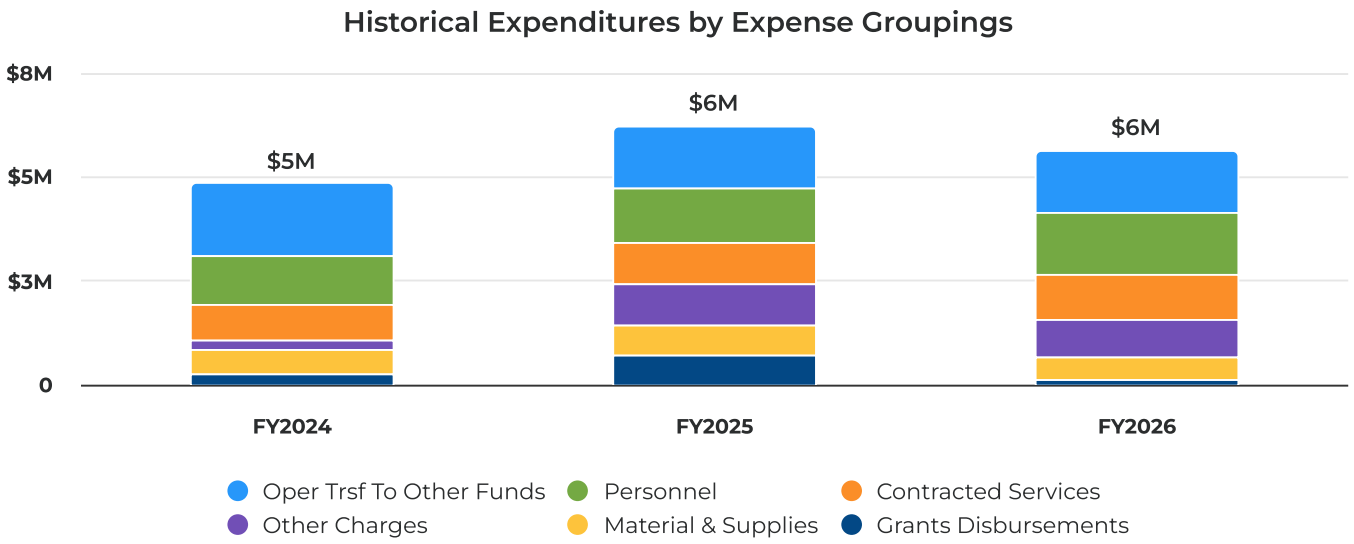


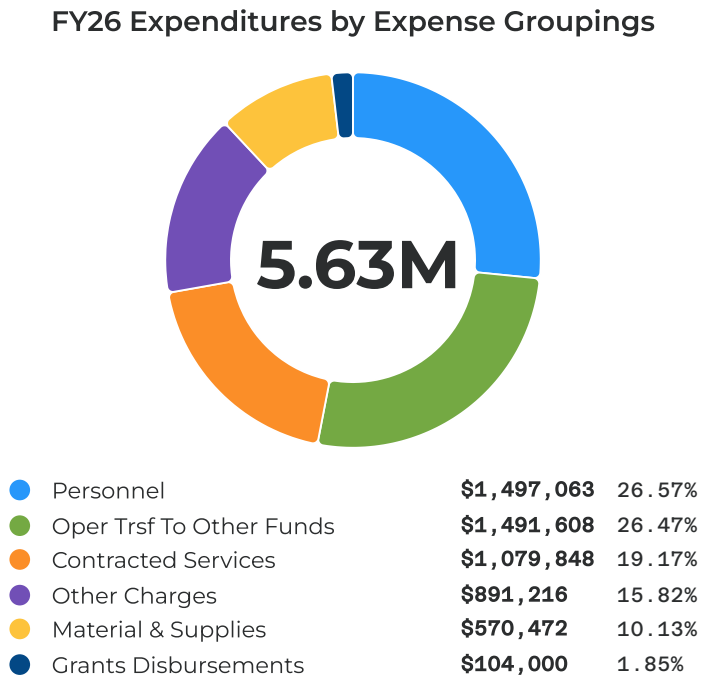


Expenditures by Department

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Convention & Visitor Bureau	$2,157,181	$2,779,661	$2,482,007	$2,316,479	-16.66%
Main Street	$633,061	$712,282	$630,859	$726,628	2.01%
Tourism Programs	$2,048,928	$2,720,516	$1,983,620	$1,677,633	-38.33%
Arts Program	-	-	-	$913,467	-
Total Expenditures	**$4,839,170**	**$6,212,459**	**$5,096,486**	**$5,634,207**	**-9.31%**

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$1,149,102	$1,290,847	$1,235,393	$1,497,063	15.98%
Contracted Services	$888,390	$1,020,126	$678,741	$1,079,848	5.85%
Material & Supplies	$570,090	$758,329	$732,835	$570,472	-24.77%
Other Charges	$227,102	$965,653	$410,800	$891,216	-7.71%
Grants Disbursements	$254,064	$679,032	$711,022	$104,000	-84.68%
Oper Trsf To Other Funds	$1,750,421	$1,498,472	$1,327,695	$1,491,608	-0.46%
Total Expenditures	**$4,839,170**	**$6,212,459**	**$5,096,486**	**$5,634,207**	**-9.31%**

Convention and Visitor Bureau

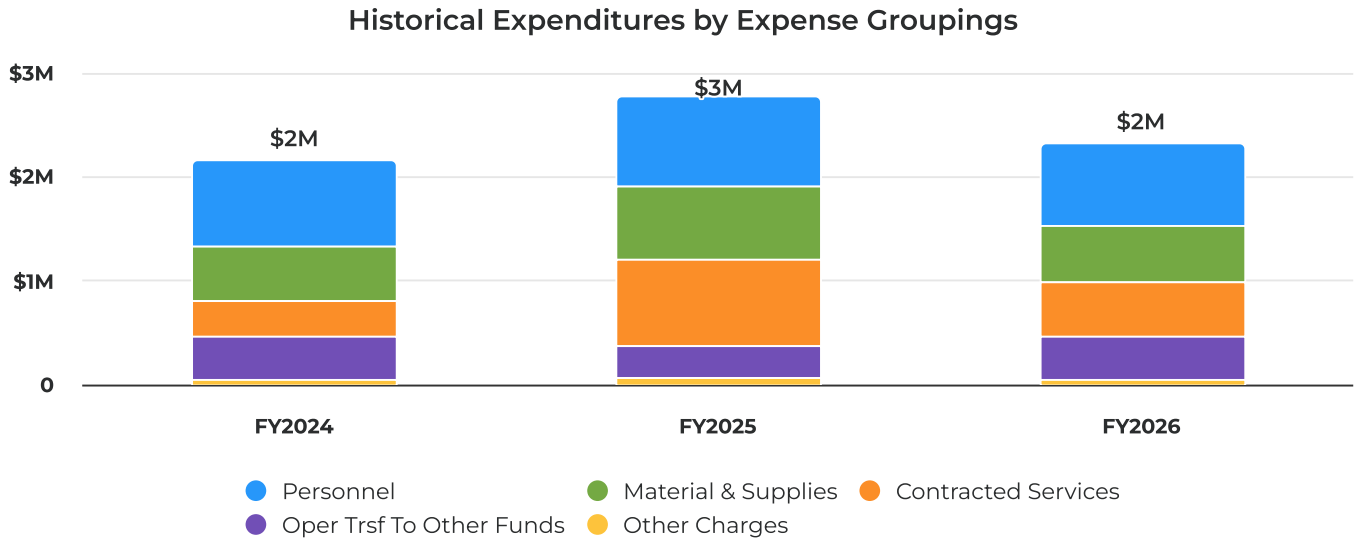
Department Description:

The Convention and Visitor Bureau is the destination marketing department of the City of San Marcos. The CVB markets the city's attractions, events and points of interest to attract overnight stays and stimulate the local economy by purchasing advertising and creating printed and digital materials. We serve as liaisons between our city and visitors, event and meeting planners, sports organizers and the media with the anticipation of having a positive experience while visiting.

Mission:

We are committed to developing and marketing San Marcos as a premier year-round destination for leisure, group, and business travelers that will have a positive economic impact on the community. To support and contribute to the artistic vitality, diverse cultural heritage and economic prosperity of our city in an effort to distinguish it from other communities while promoting tourism to San Marcos.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$784,192	33.85%
Material & Supplies	$548,952	23.70%
Contracted Services	$518,841	22.40%
Oper Trsf To Other Funds	$418,603	18.07%
Other Charges	$45,891	1.98%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$832,516	$870,333	$870,131	$784,192	-9.90%
Contracted Services	$333,300	$828,936	$573,689	$518,841	-37.41%
Material & Supplies	$528,990	$712,509	$688,750	$548,952	-22.96%
Other Charges	$38,676	$64,846	$46,400	$45,891	-29.23%
Oper Trsf To Other Funds	$423,699	$303,037	$303,037	$418,603	38.14%
Total Expenditures	**$2,157,181**	**$2,779,661**	**$2,482,007**	**$2,316,479**	**-16.66%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior*	0.00	0.00	0.33
Crew Leader-Stormwater	4.00	4.00	4.00
Equipment Operator I-Drainage	9.00	9.00	8.00
Heavy Equipment Operator II-Drainage	4.00	4.00	5.00
Stormwater Coordinator	1.00	1.00	1.00
Stormwater Supervisor	1.00	1.00	1.00
Stormwater Systems Manager	1.00	1.00	1.00
Stormwater Technician	1.00	1.00	1.00
FTE Total	**21.00**	**21.00**	**21.33**

*New Position, Position is split between GF and Stormwater

Goals and Performance Measures

Goal	Objective	Performance Measure	FY25	FY26
Increase visitor and conference activity	Hotel occupancy rate	Rate		
	Host travel agents and tour operators	Visits achieved		
	Event servicing	Number of conferences/events serviced		
Promote San Marcos as a destination via paid advertising, blogs, website, social media and media	Website users - Domestic	Number of users		
	Host travel writers	Media Visits achieved		
	Email Marketing	Signups		
	Digital Marketing	KPI-Multi page conversions		
	Social media engagement	Total From all media platforms		
	Social media impressions	Total From all media platforms		
	Tourism blogs/landing pages posted to the website	Total Posted to website		
Mexico as the top International Market	Marketing programs within Mexico	Programs achieved		
	Media visits to San Marcos (quality)	Media Visits achieved		
	Website users - Domestic	Number of users		

Mainstreet

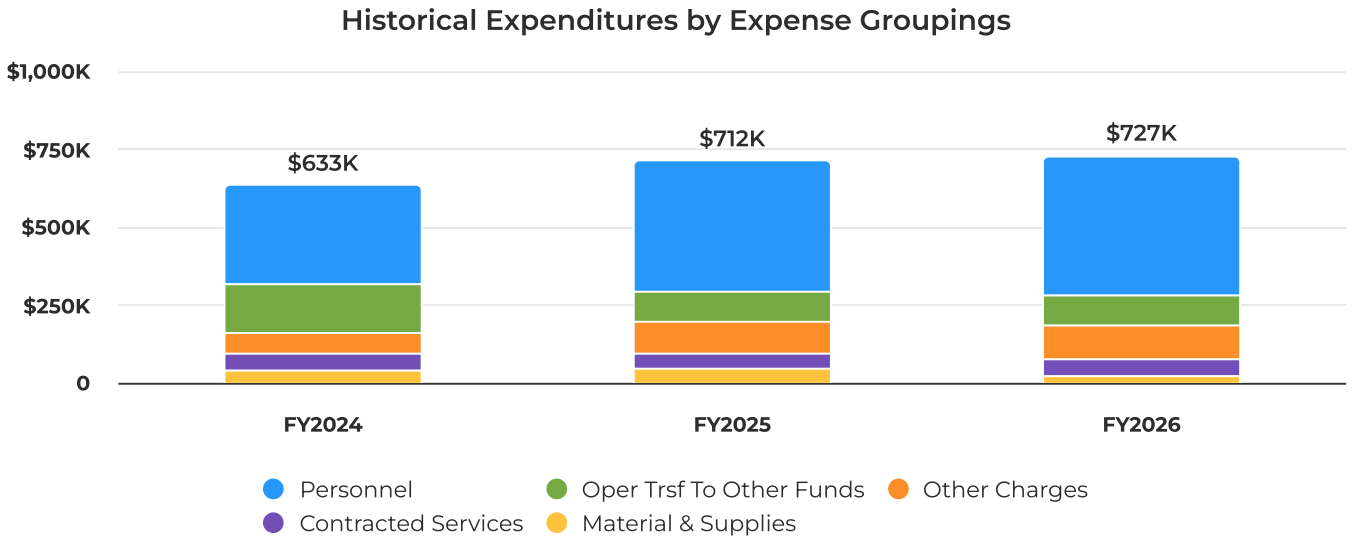
Department Description:

Main Street is the downtown program within Destination Services. The program focuses on district boundaries, which include 20 blocks at the core of downtown. In 2025, these 20 blocks house ~290 businesses, 950 residents, and over 2,000 employees. Downtown San Marcos follows the Main Street America approach to downtown revitalization, which focuses on four core pillars of Economic Vitality, Promotion, Design, and Organization.

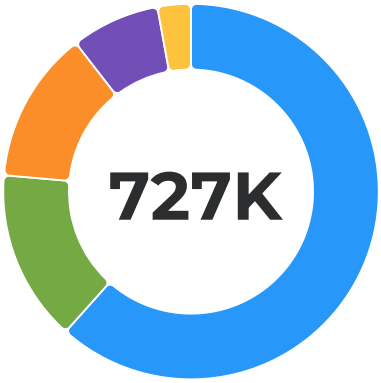
Mission:

The San Marcos Main Street Program's mission is to foster a downtown where small businesses thrive and a destination that is culturally vibrant where people of all ages can connect, create, and celebrate.

Expenditures by Expense Groupings



FY26 Expenditures by Expense Groupings



Personnel	$447,813	61.63%
Other Charges	$107,225	14.76%
Oper Trsf To Other Funds	$95,372	13.13%
Contracted Services	$55,398	7.62%
Material & Supplies	$20,820	2.87%

Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	$316,587	$420,514	$365,262	$447,813	6.49%
Contracted Services	$52,027	$46,190	$32,497	$55,398	19.94%
Material & Supplies	$41,101	$45,820	$44,085	$20,820	-54.56%
Other Charges	$64,885	$105,143	$94,400	$107,225	1.98%
Oper Trsf To Other Funds	$158,462	$94,615	$94,615	$95,372	0.80%
Total Expenditures	**$633,061**	**$712,282**	**$630,859**	**$726,628**	**2.01%**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Administrative Assistant, Senior	1.00	1.00	1.00
Code Compliance Officer*	0.00	0.00	0.50
Downtown Grounds Crew Leader	0.00	1.00	1.00
Downtown Grounds Worker**	1.00	1.00	1.00
Downtown Manager	1.00	1.00	1.00
Downtown Program Coordinator	1.00	1.00	1.00
Special Events Coordinator*	0.00	0.50	0.50
FTE Total	**4.00**	**5.50**	**6.00**

*Position is split between GF and HOT
**ARPA funded

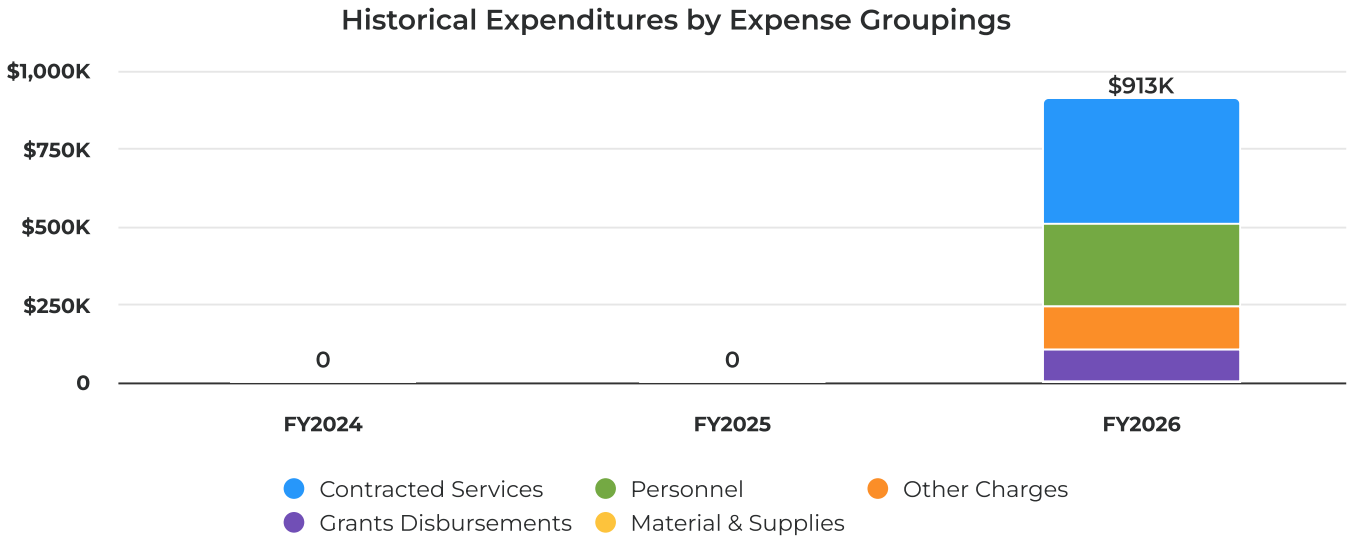
Goals and Performance Measures

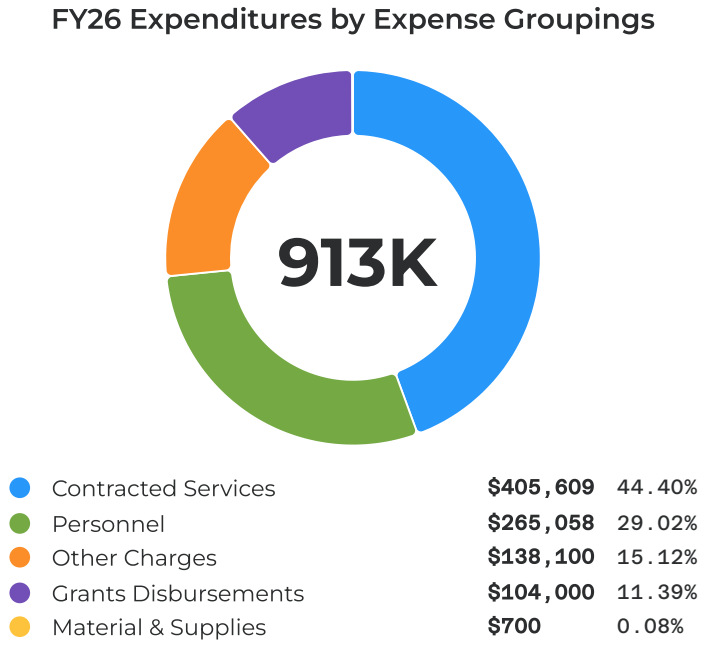
Goal	Objective	Performance Measure	FY25	FY26
Improve look and feel of downtown so that visitors and locals feel safe and welcome	Complete beautification projects	# of projects	4	6
	Complete placemaking projects	# of projects	2	3
	Complete volunteer projects	# of volunteer hours		
Improve business and property owner communication, provide resources and outreach	Provide resources to business and property owners	# of 1-on-1 consultations		
	Provide incentive grant funding for signage	# of projects funded through Main Street grant	10	12
Promote Downtown San Marcos as a destination via social media, special events and media attention	Reach regional markets through social media	Engagement rate (percentage of people who interacted with content) Industry standard is 1-3%		
	Promote to regional markets through social media	Reach (number of times content is viewed)		
	Generate visitors to downtown	# of attendees to events	6,500	7,500
	Nominate downtown, its businesses, people and properties for awards and nominations	# of successful nominations	1	2

Arts Programs

The Arts Programs is a newly formed division within Destination Services. Formed in Fiscal Year 2026.

Expenditures by Expense Groupings





Expenditures by Expense Groupings

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Personnel	-	-	-	$265,058	-
Contracted Services	-	-	-	$405,609	-
Material & Supplies	-	-	-	$700	-
Other Charges	-	-	-	$138,100	-

Category	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025 Adopted Budget vs. FY 2026 Proposed (% Change)
Grants Disbursements	-	-	-	$104,000	-
Total Expenditures	**-**	**-**	**-**	**$913,467**	**-**

Authorized Position List

	FY2023-24 Actual	FY2024-25 Estimate	FY2025-26 Proposed
Arts Coordinator	0.00	0.00	1.00
Arts, Culture, and Heritage Manage	0.00	0.00	1.00
FTE Total	**0.00**	**0.00**	**2.00**

*New Position

City Facts

2025 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of San Marcos
Taxing Unit Name

(512) 393-8176
Phone (area code and number)

630 E Hopkins, San Marcos, TX, 78666
Taxing Unit's Address, City, State, ZIP Code

https://www.sanmarcostx.gov
Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements.*

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet.*

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet		Amount/Rate
1.	**Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[1]		$ 9,293,228,012
2.	**Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[2]		$ 0
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.		$ 9,293,228,012
4.	**Prior year total adopted tax rate.**		$ 0.603000 /$100
5.	**Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.**		
	A. **Original prior year ARB values:**	$ 1,204,059,634	
	B. **Prior year values resulting from final court decisions:**	- $ 1,077,383,340	
	C. **Prior year value loss.** Subtract B from A.[3]		$ 126,676,294
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.**		
	A. **Prior year ARB certified value:**	$ 822,621,562	
	B. **Prior year disputed value:**	- $ 82,262,156	
	C. **Prior year undisputed value.** Subtract B from A.[4]		$ 740,359,406
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.		$ 867,035,700

[1] Tex. Tax Code §26.012(14)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(13)
[4] Tex. Tax Code §26.012(13)

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division

For additional copies, visit: **comptroller.texas.gov/taxes/property-tax**

50-856 • 3-25/12

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts **Form 50-856**

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 10,160,263,712
9.	**Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024.** Enter the prior year value of property in deannexed territory. [5]	$ 0
10.	**Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. **A. Absolute exemptions.** Use prior year market value: $ 4,741,916 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 21,417,194 **C. Value loss.** Add A and B. [6]	$ 26,159,110
11.	**Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. **A. Prior year market value:** $ 0 **B. Current year productivity or special appraised value:** - $ 0 **C. Value loss.** Subtract B from A. [7]	$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 26,159,110
13.	**Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. [8] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 1,321,758,897
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 8,812,345,705
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 53,138,444
16.	**Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. [9]	$ 1,143,894
17.	**Adjusted prior year levy with refunds and TIF adjustment.** Add Lines 15 and 16. [10]	$ 54,282,338
18.	**Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [11] **A. Certified values:** $ 9,725,375,371 **B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + $ 0 **C. Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - $ 0 **D. Tax increment financing:** Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. [12] - $ 1,248,375,465 **E. Total current year value.** Add A and B, then subtract C and D.	$ 8,476,999,906

[5] Tex. Tax Code §26.012(15)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.03(c)
[9] Tex. Tax Code §26.012(13)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012, 26.04(c-2)
[12] Tex. Tax Code §26.03(c)

For additional copies, visit: comptroller.texas.gov/taxes/property-tax Page 2

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts **Form 50-856**

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	**Total value of properties under protest or not included on certified appraisal roll.** [13]	
	A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [14] ..... $ 462,416,835	
	B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [15] ..... + $ 0	
	C. Total value under protest or not certified. Add A and B.	$ 462,416,835
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. [16]	$ 0
21.	**Current year total taxable value.** Add Lines 18E and 19C. Subtract Line 20. [17]	$ 8,939,416,741
22.	**Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [18]	$ 1,845,525
23.	**Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [19]	$ 290,865,264
24.	**Total adjustments to the current year taxable value.** Add Lines 22 and 23.	$ 292,710,789
25.	**Adjusted current year taxable value.** Subtract Line 24 from Line 21.	$ 8,646,705,952
26.	**Current year NNR tax rate.** Divide Line 17 by Line 25 and multiply by $100. [20]	$ 0.627780 /$100
27.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. [21]	$ 0.000000 /$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	**Prior year M&O tax rate.** Enter the prior year M&O tax rate.	$ 0.450000 /$100
29.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 10,160,263,712

[13] Tex. Tax Code §26.01(c) and (d)
[14] Tex. Tax Code §26.01(c)
[15] Tex. Tax Code §26.01(d)
[16] Tex. Tax Code §26.012(6)(B)
[17] Tex. Tax Code §26.012(6)
[18] Tex. Tax Code §26.012(17)
[19] Tex. Tax Code §26.012(17)
[20] Tex. Tax Code §26.04(c)
[21] Tex. Tax Code §26.04(d)

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Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	**Total prior year M&O levy.** Multiply Line 28 by Line 29 and divide by $100	$ 45,721,186
31.	**Adjusted prior year levy for calculating NNR M&O rate.**	
	A. **M&O taxes refunded for years preceding the prior tax year.** Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year. + $ 834,584	
	B. **Prior year taxes in TIF.** Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 5,947,915	
	C. **Prior year transferred function.** If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0	
	D. **Prior year M&O levy adjustments.** Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ -5,113,331	
	E. Add Line 30 to 31D.	$ 40,607,855
32.	**Adjusted current year taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ 8,646,705,952
33.	**Current year NNR M&O rate (unadjusted).** Divide Line 31E by Line 32 and multiply by $100.	$ 0.469633 /$100
34.	**Rate adjustment for state criminal justice mandate.** [23]	
	A. **Current year state criminal justice mandate.** Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. $ 0	
	B. **Prior year state criminal justice mandate.** Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. – $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100. $ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
35.	**Rate adjustment for indigent health care expenditures.** [24]	
	A. **Current year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. $ 0	
	B. **Prior year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. – $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100. $ 0.000000 / $100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100

[23] [Reserved for expansion]
[24] Tex. Tax Code §26.044
[25] Tex. Tax Code §26.0441

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Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	**Rate adjustment for county indigent defense compensation.** [25]	
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose..... $ 0	
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose..... $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100..... $ 0.000000 /$100	
	D. Multiply B by 0.05 and divide by Line 32 and multiply by $100..... $ 0.000000 /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.	$ 0.000000 /$100
37.	**Rate adjustment for county hospital expenditures.** [26]	
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year..... $ 0	
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. ..... $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100..... $ 0.000000 /$100	
	D. Multiply B by 0.08 and divide by Line 32 and multiply by $100..... $ 0.000000 /$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	$ 0.000000 /$100
38.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
	A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year..... $ 0	
	B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year..... $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100 ..... $ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
39.	**Adjusted current year NNR M&O rate.** Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	$ 0.469633 /$100
40.	**Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent..... $ 12,840,376	
	B. Divide Line 40A by Line 32 and multiply by $100 ..... $ 0.148500 /$100	
	C. Add Line 40B to Line 39.	$ 0.618133 /$100
41.	**Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	$ 0.639767 /$100

[25] Tex. Tax Code §26.0442
[26] Tex. Tax Code §26.0443

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Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	***Disaster Line 41 (D41):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08.[27] If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	$ _____ /$100
42.	**Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes, **(2)** are secured by property taxes, **(3)** are scheduled for payment over a period longer than one year, and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here.[28] Enter debt amount ... $ 19,101,858 **B.** Subtract **unencumbered fund amount** used to reduce total debt. ... – $ 0 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) ... – $ 0 **D.** Subtract **amount paid** from other resources ... – $ 3,433,296 **E. Adjusted debt.** Subtract B, C and D from A.	$ 15,668,562
43.	**Certified prior year excess debt collections.** Enter the amount certified by the collector.[29]	$ 0
44.	**Adjusted current year debt.** Subtract Line 43 from Line 42E.	$ 15,668,562
45.	**Current year anticipated collection rate.** **A.** Enter the current year anticipated collection rate certified by the collector.[30] ... 100.00 % **B.** Enter the prior year actual collection rate. ... 98.75 % **C.** Enter the 2023 actual collection rate. ... 98.81 % **D.** Enter the 2022 actual collection rate. ... 100.42 % **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.[31]	100.00 %
46.	**Current year debt adjusted for collections.** Divide Line 44 by Line 45E.	$ 15,668,562
47.	**Current year total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 8,939,416,741
48.	**Current year debt rate.** Divide Line 46 by Line 47 and multiply by $100.	$ 0.175274 /$100
49.	**Current year voter-approval M&O rate plus current year debt rate.** Add Lines 41 and 48.	$ 0.815041 /$100
D49.	***Disaster Line 49 (D49):* Current year voter-approval tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	$ _____ /$100

[27] Tex. Tax Code §26.042(a)
[28] Tex. Tax Code §26.012(7)
[29] Tex. Tax Code §26.012(10) and 26.04(b)
[30] Tex. Tax Code §26.04(b)
[31] Tex. Tax Code §§26.04(h), (h-1) and (h-2)

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Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	**COUNTIES ONLY.** Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	$ 0.000000 /$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	**Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. [32] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	$ 0
52.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [33] **Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [34] **- or -** **Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ 12,840,376
53.	**Current year total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*.	$ 8,939,416,741
54.	**Sales tax adjustment rate.** Divide Line 52 by Line 53 and multiply by $100.	$ 0.143637 /$100
55.	**Current year NNR tax rate, unadjusted for sales tax.** [35] Enter the rate from Line 26 or 27, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ 0.627780 /$100
56.	**Current year NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	$ /$100
57.	**Current year voter-approval tax rate, unadjusted for sales tax.** [36] Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the *Voter-Approval Tax Rate Worksheet*.	$ 0.815041 /$100
58.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 54 from Line 57.	$ 0.671404 /$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [37] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [38]	$
60.	**Current year total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*.	$
61.	**Additional rate for pollution control.** Divide Line 59 by Line 60 and multiply by $100.	$ /$100

[32] Tex. Tax Code §26.041(d)
[33] Tex. Tax Code §26.041(i)
[34] Tex. Tax Code §26.041(d)
[35] Tex. Tax Code §26.04(c)
[36] Tex. Tax Code §26.04(c)
[37] Tex. Tax Code §26.045(d)
[38] Tex. Tax Code §26.045(i)

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Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	**Current year voter-approval tax rate, adjusted for pollution control.** Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	$ _____/$100

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.[39] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.[40] I

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;[41]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);[42] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.[43]

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.[44]

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	**Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value**	
	A. Voter-approval tax rate (Line 68)	$ 0.713653 /$100
	B. Unused increment rate (Line 67)	$ 0.077379 /$100
	C. Subtract B from A	$ 0.636274 /$100
	D. Adopted Tax Rate	$ 0.603000 /$100
	E. Subtract D from C	$ 0.033274 /$100
	F. 2024 Total Taxable Value (Line 60)	$ 8,937,878,173
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero	$ 2,973,989
64.	**Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.688700 /$100
	B. Unused increment rate (Line 66)	$ 0.124100 /$100
	C. Subtract B from A	$ 0.564600 /$100
	D. Adopted Tax Rate	$ 0.603000 /$100
	E. Subtract D from C	$ -0.038400 /$100
	F. 2023 Total Taxable Value (Line 60)	$ 8,595,347,645
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero	$ 0
65.	**Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.727000 /$100
	B. Unused increment rate (Line 66)	$ 0.152200 /$100
	C. Subtract B from A	$ 0.574800 /$100
	D. Adopted Tax Rate	$ 0.603000 /$100
	E. Subtract D from C	$ -0.028200 /$100
	F. 2022 Total Taxable Value (Line 60)	$ 7,283,889,570
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero	$ 0
66.	**Total Foregone Revenue Amount.** Add Lines 63G, 64G and 65G	$ 2,973,989.0000
67.	**2025 Unused Increment Rate.** Divide Line 66 by Line 21 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.033268 /$100
68.	**Total 2025 voter-approval tax rate, including the unused increment rate.** Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	$ 0.704672 /$100

[39] Tex. Tax Code §26.013(b)
[40] Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)
[41] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[42] Tex. Tax Code §§26.0501(a) and (c)
[43] Tex. Local Gov't Code §120.007(d)
[44] Tex. Local Gov't Code §120.007(d)

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SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [44]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [45]

Line	De Minimis Rate Worksheet	Amount/Rate
69.	**Adjusted current year NNR M&O tax rate.** Enter the rate from Line 39 of the *Voter-Approval Tax Rate Worksheet.*	0.469633
70.	**Current year total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 8,939,416,741
71.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 70 and multiply by $100.	$ 0.005593 /$100
72.	**Current year debt rate.** Enter the rate from Line 48 of the *Voter-Approval Tax Rate Worksheet.*	$ 0.175274 /$100
73.	**De minimis rate.** Add Lines 69, 71 and 72.	$ 0.650500 /$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.[48]

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year. [49]

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	**2024 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ _____ /$100
75.	**Adjusted 2024 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.* **- or -** If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [50] Enter the final adjusted 2024 voter-approval tax rate from the worksheet. **- or -** If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	$ _____ /$100
76.	**Increase in 2024 tax rate due to disaster.** Subtract Line 75 from Line 74.	$ _____ /$100
77.	**Adjusted 2024 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ _____
78.	**Emergency revenue.** Multiply Line 76 by Line 77 and divide by $100.	$ _____
79.	**Adjusted 2024 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ _____
80.	**Emergency revenue rate.** Divide Line 78 by Line 79 and multiply by $100. [51]	$ _____ /$100

[44] Tex. Tax Code §26.04(c)(2)(B)
[45] Tex. Tax Code §26.012(8-a)
[47] Tex. Tax Code §26.063(a)(1)
[48] Tex. Tax Code §26.042(b)
[49] Tex. Tax Code §26.042(f)
[50] Tex. Tax Code §§26.42(c)
[51] Tex. Tax Code §§26.42(b)

2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts **Form 50-856**

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	**Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	$ _____ /$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. ..... $ 0.627780 /$100
As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).
Indicate the line number used: 26

Voter-approval tax rate. ..... $ 0.704672 /$100
As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).
Indicate the line number used: 68

De minimis rate. ..... $ 0.650500 /$100
If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.[52]

print here ▶ Jennifer Escobar
Printed Name of Taxing Unit Representative

sign here ▶ *Jennifer Escobar* 08/08/2025
Taxing Unit Representative — Date

[52] Tex. Tax Code §§26.04(c-2) and (d-2)

Date amended: 08/08/02025

Appendix

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

ACFR: Annual Comprehensive Financial Report - A detailed report of an organization's financial activities and performance over the fiscal year.

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assets: Items owned by an organization that have economic value, such as cash, investments, property, and equipment.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's

apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful live extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Flow: The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to

determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Compliance: Adherence to relevant laws, regulations, and internal policies governing financial reporting and operations.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery — direct, indirect, and capital costs — are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Equity: The residual interest in the assets of an organization after deducting liabilities, representing the owners' stake in the business.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Financial Statements: Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

Fiscal Year: The 12-month period for which an organization plans the use of its funds, typically not the same as the calendar year.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GAAP: Generally Accepted Accounting Principles - Standard accounting principles, standards, and procedures that companies use to compile their financial statements.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Internal Controls: Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Liabilities: Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Net Income: The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as “personal services,” “expenses,” or “capital outlay.”

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Funds: Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenues: Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, $14.80 per $1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be

loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

Acronyms

ACFR Annual Comprehensive Financial Report

CDBG Community Development Block Grant

CIP Capital Improvement Program

CL Current Liabilities

CO's Certificates of Obligation Debt

CUAB Citizen's Utility Advisory Board

CVB Convention & Visitor's Bureau

FTE Full-Time Equivalent

FY Fiscal Year

GAAP Generally Accepted Accounting Principles

GASB Governmental Accounting Standards Board

GBRA Guadalupe-Blanco River Authority

GFOA Government Finance Officers Association

GO's General Obligation Debt

HCTAD Hays County Tax Appraisal District

I&S Interest and Sinking

LCRA Lower Colorado River Authority

NRMSIRs Nationally Recognized Municipal Securities Information Repositories

O&M Operations and Maintenance

OPS Operations

P&Z Planning and Zoning Commission

PARD Parks and Recreation Department

RB's Revenue Bonds

SEC Securities and Exchange Commission

SMCISD San Marcos Consolidated Independent School District

SMPD San Marcos Police Department

TML Texas Municipal League

TSUSM Texas State University – San Marcos

WIC Women, Infants and Children Program Fund

W/WW Water/ Wastewater Utility Fund