

City of Waco
TEXAS

**City Manager's
Submitted Budget
FY2021-22**



Fiscal Year Budget
2021 - 2022

CITY OF WACO

Budget Process

- March - Department's requested to submit base budget and budget requests by April 9, 2021
- May - Department's presented budgets to City Manager's Office
- June/July - Office of Management and Budget provided regular updates on all aspects of budget development
- July – City Manager's Office ranks and recommends budget requests
- July 30 – City Manager's Proposed Budget filed with City Secretary



CITY OF WACO

Highlights

- General Fund

- Tax rate reduction of \$0.00895 or 1.15%
- Manager's initiatives aligned to Council's strategic goals
- Property & Sales Tax account for 73% of FY22 (70% of FY21) revenues
 - Sales Tax increased
 - \$7.6 million or 21.1% from FY21 conservative amounts
 - \$3 million or 6.4% less than FY 21 projected
 - \$2.6 million or 6.3% over FY 20 actual
 - Property Tax Values
 - FY 21 Certified to FY 22 certified: 6.19%
 - FY 21 Estimate to FY 22 certified: 9.5%
 - Average increase FY 16-20: 7.7%
 - Property Tax Revenue increased by 11.24% or \$7.5M

FY22 Revenues



Highlights

- Other Funds
 - CIP: \$118 million in improvements
 - No rate increases for Water, Wastewater or Solid Waste
 - Reduced subsidy to Cameron Park Zoo and Cottonwood Creek Golf Course
 - New Drainage Utility Operations begin
 - Hotel and Motel tax revenues returning to pre-pandemic levels

Strategic Goals

FACILITATE ECONOMIC DEVELOPMENT

CREATE A CULTURE OF EQUITY & INCLUSION

BUILD A HIGH PERFORMING GOVERNMENT

IMPROVE INFRASTRUCTURE

PROVIDE A SAFE AND RESILIENT CITY

ENHANCE QUALITY OF LIFE

SUPPORT SUSTAINABILITY



STRATEGIC GOALS



Facilitate Economic
Development



Create a Culture of Equity
and Inclusion



Build a High Performing
Government



Improve
Infrastructure



Provide a Safe and
Resilient City



Enhance
Quality of Life



Support Sustainability

Strategic Goals

Create a Culture of Equity & Inclusion - \$1.1M

- Code compliance staff to General Fund - \$215,000
- Boosting City base pay to \$15 per hour for all full and part-time employees - \$845,000
- Addition of Juneteenth Holiday
- Improved communication plan
- Website updates and improvements
- Increased & improved citizen engagement as part of the budget process

Facilitate Economic Development - \$2M

- Increase WMCEDC funding \$250,000 (\$3.00M)
- Corridor Plans (25th/26th and West Hwy 84) - \$250,000
- Visitor's Center Relocation - \$1,000,000
- Economic Development Plan - \$250,000
- Development Services Staff – 2 FTEs - \$244,107 – Supported by fees
- Economic Development Coordinator – 1 FTE - \$71,023

Strategic Goals

Provide a Safe and Resilient City - \$2.5M

- 2nd set of turnout gear for Firefighters - \$494,273
- 3 Firefighters - \$250,806
- 2 Civilian Fire Dispatch Personnel - \$121,600
- City Match for 12 police grant officers - \$524,195 (General Fund)
- Equipment for 12 police grant officers - \$529,350 (Abandoned Motor Veh)
- Traffic Tower Replacement - \$350,000

Enhance Quality of Life - \$1.7M

- A Park Planner - \$97,292
- Health Inspector - \$92,182 – Funded by fees and McLennan County
- Improvements to Doris Miller YMCA - \$1.5M
- Residential Collection Personnel – 3 FTEs - \$166,001

Strategic Goals

Build a High Performing Government - \$3.7M

- Municipal Information staffing - \$250,00
- Facilities Assessment Plan - \$250,000
- IT Network Investment - \$584,970
- Applications Programmer – 1 FTE - \$95,000
- Assistant City Attorney – 1 FTE (mid-year) - \$62,038
- City Office space completion - \$750,000
- Alley/Illegal Dumping insourcing – 5 FTEs - \$384,754
- Water Utilities Operators – Water, Wastewater, WMARSS – 7 FTEs - \$353,930

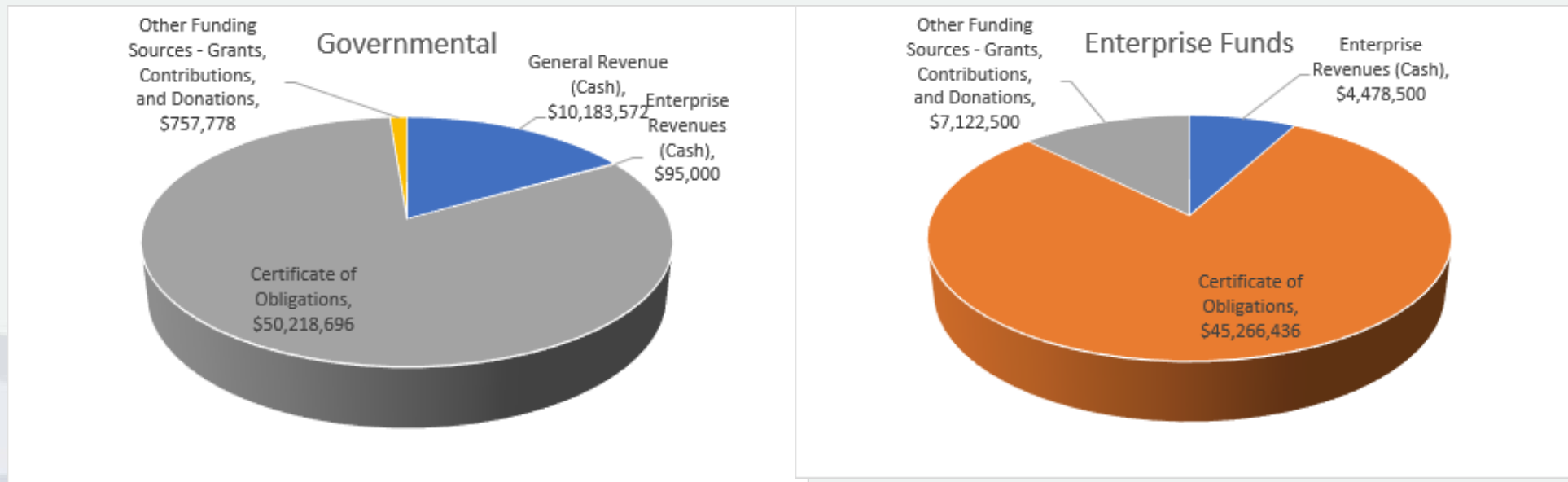
Support Sustainability

- New Green energy contract effective FY 22
- Special Projects Funding reserved to fund Fleet Replacement pending completion of fleet study w/ goals of rightsizing fleet and conversion to green vehicles.
- Sustainability Manager

Strategic Goals

Improve Infrastructure - \$118M

- \$118 million CIP Investment

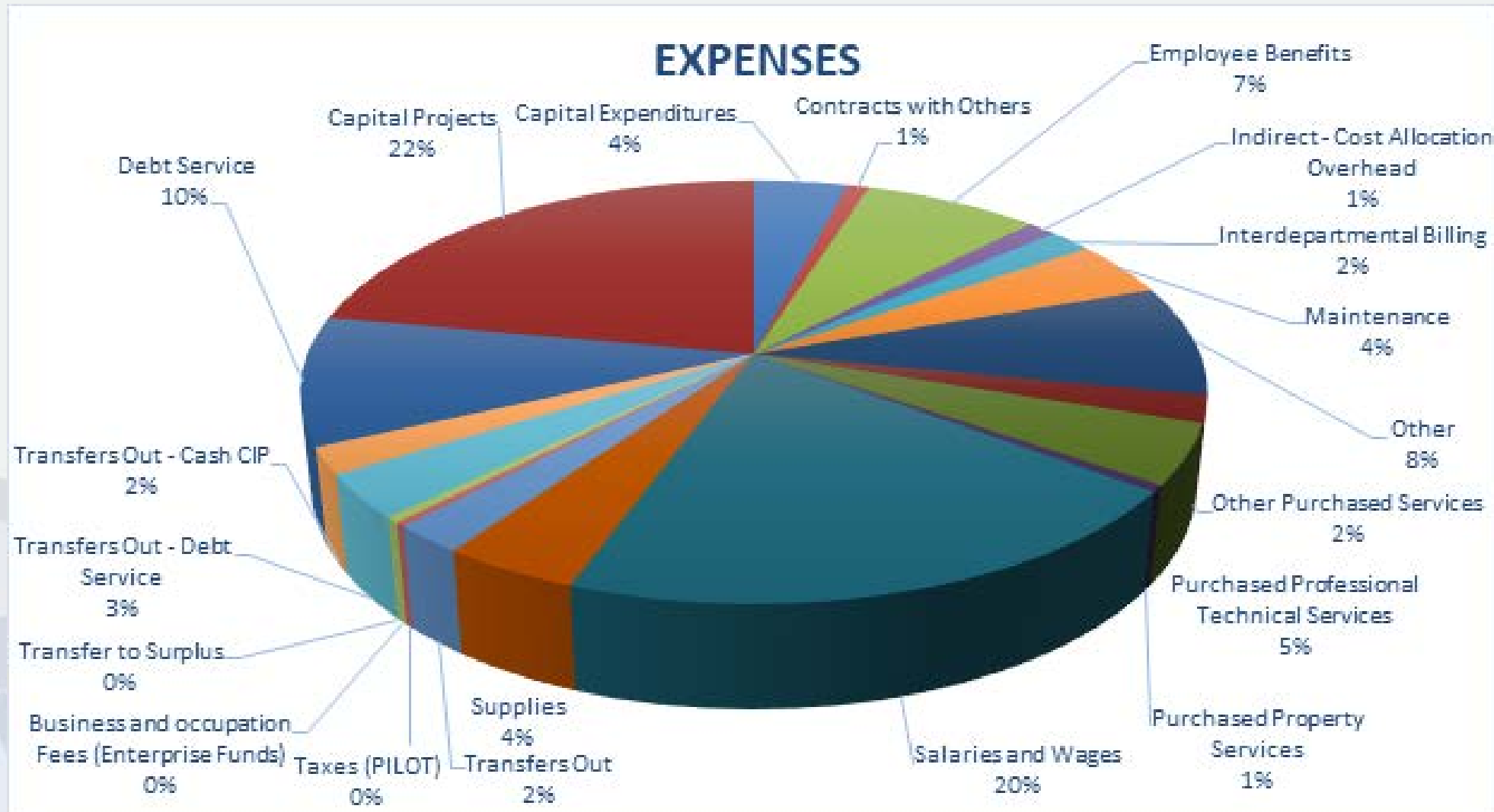


All Funds Summary



CITY OF WACO

Expenditures by Use

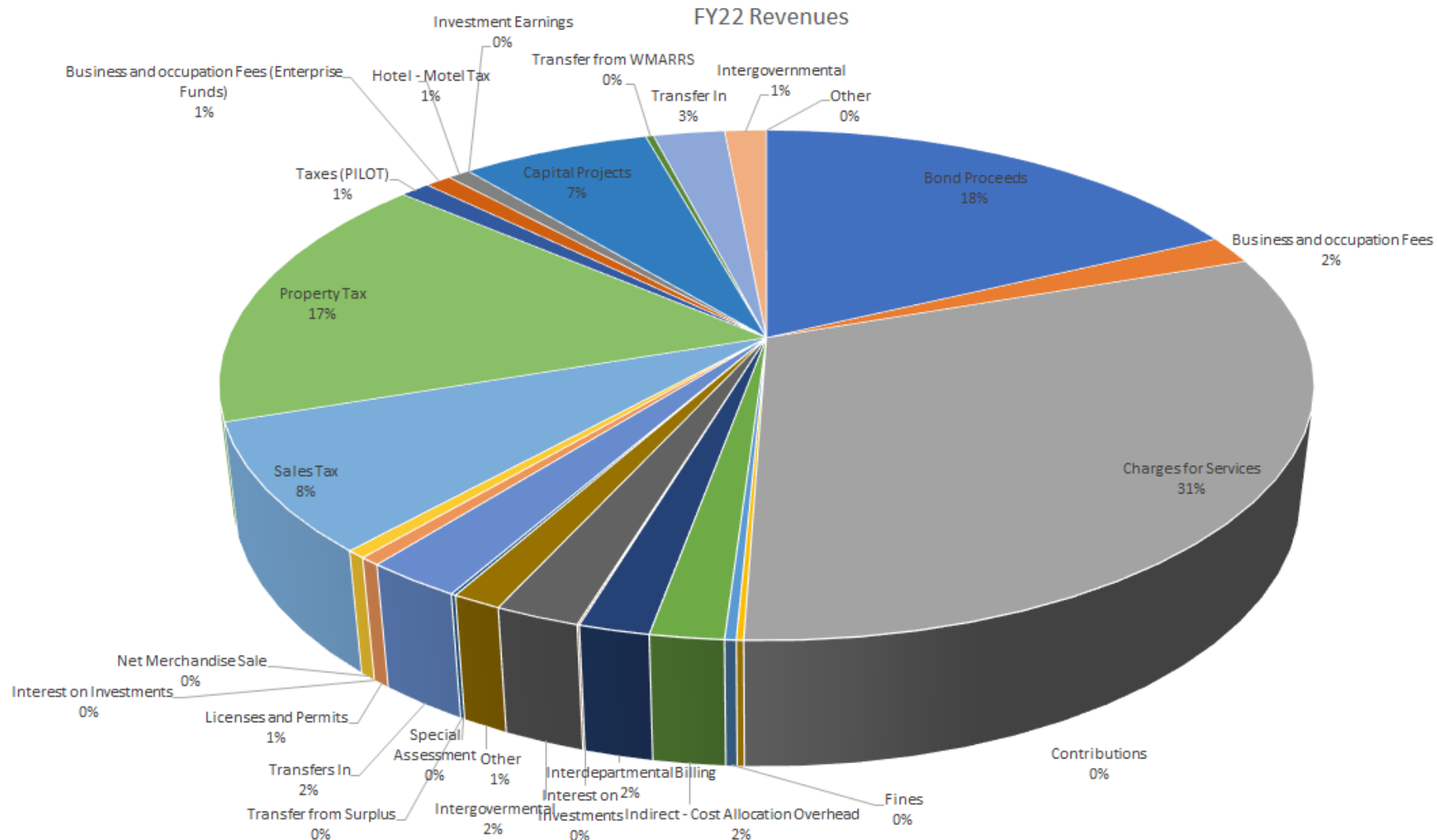


Expenditures by Use

	FY22 Budget
Capital Expenditures	1,888,032
Contracts with Others	4,801,725
Employee Benefits	39,199,055
Maintenance	21,520,082
Other	35,392,540
Purchased Professional Technical Services	24,781,908
Purchased Property Services	2,743,720
Salaries and Wages	102,474,272
Supplies	22,033,169
Business and occupation Fees (Enterprise Funds)	3,052,214
Capital Expenditures	18,791,561
Indirect - Cost Allocation Overhead	8,277,026
Interdepartmental Billing	6,743,102
Other	55,414
Taxes (PILOT)	4,479,427
Transfer to Surplus	-
Transfers Out	11,759,064
Transfers Out - Cash CIP	11,300,000
Transfers Out - Debt Service	22,262,532
Capital Projects	116,798,625
Debt Service	52,102,027
Grand Total	522,600,748

Sources of Funding

FY2022 Budget



Sources of Funding

Revenue	FY2022 Budget
Bond Proceeds	95,485,132
Business and occupation Fees	9,529,049
Charges for Services	164,995,526
Contributions	949,010
Fines	1,522,425
Indirect - Cost Allocation Overhead	9,807,176
Interdepartmental Billing	9,417,563
Interest on Investments	289,650
Intergovernmental	11,357,142
Other	6,639,068
Special Assessment	664,951
Transfer from Surplus	-
Transfers In	13,009,061
Licenses and Permits	2,773,281
Interest on Investments	18,000
Net Merchandise Sale	2,661,689
Sales Tax	43,600,094
Property Tax	88,343,650
Taxes (PILOT)	5,625,185
Business and occupation Fees (Enterprise Funds)	4,935,006
Hotel - Motel Tax	4,200,000
Investment Earnings	3,565
Capital Projects	35,533,006
Transfer from WMARRS	1,487,004
Transfer In	13,433,214
Intergovernmental	7,880,278
Other	-
Grand Total	534,159,724

General Fund Summary

The General Fund is the general operating fund in the City. It is used to account for all financial resources except those required to be accounted for in other funds, such as the Water and Wastewater Fund, Solid Waste Fund or Special Revenue Funds. The General Fund is the City's largest fund. The General Fund accounts for the majority of City services, including general government, parks and recreation, public safety, and public works. Budgeted expenditures include salaries and benefits, supplies, maintenance, services, and capital outlays.

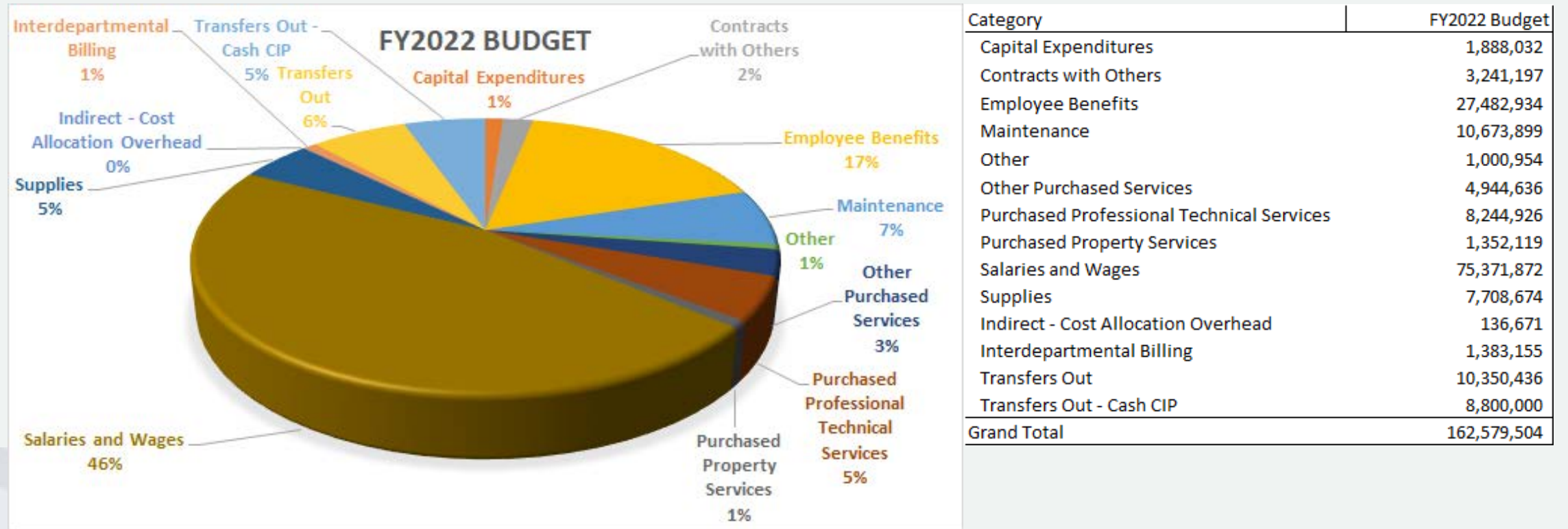
Expenditure Comparison

Category	FY2021 Adopted	FY2022 Budget	\$ Change	% Change
Salaries and Wages	71,312,375	75,371,872	4,059,497	5.69%
Employee Benefits	26,030,578	27,482,934	1,452,356	5.58%
Maintenance	8,987,781	10,673,899	1,686,118	18.76%
Transfers Out	14,568,820	10,350,436	(4,218,384)	-28.95%
Transfers Out - Cash CIP	2,482,119	8,800,000	6,317,881	254.54%
Purchased Professional Technical Services	6,339,618	8,244,926	1,905,308	30.05%
Supplies	7,494,909	7,708,674	213,765	2.85%
Other Purchased Services	4,945,119	4,944,636	(483)	-0.01%
Contracts with Others	5,658,984	3,241,197	(2,417,788)	-42.72%
Capital Expenditures	1,075,256	1,888,032	812,776	75.59%
Interdepartmental Billing	1,510,822	1,383,155	(127,667)	-8.45%
Purchased Property Services	1,517,317	1,352,119	(165,198)	-10.89%
Other	1,704,336	1,000,954	(703,382)	-41.27%
Indirect - Cost Allocation Overhead	78,233	136,671	58,438	74.70%
Total	153,706,267	162,579,504	8,873,237	5.77%



CITY OF WACO

FY22 General Expenditures by Use

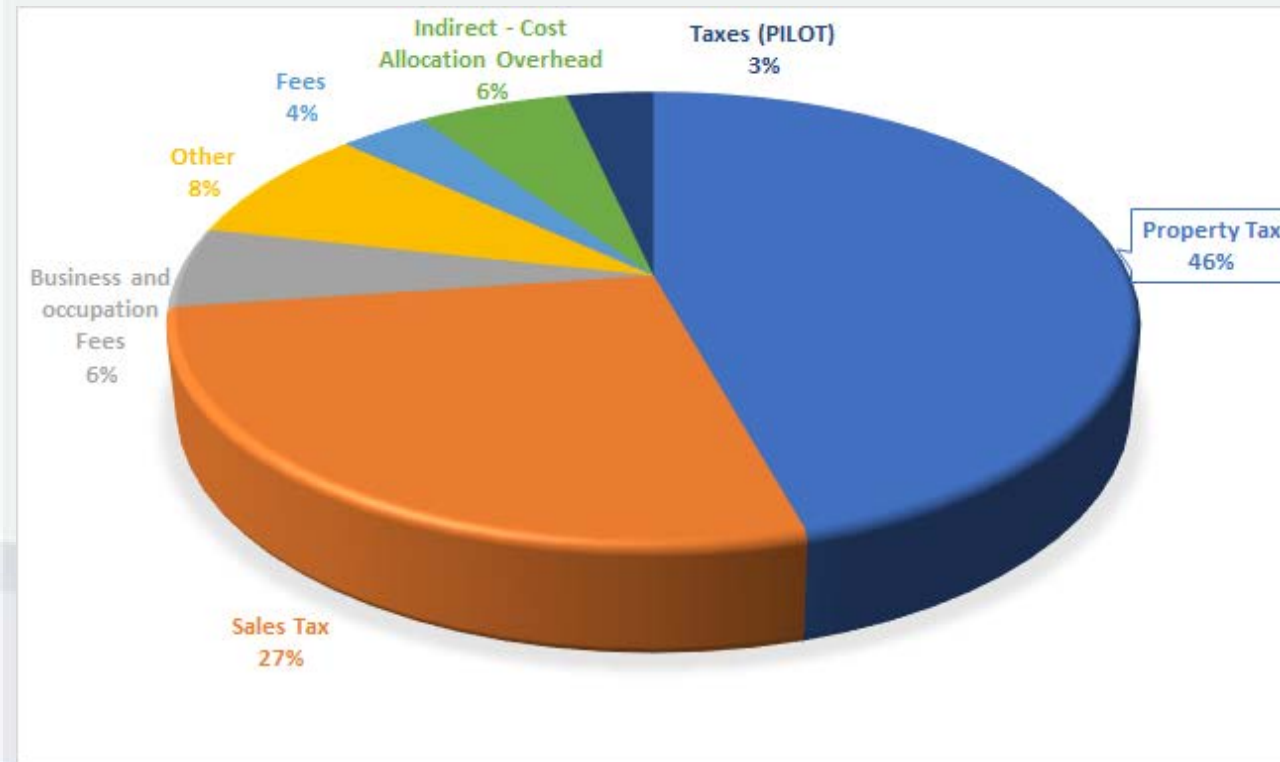


CITY OF WACO

Revenue Comparison

Revenue Account	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Property Tax	66,297,422	73,750,834	7,453,412	11.24%
Sales Tax	36,000,000	43,600,094	7,600,094	21.11%
Business and occupation Fees	9,561,776	9,269,049	(292,727)	-3.06%
Intergovernmental	3,021,417	2,541,693	(479,724)	-15.88%
Other	2,396,542	2,544,795	148,253	6.19%
Licenses and Permits	1,927,949	2,378,833	450,884	23.39%
Charges for Services	1,190,519	1,703,919	513,400	43.12%
Fines	942,373	1,492,425	550,052	58.37%
Contributions	627,782	75,616	(552,166)	-87.96%
Interest on Investments	125,030	122,000	(3,030)	-2.42%
Net Merchandise Sale	116,490	117,766	1,276	1.10%
Indirect - Cost Allocation Overhead	9,341,069	9,807,176	466,107	4.99%
Taxes (PILOT)	5,353,541	5,625,185	271,644	5.07%
Business and occupation Fees (Enterprise Funds)	4,517,204	4,907,565	390,361	8.64%
Interdepartmental Billing	2,510,153	3,239,002	728,849	29.04%
Transfers In	1,797,466	110,000	(1,687,466)	-93.88%
Total Revenues	145,726,733	161,285,951	15,559,218	10.68%

FY22 General Revenues by Type



Revenues	FY22 Revenues
Property Tax	73,750,834
Sales Tax	43,600,094
Business and occupation Fees	9,269,049
Other	13,540,671
Fees	5,692,943
Indirect - Cost Allocation Overhead	9,807,176
Taxes (PILOT)	5,625,185
Total	161,285,951

Sales Tax

- Staff proposing a budget of \$43.6 million in FY22
 - Return to normal growth from FY19 due to waning of stimulus funds
 - \$46.6 million FY 21 projected
 - \$41.0 million FY 20 actual
 - Monitored and projected monthly by staff
 - Ability to amend and adjust as appropriate



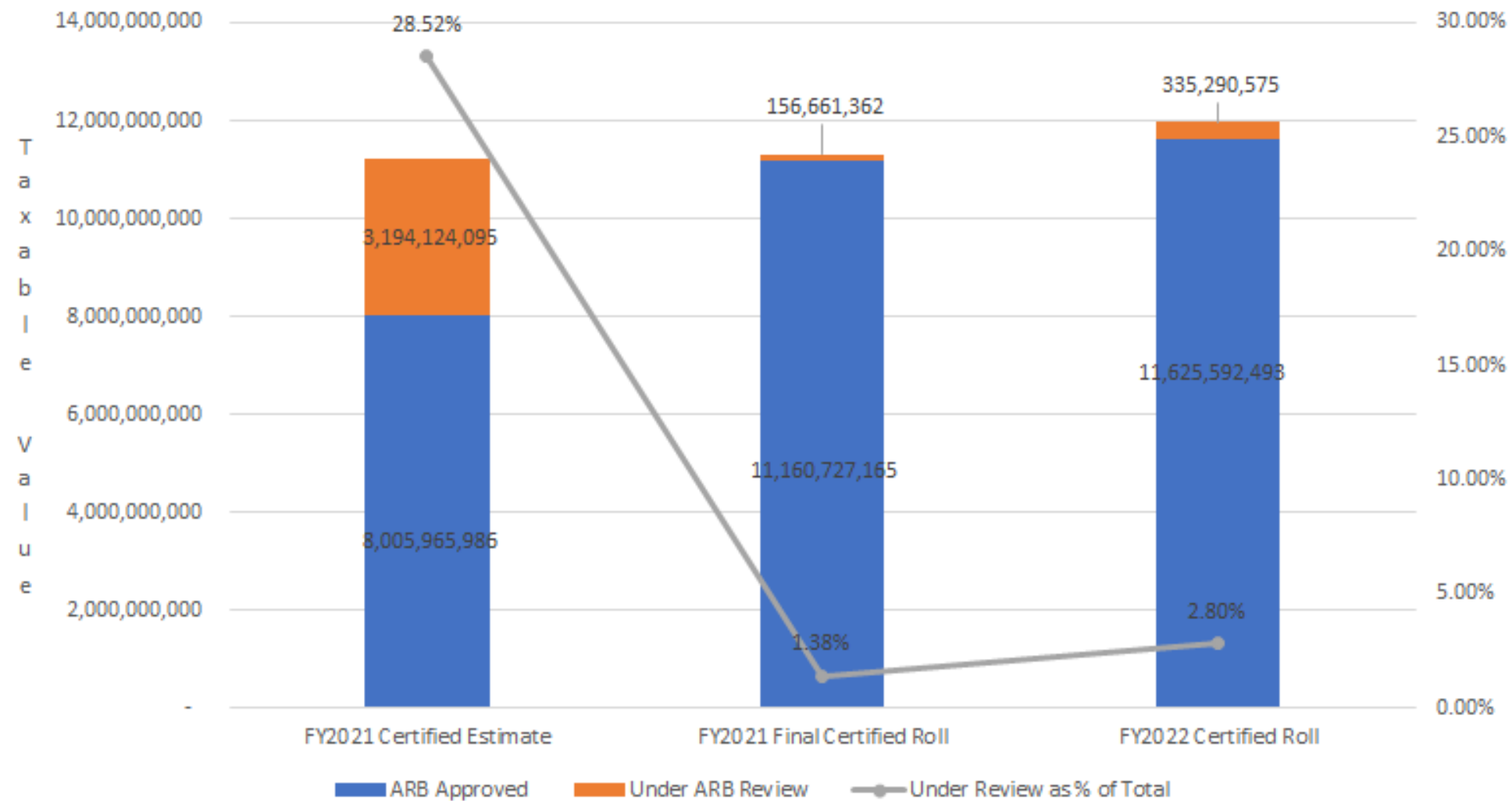
CITY OF WACO

Property Tax: Valuation & Rates

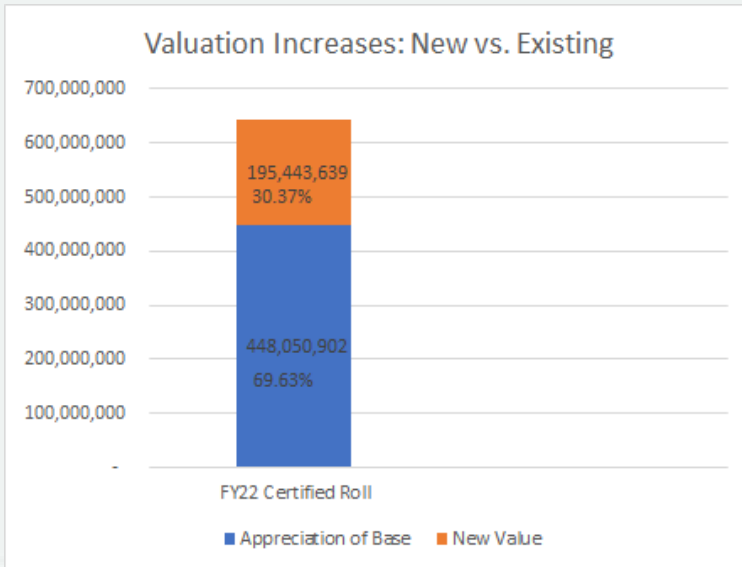


CITY OF WACO

FY21 & FY22 Tax Rolls: Under ARB Review vs. Approved



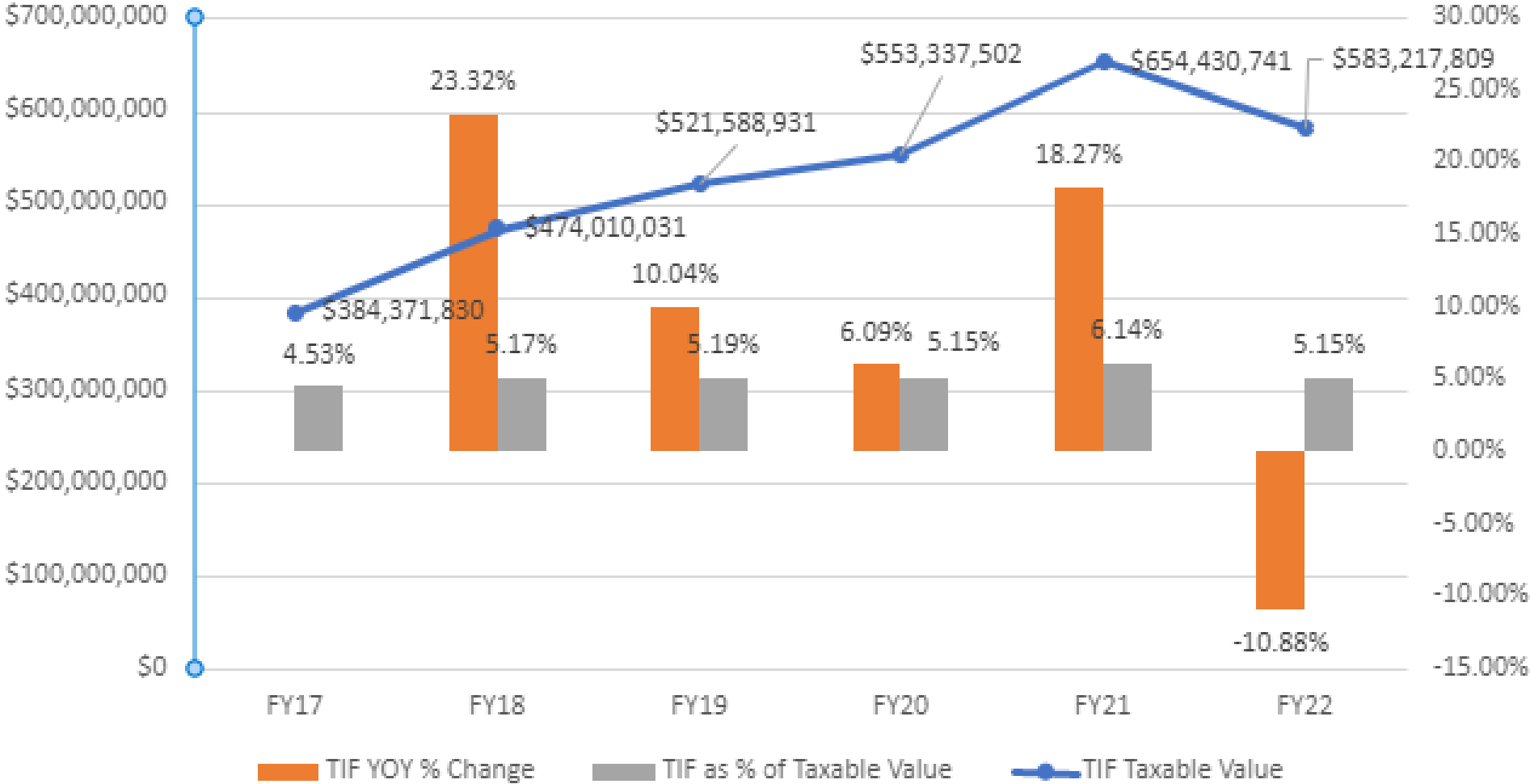
FY22 Certified Roll Grand Total Taxable Values



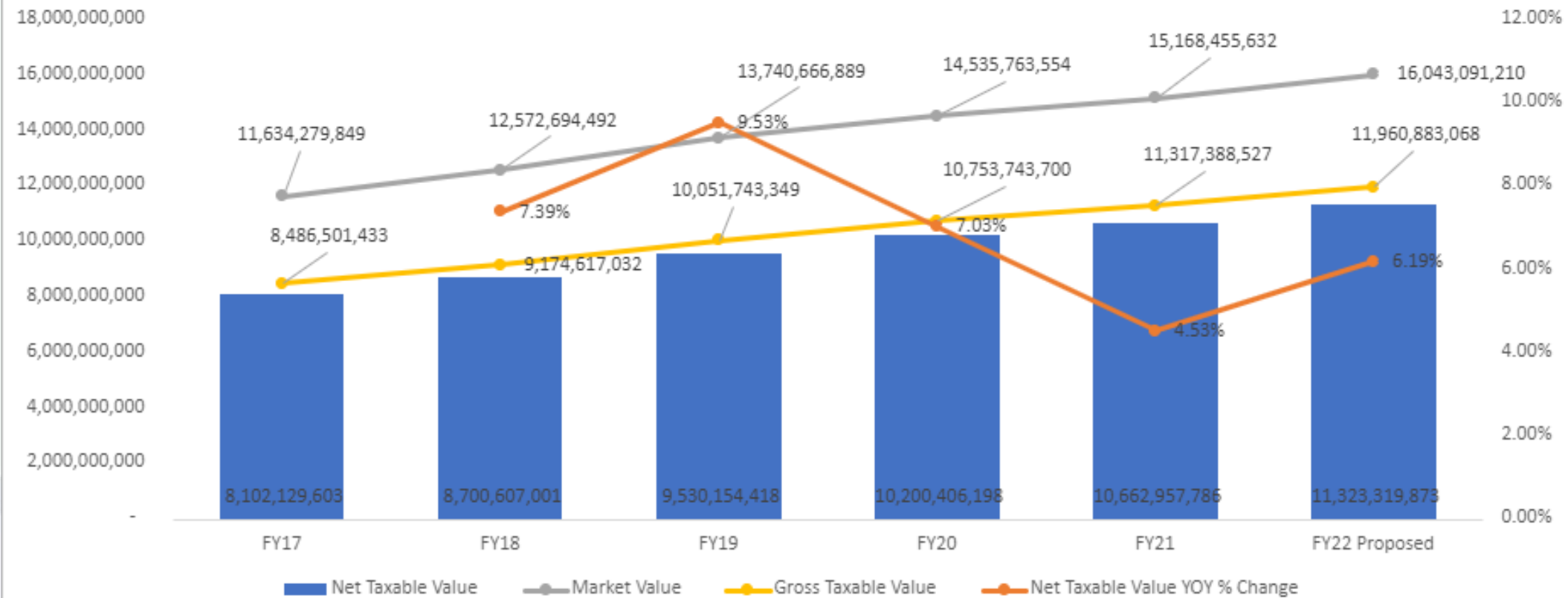
	FY2021 Certified Estimate	FY2021 Final Certified Roll	FY2022 Certified Roll	\$ Change	% Change
Single Family Residence	4,770,662,749	4,778,131,760	5,332,775,967	554,644,207	11.61%
Multi-Family	1,327,764,031	1,307,251,804	1,402,466,289	95,214,485	7.28%
Commercial Real Property	2,417,900,830	2,523,103,170	2,481,853,711	(41,249,459)	-1.63%
Industrial & Manufacturing	489,945,901	530,703,464	534,644,749	3,941,285	0.74%
Commercial Personal Property	1,186,768,513	1,161,037,860	856,619,964	(304,417,896)	-26.22%
Industrial & Manufacturing Pers Prop	489,945,901	447,043,854	768,963,765	321,919,911	72.01%
Vacant Lots and Tracts	223,625,053	224,553,034	225,703,727	1,150,693	0.51%
Gas Distribution System	53,406,830	53,406,830	59,137,680	5,730,850	10.73%
Electric Company	92,260,423	92,618,912	98,820,347	6,201,435	6.70%
Rural Land	53,027,654	41,433,121	43,925,119	2,491,998	6.01%
Residential Inventory	36,209,459	35,956,224	27,655,282	(8,300,942)	-23.09%
Special Inventory Tax	47,830,220	47,830,220	48,895,480	1,065,260	2.23%
Other	10,742,517	74,318,275	79,420,989	5,102,714	6.87%
Total	11,200,090,081	11,317,388,528	11,960,883,069	643,494,541	5.69%
New Value	188,441,021	197,419,900	195,443,639	(1,976,261)	-1.00%
Base Value	11,011,649,060	11,119,968,628	11,765,439,430	645,470,802	5.80%

	FY2021 Certified Estimate	% of Total	FY2021 Final Certified Roll	% of Total	FY2022 Certified Roll	% of Total
Residential	6,134,636,239	54.77%	6,121,339,788	54.09%	6,762,897,538	56.54%
Non-Residential	5,065,453,842	45.23%	5,196,048,740	45.91%	5,197,985,531	43.46%
Total	11,200,090,081	100.00%	11,317,388,528	100.00%	11,960,883,069	100.00%

TIF Valuations: FY17-FY22

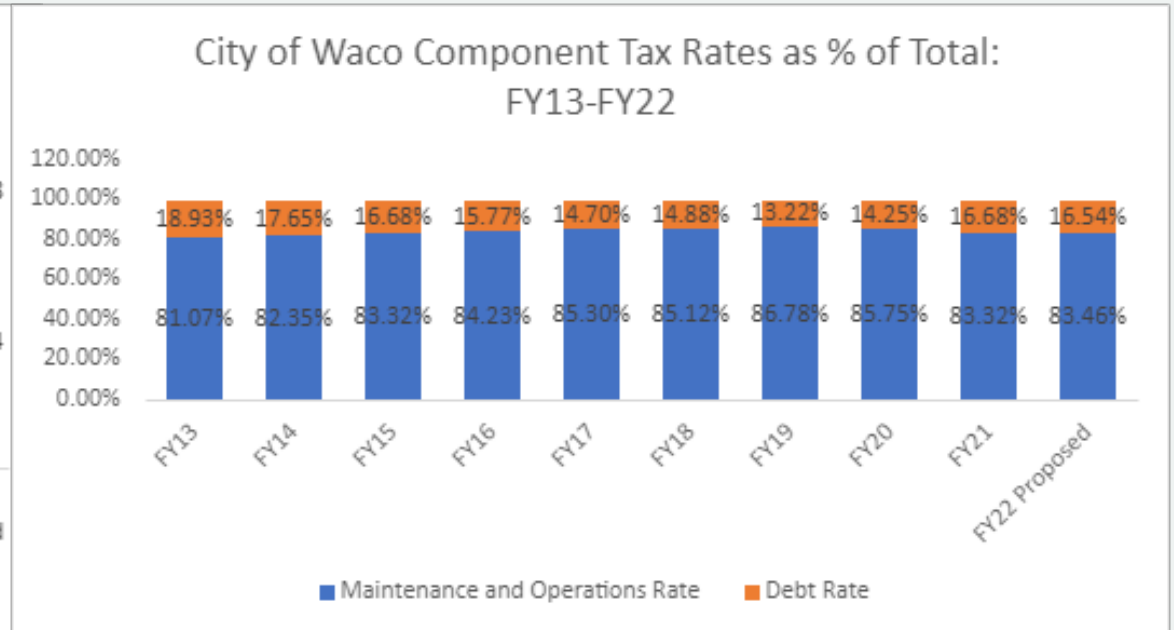
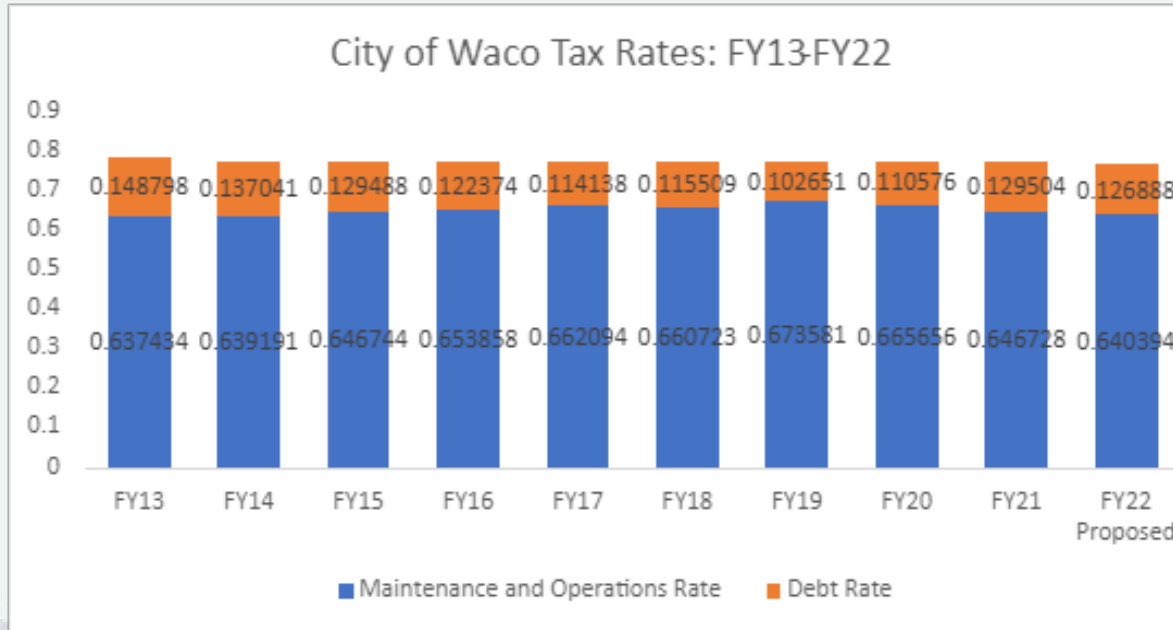


Certified Tax Valuations FY17-FY22



CITY OF WACO

Tax Rate Overview

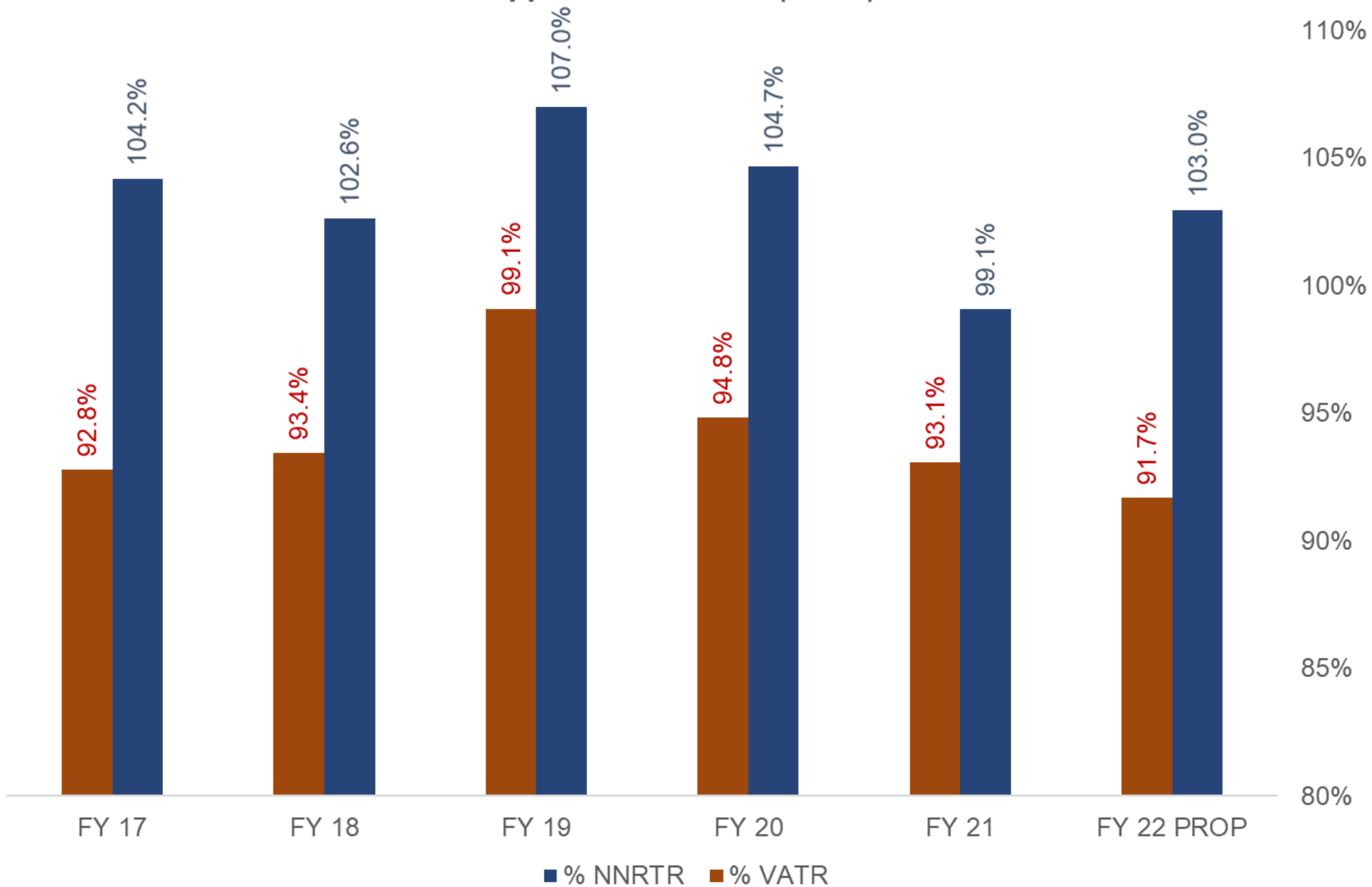


FY22 Proposed

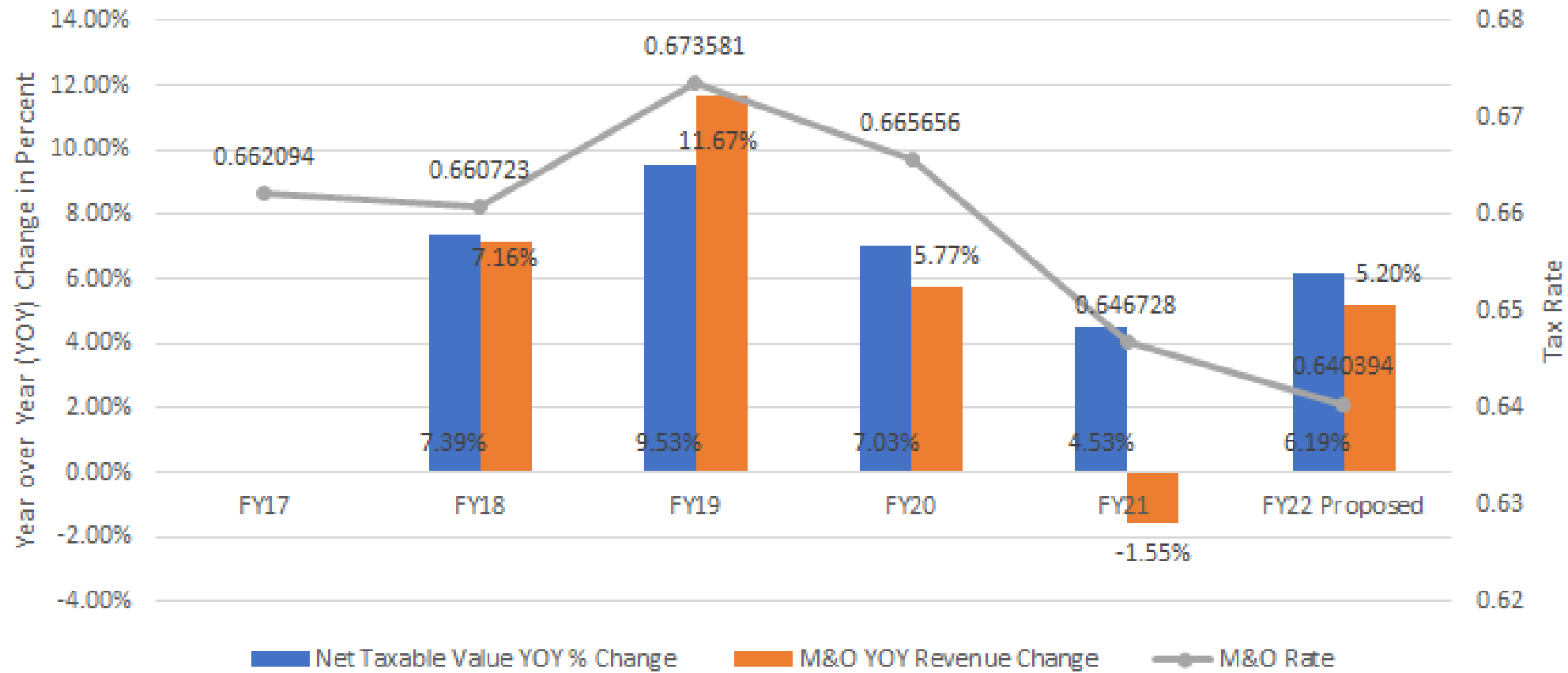
Reduction of Rate of \$0.008950

- Total Rate: \$0.767282
- Debt Rate: \$0.126888
- M&O Rate: \$0.640394

Tax Rate as Percent of No New Revenue Tax Rate (NNRTR) and Voter Approval Tax Rate (VATR)

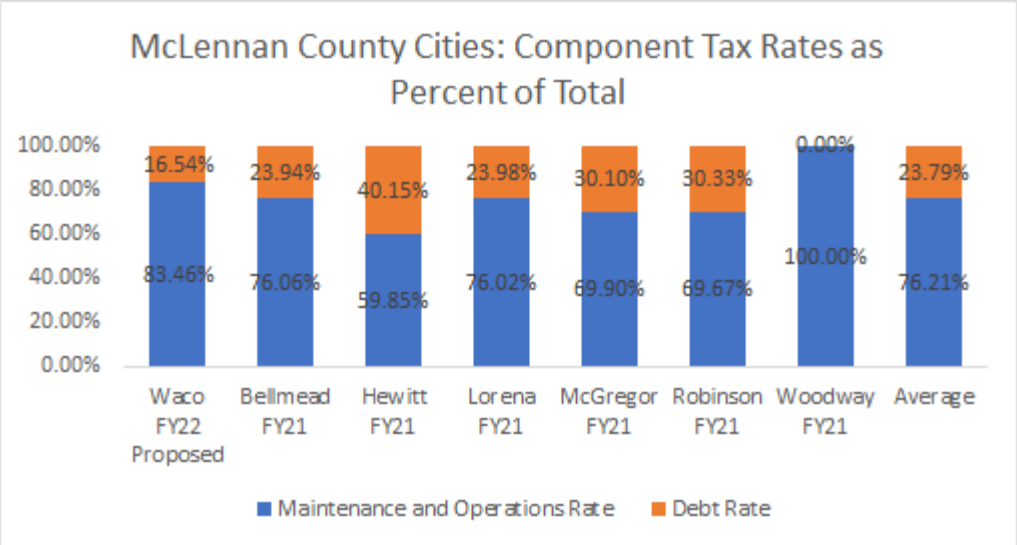
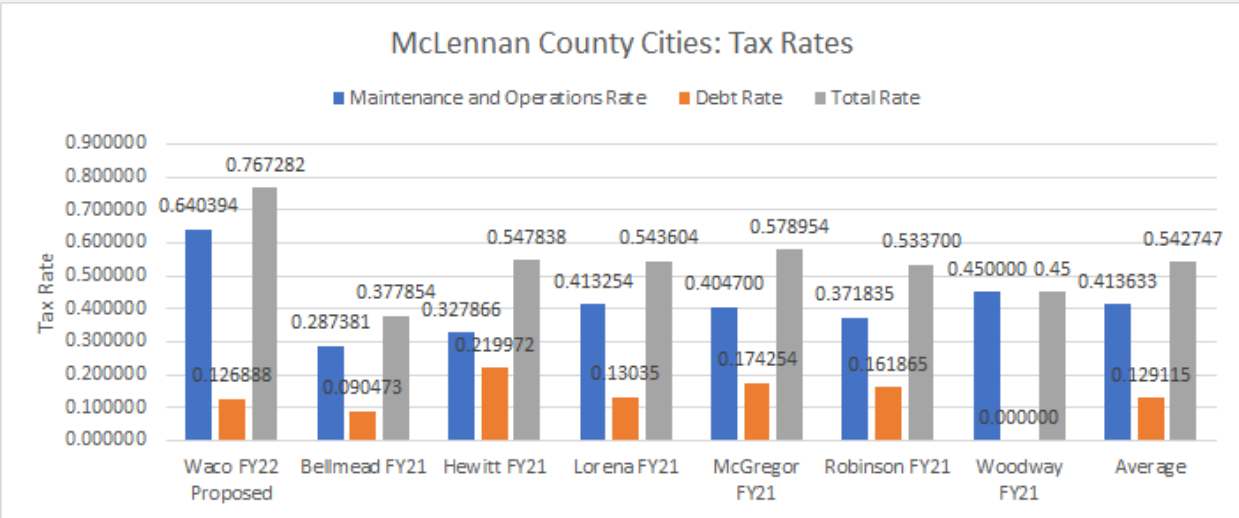


M&O Property Tax



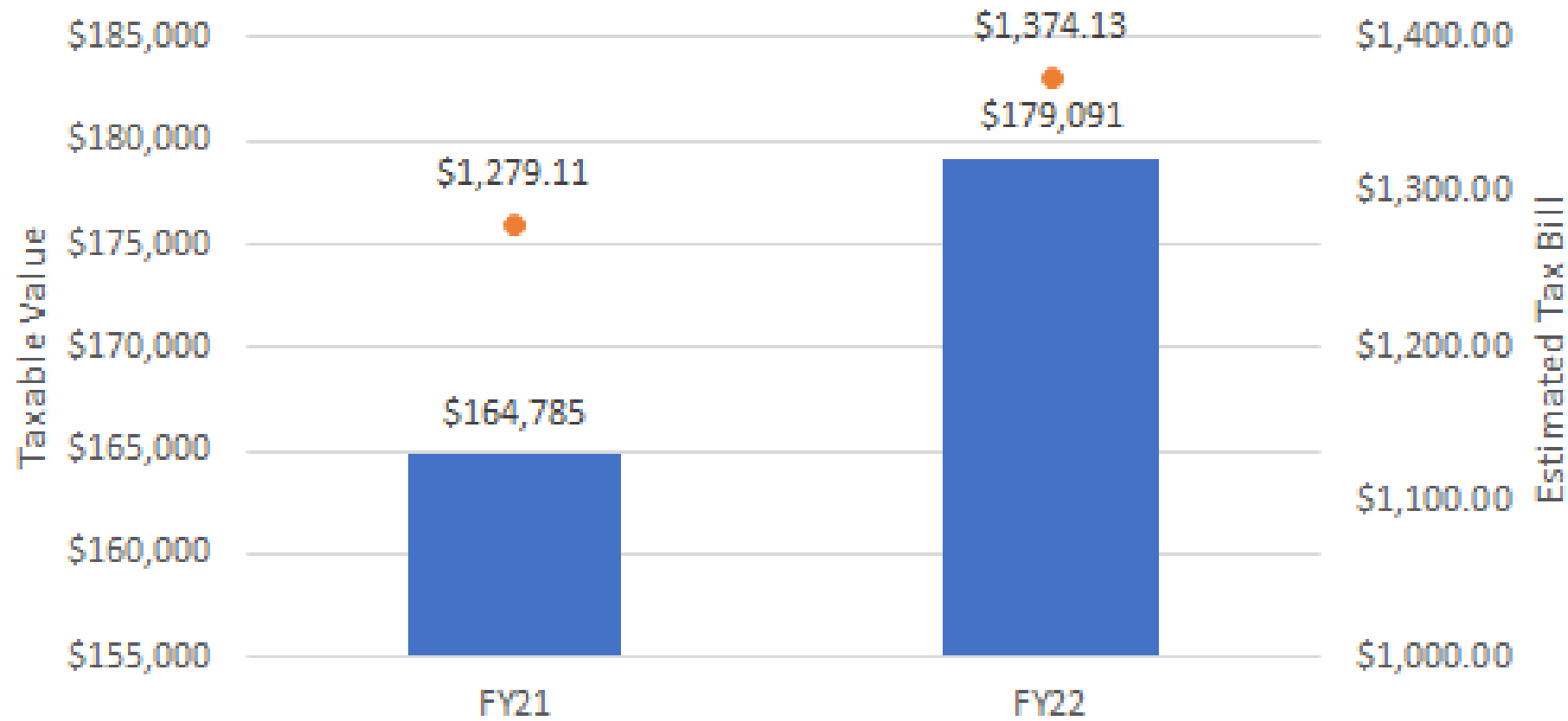
CITY OF WACO

McLennan County City Tax Rates Comparison



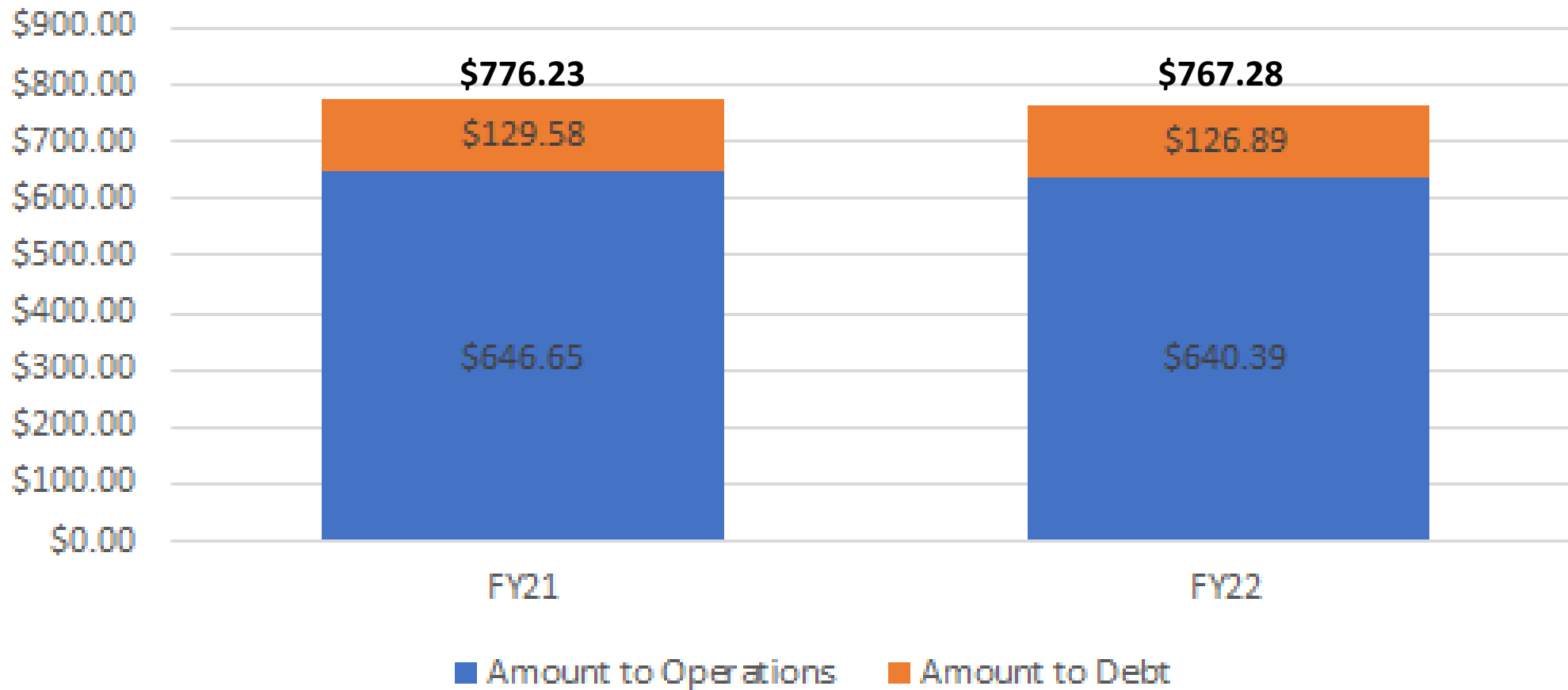
Property tax rate comparisons between cities can be challenging comparisons. For example, Woodway’s operation and maintenance tax rate is 19 cents (30%) less the Waco’s but Woodway’s property tax levy per capita is \$158.57 (22%) more than Waco’s. Note also that none of Woodway’s tax rate is used for debt.

Average Homestead



CITY OF WACO

Taxes on \$100,000 Valuation



Tax Summary

	FY22 Proposed	FY22 @ NNRT	\$ Change	% Change	FY22 @ VATR	\$ Change	% Change
Net Taxable Value	11,323,319,873	11,323,319,873	-	0.00%	11,323,319,873	-	0.00%
M&O Rate	0.640394	0.618303	(0.022091)	-3.45%	0.709803	0.069409	10.84%
M&O Revenue	72,513,861	70,012,426	(2,501,435)	-3.45%	80,373,264	7,859,403	10.84%
Collection Rate	100%	100%	0%	0.00%	100%	-	0.00%
M&O Net Revenue	72,513,861	70,012,426	(2,501,435)	-3.45%	80,373,264	7,859,403	10.84%
Debt Rate	0.126888	0.126888	-	0.00%	0.126888	-	-
Debt Revenue	14,367,934	14,367,934	-	0.00%	14,367,934	-	0.00%
Collection Rate	100%	100%	-	0.00%	100%	-	0.00%
Debt Net Revenue	14,367,934.12	14,367,934.12	-	0.00%	14,367,934	-	0.00%
Total Rate	0.767282	0.745191	-0.022091	-2.88%	0.836691	0.069409	9.05%
Total Revenue	86,881,795	84,380,361	(2,501,435)	-2.88%	94,741,198	7,859,403	9.05%
Collection Rate	100%	100%	0.000000	0.00%	100%	-	0.00%
Net Total Revenue	86,881,795	84,380,361	(2,501,435)	-2.88%	94,741,198	7,859,403	9.05%



CITY OF WACO

Enterprise Funds

Enterprise funds are used to report business-type activities. Enterprise funds create their own revenues, typically via charges for services. The City uses enterprise funds to account for the airport, convention center, solid waste, and water utilities operations.



CITY OF WACO

Water Utility Fund

- Rates are unchanged from FY21

Water Fund Summary				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	54,101,453	54,235,585	134,132	0.25%
Non-Operating Revenues	1,592,345	3,054,185	1,461,840	91.80%
Total Revenues	55,693,798	57,289,770	1,595,972	2.87%
Operating Expenses	21,783,241	22,365,318	582,077	2.67%
Non-Operating Expenses (Excluding Debt Service)	11,374,272	12,589,734	1,215,462	10.69%
Debt Service	22,536,286	20,132,526	(2,403,760)	-10.67%
Total Expenses	55,693,799	55,087,578	(606,221)	-1.09%
Revenues Over/(Under) Expenses	(1)	2,202,192	2,202,193	-220219300.00%
EOY Net Working Capital	37,927,725	45,907,572	7,979,847	21.04%
Working Capital Target (30% of annual Revenues)	16,708,139	17,186,931	478,792	2.87%

- \$1.5 million increase in interdepartmental billings
- Removal of amount assigned to debt service coverage (\$2.8M in FY21)

Wastewater Utility Fund

- Rates are unchanged from FY21

Wastewater Fund Summary				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	38,956,133	38,136,137	(819,996)	-2.10%
Non-Operating Revenues	441,686	442,937	1,251	0.28%
Total Revenues	39,397,819	38,579,074	(818,745)	-2.08%
Operating Expenses	15,928,363	16,866,356	937,993	5.89%
Non-Operating Expenses (Excluding Debt Service Items)	7,045,205	8,324,223	1,279,018	18.15%
Debt Service and Debt Service Coverage	16,424,250	13,975,474	(2,448,776)	-14.91%
Total Expenses	39,397,818	39,166,053	(231,765)	-0.59%
Revenues Over/(Under) Expenses	1	(586,979)	(586,980)	-58698000.00%
EOY Net Working Capital	22,883,563	27,821,689	4,938,126	21.58%
Net Working Capital Target (30% of annual Revenues)	11,819,346	11,573,722	(245,624)	-2.08%

- FY21 saw \$9M returned to Wastewater Fund from WMARSS
- Charges for Service brought in line with FY21 actual expectations and expected growth.

WMARSS Utility Fund

WMARSS Fund Summary				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	12,676,578	13,574,359	897,781	7.08%
Non-Operating Revenues	160,452	160,452	-	0.00%
Total Revenues	12,837,030	13,734,811	897,781	6.99%
Operating Expenses	9,445,790	8,390,420	(1,055,370)	-11.17%
Non-Operating Expenses (Excluding Debt Service Items)	3,053,900	2,490,546	(563,354)	-18.45%
Debt Service and Debt Service Coverage	337,340	1,487,004	1,149,664	340.80%
Total Expenses	12,837,030	12,367,970	(469,060)	-3.65%
Revenues Over/(Under) Expenses	-	1,366,841	1,366,841	N/A
EOY Net Working Capital	12,929,139	7,893,224	(5,035,915)	-38.95%

- FY21 saw \$9M returned to Wastewater Fund from WMARSS
- Increased flows to WMARSS and rate adjustments account for the increase
- Capital Expenditures reduced by \$255k

Solid Waste Fund

- Rates unchanged from FY21

Solid Waste Fund Summary				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	21,282,221	22,689,973	1,407,752	6.61%
Non-Operating Revenues	96,930	96,930	-	0.00%
Total Revenues	21,379,151	22,786,903	1,407,752	6.58%
Operating Expenses	15,791,355	16,314,459	523,104	3.31%
Non-Operating Expenses (Excluding Debt Service Items)	3,988,223	4,505,407	517,184	12.97%
Debt Service and Debt Service Coverage	1,329,470	1,425,006	95,536	7.19%
Total Expenses	21,109,048	22,244,872	1,135,824	5.38%
Revenues Over/(Under) Expenses	270,103	542,031	271,928	100.68%
EOY Net Working Capital	13,199,154	12,674,261	(524,893)	-3.98%
Net Working Capital Target (30% of annual Revenues)	6,413,745	6,836,071	422,326	6.58%

Growth in Residential customer revenues and usage of landfill account for increases in FY22
8 new FTEs in FY22 for insourcing of illegal dumping/alley clean up and for residential collections

Drainage Utility Fund

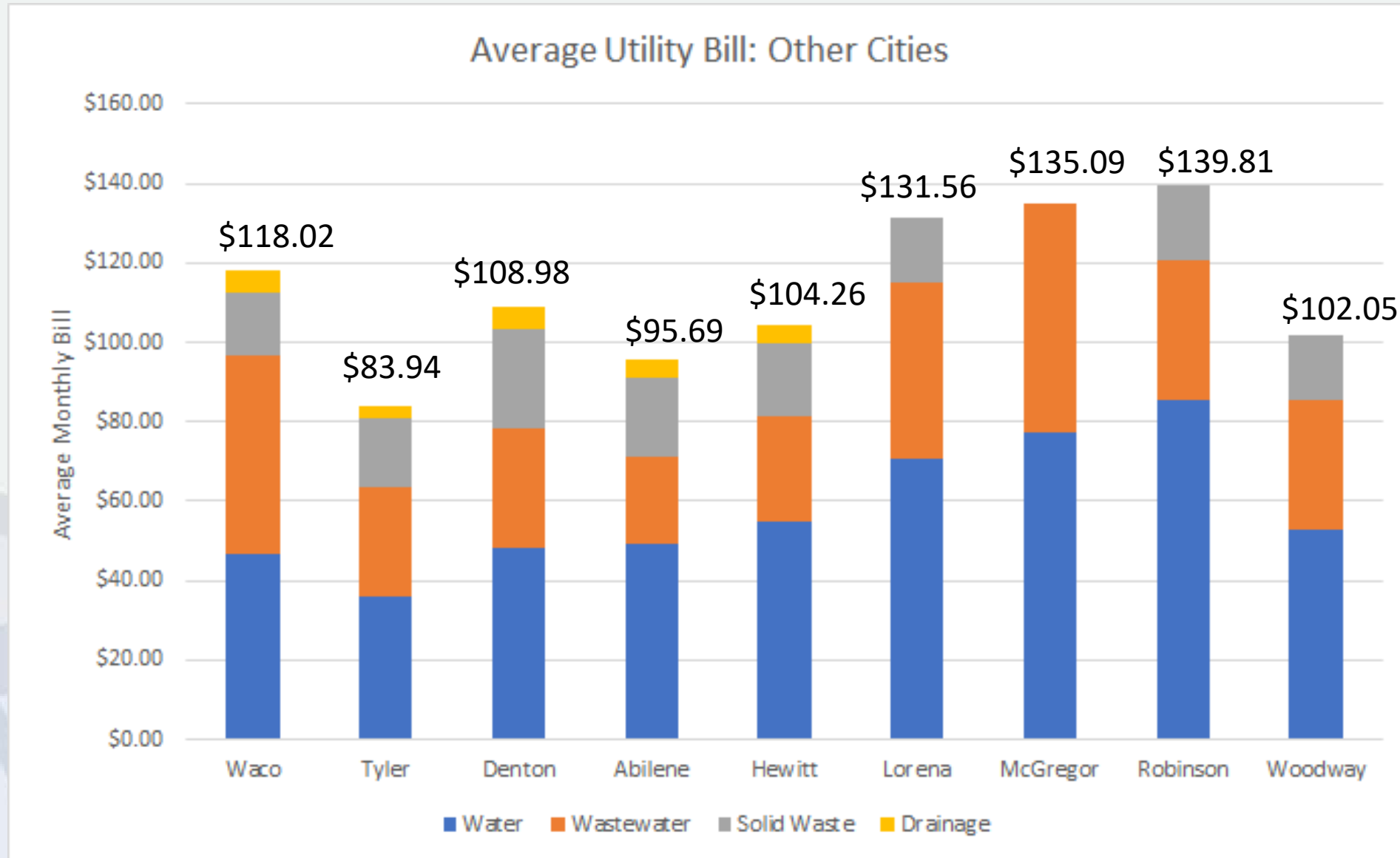
- New Fee beginning FY22 at \$5.41 for average residence

Drainage Fund Summary				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	-	5,712,258	5,712,258	N/A
Total Revenues	-	5,712,258	5,712,258	N/A
Operating Expenses	-	2,417,029	2,417,029	N/A
Non-Operating Expenses (Excluding Debt Service Items)	-	2,584,321	2,584,321	N/A
Debt Service	-	705,000	705,000	N/A
Total Expenses	-	5,706,350	5,706,350	N/A
Revenues Over/(Under) Expenses	-	5,908	5,908	N/A
EOY Net Working Capital	-	5,908	5,908	N/A
Net Working Capital Target (30% of annual Revenues)	-	1,713,677	1,713,677	N/A

Average City of Waco Utility Bill: FY18-FY22

Residential Rates	FY18	FY19	FY20	FY21	FY22
Water - Base	\$18.47	\$20.24	\$22.17	\$22.21	\$22.21
Water - For 8,000 Gal	\$23.12	\$26.56	\$26.56	\$24.63	\$24.63
Wastewater - Base	\$18.24	\$19.58	\$21.02	\$22.57	\$22.57
Wastewater - For 5,000 Gal	\$20.25	\$25.05	\$27.10	\$27.10	\$27.10
Solid Waste	\$14.20	\$14.20	\$16.10	\$16.10	\$16.10
Municipal Drainage/ Stormwater (ERU)	N/A	N/A	N/A	N/A	\$ 5.41
Total Average Bill	\$94.28	\$105.63	\$112.95	\$112.61	\$118.02

Average Utility Bill: Other Cities



Airport Fund

Airport Fund Summary				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	2,913,264	2,336,886	(576,378)	-19.78%
Non-Operating Revenues	54,674	54,674	-	0.00%
Total Revenues	2,967,938	2,391,560	(576,378)	-19.42%
Operating Expenses	1,239,882	1,565,868	325,986	26.29%
Non-Operating Expenses	1,092,000	850,000	(242,000)	-22.16%
Total Expenses	2,331,882	2,415,868	83,986	3.60%
Revenues Over/(Under) Expenses	636,056	(24,308)	(660,364)	-103.82%
EOY Net Working Capital	2,338,286	2,215,360	(122,926)	-5.26%

- The FY22 revenue decline is related to an expected decrease in Federal funding that was boosted in FY21 and FY20 from CAREs Act funding.
- Non-Operating Expenses declined by contracting out for security at the airport with a private security firm as opposed to using City of Waco Police.

Convention Services Fund

Convention Services Fund				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	5,180,960	5,898,843	717,883	13.86%
Non-Operating Revenues	42,298	42,298	-	0.00%
Total Revenues	5,223,258	5,941,141	717,883	13.74%
Operating Expenses	5,381,260	5,324,282	(56,978)	-1.06%
Non-Operating Expenses	350,000	1,350,000	1,000,000	285.71%
Total Expenses	5,731,260	6,674,282	943,022	16.45%
Revenues Over/(Under) Expenses	(508,002)	(733,141)	(225,139)	44.32%
EOY Net Working Capital	1,556,901	5,176,270	3,619,369	232.47%

- Hotel Motel Tax is forecasted to grow by 4.5% in FY22 as domestic travel returns to pre-pandemic levels and additional hotel rooms open within the City.
- Convention Services are expected to return in FY22 for the full year boosting charges for services.
- In FY20 and FY21, staff have been mindful of spending which has helped to boost the net working capital of the fund.

Texas Ranger Hall of Fame Fund

Texas Ranger Hall of Fame Fund				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	582,551	678,872	96,321	16.53%
Non-Operating Revenues	707,404	707,404	-	0.00%
Total Revenues	1,289,955	1,386,276	96,321	7.47%
Operating Expenses	1,520,900	1,633,744	112,844	7.42%
Non-Operating Expenses	-	77,998	77,998	N/A
Total Expenses	1,520,900	1,711,742	190,842	12.55%
Revenues Over/(Under) Expenses	(230,945)	(325,466)	(94,521)	40.93%
EOY Net Working Capital	360,445	192,178	(168,267)	-46.68%

- The Texas Ranger Hall of Fame continues to drawdown fund balance while keeping support from the General Fund and Hotel Motel Tax flat for FY22.
- Revenues increase as travel and tourism return to pre-pandemic levels.

Cameron Park Zoo Fund

Cameron Park Zoo Fund				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	1,835,451	3,622,470	1,787,019	97.36%
Non-Operating Revenues	2,908,369	1,908,369	(1,000,000)	-34.38%
Total Revenues	4,743,820	5,530,839	787,019	16.59%
Operating Expenses	5,342,303	6,040,999	698,696	13.08%
Total Expenses	5,342,303	6,040,999	698,696	13.08%
Revenues Over/(Under) Expenses	(598,483)	(510,160)	88,323	-14.76%
EOY Net Working Capital	173,752	2,013,192	1,839,440	1058.66%

- General Fund subsidy to the Zoo decreased by \$1M due to growth in admission and merchandise sale revenues.
- Expenses increase primarily through compensation increases and increased expenses for inventory.

Cottonwood Creek Golf Course Fund

Cottonwood Creek Golf Course Fund				
	FY21 Adopted	FY22 Proposed	\$ Change	% Change
Operating Revenues	1,985,867	2,314,871	329,004	16.57%
Non-Operating Revenues	690,707	12,403	(678,304)	-98.20%
Total Revenues	2,676,574	2,327,274	(349,300)	-13.05%
Operating Expenses	2,551,691	2,598,617	46,926	1.84%
Total Expenses	2,551,691	2,598,617	46,926	1.84%
Revenues Over/(Under) Expenses	124,883	(271,343)	(396,226)	-317.28%
EOY Net Working Capital	263,215	1,029,881	766,666	291.27%

- General Fund subsidy to Golf Course is eliminated in FY22.
- Revenues increase through a fee increases for rounds and cart rentals.

Capital Improvements



CITY OF WACO

2022 General Debt/Cash CIP Requests

Department	FY 22 General Revenue (Cash)	FY 22 Bond Proceeds	FY 22 Enterprise System Revenues	FY 22 Outside Source	Total FY 22
Engineering	-	4,088,640	-	-	4,088,640
Facilities	1,111,088	-	95,000	-	1,206,088
Fire	-	2,628,750	-	-	2,628,750
Parks	1,459,713	9,322,606	-	-	10,782,320
Police	212,771	640,800	-	-	853,571
Streets	7,400,000	33,537,900	-	757,778	41,695,678
Grand Total	10,183,572	50,218,696	95,000	757,778	61,255,046

FY22 CIP Process

- Staff will present requests to City Manager's Office for review and consideration
- City Manager's Office will make recommendations to City Manager
- Project Requests and information will be discussed at Budget and Audit Committee meetings as CIP workshops in August.
- City Manager will recommend an amended CIP on September 14 Budget and Audit Committee Meeting
- September 21 resolution to amend the CIP

2022 Enterprise CIP Projects Requests

Department	Project name	FY 22 Bond Proceeds	FY 22 Enterprise System Revenues	FY 22 Outside Source
Airport	Terminal Renovation	\$ -	\$ 500,000.00	\$ 1,220,000.00
Airport	Terminal Building; HVAC, Roof and Electrical rehabilitation	\$ -	\$ -	\$ 1,402,500.00
Airport	Rehabilitate Runway 1/19 & 14/32 (Design)	\$ -	\$ -	\$ -
Airport	Reconstruct Apron Phase III	\$ -	\$ -	\$ -
Airport	Improve Airport Drainage	\$ -	\$ -	\$ -
Airport	Extend Service Road	\$ -	\$ -	\$ -
Airport Total		\$ -	\$ 500,000.00	\$ 2,622,500.00
Convention Service	Convention Center Carpet Replacement	\$ -	\$ 478,500.00	\$ -
Convention Service	Convention Center & Visitors Bureau Tourist Information Relocation Project	\$ -	\$ 1,000,000.00	\$ -
Convention Service Total		\$ -	\$ 1,478,500.00	\$ -
Drainage	Zavalla Drainage Improvements	\$ -	\$ -	\$ -
Drainage	Webster Storm Improvements	\$ -	\$ -	\$ -
Drainage	Waco Creek Trib Study	\$ 150,000.00	\$ -	\$ -
Drainage	Sharondale Drainage Improvements Project	\$ 568,000.00	\$ -	\$ -
Drainage	Mary St Diversion	\$ 56,306.25	\$ -	\$ -
Drainage	Cougar Ridge Buyout	\$ 349,129.68	\$ -	\$ -
Drainage	Chapel Ridge Detention Pond	\$ 1,800,000.00	\$ -	\$ -
Drainage Total		\$ 2,923,435.93	\$ -	\$ -
Soild Waste	Replacement Equipment	\$ 2,500,000.00	\$ -	\$ -
Soild Waste	MSW 2400 Landfill	\$ 4,983,000.00	\$ -	\$ -
Soild Waste	Collection & Recycling Station	\$ -	\$ -	\$ -
Soild Waste	Cobbs Recycling Center Building	\$ 105,000.00	\$ -	\$ -
Soild Waste Total		\$ 7,588,000.00	\$ -	\$ -
Wastewater	Wastewater System Improvements (Streets)	\$ 1,000,000.00	\$ -	\$ -
Wastewater	Wastewater System Improvements	\$ 2,000,000.00	\$ 1,000,000.00	\$ -
Wastewater	Participation with Developers to increase line size	\$ 2,000,000.00	\$ -	\$ -
Wastewater Total		\$ 5,000,000.00	\$ 1,000,000.00	\$ -
Water	Water Transmission Main Improvements	\$ 7,500,000.00	\$ -	\$ -
Water	Water System Improvements - Streets	\$ 3,500,000.00	\$ -	\$ -
Water	Water System Improvements	\$ 3,000,000.00	\$ 1,500,000.00	\$ -
Water	Water Office Renovations	\$ -	\$ -	\$ 1,000,000.00
Water	Riverside Generator	\$ -	\$ -	\$ 2,000,000.00
Water	Old McGregor Rd. Ground Storage	\$ 6,000,000.00	\$ -	\$ -
Water	HWY 84/HWY 31 Water Line and Ground Storage	\$ 2,000,000.00	\$ -	\$ -
Water	72" Redundant Raw Waterline	\$ -	\$ -	\$ -
Water Total		\$ 22,000,000.00	\$ 1,500,000.00	\$ 3,000,000.00
WMARSS	WMARSS Generator	\$ -	\$ -	\$ 1,500,000.00
WMARSS	USACE CAP River Bank Erosion	\$ 1,500,000.00	\$ -	\$ -
WMARSS	North Interceptor Project Phase 3	\$ 3,000,000.00	\$ -	\$ -
WMARSS	Bull Hide Creek WWTP Improvements	\$ 3,255,000.00	\$ -	\$ -
WMARSS Total		\$ 7,755,000.00	\$ -	\$ 1,500,000.00
Grand Total		\$ 45,266,435.93	\$ 4,478,500.00	\$ 7,122,500.00

Financial Management Policy Updates

- Clarified Working Capital to be Net Working Capital
 - Budgetary excludes current portion of Long-Term Debt as funds are budgeted for this purpose first and transferred to Debt service funds
 - Financial excludes cash funded CIP
- Added Net Working Capital for Drainage Utility to match other utility funds with time to build balance



CITY OF WACO

FY22 Budget Summary



CITY OF WACO

FY22 Budget Summary

- Operational investments aligned with Council's strategic goals via new initiatives
- Tax Rate at \$0.762862 a reduction of \$0.00895
- Water/Wastewater/Solid Waste Rates remaining flat
- Communications
- \$15 Minimum City Wage
- 3% General Salary Increase
- Juneteenth Holiday



CITY OF WACO

FY22 Budget Summary

- Continued commitment to improved infrastructure with \$118M investment
- Strategic investments in public safety services, development services, corridor planning, and employee safety
- Reduced General Fund subsidy to Zoo and Golf Course

Upcoming Dates

- August 10 – Budget and Audit Committee Meeting - CIP workshop #1
- **August 17 – Resolution to Set Public Hearing and Vote Date on proposed tax rate**
- **August 17 – 1st reading on the Ordinance setting Departments**
- August 24- Budget & Audit Committee Meeting - CIP workshop #2
- **August 31 – Special Council Meeting to (1) hold Public Hearing and vote on Drainage Charge resolution, and (2) hold Public Hearing and vote on annual budget resolution (incl. fee schedule and CIP)**
- **August 31 – 2nd reading on the Ordinance setting Departments**
- **September 7 – Public Hearing and Vote on Tax Rate Ordinance**
- September 14- Final Workshop on City Manager's Recommended CIP
- **September 21 – Amend CIP Plan by Resolution**
- October 1 - Start new fiscal year

Questions



CITY OF WACO