

2022-2023 BUDGET PRESENTATION

AUGUST 11, 2022



CITY OF HELOTES |



FY 2022 — 2023 PROPOSED BUDGET

The Proposed Budget has been developed to:

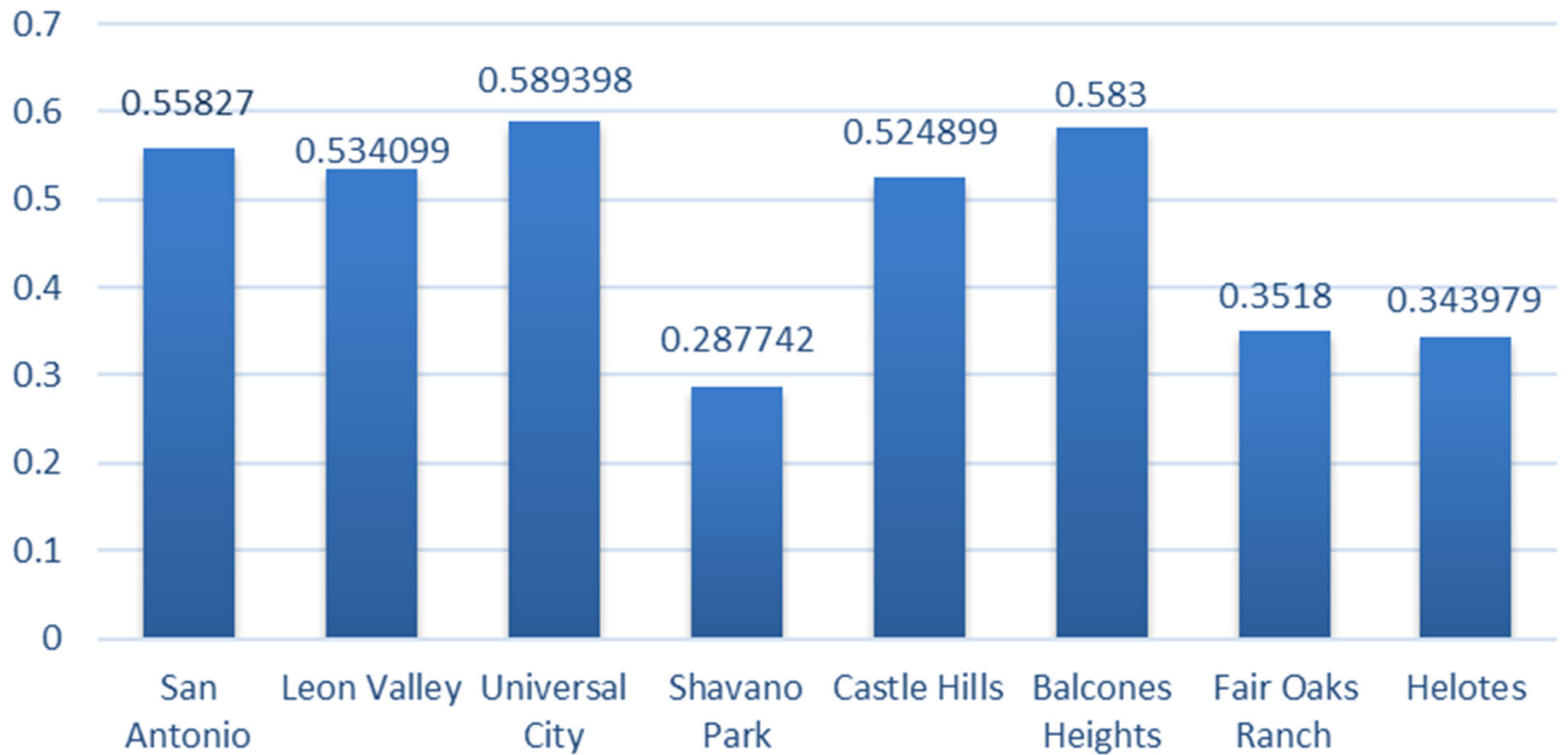
- Be consistent with the established mission, vision and goals of the City of Helotes;
- Allocate resources by City department to provide excellent municipal services to our citizens businesses, and visitors; and
- Highlight how the allocation of City financial and capital resources are targeted to maintain efficiency and our daily operations.



PROPERTY TAX RATE 2022

- Bexar Appraisal District certified totals for Helotes 2022 net taxable value is \$1.514 billion, an increase of 13.74% over 2021
- About forty-five (45%) percent of the City's 2022-23 General Fund revenue is from property taxes
- Helotes has one of the lowest property tax rates when compared to the other 25 suburban cities in Bexar County

2021 Tax Rate Comparison of Cities





PROPERTY TAX HISTORY

- From 2013 to 2020, the assessed value of taxable property has steadily increased
- The City of Helotes has maintained the same or lower property tax rate since 2013
- The Maintenance and Operations portion of the tax rate is approximately equal to the M & O tax rate adopted by the City Council in 2007

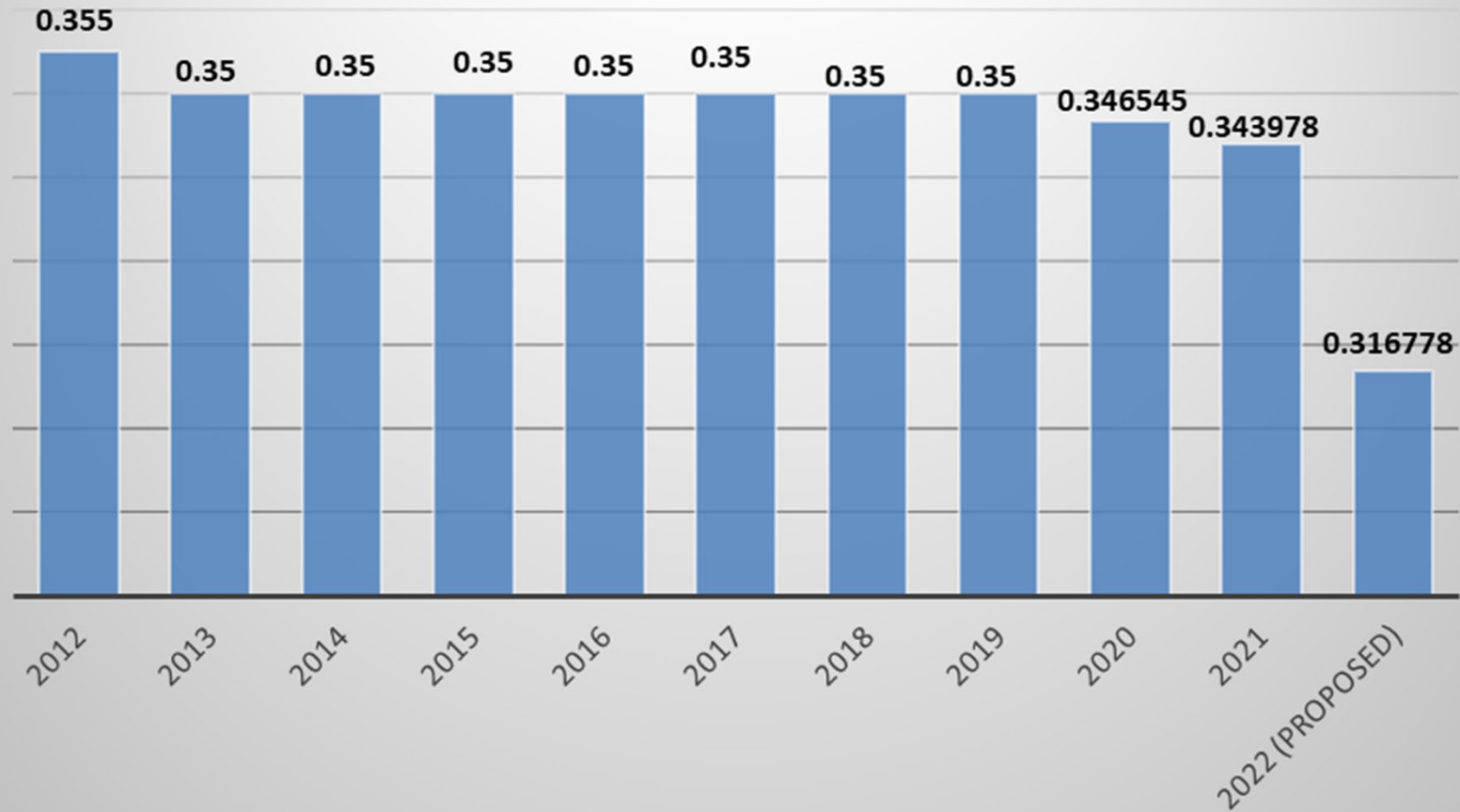


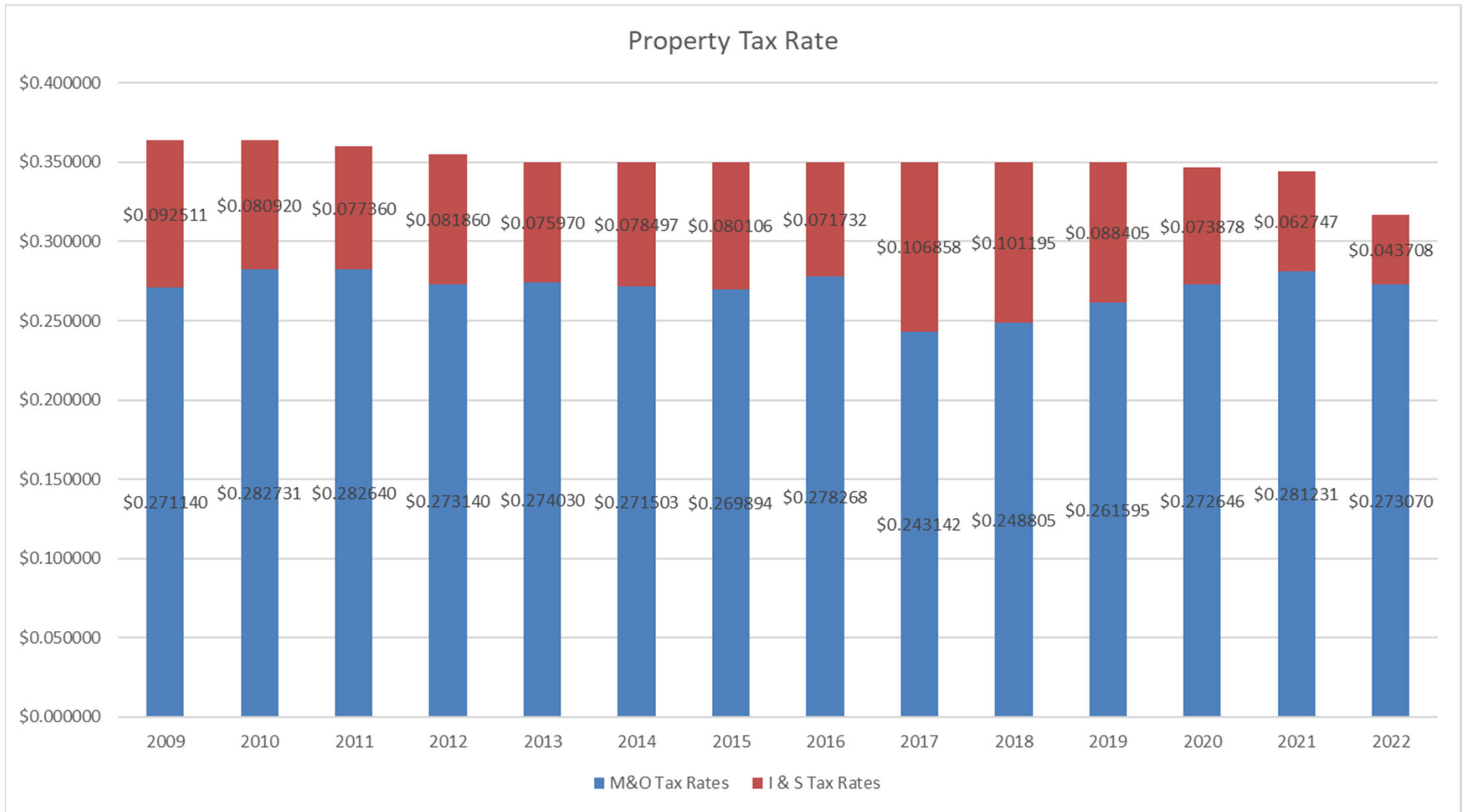
2022 PROPERTY TAX RATE PER \$100

■ Current 2021 Tax Rate	\$0.343979
■ No-New-Revenue Rate	\$0.321350
■ Voter-Approval Tax Rate	\$0.316778
■ Proposed 2022 Tax Rate	\$0.316778

Helotes Tax Rate FY 2013 – FY 2023

Total Tax Rate per \$100 Valuation







2022 PROPERTY TAX FREEZE

- Bexar Appraisal District estimates that the number of property owners who qualify for tax freeze in the 2022 tax year will increase by 45
- This includes the following:
 - Disabled Veteran
 - Disabled Veteran Surviving Spouse
 - Disabled Person
 - Over 65



SALES TAX

- Sales tax revenue is the second largest source of revenue for the city.
- The City's current sales tax rate is 8% which includes 6.25% to the State, 1% to the City's General Fund, .25% to Street Maintenance and .50% to Economic Development Corporation (EDC)

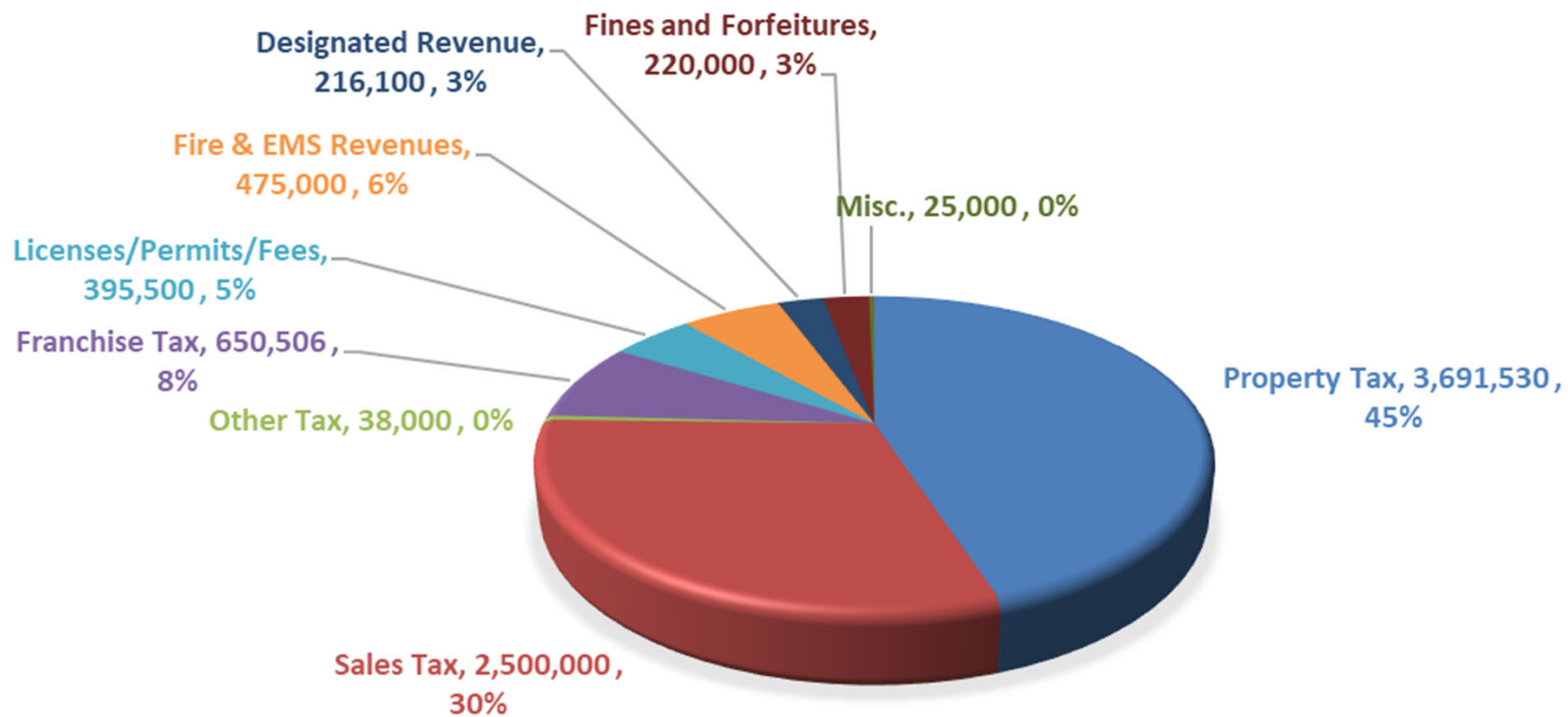


SALES TAX

- For the Proposed Budget, \$ 2,500,000 is projected to be collected by the City from sales tax
- \$ 1,261,291 is budgeted for the Street Maintenance Fund
- \$ 1,500,000 is budgeted for EDC
- \$2,500,000 is budgeted for the General Fund which represents thirty (30%) percent of the total General Fund revenue

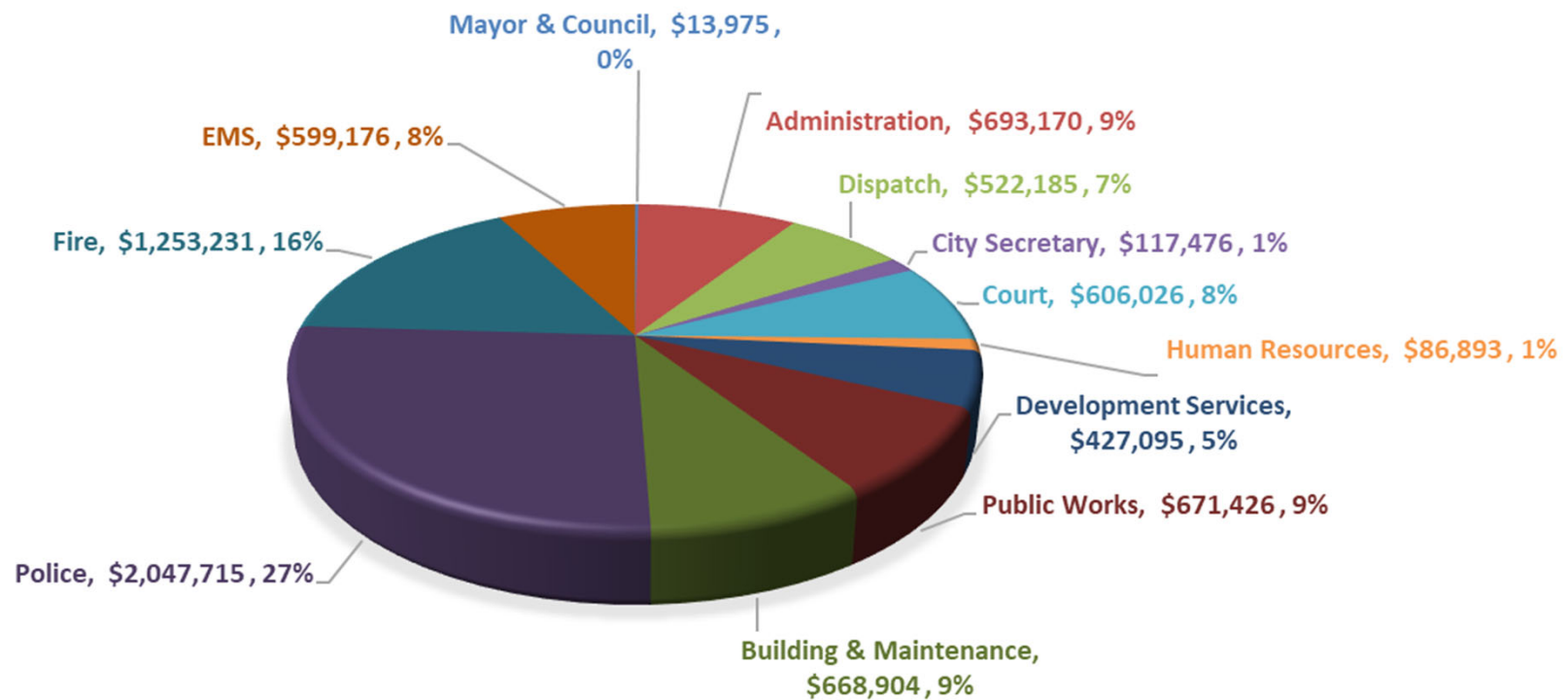
FY 2022-23 PROPOSED GENERAL FUND REVENUES

Total Revenue: \$8,211,639



FY 2022-23 PROPOSED GENERAL FUND DEPARTMENTAL EXPENDITURES

Total Allocations = \$7,707,272





GENERAL FUND TOTAL % OF BUDGET EXPENDITURES

■ Public Safety (Police, Dispatch, Fire, EMS)	58%
■ Administration/City Sec/HR/Mayor & Council	11%
■ Court/Warrants	8%
■ Building/Grounds/IT/380 Agreements	9%
■ Public Works	9%
■ Development Services	<u>5%</u>
Total Budget Percentage	100%



PROPOSED FY 2022-2023 BUDGET

Department	FYE2022 Budget	FYE2022 Year End Estimate	Proposed FYE 2023 Budget
City Council	\$7,475	\$7,300	\$13,975
Administration	\$648,089	\$505,011	\$693,170
Dispatch	\$495,399	\$393,280	\$522,185
City Secretary	\$110,536	\$110,444	\$117,476
Municipal Court	\$658,565	\$444,467	\$606,026
Human Resources	\$82,657	\$78,594	\$86,893
Development Services	\$364,321	\$369,554	\$427,095
Animal Control / Public Works	\$605,121	\$595,511	\$671,426
Buildings / Grounds	\$593,826	\$558,483	\$668,904
Police	\$1,961,588	\$1,907,341	\$2,047,715
Fire	\$1,185,216	\$1,258,738	\$1,253,231
EMS	\$609,036	\$578,682	\$599,176
Total	\$7,321,829	\$6,805,605	\$7,707,272

City Authorized Positions

Department/Division	FY 2022		FY 2023	
	Full Time	Part Time	Full Time	Part Time
Administration	4	7	4	6
City Secretary	1	0	1	0
Human Resources	1	0	1	0
Municipal Court/Warrant	4	3	4	5
Development Services	3	0	4	0
Dispatch	8	0	8	0
Public Works/Animal Control/Code Compliance	9	0	11	0
Police	23	2	25	5
Fire	12	4	12	0
EMS	6	0	6	0
TOTAL	71	16	76	16



FUND STATEMENTS — GENERAL FUND

- The Proposed General Fund total revenues for FY 2022-2023 are projected to be \$8,211,639, which represents a 7.09% increase from the FY 2022-2023 the current year adopted budget.
- The Proposed General Fund departmental expenditures for FY 2022-2023 is \$7,707,272 representing a 5.26% increase from the current year adopted budget.

OVERALL PROGRAM CHANGES FY 2022-2023



- In order to continue to remain competitive in recruiting and retaining qualified staff, a five (5%) percent COLA and market adjustments to the lower hourly employees, is included in the proposed budget.

OVERALL PROGRAM CHANGES FY 2022-2023



- Quoted health care premiums are a 25% percent increase
 - Staff meet with Insurance Broker to view all options to be able to meet the needs of our staff but to also keep costs down
 - Other bids from several different insurance carriers were above the 25% increase proposed by the current carrier
 - Proposing **up to** a \$100/mth towards dependent coverage to **offset the increased premiums**
 - Currently the City has 17 employees opting in for dependent coverage
 - Increased monthly premium payments range between \$63 to \$181 from current payments



GENERAL FUND - HIGHLIGHTS

- Highlights of the proposed budget are:
 - Increase in Sales Tax revenue
 - Increase in property valuation
 - Additional staffing paid through ARPA funds for FY23 and FY24
 - Utilities Cost
 - Water, Gas and Electricity



GENERAL FUND — HIGHLIGHTS CONT.

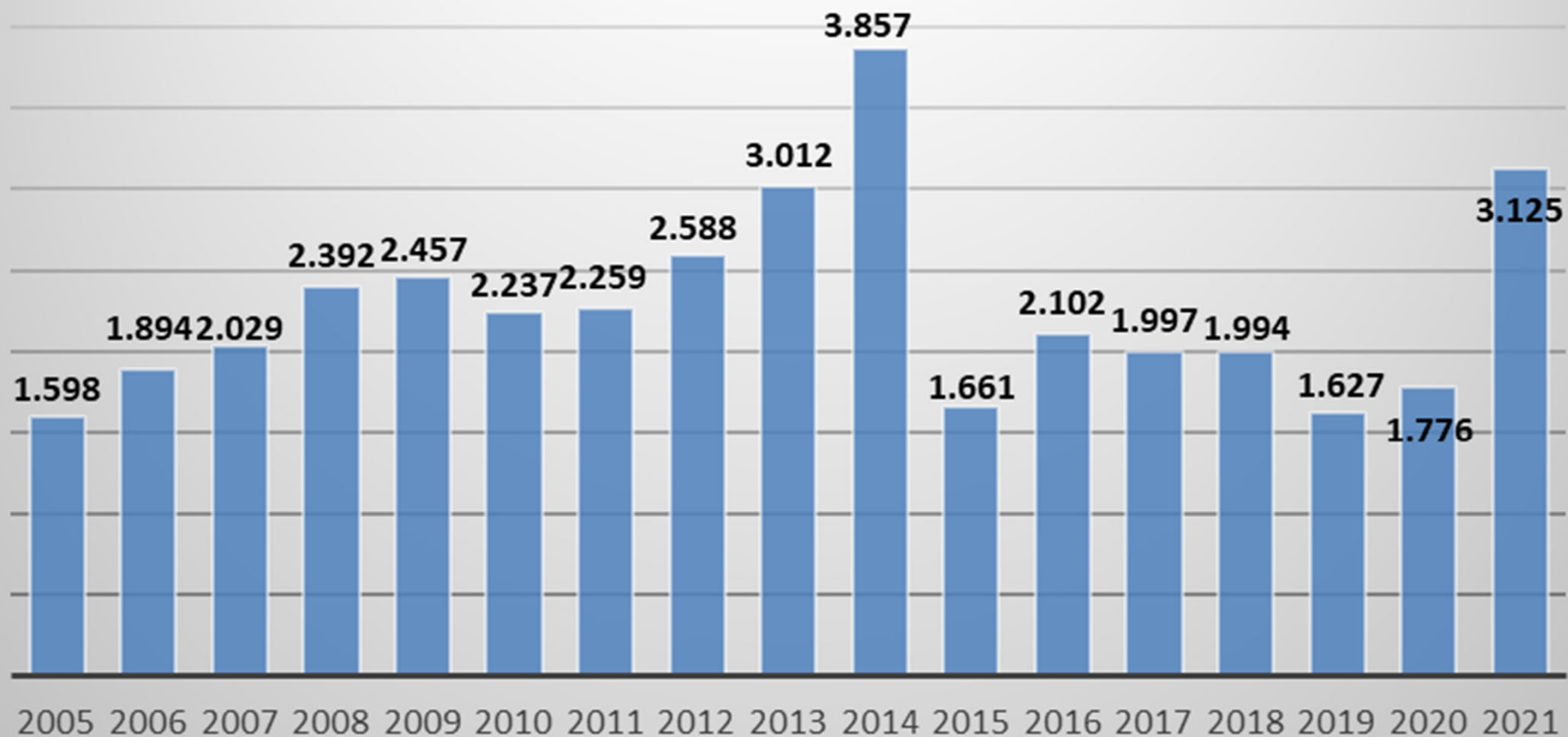
- City Attorney and Prosecutors
 - Increase in hourly rate (had not increased since 2007)
- City Engineer
 - 3rd Party Contract — Ardurra Engineering
 - Increase in plan reviews for Plats, SWMP, TIAs, etc.
 - Seeing increased Commercial development in the City and ETJ
- IT Annual Maintenance Agreements
 - Estimated 3% increase
- Technology and Equipment
 - Radio tower batteries and replacement of push-to-talk communication



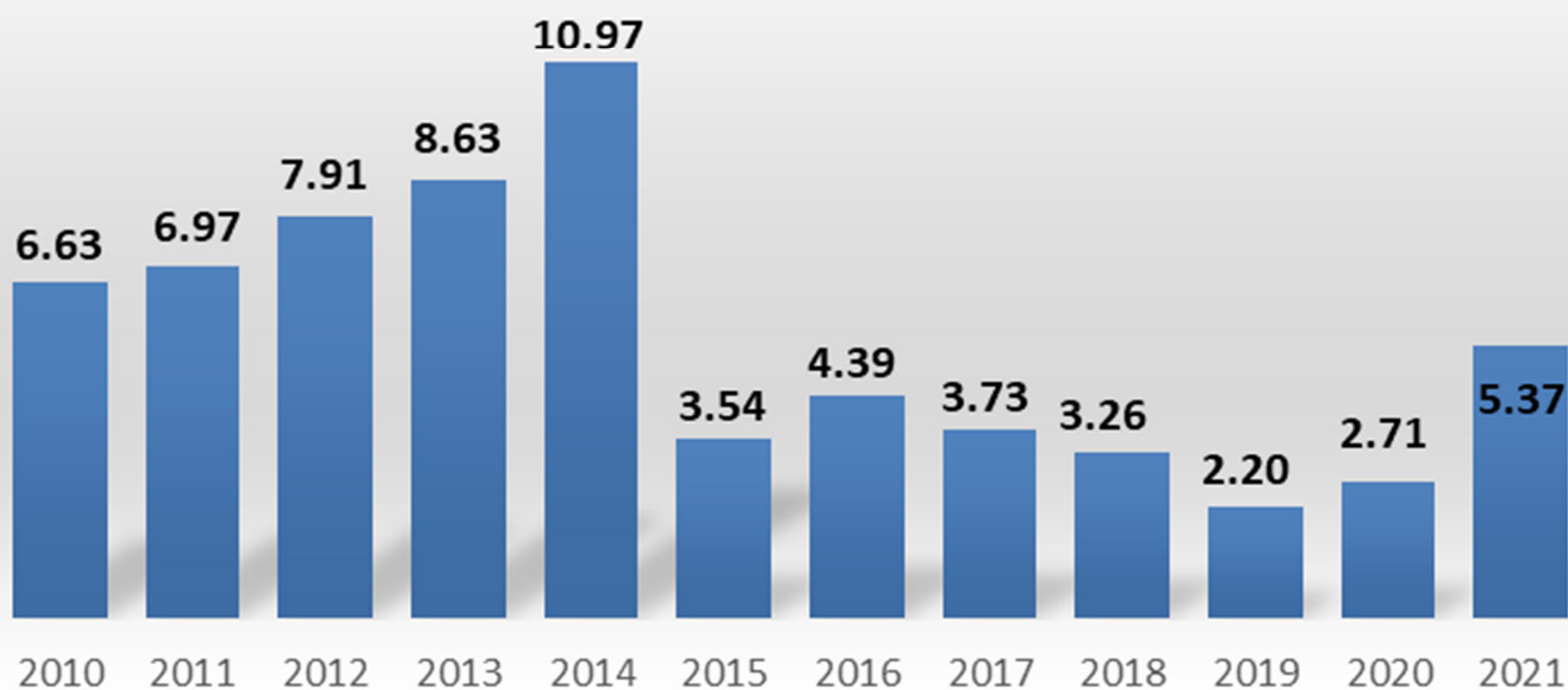
GENERAL FUND — HIGHLIGHTS CONT.

- Fuel cost
- Vehicle Maintenance
 - Several vehicles are no longer under warranty from the manufacture
- Medical Supplies

General Fund Balance (in Millions)



General Fund Balance Reverse (Months)



PROJECTED GENERAL FUND REVENUES/ALLOCATIONS FOR CURRENT FISCAL YEAR ENDING 9/30/22

Beginning Balance 10/1/21	\$3,142,926
Projected Operating Revenues	8,343,933
Projected Departmental Expenditures	<u>-6,410,827</u>
Projected Working Capital Current Operations	\$1,933,105
Proposed transfer to Capital Replacement	\$200,000
Projected General Fund Balance 9/30/22	\$4,858,031



GENERAL FUND BALANCE AT 9/30/22

- Projected General Fund Balance at the end of FY 2022 will equal to \$4,858,031
- The Government Finance Officers Association recommends fund balances be at least three months of operating expenses in case of emergencies which is \$1,830,458
- City Policy is to have at two months of operating expenses which is \$1,220,305

PROPOSED GENERAL FUND BALANCE FY 2023

Projected Beginning Balance 10/1/22	\$4,858,031
Proposed Operating Revenues	\$8,211,639
Proposed Departmental Expenditures	<u>-\$7,707,272</u>
Working Capital from Operations	\$504,367
Estimated Unreserved Fund Balance 9/30/23	\$5,362,398

OTHER GOVERNMENTAL FUNDS PROPOSED FY 2022-2023

Funding Summary

	Capital Projects	Street Maintenance	Court Technology	PEG	School Safety
Projected Fund Balance 10/1/22	\$ 494,828	\$ 1,863,692	\$22,530	\$ 63,891	\$ 42,740
Revenues/Transfers	\$266,236	\$1,261,291	\$ 6,000	\$ 15,000	\$ 16,000
Expenditures	(1) -\$ 222,008	(2)-\$1,000,000	(3)- \$10,042	(4) - \$10,000	(5)-\$ 21,000
Projected Balance 9/30/23	\$ 539,056	\$ 2,124,983	\$ 18,488	\$ 68,891	\$ 37,740

- 1) FY22, expenditures total \$158,852 - current vehicle lease payments; FY23 – requesting transfer of \$200,000 from end of FY22 to pay off all lease payments except the Fire Truck. PD replacements are budgeted in ARPA funds.
- 2) Street Maintenance sales tax revenue of \$1,100,00 - total sales tax of ¼ cent dedicated to Streets Fund
 - Annual SMP and Culvert Projects
- 3) Court and Warrant Hardware and Software - \$10,042
- 4) Anticipation of the requirement to pay mthly fee to utilize PEG channel
- 5) School Safety Lights - \$16,000; Educational Material for Schools \$5,000



FUTURE INITIATIVES

- HFD generator circuits - \$2,650
- Rewire Self Contained Breathing Apparatus (SCBA) Compressor - \$5,250
- Replace Lights in Engine Room - \$3,600
- Upgrade HFD kitchen lights to LED - \$2,191



FUTURE INITIATIVES

- Knox Key Secure and Med Vault Upgrade-\$13,400
 - Current system software is not upgradable
 - Cloud License - \$524/annual
- Foam Injection System for Engine 1 - \$18,077
 - Allows the Engine to have a standard foam injection system, not as a separate unit



FUTURE INITIATIVES

- Participation in STRAC supported whole blood program
 - Start-up cost - \$10,000
 - Annual cost - \$4,000



FUTURE INITIATIVES

- Additional staffing – varies
 - CID - \$76,000 for salary and benefits
 - Extra officers – grant submitted for 4
 - \$68,000/each for salary and benefits



FUTURE INITIATIVES

- Flood Monitoring System Upgrade - \$185,000 by FY26
 - Potential upgrades on the HALT System
 - Capital Replacement Project to plan for

NEXT STEPS

Thursday, August 25, 2022	First Public Hearing for FY 2022-2023 Proposed Budget
Thursday, September 8, 2022	Second Public Hearing for FY 2022-2023 Proposed Budget
Thursday, September 22, 2022	City Council consideration of FY 2022-2023 Proposed Budget and 2022 Property (Ad Valorem) Tax Rate

COUNCIL ACTION NEEDED

- I move the City hold public hearings for the Proposed FY 2022 – 2023 Budget on August 25, 2022 and September 8, 2022.
- I move the City have an action item to adopt the Proposed FY 2022 – 2023 Budget on September 22, 2022.