

2024-2025 BUDGET PRESENTATION

AUGUST 8, 2024



CITY OF HELOTES |



FY 2024 – 2025 PROPOSED BUDGET

The Proposed Budget has been developed to:

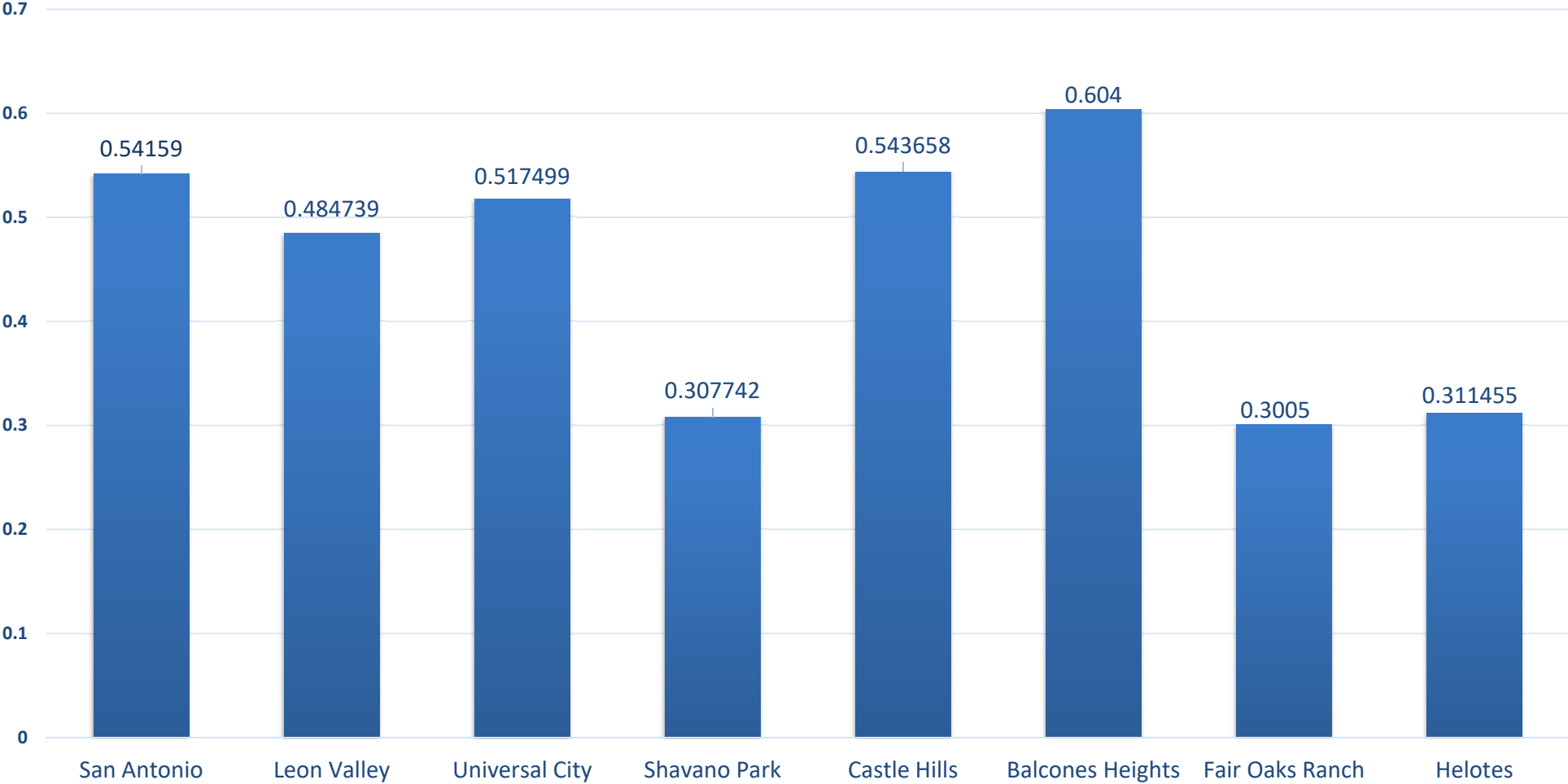
- Be consistent with the established mission, vision and goals of the City of Helotes;
- Allocate resources by City department to provide excellent municipal services to our citizens businesses, and visitors; and
- Highlight how the allocation of City financial and capital resources are targeted to maintain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



PROPERTY TAX RATE FY 2024-2025

- Bexar Appraisal District certified totals for Helotes 2024 net taxable value is \$1.773 billion, an increase of 4.46% over 2024.
- About forty (40%) percent of the City's 2024-2025 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.

2023 Tax Rate Comparison of Cities





PROPERTY TAX HISTORY

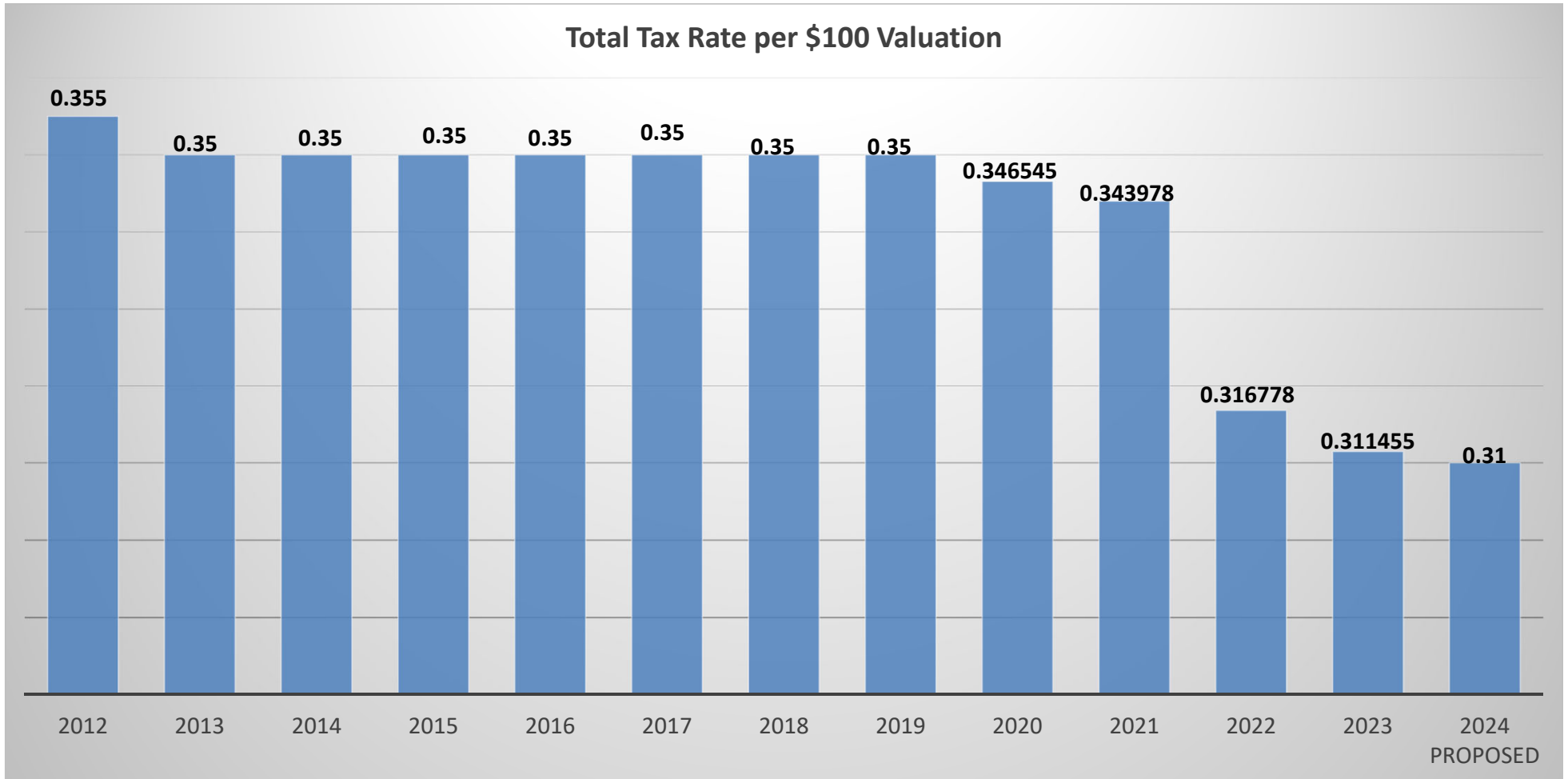
- From 2013 to 2020, the assessed value of taxable property has steadily increased.
- The City of Helotes has maintained the same or lower property tax rate since 2013.
- The Maintenance and Operations portion of the tax rate is approximately equal to the M & O tax rate adopted by the City Council in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



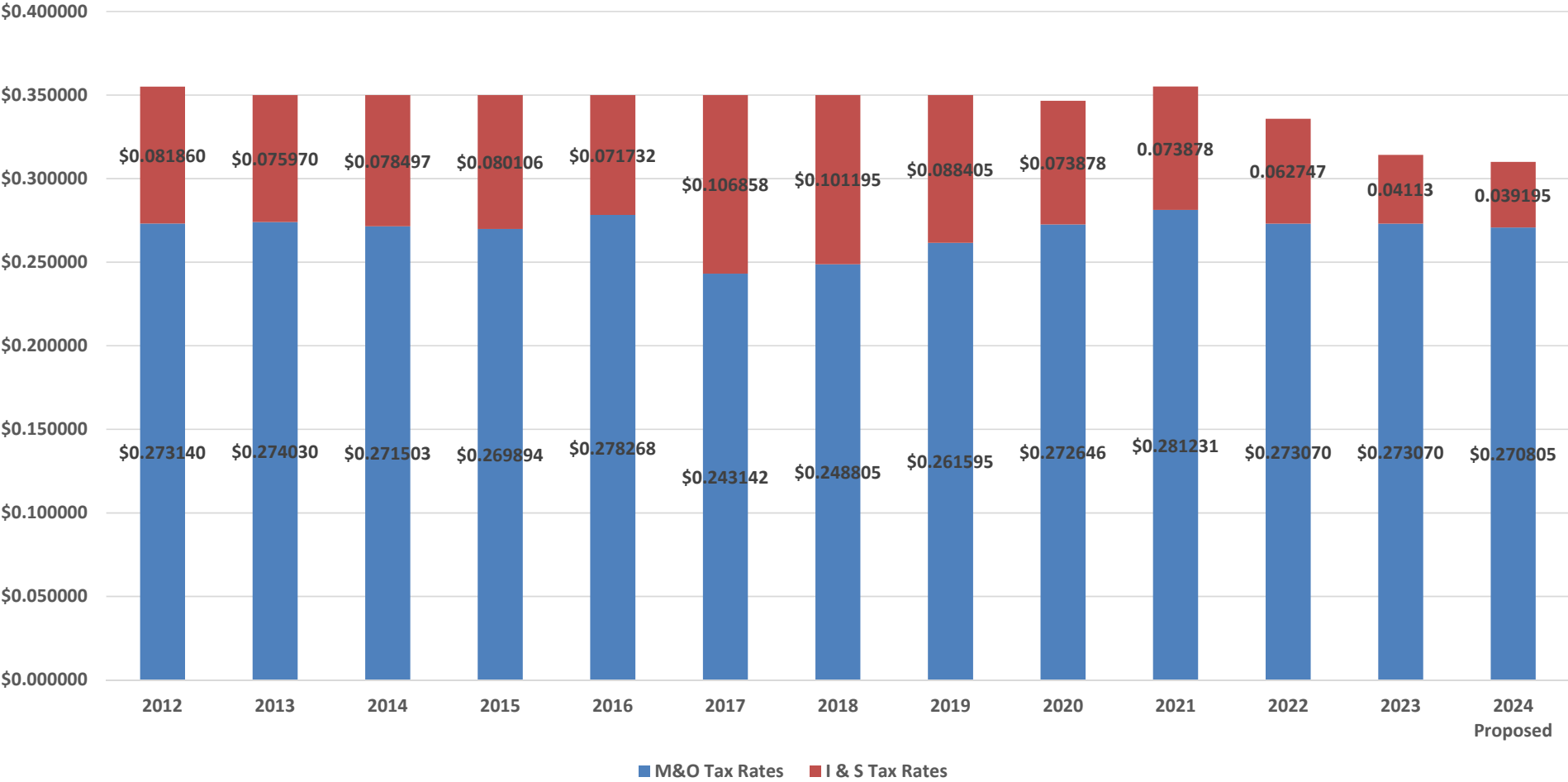
2024-2025 PROPERTY TAX RATE PER \$100

- Current 2023-24 Tax Rate \$0.311455
- No-New-Revenue Rate \$0.307683
- Voter-Approval Tax Rate \$0.316419
- Proposed 2024 Tax Rate \$0.310000

Helotes Tax Rate FY 2012 – FY 2024 - 2025



Property Tax Rate





2024 PROPERTY TAX FREEZE

- Bexar Appraisal District estimates that the number of property owners who qualify for tax freeze in the 2024 tax year will increase by 49.
- This includes the following:
 - Disabled Veteran;
 - Disabled Veteran Surviving Spouse;
 - Disabled Person; and
 - 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 8.25% which includes 6.25% to the State, 1.25% to the City's General Fund, .25% to Street Maintenance and .50% to Economic Development Corporation (EDC)

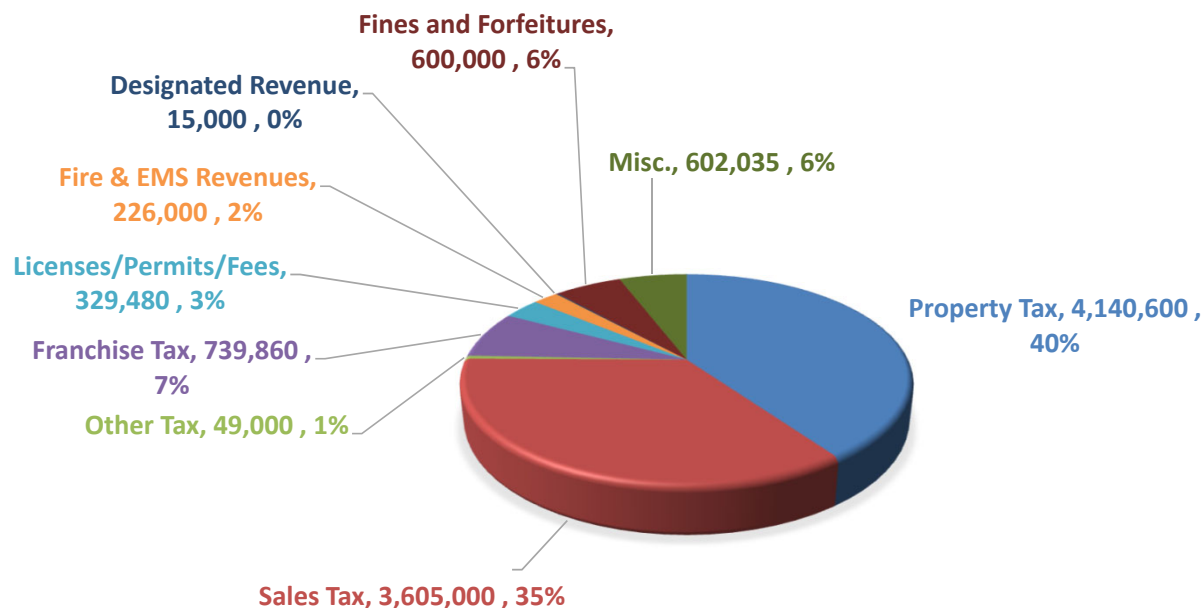


SALES TAX

- For the Proposed Budget, \$ 3,600,000 is projected to be collected by the City from sales tax.
- \$ 1,250,000 is budgeted for the Street Maintenance Fund
- \$ 1,600,000 is budgeted for EDC
- \$3,600,000 is budgeted for the General Fund which represents thirty-five (35%) percent of the total General Fund revenue.

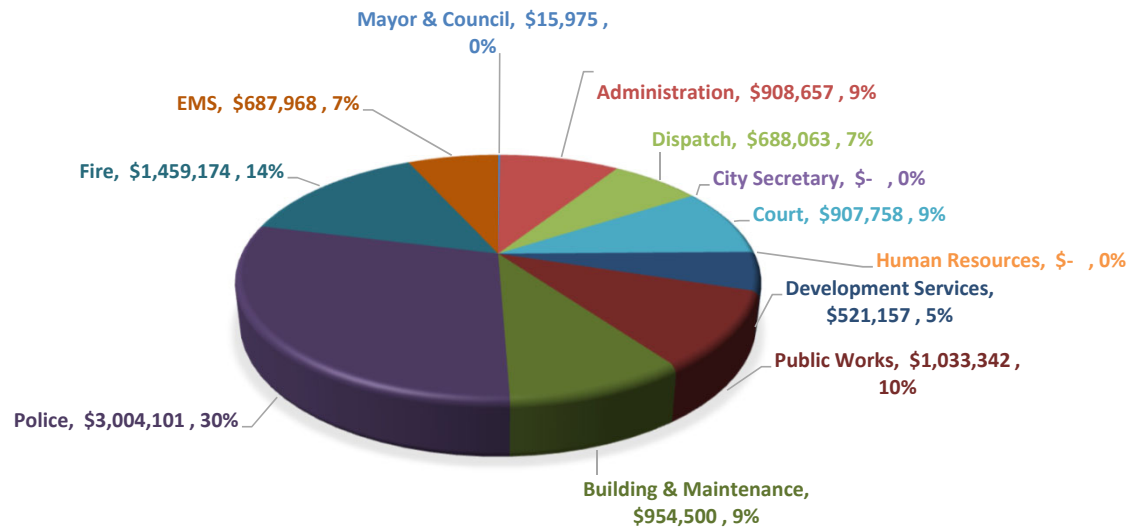


2024-2025 PROPOSED GENERAL FUND REVENUES



TOTAL REVENUE ALLOCATION = \$10,307,575

2024-2025 PROPOSED GENERAL FUND EXPENDITURES



Total Allocations = \$10,180,697



GENERAL FUND TOTAL % OF BUDGET EXPENDITURES

■ Public Safety (Police, Dispatch, Fire, EMS)	58%
■ Administration/Mayor & Council	9%
■ Court/Warrants	9%
■ Building/Grounds/IT/380 Agreements	9%
■ Public Works	10%
■ Development Services	<u>5%</u>
Total Budget Percentage	100%



PROPOSED FY 2024-2025 BUDGET

Department	FYE2024 Budget	FYE2024 Year End Estimate	Proposed FYE 2024-2025 Budget
City Council	\$15,975	\$13,175	\$15,975
Administration	\$953,475	\$881,889	\$908,657
Dispatch	\$660,879	\$515,550	\$688,063
Municipal Court	\$751,796	\$691,197	\$907,758
Development Services	\$456,032	\$385,024	\$521,157
Animal Control / Public Works	\$810,318	\$746,966	\$1,033,342
Buildings / Grounds	\$855,575	\$590,003	\$954,500
Police	\$2,749,130	\$2,553,101	\$3,004,101
Fire	\$1,493,575	\$1,390,051	\$1,459,174
EMS	\$671,156	\$616,127	\$687,968
Total	\$9,417,911	\$8,383,083	\$10,180,697

* City Secretary and Human Resources combined into Administration and Finance



FUND STATEMENTS — GENERAL FUND

- The Proposed General Fund total revenues for FY 2024-2025 are projected to be \$10,307,575 which represents a 3.27% increase from the current year budget.
- The Proposed General Fund departmental expenditures for FY 2024-2025 is \$10,180,697 representing a 8.01% increase from the current year budget.

OVERALL PROGRAM CHANGES FY 2024-2025



- In order to continue to remain competitive in recruiting and retaining qualified staff, a (1%) percent COLA and (2%) MERIT is included in the proposed budget.

OVERALL PROGRAM CHANGES FY 2024-2025



- Quoted health care premiums is a significant increase (Budgeted 8% Increase)
 - Staff meet with Insurance Broker to view all options to be able to meet the needs of our staff but to also provide them with other options
 - Other bid from different insurance carrier was above what was proposed by the current carrier
 - Currently 72 of the Total 84 City employees participate in City Health Insurance. With upcoming enrollment if the following trends into next year anticipate a health expenditure of \$140,000 below forecasted expense.
 - Continued City Contribution of \$200 towards employees participating in Family and Child plans.



GENERAL FUND - HIGHLIGHTS

- Highlights of the proposed budget are:
 - Increase in Sales Tax revenue
 - Increase in Property valuation
 - Police Department Equipment Replacement
 - Upgrade City IT System
 - City Hall Building Repair and Maintenance
 - Staff Incentives



GENERAL FUND — HIGHLIGHTS CONT.

- Staff Incentives
 - Tuition Reimbursement - All City Employees – towards higher education classes in their field of work.
- Bilingual Employee Differential
- Certification Pay
 - Current Range \$300 to \$1,500



GENERAL FUND – HIGHLIGHTS CONT.

- Additional Personnel Costs
 - With the expiration of ARPA employees previously paid through grant rolled back into departmental budgets. 5 total (2 Police, 2 Public Works, & 1 Code Enforcement)
- Inflationary Increases – Supplies, Fuel, Vehicle Maintenance have seen increases in expenditure budgets.



GENERAL FUND — HIGHLIGHTS CONT.

- Administration-
 - Current Employee under Admin moved to Public Works
- Building & Grounds
 - Increase for Hazardous Waste Disposal \$7,000 for twice a year disposal
 - Increase in Building & Grounds Maintenance



GENERAL FUND — HIGHLIGHTS CONT.

- IT Budget
 - IT Software Licenses/Agreement - \$31,346 Increase due to monthly costs associated with O365 and DATTO backup. Also addition of an Executime Module in Incode.
 - Increased Costs Associated with Internet and Telephones



GENERAL FUND – HIGHLIGHTS CONT.

- City of Helotes Police Department
 - Duty Weapon Purchase - \$17,517.50 for new duty weapons moving to 9mm. Allows for savings in regard to ammunition. Potential Buyback for replaced duty weapons.
 - Taser – 12 T7 Tasers \$7861 a year for 5 years
- Uniform Allowance - \$900 per officer increase for uniforms \$8,100 budgeted increase
- Fuel cost increase due to anticipated Fleet increase
- Vehicle Maintenance – Increase due to vehicle life



GENERAL FUND – HIGHLIGHTS CONT.

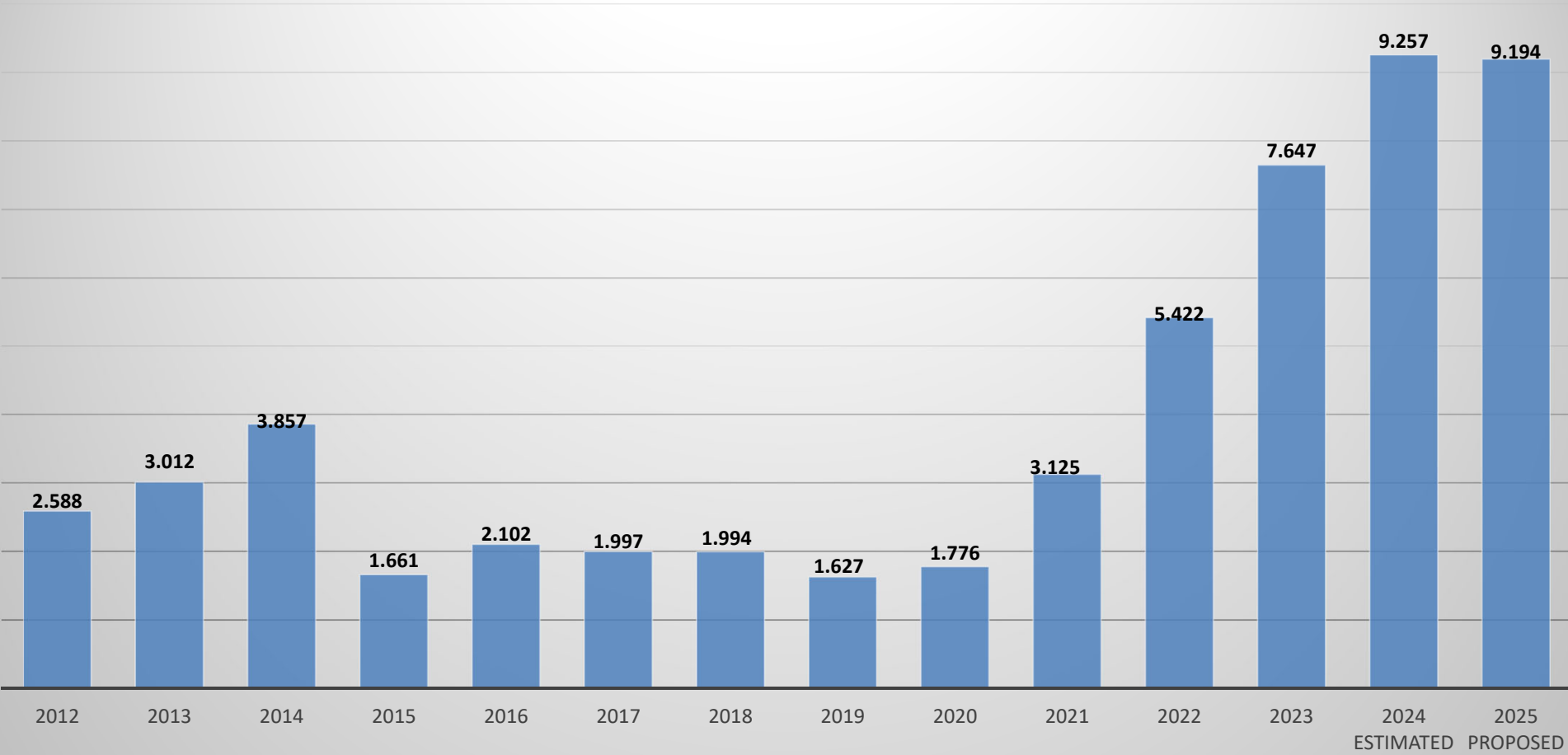
- Court
 - Increase in Municipal Court Operating Costs \$15,000 for Prosecutor & \$7,500 for Municipal Judges (contingent on City Council resolution)
 - Increase in Court Fees \$100,000 – Court has seen an increase in revenues and has also seen an increase in expenditures tied to processing fees.



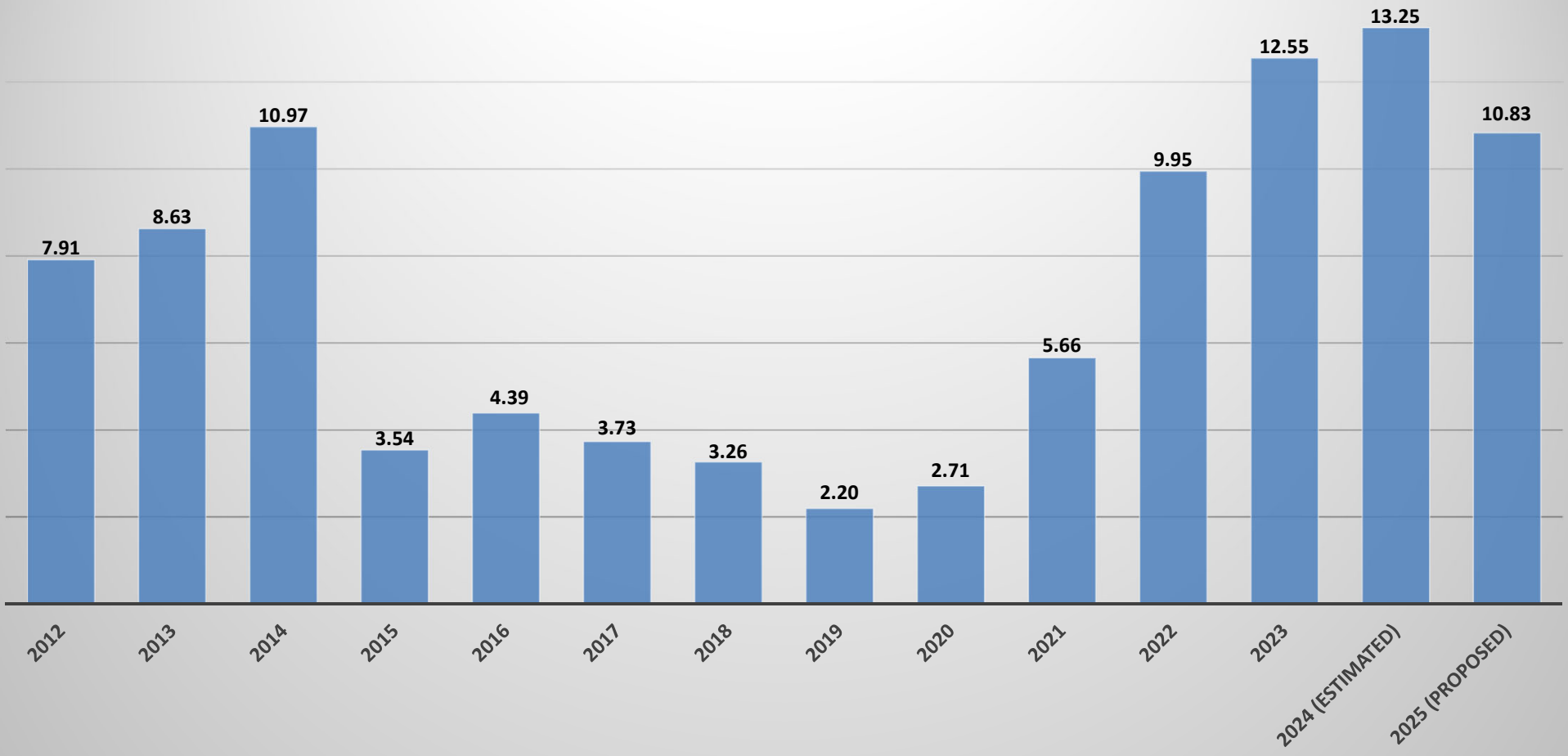
GENERAL FUND — HIGHLIGHTS CONT.

- Public Works
 - Communication Radio Upgrade – \$13,000 existing radios fall out of service 2025
 - Capital Replacement Project – \$55,000 City Hall Building Exteriors Repairs- Repair fascia boards, soffit, eaves, and repaint/seal
 - Current Employee Previously Under Administration Department Moved to Public Works

General Fund Balance (in Millions)



General Fund Balance Reserves (Months)



PROJECTED GENERAL FUND REVENUES/ALLOCATIONS FOR CURRENT FISCAL YEAR ENDING 9/30/24

Beginning Balance 10/1/23	\$7,647,451
Projected Operating Revenues	\$10,192,775
Projected Departmental Expenditures	<u>-\$8,383,083</u>
Projected Working Capital Current Operations	\$1,809,692
Proposed transfer to Capital Replacement	-\$200,000
Projected General Fund Balance 9/30/24	\$9,257,143



GENERAL FUND BALANCE AT 9/30/24

- Projected General Fund Balance at the end of FY 2024 will equal to \$9,257,143
- The Government Finance Officers Association recommends fund balances be at least three months of operating expenses in case of emergencies which is \$2,545,174
- City Policy is to have at two months of operating expenses which is \$1,696,782

PROJECTED GENERAL FUND REVENUES/ALLOCATIONS FOR CURRENT FISCAL YEAR ENDING 9/30/24

Beginning Balance 10/1/24	\$9,257,143
Proposed Operating Revenues	\$10,307,575
Proposed Departmental Expenditures	<u>-\$10,180,697</u>
Proposed Working Capital Current Operations	\$126,878
Proposed transfer to Capital Replacement	-\$190,000
Projected General Fund Balance 9/30/25	\$9,194,020

NEXT STEPS

Thursday, August 22, 2024	HEDC FYE 2025 Proposed Budget Presentation to City Council
Thursday, September 12, 2024	Public Hearing for FY 2024-2025 Proposed Budget and 2024 Property (Ad Valorem) Tax Rate
Thursday, September 26, 2024	City Council consideration of FY 2024-2025 Proposed Budget and 2024 Property (Ad Valorem) Tax Rate