



where quality meets life

PFLUGERVILLE
T E X A S

Finance and Budget Committee

August 18, 2022



Pflugerville Strategic Plan 2021-2025

The Strategic Plan is the guiding document that outlines goals and objectives for the City of Pflugerville. City Council identified four key themes to serve as the foundation of the 2021-2025 Strategic Plan. These themes are:

SAFETY **ECONOMIC DEVELOPMENT** **INFRASTRUCTURE** **SERVICES**

These themes helped us determine four main goals to address over the next five years. By pursuing these, we will be better positioned to provide impactful programs and services to our residents for decades to come. Our four main goals are:



- Become the **safest city** in Texas
- Develop economically to create a **fiscally-sustainable** city with high quality of life
- Maintain and prepare a **robust, resilient infrastructure** that exceeds expectations
- **Engage the community** through vibrant parks and recreation and library programs and services

Taken as a whole, these actions not only change *what* we do, but impact *how* we do it.

MISSION

Pflugerville fosters high quality of life, economic opportunity and a sustainable and diverse community.

VISION

Our vision is to be a dynamic, regional leader by offering a safe, welcoming and inclusive city with a strong sense of community that attracts a talented workforce and desirable businesses.

Facilitated by **Alexander Consulting**

Council Strategic Goals

1. Safety
2. Economic Development
3. Infrastructure
4. Parks, Programs & Services



Proposed Expenditures by Major Fund



Government

General Fund: \$59M*
Debt Service: \$21M
Capital Program:
\$89M



Special Fund

Hotel: \$684.0K**
Court: \$59.0K
PD: \$110.0K
TIRZ: \$1.0M
PEG: \$35.0K



Enterprise

W/WW: \$44M*
Solid Waste: \$7M
Utility Capital:
\$156M

* Excludes Transfer to Capital Reserve

** Includes economic development incentive payments

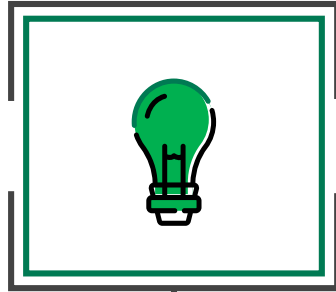


General Fund



Key Budget Assumptions

As presented at May budget workshop



Revenue

- Fund Balance target 35%
- Voter Approval Tax Rate
- Conservative sales tax based on growth



Expenditures

- Merit and COLA compensation adjustments
- PD Step Plan update
- Health insurance adjustments
- Additional headcount to meet demand



Debt Service

- Existing debt service: \$16M
- New debt to issue:
 - GO Bonds: \$50M
 - CO Bonds: \$21.8M
- Vehicle capital lease: \$600K

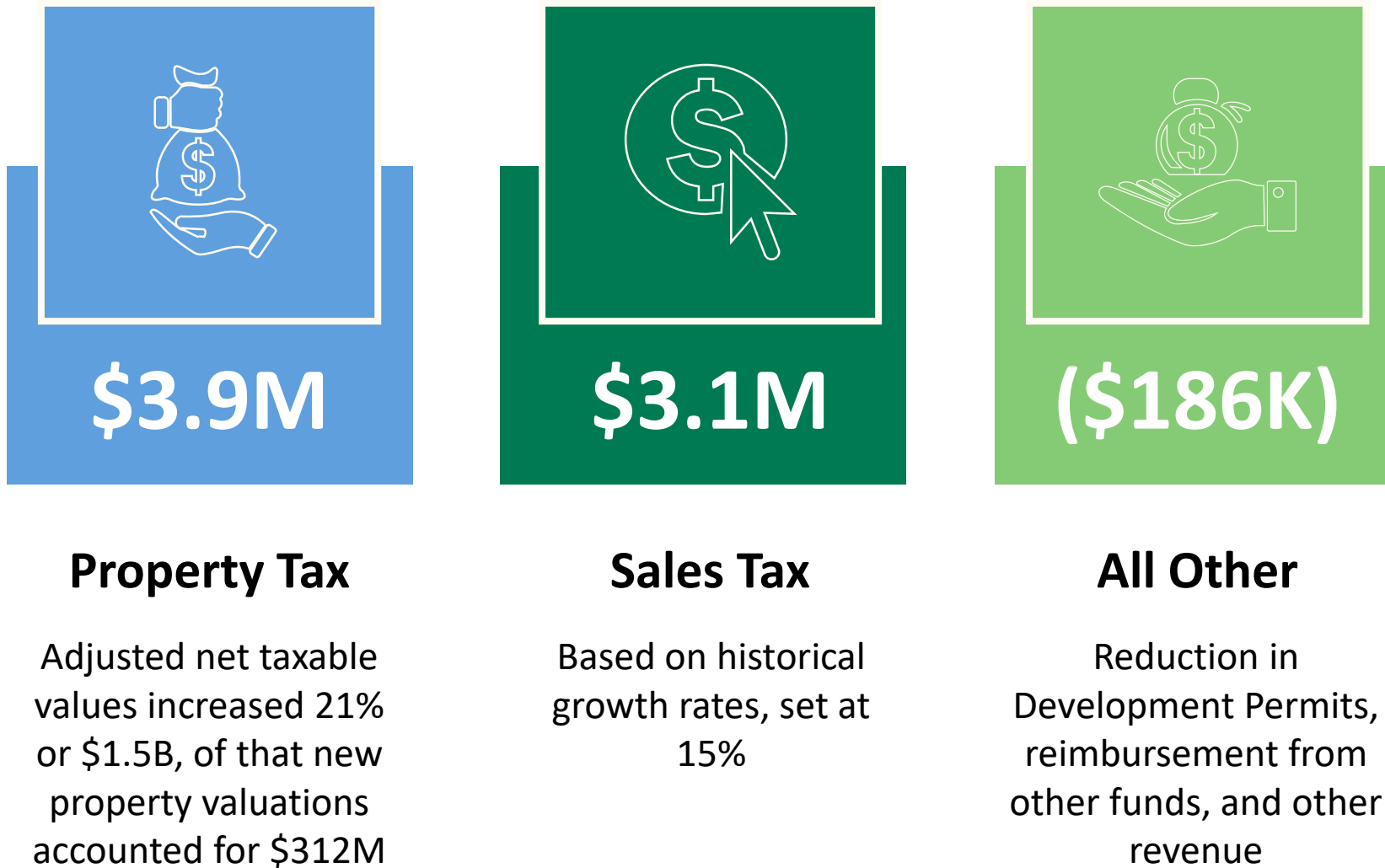


General Fund Summary

(in millions)	FY22 Amended Budget	FY23 Proposed Budget	Proposed \$ Change
Revenue	\$52.8	\$59.7	\$6.9
Expenditures	\$52.8	\$59.6	\$6.8
Transfer to Capital	\$8.2	\$2	(\$6.2)
Fund Balance	\$21.1	\$20.7	(\$0.4)
Fund Balance %	40%	35%	



Proposed Revenue Increases



Tax Rate Definitions

The City's Tax Rate is made up of the following components:

- Maintenance & Operations Tax Rate (M&O): funds operating expenditures
- Interest & Sinking Tax Rate (I&S): funds debt service payments

No-New-Revenue Rate:

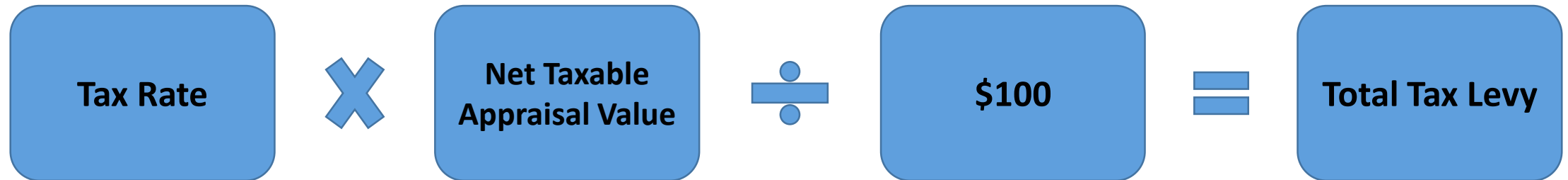
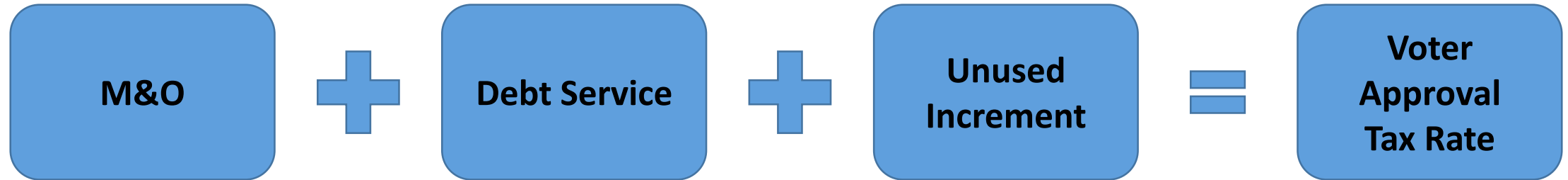
- The tax rate required to produce the same amount of tax revenue for the current fiscal year as the previous fiscal year on properties taxed in both years.

Voter-Approval Rate:

- The maximum rate allowed by law without voter approval via a mandatory election. The calculation includes a specified increase on the prior year M&O no-new-revenue rate plus the amount necessary to cover debt service.



Property Tax Calculations



Historical Tax Rate Summary

(in millions)	FY20	FY21	FY22	FY23
Tax Rate per \$100	.4976	.4863	.4863	.4813
Total Appraisal	\$ 6,197	\$ 6,636	\$ 7,567	\$ 9,163
Total Levy	\$ 30.8	\$ 32.2	\$ 36.8	\$44.1
Debt Service (I&S)	.1872	.1762	.1996	.2131
Operations (M&O)	.3104	.3101	.2974	.2682
1¢ on Tax Rate	\$620K	\$663K	\$756K	\$916K



FY23 Proposed Tax Rates & Tax Levy

	Calculated Tax Rate	Total Tax Levy	Maintenance & Operations	Interest & Sinking (Debt Service)
No-New-Revenue Rate	0.3966	\$36,344,757	\$16,811,646	\$19,533,111
Voter-Approval Rate*	0.4813	\$44,104,930	\$24,571,819	\$19,533,111
Proposed Rate	0.4813	\$44,104,930	\$24,571,819	\$19,533,111

*Includes unused increment of 0.0242



General Fund Expenditure Highlights

**\$500K Increase
Operating**



**\$1.8M
Capital Outlay**



**\$6.5M Increase
Personnel**

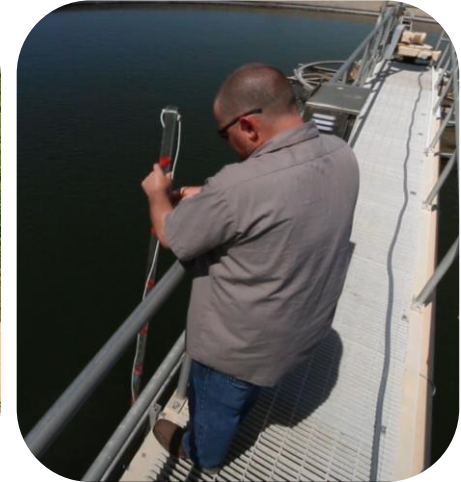


Enterprise Funds



Water/Wastewater Fund Summary

(in millions)	FY22 Amended Budget	FY23 Proposed Budget	Proposed \$ Change
Revenue	\$37.7	\$46.8	\$9.1
Expenditures	\$35.8	\$44.3	\$8.5
Transfer to Capital	\$4.8	\$0	(\$4.8)
Fund Balance	\$10.9	\$16.4	\$5.5
Fund Balance %	30%	37%	



Water/Wastewater Rate Adjustment

	Water	Wastewater	Total
Monthly Increase	\$14.00	\$7.00	\$21.00
Avg Residential Bill	\$72.10	\$57.00	\$129.10

Assumes 5/8" meter and 8,000 gallons for water, 5,000 gallons for wastewater



Water/Wastewater Expenditure Highlights

**\$5.9M Increase
Operating/Debt**



**\$1.2M
Capital Outlay**



**\$1.6M Increase
Personnel**



Solid Waste Fund Summary

(in millions)	FY22 Amended Budget	FY23 Proposed Budget	Proposed \$ Change
Revenue	\$6.9	\$7.3	\$0.4
Expenditures	\$6.9	\$7.3	\$0.4
Fund Balance	\$1.7	\$1.7	(\$0)
Fund Balance %	25%	23%	



Budget Timeline & Next Steps

